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Arabian American Reports Update on Al Masane Al Kobra Mining Company

Company Exceeded 2013 Internal Plan Due to Improved Reliability and Better Mine Efficiencies

SUGAR LAND, Texas, Jan. 16, 2014 /PRNewswire/ -- Arabian American Development Co. (NYSE: ARSD), a leading provider of high purity specialty chemicals and 35% owner of Al Masane Al Kobra Mining Company ("AMAK"), released year-end and project-to-date results for AMAK.

"We are pleased that for the first full calendar year of production, AMAK exceeded initial budget plans for both running time and mill throughput. As a result of better than anticipated reliability in 2013 and increased mine efficiencies, both copper and zinc shipments also exceeded internal plans," said Nick Carter, President and Chief Executive Officer of ARSD. "AMAK will process a mixture of development ore as the underground development continues near the main ore bodies; therefore, we expect continued fluctuations in the grade of ore mix recovered. We do not anticipate the third ore body to be fully developed until 2015. As AMAK works its way into the second and third ore bodies in 2014, the product mix is projected to contain more zinc than recovered in the initial production obtained from the first ore body. In addition, a scheduled two week maintenance shutdown on the ore processing mill is planned for the June 2014 timeframe which will affect overall production. Therefore, as previously disclosed, we expect 30,000 metric tons of copper concentrate and 41,000 metric tons of zinc concentrate to be produced in the coming year. We also expect AMAK to have their precious metals circuit operational by the middle of the year, but the modifications will have to be proven effective prior to disclosing any projections on gold and silver recovery."

Description	2013	Project
	Actual	To Date
	(12/31/13)	(12/31/13)
Running time, hours	7,637.3	12,427.0
Mill throughput, DMT	699,316	1,110,906
Processing rate, DMT/hour	91.6	89.4
Raw ore grade, % Cu	1.48	1.37
% Zn	3.19	3.26
Concentrate quantity		
Copper, DMT	35,140	51,613
Zinc, DMT	33,460	54,675
Concentrate grade		
%Cu	25.2	24.7
%Zn	49.8	49.8
Recovery, %		
Copper	85.7	84.0
Zinc	74.6	75.3
Shipments, wmt		
Copper	39,760	45,760
Zinc	42,254	58,754

Despite fluctuations in metal prices in 2013, full year results exceeded internal expectation in terms of revenues and returns. Current forecasts predict zinc prices to increase as much as 20% in 2014 with possible further price increases in 2015 as several producing mines are scheduled to cease production. The price for zinc is anticipated to fluctuate next year between a low of \$1900 per ton with the high potentially reaching \$2400 per ton. The consensus forecast for copper is fairly stable, range bound pricing between \$6500 per ton and \$7500 per ton.

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 a 35% owner of Al Masane Al Kobra Mining Co., a Saudi Arabian joint stock company.

Forward-Looking Statements

Statements in this press 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 our belief, as well as, assumptions made by and information currently available to us. 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/A for the year ended December 31, 2012, and the Company's subsequent Quarterly Reports on Form 10-Q. All forward-looking statements included in this press release are based upon information available to the Company as of the date of this press release.

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