

Fortescue awards more than \$200 million to Aboriginal joint venture at Solomon

PERTH, 6 August 2012: Fortescue Metals Group (Fortescue) has awarded NRW Holdings Ltd (NRW) and its joint venture partners Eastern Guruma Pty Ltd (Eastern Guruma) and Ngarluma Yindjibarndi Foundation Ltd (NYFL) a contract valued at \$99 million to construct the Tailings Storage Facility 1 (TSF1) embankment at the company's Solomon mine.

It follows the award of \$130 million to the joint venture last year to undertake early earthworks at Solomon. At a total value of \$229 million over 18 months, the contracts represent a valuable economic development opportunity involving a local Native Title Group and a Roebourne-based Aboriginal business.

"The awarding of this additional contract is a reflection of how pleased we are with the performance of this joint venture. They've really earned it," said Anthony Kirke, Fortescue's General Manager Solomon.

The embankment wall will require 2.4 million cubic metres of materials. The TSF1 will provide Solomon with the first 4.5 years of tailings storage capacity from the mine's initial ore processing facility (OPF) wet processing plant.

The contract is another step towards Fortescue's 'Billion Opportunities' target to award \$1 billion in contracts for Aboriginal contractors by June 2013, and is testament to Fortescue's commitment to providing real economic opportunities for Aboriginal people.

"This will take Solomon's contribution to our Billion Opportunities to over \$300 million, which is a terrific result," Mr. Kirke said.

"We're certainly not finished either. We are exploring contract opportunities for the Eastern Guruma traditional owners and Wirlu-murra Yindjibarndi Aboriginal Corporation within Solomon's long-term operations, as well as its construction."

Trevor Cook, NRW's General Manager Mining said the joint venture has strived to deliver a successful and efficient project to Fortescue since being awarded the original Solomon work in mid-2011.

"Having worked on other projects with our joint venture partners, this was the first time all three parties have actively contributed to the one project at the same time, and it's been a great success," Mr Cook said. "We look forward to continuing to deliver a high standard of work and reinforcing our strong working relationship with both Eastern Guruma and NYFL."

Ron Villaflor, Eastern Guruma CEO said: "Participating in the joint venture is a fantastic opportunity for Eastern Guruma people. This contract continues to build our economic

business sustainability and creates further employment opportunities within the mining industry.

“We’re very pleased to undertake this additional work at Solomon in partnership with NRW and NYFL for Fortescue.”

NYFL CEO Evan Maloney said the opportunities presented by the mining industry means NYFL is fast becoming a sustainable Pilbara Aboriginal business with the ability to provide not only social, cultural and community benefits but also real commercial opportunities.

The total value of contracts awarded under the Billion Opportunities program now stands at almost \$600 million from over 50 separate contracts and subcontracts.



Fortescue’s Joe McCarron with Colleen Jones from NRW, Chris Quartermaine from Eastern Guruma (top of stairs) and Jake Oreo from NRW

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BACKGROUND: One of the ways Fortescue is unlocking the potential of the Pilbara is through Aboriginal employment. Fortescue firmly believes that employment and training are key factors in breaking down the economic and social barriers that currently exist for Aboriginal people.

More than 10% of Fortescue's total workforce is made up of Aboriginal people and more than 30% of employees at our Port operations in the heart of the Pilbara.

Fortescue contractors also employ 630 Aboriginal people. Unique pathways to employment and business development opportunities for Aboriginal contractors are assisting in breaking down barriers to sustainable employment.

Fortescue's Billion Opportunities, a program with a target to award \$1 billion in contracts to Aboriginal contractors by June 2013, has already awarded \$589 million to 53 separate contractors and sub-contractors. To read more visit the Fortescue website www.fmgl.com.au