

14 August 2013

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



Dear Sir

**Economic Regulation Authority Decision under Section 10 of the Railways  
(Access) Code 2000**

In May 2013 Brockman Iron Pty Ltd (**Brockman**) lodged a proposal for access to the rail line owned by Fortescue Metals Group Ltd (**ASX: FMG, Fortescue**) wholly-owned subsidiary, The Pilbara Infrastructure Pty Ltd (**TPI**) under the Railways (Access) Code 2000 (**Code**).

Fortescue advises that the Economic Regulation Authority (**ERA**) has today published its decision in accordance with section 10 of the Code. TPI is reviewing the decision and considering its options.

The ERA's decision does not result in the commencement of negotiations for access. The Code provides that a railway owner is not required to enter negotiations until a proponent meets the requirements set out in sections 14 and 15 of the Code, including satisfying the requirement that:

- The proponent has the financial resources to carry on the proposed rail operations; and
- There is sufficient capacity on the route to accommodate the proponent's Access Proposal.

Brockman has not satisfied these requirements.

Fortescue is a strong proponent of third party access to infrastructure and is the only company to have provided junior miners access to its Pilbara rail and port infrastructure, having shipped in excess of 11 million tonnes of iron ore for third parties. However, Fortescue cannot be expected to subsidise third party projects that are uneconomic.

Fortescue is currently in separate commercial discussions with a number of potential third parties for commercially negotiated access to rail and port infrastructure through "Ore Haulage and Port Services" agreements. As has been demonstrated, commercial negotiations have yielded successful outcomes.

Yours sincerely

**Fortescue Metals Group**

**Mark Thomas**

Company Secretary

**Media contact:**

Yvonne Ball

Mobile: +61 (0) 417 937 904

Email: yball@fmgl.com.au