

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

18<sup>th</sup> May 2009

Dear Sirs,

### **Placement and New Director Appointed**

The Directors of South American Iron & Steel Corporation Limited (“the Company”) are pleased to announce a successful share placement raising **\$961,249.95** from the issue of **12,816,666** shares at 7.5 cents per share. The capital will be used to advance Pilot Plant tests, feasibility, resource estimation and for working capital. The shares were placed with clients of lead manager Paterson Securities Limited.

The newly appointed Managing Director, Dr. Richard Haren stated: “We are delighted with the successful capital raising which was done in a very short time frame on Thursday.”

Mr Terry Cuthbertson has today accepted a position as Non – Executive Chairman and the interim Chairman Dr. Haren has stood down from that position, but remains CEO and Managing Director. Mr Cuthbertson is also the Chairman of Austpac Resources NL, MyNetFone Limited, Montec Limited and Mint Wireless Limited (a short CV for Mr. Cuthbertson is attached).

Dr Haren has negotiated a three year contract as CEO and MD of SAIS with an initial remuneration package valued at \$180,000 pa. Ongoing discussions are continuing regarding incentives and performance bonuses, these will be announced when finalized.

Yours faithfully,



Dr. Richard Haren  
Managing Director

**Mr. Terry Cuthbertson - Non-Executive Chairman ASIS**

Mr. Cuthbertson holds a Bachelor of Business Degree and is a member of the Australian Institute of Chartered Accountants.

He is a former Partner of the Audit and Corporate Finance Divisions of KPMG Chartered Accountants and former NSW Partner in Charge of Mergers and Acquisitions, where he coordinated government privatisations, mergers, acquisitions, divestitures and public offerings on the Australian Stock Exchange for the New South Wales practice.

Mr. Cuthbertson is the former Group Finance Director of Tech Pacific Holdings Pty Limited, which in 1999 had a turnover of \$AU2 billion and was a Director for Tech Pacific Holdings Pty Limited's businesses in China, Hong Kong, Singapore, India, Philippines, Indonesia and Thailand.

Mr. Cuthbertson is Chairman of Montec International Limited, Chairman of Austpac Resources NL, Chairman of MyNetFone Limited and Chairman of Mint Wireless Limited.