



Fortescue Metals Group Ltd

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7th July 2008

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

Dear Sir,

Benchmark Iron Ore Price for 2008/09

As confirmed by Fortescue Metals Group Ltd ("Fortescue") last week, the Company's long term sales contract prices are set on an annual basis with reference to the agreed benchmark price for both Rio Tinto Limited and BHP Billiton Limited.

Given both Rio and BHPB have now set their respective benchmark pricing for the trading year 1 April 2008 through to 30 March 2009 and their prices are the same, Fortescue can confirm its benchmark price as US\$2.0169 for lump ore per unit of iron "Fe" and US\$1.4466 per Fe unit for fines ore.

Yours sincerely
Fortescue Metals Group Ltd

Rod Campbell
Company Secretary