

## MEDIA RELEASE



### FORTESCUE SECURES NYIDINGHU EXPANSION RIGHTS WITH IRON ORE HOLDINGS

**Perth: February 13, 2012:** Fortescue Metals Group (“ASX:FMG”) (“Fortescue”) has signed a Memorandum of Understanding with Iron Ore Holdings (“ASX:IOH”) that creates the opportunity to include IOH’s Iron Valley in an expanded Nyidinghu development and mining program.

Iron Valley is contiguous to Fortescue’s Nyidinghu deposit and the iron ore resource at Nyidinghu extends into Iron Valley.

Fortescue Chief Executive Officer Nev Power said with more than 2 billion tonnes of iron ore Resource already identified at Nyidinghu, the project is large scale and a core focus in Fortescue’s plans to expand production beyond 155 million tonnes per annum. Following the normal approval processes Fortescue is committed to expediting the project.

“Iron Valley’s location as a contiguous ore body to Nyidinghu would provide Fortescue with infrastructure layout and mining operations flexibility,” Mr Power said.

Mr Power said the transaction with IOH provided another example of Fortescue teaming with a junior iron ore company in the Pilbara, to transform and develop their project and company.

The MOU is subject to completion of all legal documentation.

ENDS

#### Media Contact

Cameron Morse

Mobile: + 61 433 886 9871

Phone:+ 61 8 9386 1233

#### About Nyidinghu

The Nyidinghu project is only 35 kilometres south of Fortescue’s existing Cloudbreak operation in the Chichester Hub.

Additional drilling completed at Nyidinghu since the original 1.03 billion tonne resource announcement in February 2011 has resulted in the Inferred Resources increasing to 2.01bt. A cut-off grade of 52% Fe has been applied. There are three ore types present.

The majority of the resource is bedded iron ore hosted within the Brockman Iron Formation totaling 68 per cent of the resource with a lesser quantity of Channel Iron Deposit (CID) at 29 per cent of total and a minor amount being three per cent of detrital ore (DID).

The 2.01bt resource is contained within an area of about 14 square kilometres. Mineralised thicknesses are substantial at up to 220m with overburden ranging from 0 to 80 metres. It is expected that the strip ratio will be less than 2:1.