



Fortescue Metals Group Ltd

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The Companies Officer
ASX Limited
2 The Esplanade
Perth, WA, 6000

Dear Sir

Update on the FIRB Review of Valin Application

Fortescue Metals Group Ltd ("Fortescue") has been informed by the Foreign Investment Review Board ("FIRB") that it has issued an interim order in relation to the application by Hunan Valin Iron and Steel Company ("Valin"), to acquire up to 17.55% of the issued capital of Fortescue. The transaction was announced to the market on 25 February 2009.

The interim order will extend the FIRB review period for up to a further 30 days from the date the order comes into operation (i.e. the date the order is gazetted which is expected to be 25 March 2009).

Under the terms of the share subscription agreement, Valin has committed to acquire 260 million shares to be issued by Fortescue, for consideration of \$644.8 million.

Fortescue remains confident that the structure of the share subscription agreement will enable Valin to obtain FIRB approval.

The share subscription agreement is conditional on both FIRB and Chinese regulatory approval being granted.

Yours sincerely

Fortescue Metals Group Ltd

Rod Campbell

Company Secretary