

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	SOUTH AMERICAN FERRO METALS LIMITED
ABN	27 128 806 977

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Terence Vincent Willsted
Date of last notice	19/12/2013

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Patermat Pty Ltd, as trustee TW Willsted & Associates Superannuation Fund, a fund associated with Terence Willsted.
Date of change	26 February 2014

+ See chapter 19 for defined terms.

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<p>No. of securities held prior to change</p>	<p>Indirect:</p> <ul style="list-style-type: none"> • 2,999,745 Ordinary shares (listed) held by Patermat Pty Ltd. • 5,000,000 unlisted options exercisable at \$0.36 on or before 31 December 2015, subject to vesting and exercise conditions (as per notice of Annual General Meeting dated 19 January 2011) held by Patermat Pty Ltd. ATF TW Willsted & Associates Superannuation Fund. • 5,000,000 unlisted options exercisable at \$0.12 on or before 15 November 2017, subject to vesting and exercise conditions (as per notice of Annual General Meeting dated 24 October 2012) held by Patermat Pty Ltd. ATF TW Willsted & Associates Superannuation Fund. • 5,000,000 unlisted options exercisable at \$0.07 on or before 26 November 2018, subject to vesting and exercise conditions (as per notice of Annual General Meeting dated 28 October 2013) held by Patermat Pty Ltd. ATF TW Willsted & Associates Superannuation Fund. <p>Direct: None.</p>
<p>Class</p>	<p>Share Options</p>
<p>Number acquired</p>	<p>Nil</p>
<p>Number forfeited</p>	<p>5,000,000</p>
<p>Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation</p>	<p>Nil</p>

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No. of securities held after change	<p>Indirect:</p> <ul style="list-style-type: none"> • 2,999,745 Ordinary shares (listed) held by Patermat Pty Ltd. • 5,000,000 unlisted options exercisable at \$0.12 on or before 15 November 2017, subject to vesting and exercise conditions (as per notice of Annual General Meeting dated 24 October 2012) held by Patermat Pty Ltd. ATF TW Willstead & Associates Superannuation Fund. • 5,000,000 unlisted options exercisable at \$0.07 on or before 26 November 2018, subject to vesting and exercise conditions (as per notice of Annual General Meeting dated 28 October 2013) held by Patermat Pty Ltd. ATF TW Willstead & Associates Superannuation Fund. <p>Direct: None.</p>
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Voluntary forfeiture of Share Options.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A

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Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

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