

## **APPOINTMENT OF NON- EXECUTIVE DIRECTOR**

South American Ferro Metals Limited ("SAFM" or "the Company") today announced the appointment of Mr Rogério Caporali as an independent Non-Executive director, effective from 1 August 2013.

Mr Caporali has extensive experience in the management of large mines in Brazil, and has held numerous senior management positions with VALE Group, including Manager of Mining Planning Department of Itabira mines (1978-1992), General Manager of Cauê Complex in Itabira (1993-1995), Director of VALE Fertilizers Division in Sergipe state (1995-1999), General Coordinator of all mines of VALE South System (1999-2001), COO and CEO at Ferteco Mineração, a mining company acquired by VALE (2001- 2003) and Director of the Technical Services Department of VALE (2002-2004).

During this period, he was appointed to the Board of Directors of FOSFERTIL SA and MRS Logistica SA.

In 2004, Mr Caporali was invited by Companhia Siderúrgica Nacional ("CSN") to join its mining expansion team, where he held the position of Director of CSN mines, CEO at Companhia de Fomento Mineral e Participações ("CFM") and COO at Nacional Minérios ("NAMISA").

Mr Caporali is a Graduate in Physics and Mining Engineering from the Universidade Federal de Minas Gerais ("UFMG"). He has completed graduate specialization studies for Technical and Economic Assessment for Mineral Projects as well as graduating from Executive Development Program at Fundação Dom Cabral in Belo Horizonte. Mr Caporali completed a Columbia Business Executive Program in the United States in 2002.

Mr Caporali has been advising SAFM with its BFS project since October 2012 and has been assisting the Company with the design of the Ponto Verde expansion to 8 million tonnes ROM per annum.

Mr Willstedt, SAFM's Chairman, said: "We are delighted to welcome Rogério Caporali to our Board. Rogério brings tremendous resource industry credentials and management experience as well as strong mine development expertise. Mr Caporali's involvement in the Ponto Verde project will play a pivotal role in the next stage of our expansion."

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### **For further information please contact:**

#### **South American Ferro Metals Limited**

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### **About South American Ferro Metals Limited:**

South American Ferro Metals Limited owns 100% of the mineral rights and property of the Ponto Verde Iron Ore Project in Brazil. Ponto Verde is located in the heart of the Iron Ore Quadrilateral, 55 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.

SAFM currently sells three iron ore products from its Ponto Verde mine to local steel producers in Brazil. The Company is currently completing its Bankable Feasibility Study (BFS) to expand Ponto Verde to a capacity of 8 Mtpa ROM throughput, from its current 1.5 Mtpa licenced capacity. The BFS is expected to be completed this year.