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South Hampton Resources Signs Five-Year Agreement for Hydrocarbon Supply

SUGARLAND, Texas, June 29 /PRNewswire-FirstCall/ -- South Hampton Resources, Inc., an affiliate of Arabian American Development Co. (Nasdaq: ARSD), today announced that it has signed a five-year replacement contract with an affiliate of a Fortune 100 company that allows sales in excess of \$15 million per year based on current market values, which represents a continuing business relationship with a current purchaser. The contract includes several different hydrocarbons that will be supplied to multiple plant locations for the customer within North America.

Mark Williamson, Vice President, Marketing, South Hampton Resources, ARSD's Specialty Petrochemicals business, commented, "The five-year new replacement agreement reflects South Hampton's long-term business relationship with the customer, superior product quality, our fast and flexible customer service and our market leadership. In addition, by negotiating a term agreement based on market indices, we will be able to minimize the impact to gross margins more effectively as market conditions change over the life of the agreement and is in-line with our stated objective to move larger customers to these types of pricing structures."

About Arabian American Development Company (ARSD)

ARSD owns and operates a petrochemical facility located in southeast Texas just north of Beaumont which specializes in high purity petrochemical solvents and other solvent type manufacturing. The Company is also the original developer and now a 41% investor in a Saudi Arabian joint stock company involving a mining project in the Al-Masane area of Saudi Arabia which is currently under construction. The mine is scheduled to be in production in 2011 and will produce economic quantities of zinc, copper, gold, and silver.

Safe Harbor

Statements in this release that are not historical facts are forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward looking statements are based upon management's belief as well as assumptions made by and information currently available to management. Because such statements are based upon expectations as to future economic performance and are not statements of fact, actual results may differ from those projected. These risks, as well as others, are discussed in greater detail in Arabian American's filings with the Securities and Exchange Commission, including Arabian American's Annual Report on Form 10-K for the year ended December 31, 2009 and the Company's subsequent Quarterly Reports on Form 10-Q.

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