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Fortescue Metals Group Ltd
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19 December 2006

Vickrem Naicker
Australian Securities Exchange Ltd
Exchange Plaza
Perth WA 6000

Dear Mr. Naicker

Company Announcement dated 18 December 2006

In response to your questions:

1. The Company became aware of the information contained in the Announcement on Monday 18 December 2006.
2. The Company became aware of the information contained in the Announcement at a little after 7.00am (Perth time) in the morning when the judgement was handed down by Justice Middleton in the Federal Court in Melbourne.
3. The Company became aware that a judgement would be handed down on the morning of 18 December 2006 when information contained in an email sent on the morning of Friday 15 December 2006 suggested that a decision would occur at 9.00am (Melbourne time). However the fact of an announcement was not immediately conveyed to the Company Secretary who would have been unaware of the matter at the time he lodged the Response.
4. The fact that there was due to be an announcement on a legal matter, the outcome of which would be unknown to the Company until the judgement was actually handed down is not sufficient reason to request a trading halt. The Company has no reason to believe that price movements observed on 15 December 2006 and over the two previous days were in any way related to the fact that a judgement the outcome of which was unknown, was due to be handed down on the following Monday.

Yours sincerely
Fortescue Metals Group Ltd



Rod Campbell
Company Secretary

The New Force in Iron Ore



ASX
AUSTRALIAN SECURITIES EXCHANGE

Australian Securities Exchange
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FAXED
18 December 2006

Rod Campbell
Company Secretary
Fortescue Metals Group Limited
Level 1, 50 Kings Park Road
WEST PERTH
WA 6005

By Facsimile: (08) 9266 0188

Dear Sir

Fortescue Metals Group Limited (the "Company")

RE: Company announcement dated 18 December 2006.

We refer the Company's announcement dated 18 December 2006, titled 'Federal Court Finds In Favour Of Fortescue' (the "Announcement") and the Company's announcement dated 15 December 2006 titled "Response to ASX Query" (the "Response").

In light of movements observed in the Company's share price and trading volumes before the Announcement, ASX Limited ("ASX") requests the Company please respond to each of the following.

1. ASX requests that the Company advise the date on which it became aware of the information contained in the Announcement.
2. ASX requests that the Company advise how and when the Company became aware of the information contained in the Announcement.
3. ASX requests that the Company advise when it became aware that a judgement would be handed down on the morning of 18 December 2006, specifically was the Company aware of this information prior to the lodgment the Response.
4. If the answer to the above is yes, and in light of the price movements observed on 15 December 2006, please advise why was a trading halt not requested at this time?

Your response should be sent to me by facsimile on facsimile number 08 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, by not later than **8.00 am W DST, on Wednesday, 20 December 2006.**

If you have any queries regarding any of the above, please contact me on 9224 0032.

Yours sincerely,



Vickrem Naicker

Senior Adviser, Issuers

(08) 9224 0032