



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

(ASX: SAY)

27th May 2010

Dear Sirs

Deed of Settlement (Aguas Claras Project) with Shoreline Minerals Limited

The Directors of South American Iron and Steel Corporation Limited (“**SAY**”) announce that Shoreline Minerals Limited (“**SML**”) has not paid an Option Fee on the due date under a Deed of Settlement regarding the acquisition of the Aguas Claras Project in Chile. The Deed of Settlement was announced on 26th March 2010.

As a result of SML’s failure to pay the Option Fee by the due date, SAY now retains all rights to the Aguas Claras Project in Chile, including a small parcel of freehold land 48.5 ha within the project area.

Yours faithfully

Kenneth Lee
Acting CEO