

6 May 2013

The Companies Officer
ASX Limited
2 The Esplanade
Perth WA 6000



Dear Sir

Fortescue Celebrates Opening of Firetail Mine

Fortescue Metals Group (ASX: FMG, Fortescue) today celebrates one of the most significant milestones in its 10-year history with the official opening of the Firetail iron ore mine at Solomon.

Mines and Petroleum Minister Bill Marmion joins Fortescue Chairman Andrew Forrest and Chief Executive Officer Nev Power at Solomon, 60km north of Tom Price, to formally open the first stage of the US\$3.2 billion development. "Today we're celebrating the opening of Fortescue's third mine in five years, an achievement that consolidates our position as one of the world's leading producers of iron ore and a vital supplier for our Asian customers," Mr Forrest said.

Mr Power said the 60 million tonne per annum (mtpa) Solomon mine was a major component of Fortescue's expansion to 155mtpa by the end of this calendar year.

"Firetail will produce 20mtpa of iron ore while the second stage of the development, the Kings mine, will produce another 40mtpa. This represents a valuable source of new production from long life, low cost mining operations that allow us to blend with Chichester ores to create an enhanced product for our customers – the new Fortescue Blend," Mr Power said.

Fortescue began commissioning the Firetail ore processing facility last month and production is expected to ramp up quickly, increasing Fortescue's capacity to 115mtpa. Mining at Firetail has been under way since late last year with ancillary in-pit crushing used to produce ore and commissioning feed for the processing and train load-out facilities. Fortescue celebrated the first train carrying ore from Firetail on the new Fortescue Hamersley Line in December 2012.

Mr Forrest said the discovery of Solomon by Fortescue geologists Neil Clarke and Doug Kepert in 2005 was a perfect example of the company's innovative spirit and can do attitude. With the help of a 1965 geological map and the ingenuity to challenge the obvious, Neil and Doug followed ancient river systems from outcropping ore west towards the coast instead of east and north towards Fortescue Valley as experts suggested and discovered one of Australia's premium iron ore deposits. With the focus then on the Solomon region, Neil subsequently discovered Firetail, again from clues deciphered from age old mapping.

“Neil and Doug had the courage to challenge preconceived notions and think outside of the box,” Mr Forrest said. “It’s that kind of spirit that created Fortescue and it continues to drive the company forward today. Their discovery also demonstrates how underexplored the Hamersley Ranges are and the enormous potential that remains.”

Mr Power praised the performance of Fortescue employees and contracting partners, who are delivering an outstanding development project in a safe environment. Solomon has a 12 month total recordable injury frequency rate of 4.3 per million man hours worked.

Mr Power also highlighted Fortescue’s commitment to local content. “So far, 80% of Fortescue’s construction expenditure at Solomon has been with Australian suppliers with the bulk of that spend in Western Australia, demonstrating Fortescue’s commitment to building Australian industry capability.”

Representatives of the Yindjibarndi and Eastern Guruma People, traditional owners of land at the Solomon Project participated in the celebrations. The development of Solomon is providing opportunities for local Aboriginal communities through sustainable employment and business development. In February, Fortescue was proud to announce the formation of an historic joint venture between the Traditional Owners and their respective businesses which will undertake up to \$200 million worth of mining contracts at Solomon over five years.

Mr Power said the joint venture will utilise Fortescue’s Vocational Training and Employment Centre in Roebourne to develop and train members of the local Aboriginal community.

“More than 11% of Fortescue’s direct workforce is Aboriginal and we have so far awarded \$630 million of contracts to Aboriginal businesses as part of our Billion Opportunities Program,” Mr Power said. “Fortescue is looking forward to a successful long term partnership with Eastern Guruma and Wirlu-murra Yindjibarndi Aboriginal Corporation and we hope to form similar partnerships in the future.”

Yours sincerely

Fortescue Metals Group

Mark Thomas
Company Secretary

Media contact:

Yvonne Ball
Mobile: +61 (0) 417 937 904
Email: yball@fmgl.com.au