



MARKET RELEASE

12 November 2010

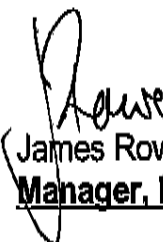
South American Ferro Metals Limited

REINSTATEMENT TO OFFICIAL QUOTATION

South American Ferro Metals Limited (the "Company") will be reinstated to official quotation as from the commencement of trading on Tuesday 16 November 2010, following the Company's compliance with listing rule 11.1.3 and chapters 1 and 2 of the ASX listing rules.

73,235,795 ordinary shares fully paid
17,430,879 options exercisable at \$0.20 on or before 31 December 2014

Security Code SFZ
 SFZO


James Rowe
Manager, Issuers (Perth)



ASX
AUSTRALIAN SECURITIES EXCHANGE

ASX Circular

Date: 12 November, 2010

Key topics

1. South American Ferro Metals Limited
2. Reinstatement
3. ASX Code SFZ
4. ASX Code SFZO

Reading List

Client Advisers
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Corporate Advisory
OTR Operators
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Institutions
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Operations Managers (back office)
Research Analysts
Share Registries
ACH Participants
Market Participants

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No responsibility is accepted for any inaccuracies contained in this matter published.

SOUTH AMERICAN FERRO METALS LIMITED - REINSTATEMENT TO OFFICIAL QUOTATION

The suspension of trading in the securities of South American Ferro Metals Limited (the "Company") will be lifted from the commencement of trading on Tuesday 16 November 2010 following compliance by the Company with Chapters 1 and 2 of the Listing Rules.

The securities of the Company will be reinstated to Official Quotation as from the commencement of trading on Tuesday, 16 November 2010.

Quoted Securities: 73,235,795 fully paid ordinary shares
17,430,879 exercisable at \$0.20 cents on or before 31 December 2014

ASX Code: SFZ
SFZO

Time: 10.00am EDST (7.00 AM WST)

Date: 16 November 2010

ITS Abbreviation: STH AFERRO

ISIN: AU000000SFZ1
AUU00000SFZO7

Home Branch: Perth

Industry Classification: Materials

Registered Office: Parkinson Chartered Accountants
and Business Advisors
Level 1, 322 Hay Street
Subiaco WA 6008
PO Box 1310 Subiaco WA 6904

Company Secretary: Phil Re

Share Registry: Advance Share Registry Ltd
Unit 2, 150 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389
Facsimile: (03) 9473 2563

Balance Date: 30 June

CHESS: Participating. The Company will also operate an issuer sponsored subregister.

State of Incorporation: Western Australia

Dividend Policy: None

Activities: Iron Ore Exploration

ASX Restricted Securities:

50,488,518 fully paid ordinary shares issued to related parties and classified by ASX as restricted securities and to be held in escrow for a period of 24 months from commencement of official quotation.

151,465,554 performance shares issued to related parties and classified by ASX as restricted securities and to be held in escrow for a period of 24 months from commencement of official quotation.

5,000,000 options exercisable at \$0.20 cents on or before 15 July 2012 issued to related parties and classified by ASX as restricted securities and to be held in escrow for a period of 24 months from commencement of official quotation.

33,489,469 fully paid ordinary shares issued to unrelated parties and classified by ASX as restricted securities and to be held in escrow for a period of 12 months from 12 November 2010.

100,468,407 performance shares issued to unrelated parties and classified by ASX as restricted securities and to be held in escrow for a period of 12 months from 12 November 2010.