Notification of Consolidation/Split

Announcement Summary

Entity name

SOUTH AMERICAN FERRO METALS LIMITED

Applicable security for the reorganisation

SFZ	ORDINARY FULLY PAID
SFZAS	OPTION EXPIRING 31-DEC-2015 EX 36C
SFZAM	OPTION EXPIRING 23-OCT-2018 EX 7C
SFZAK	OPTION EXPIRING 24-JUL-2018 EX 7.3C
SFZAI	OPTION EXPIRING 18-NOV-2017 EX 12C

Announcement Type

Update to previous announcement

Date of this announcement

Thursday December 17, 2015

Reason for the Update

Amendment to reorganisation timetable

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 *Name of +Entity

SOUTH AMERICAN FERRO METALS LIMITED

1.2 *Registered Number Type

ABN

Registration Number

27128806977

1.3 *ASX issuer code

SFZ

1.4 *The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Amendment to reorganisation timetable

1.4b * Date of previous announcement(s) to this update

Tuesday December 15, 2015

1.5 *Date of this announcement

Thursday December 17, 2015

1.6 *Securities affected by the reorganisation

SFZ	ORDINARY FULLY PAID
SFZAS	OPTION EXPIRING 31-DEC-2015 EX 36C
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SFZAI	OPTION EXPIRING 18-NOV-2017 EX 12C

Part 2 - Approvals

2.1 *Are any of the below approvals required for the reorganisation before business day 0 of the timetable?
- **Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity required to be given/met before business day 0 of the timetable for the reorganisation.**

No

Part 3 - Reorganisation timetable and details

3.1 *+Record date

Monday January 18, 2016

3.2 Date of +security holder meeting

3.3 Last day for trading in the pre-re-organised +securities

Wednesday January 13, 2016

3.4 *Effective date. Trading in the re-organised securities commences on a +deferred settlement basis. If the +entity's securities are suspended from trading during this period there will be no +deferred settlement trading however ASX still captures this date.

Thursday January 14, 2016

3.5 Record date

Monday January 18, 2016

3.6 First day for +entity to send notices to +security holders of the change in the number of +securities they hold. First day for +entity to register +securities on a post-reorganised basis

Tuesday January 19, 2016

3.7 *+Issue date. +Deferred settlement market ends. Last day for +entity to send notices to +security holder of the change in the number of +securities they hold. Last day for +entity to register +securities on a post-reorganised basis

Monday January 25, 2016

3.8 Trading starts on a normal T+3 basis

Wednesday January 27, 2016

3.9 First settlement of trades conducted on a +deferred settlement basis and on a normal T+3 basis

Monday February 1, 2016

Part 4 - Reorganisation type and details

4.1 *The reorganisation is

+Security consolidation

4.1a *Consolidation ratio: the +securities will be consolidated on the basis that every

23

(pre-consolidation) +securities will be consolidated into

1

(post-consolidation) +security (/ies).

4.2 *Scrip fraction rounding

Fractions rounded up to the next whole number

Part 5 - +Securities on issue before and after reorganisation

5.1 *+Securities on issue before and after the reorganisation

*ASX +Security Code SFZ	***ASX +Security Description** ORDINARY FULLY PAID		
Quoted/unquoted Quoted	**Number on issue before reorganisation** 409,147,659	**Number on issue after reorganisation** 17,789,029	**Estimate/Actual** Estimated
*ASX +Security Code SFZAS	***ASX +Security Description** OPTION EXPIRING 31-DEC-2015 EX 36C		
Quoted/unquoted Unquoted	**Number on issue before reorganisation** 16,630,000	**Number on issue after reorganisation** 723,043	**Estimate/Actual** Estimated
*ASX +Security Code SFZAM	***ASX +Security Description** OPTION EXPIRING 23-OCT-2018 EX 7C		

Quoted/unquoted Unquoted	Number on issue before reorganisation 6,500,000	Number on issue after reorganisation 282,609	Estimate/Actual Estimated
*ASX +Security Code SFZAK	*ASX +Security Description OPTION EXPIRING 24-JUL-2018 EX 7.3C		
Quoted/unquoted Unquoted	Number on issue before reorganisation 20,457,383	Number on issue after reorganisation 889,451	Estimate/Actual Estimated
*ASX +Security Code SFZAI	*ASX +Security Description OPTION EXPIRING 18-NOV-2017 EX 12C		
Quoted/unquoted Unquoted	Number on issue before reorganisation 12,500,000	Number on issue after reorganisation 543,478	Estimate/Actual Estimated

5.2 *Exercise price of options

*ASX +Security Code SFZAS	*ASX +Security Description OPTION EXPIRING 31-DEC-2015 EX 36C	
Quoted/unquoted Unquoted	Exercise price before reorganisation 0.36000000	Exercise price after reorganisation 8.28000000
*ASX +Security Code SFZAM	*ASX +Security Description OPTION EXPIRING 23-OCT-2018 EX 7C	
Quoted/unquoted Unquoted	Exercise price before reorganisation 0.07000000	Exercise price after reorganisation 1.61000000
*ASX +Security Code SFZAK	*ASX +Security Description OPTION EXPIRING 24-JUL-2018 EX 7.3C	
Quoted/unquoted Unquoted	Exercise price before reorganisation 0.07300000	Exercise price after reorganisation 1.67900000
*ASX +Security Code SFZAI	*ASX +Security Description OPTION EXPIRING 18-NOV-2017 EX 12C	
Quoted/unquoted Unquoted	Exercise price before reorganisation 0.12000000	Exercise price after reorganisation 2.76000000

Part 6 - Further information

6.1 Further information relating to the reorganisation

6.2 Additional information for inclusion in the Announcement Summary