

24 June 2013

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



Dear Sir

Fortescue awards \$1.3 billion Kings contract to Leighton Contractors

Fortescue Metals Group (ASX: FMG, Fortescue) has awarded Leighton Contractors Pty Ltd a \$1.3 billion contract variation to mine the Kings deposit at the 60 million tonne per annum Solomon mine. Kings is currently under construction and is expected to be completed within months.

The contract extends Fortescue's partnership with Leighton Contractors following the award in September 2012 of an initial \$1.5 billion five-year contract to deliver whole-of-mine management at the nearby Firetail deposit. Fortescue's decision to award the Kings deposit activates the full scope of the contract, which includes operating and maintaining the open cut mining fleet, mine planning, ore quality control, ore processing facilities and associated infrastructure, such as the airport and village.

Fortescue Chief Executive Officer Nev Power said the award marked another significant milestone in Fortescue's expansion to 155mtpa by the end of calendar year 2013. "We're pleased with Leighton Contractors' performance at Firetail and we're delighted to award them the contract at Kings," Mr Power said. "Our production capacity of 155mtpa will be achieved with the completion of Solomon, consolidating our position as one of the world's largest, low cost producers of iron ore."

Fortescue last month celebrated the opening of the 20mtpa Firetail mine, which lifted production capacity to 115mtpa.

Fortescue is committed to addressing Aboriginal disadvantage and to delivering tangible benefits such as jobs and increased business capability to traditional owners. Leighton Contractors is supporting that commitment at Solomon with plans to sub-contract more than \$100 million of work to Aboriginal businesses and ramp up Aboriginal engagement to 20% at the project within three years.

Aboriginal employees currently comprise almost 12% of Fortescue's direct workforce and the company has awarded \$651 million worth of contracts to Aboriginal contractors and joint ventures under its "Billion Opportunities" program.

Yours sincerely

Fortescue Metals Group

Mark Thomas
Company Secretary

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