

Manager of Company Announcements  
ASX Limited  
Level 5, Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

7<sup>th</sup> January 2009

Dear Sirs,

**Appointment of Non-Executive Director**

The Board is pleased to announce the appointment of Mr. Jonathon Allaway as a Non-Executive Director of South American Iron & Steel Corporation Limited ("SAIS") effective from today.

Mr. Allaway, B. Ec. (Sydney University), was a senior partner of Accenture. Whilst at Accenture, Mr. Allaway was the Managing Partner for Banking Teams in Singapore, Thailand, India and Mauritius. He was also the lead partner for core banking, credit transformation and financial and performance management with around 280 staff under his management. Mr. Allaway was instrumental in generating a 20 fold revenue growth over a five year period.

After leaving Accenture in 2004, Mr. Allaway started his own business providing management consulting to senior executives in the banking, funds management and private equity sectors across Asia Pacific.

Mr. Allaway's area of expertise includes:

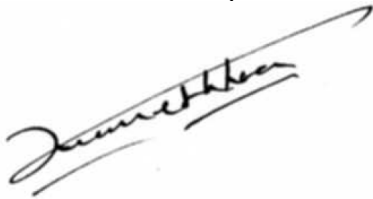
- Business & IT Strategic Planning.
- Sales Force Effectiveness Improvement.
- Back Office Rationalisation and Productivity Improvement.
- Mergers & Acquisitions.
- Large Project Planning & Program Management.
- Enterprise Performance Management.

Mr. Allaway's is also a director of the following entities:

- IntraPower (ASX code:IPX);
- NetMauritius.com; and
- Saltbush Rural Management.

Mr. Franco Belli, Chairman of SAIS said “We are very pleased that Jon has accepted our invitation to join the Board of South American Iron & Steel Corporation Limited. At this crucial stage of the Company’s development, Jon’s wealth of hands on experience, especially in large project planning and program management, will certainly be critical to SAIS’s achieving its objectives of being the cheapest iron ore producer.”

By order of the Board  
Date: 7<sup>th</sup> January 2009



Kenneth Lee  
Company Secretary  
South American Iron & Steel Corporation Limited