



Fortescue Metals Group Ltd

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The Companies Officer
Australian Stock Exchange Ltd
Exchange Plaza
Perth WA 6000

Dear Sir

Federal Court finds in favour of Fortescue

Fortescue Metals Group Ltd ("Fortescue"), pursuant to the trading halt issued this morning, is pleased to advise that the Federal Court has this morning determined that both the Mount Newman Railway and the Goldsworthy Railway are not part of BHP Billiton's "Production Process". This means that the services provided by both of these railways are "services" as defined by s.44B of Part IIIA of the Trade Practices Act 1974 ("TPA") and therefore both are capable of being declared under Part IIIA. In particular it means the exception found within the definition of a service in s.44B of the TPA does not apply to either of BHP Billiton's railways and therefore that they are subject to Part IIIA of the TPA.

Fortescue will now push ahead with its appeal to the Australian Competition Tribunal in order to get the Treasurer's deemed decision not to declare the Mount Newman railway overturned.

Fortescue is currently considering the reasons for the decision handed down this morning and will issue a media release once it has had the opportunity to properly consider those reasons.

Yours sincerely

Fortescue Metals Group Ltd

Rod Campbell

Company Secretary

The New Force in Iron Ore