



Fortescue Metals Group Ltd

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The Companies Officer
Australian Stock Exchange Ltd.
Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir

Federal Environmental Approval for Cloud Break Deposit

Fortescue Metals Group Ltd ("Fortescue") is pleased to advise that Federal Government environmental approval has been received for the Cloud Break tenement. This completes the respective State and Federal Government's public environmental review "PER" processes for Fortescue's Pilbara Iron Ore and Infrastructure Project.

The Cloud Break approval was received under the Environmental Protection and Biodiversity Conservation Act 1999 subject to a number of conditions that can be reviewed through the web site www.deh.gov.au reference EPBC / Public Notices / Approvals. These conditions are consistent with the implementation of plans developed by Fortescue under the State Government Approval process but additionally recognise the focus of the Federal Government on fauna issues covering the Night Parrot and the Bilby.

The identification and protection of native animals is an important component of the project's overall development plans. In association with various government departments and independent consultants, Fortescue has developed a series of positive interventionist programs to deal with the range of environmental issues identified under the PER process.

Yours sincerely

Fortescue Metals Group Ltd

Rod Campbell
Company Secretary

The New Force in Iron Ore