



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

(ASX: SAY)

28th June 2010

Dear Sirs

News Article in Sydney Morning Herald website

In relation to the news article titled “Aussie firm eyes iron sands in Ecuador” appearing in today’s Sydney Morning Herald website, attached is a copy of the Ecuador Foreign Ministry media release (and unofficial translation) referred to in that news article.

Shareholders would be aware that SAY, as announced previously, has had concessions in Ecuador but due to Ecuador’s New Mining Law, they have been cancelled.

The Company confirms that it is in preliminary on-going discussions with Ecuador government authorities but no arrangements or agreements have been reached.

Unofficial Translation:

“Australian industrial investors propose to assemble a steel operation in Ecuador seizing dredged-sludge from access channels to the ports of Guayaquil and Esmeraldas and in the reservoirs of Paute and Peripa Duale, to produce iron and steel for the local market and export.

After contacts with Invest Ecuador, government agency of investment promotion, through the Diplomatic Mission of Ecuador in Australia led by Ambassador Raúl Gangotena and Consul General in Sydney, Luis Felipe Valencia, the Australian investors company South American Iron and Steel, SAIS, expressed their interest of recycling dredged-sludge with high content of iron with 99.6% purity.

It is also expected to produce special construction materials and clean sludge for landfills in low-lying areas of Guayaquil and Esmeraldas, ports to receive the benefit of expanded dredging operations by economic exploitation of the by-product. As in the case of the reservoirs whose useful life is extended for strategic hydroelectric generation.

Executives of SAIS have interest to associate with local investors and State enterprises. The investment that would exceed the billion dollars would be phased and would take around five years after the green light from the Ecuadorian authorities.

Due to the economic advantages of the project, its clean technology and environmental benefits, they expect to obtain credits from the Australian Investment Promotion Bank, the International Finance Corporation and local entities interested in an industrial operation projected to Asian markets of high-growth, with long-term demands as the supply of vehicles to populations of hundreds of millions of people.

The Ambassador Gangotena and the Consul Valencia attended the presentation of SAIS executives in Sydney and pointed out that the proposal will be sent immediately electronically to Invest Ecuador for consideration by the Government authorities.”

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kenneth Lee', with a long, sweeping horizontal stroke extending to the right.

Kenneth Lee
Acting CEO