

12 August 2011

The Companies Officer  
ASX Limited  
2 The Esplanade  
Perth WA 6000



Dear Sir

### **FULL FEDERAL COURT DECISION**

Fortescue Metals Group Limited (Fortescue) advises that the Full Bench of the Federal Court of Australia has today handed down its decision in relation to an appeal by the Yindjibarndi # 1 native title claim group against previous decisions of the National Native Title Tribunal and a single Judge of the Federal Court to grant mining leases to Fortescue for its Solomon Hub mining operation.

The Full Bench of the Federal Court has unanimously dismissed the Yindjibarndi # 1 native title claim group's appeal against the previous grant of these mining leases to Fortescue.

Fortescue welcomes the decision that affirms that the State of Western Australia validly granted the three mining leases. Today's decision should dispose of the majority, if not all, of the Yindjibarndi # 1 native title claim group's legal arguments in this matter.

"We are pleased this judgment confirms previous decisions granting these mining leases for our Solomon Hub mine. This verdict vindicates Fortescue's philosophy to support an entire community to become independent and move on from welfare. We look forward to continuing with Fortescue's expansion and delivering outcomes to the Yindjibarndi community as promised," Chief Executive Officer Nev Power said.

Under these leases, work at the Solomon Hub has been underway for some time now and is running both to schedule and budget. It's important to note that Fortescue has an agreement which the majority of the Yindjibarndi community overwhelmingly supports and that agreement is expected to be registered.

"Fortescue now looks forward to completing construction of the Solomon Hub and continuing its close co-operation with the Yindjibarndi and Roebourne communities," Mr Power said.

Yours sincerely  
**Fortescue Metals Group Ltd**

**Mark Thomas**  
Company Secretary

**Media contact:**  
Elizabeth Gosch  
Mobile: 0414 319 775