



Current report no.: 45/2016

Date: 2016-04-12

Name of the Issuer: FERRUM S.A.

Title: Formation of a letter of intent with Węłokoks S.A.

Legal basis: Art. 56 item 1 point 1 Act on Public Offering – inside information

Content of the report:

The Management Board of FERRUM S.A. (Issuer, Company) informs that on 12th April 2016 FERRUM S.A. and Węłokoks S.A. (Węłokoks) formed a letter of intent (Letter of Intent) the subject-matter of which is the will to cooperate and the intention to commence and continue work in order to analyze the possible scenario of steel processing industry consolidation in Poland using the assets hold by the Issuer and Węłokoks and the related capital groups.

In the opinion of the Issuer, the market situation demands undertaking adjustment activities aimed at improving competitiveness of the entities operating on the steel market. Consolidation of the chosen assets of the Parties from the steel processing sector shall allow for better usage of their production potential, optimization of production material purchases and cooperation at the product sales.

In accordance with the Letter of Intent, Węłokoks initially declared interest in acquiring the Issuer majority share and active participation in the Issuer financial and operational restructuring. On the contrary, the Company is tentatively interested in the acquisition of an industry strategic investor.

The Parties did not agree the period for which the letter of intent was formed.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2016-04-12	President of the Management Board	Konrad Mitterski
2016-04-12	Vice-president of the Management Board	Włodzimierz Kasztalski