

Form 604Corporations Act 2001
Section 671B**Notice of change of interests of substantial holder**

To Company Name/Scheme SOUTH AMERICAN FERRO METALS LIMITED
 ACN/ARSN 128 806 977

1. Details of substantial holder (1)

Name Stephen John Turner
 Independent Nominee Corporation Pty Limited
 ACN/ARSN (if applicable) Independent Nominee Corporation Pty Limited – ACN 079 547 630

There was a change in the interests of the
 substantial holder on 28/12/2011
 The previous notice was given to the company on 03/11/2011
 The previous notice was dated 31/10/2011

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	46,267,356	14.2%	61,689,809	15.1%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
23/12/2011	Tin Zone Holdings Limited	Conversion of Class B Performance Shares to Ordinary shares	Exercise of 10,153,034 Performance shares	10,153,034 Ordinary shares	10,153,034
23/12/2011	Afro Pacific Capital Pty Limited	Conversion of Class B Performance Shares to Ordinary shares	Exercise of 2,932,498 Performance shares	2,932,498 Ordinary shares	2,932,498
23/12/2011	Africa Pacific (HK) Capital Limited	Conversion of Class B Performance Shares to Ordinary shares	Exercise of 2,336,920 Performance shares	2,336,920 Ordinary shares	2,336,920

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
- (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.
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