

RESIGNATION OF CHIEF EXECUTIVE OFFICER

South American Ferro Metals Limited (ASX: SFZ) ("SAFM" or the "Company") wishes to advise that Mr Philip Hopkins has tendered his resignation as Chief Executive Officer and Executive Director. Mr Hopkins will continue in his role until April 2013. The Company has commenced a search for a new Chief Executive Officer.

SAFM Chairman, Terence Willsteed commented that "On behalf of the SAFM's Board, I take this opportunity to thank Philip for his efforts and support during the project start-up period, in which time the operating and development team, as well as the production facilities have been established."

For more information:

South American Ferro Metals (SAFM)

Dion Cohen

Company Secretary

+61 2 8298-2008

--Ends--

About South American Ferro Metals

South American Ferro Metals Limited owns 100% of the producing Ponto Verde Iron Ore Project in the heart of the Iron Ore Quadrilateral in Brazil, 35 kilometres from the town of Belo Horizonte in the state of Minas Gerais. The Iron Ore Quadrilateral is a prolific iron ore mining area, and the Project is located proximate to established mining operations, iron and steel plants and existing infrastructure.

Website: www.safml.com