

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

11th May 2009

Dear Sirs,

Termination of Conditional Funding Agreement with Astron

Astron Limited ("Astron") (ASX: ATR) notified the Company that it has terminated the conditional funding agreement, which was announced on 13th February 2009.

SAIS continues to seek options available to the Company in conjunction with its advisors to raise funds with a view of securing the Company's ongoing financial position.

Yours faithfully,
South American Iron & Steel Corporation



Franco Belli
Managing Director