



Fortescue Metals Group Ltd

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27 November 2006

The Companies Officer
Australian Stock Exchange Ltd
Exchange Plaza
Perth WA 6000

Dear Sir

Detailed Proposals Approved

Fortescue Metals Group Ltd ("Fortescue") advises that late on Friday 24 November 2006, its wholly owned subsidiary, The Pilbara Infrastructure Pty Ltd ("TPI"), was informed by the Minister for Planning and Infrastructure ("Minister"), the Hon. Alannah MacTiernan MLA, that she had approved the 'Detailed Proposals' as provided for by Clause 11(1) of the *Railway and Port (The Pilbara Infrastructure Pty Ltd) Agreement* ("Infrastructure Agreement").

Approval of these 'Detailed Proposals' allows work on the Project to commence under the auspices of the Infrastructure Agreement.

TPI submitted its 'Detailed Proposals' under Clause 10 of the Infrastructure Agreement on 9 November 2006 for the undertaking of railway and port facilities. This followed on from the Minister's approval of TPI's 'Community Development Plan' on 8 November and her agreement to the 'Rail Corridor' on 2 November.

TPI will now apply for the Special Railway Licence and for the Lateral Access Road Licences to give tenure for the facilities that have been approved.

Yours sincerely
Fortescue Metals Group Ltd

Rod Campbell
Company Secretary

The New Force in Iron Ore