



Media Release

RESPONSE TO AUSTRALIAN COMPETITION TRIBUNAL DECLARATION OF ROBE, HAMERSLEY AND GOLDSWORTHY RAILWAYS

Fortescue Metals Group Ltd (“Fortescue”; ASX:FMG) welcomes the decision by the Australian Competition Tribunal “Tribunal” to uphold the declaration of BHP Billiton’s Goldsworthy railway line and Rio Tinto’s Robe River railway line to third party access.

The Tribunal’s ruling to affirm the 2008 decision by the Federal Treasurer to declare the Robe and Goldsworthy lines is consistent with the previous recommendations and decisions from the National Competition Council and the Federal Government.

“This landmark ruling by the Tribunal sets a precedent by which companies can negotiate access to Pilbara rail infrastructure under the Trade Practices Act”, Fortescue’s Executive Director Mr Russell Scrimshaw said. “This decision has been decades in the making as various companies have previously been denied such access opportunities”.

Unfortunately the Tribunal did not uphold the Federal Treasurer’s decision to declare Rio Tinto’s Hamersley railway line. Further, the Tribunal affirmed the Federal Treasurer’s earlier decision of 2006 not to declare BHP Billiton’s Newman rail line. Ironically the reasons for this included Fortescue’s now successful construction of its own adjacent railway line since the date of its original declaration application.

Fortescue is reviewing the full detail of the Tribunal’s ruling over the Newman and Hamersley lines and will likely appeal the decision once a full analysis has been completed.

Mr Scrimshaw said that the Tribunal’s ruling to uphold the declaration for the Goldsworthy and Robe lines was a significant victory as it affirmed Fortescue’s arguments for the benefits of third party access.

“The Tribunal has upheld Treasurer Wayne Swan’s declaration that there is spare capacity on the railway lines which can be utilised to maximise the economic benefits to Australia from increased iron ore exports. An excellent outcome for Australia,” Mr Scrimshaw said.

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