



Fortescue Metals Group Ltd

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Media Release

Restructure of Shipping Arrangements with Bocimar

Securing of Vessels:

Perth: February 4, 2009: Fortescue Metals Group ("ASX:FMG" "Fortescue") and Bocimar International NV ("Bocimar") have agreed to establish a shipping Joint Venture ("JV") which includes the chartering of three modern Cape-size vessels (180,000 to 200,000 tonne capacity). The vessels have been secured at today's historically low rates, fixed for a 10 year period, in consideration for the future commitment to issue US\$28m of FMG shares on 31 December 2009 set on a weighted average market price basis.

The JV will include an equal profit sharing arrangement for sub chartering of the vessels and will also cover advisory and management services to be provided by Bocimar, one of the world's most influential shipping groups.

Resolution of dispute with Bocimar:

Further and separate to the above, Fortescue has reached an agreement with Bocimar to terminate the two contracts entered into in February 2008 which were struck during the previous high shipping market. As a result, Bocimar will immediately discontinue arbitration action against Fortescue and both parties agree they have no further claims against each other.

In consideration of settling the dispute, Fortescue has agreed to allot FMG shares to Bocimar for an equivalent value of US\$11 million per contract as at the closing price on 31 December 2008.

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