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

Dear Sir

Access Agreement with the Nyiyaparli People

Fortescue Metals Group Ltd ("Fortescue") would like to respond to media comment regarding the facts around the signing of a Land Access Agreement between Fortescue and the Nyiyaparli People last week.

The general terms of the Access Agreement, which include a 2.5 cent per ton royalty, had been under negotiation for over 18 months and in Fortescue's opinion were well understood by all signatories. On specific request from the Nyiyaparli People, the final negotiation and subsequent signing was completed without the presence of lawyers for either party. This desire by the Nyiyaparli Claimant Group was reinforced in a statement by the Nyiyaparli People confirming that they had been offered but declined legal representation at the final round of negotiation.

The Access Agreement has been validly signed and entered into by both parties. More importantly the Access Agreement was signed in good faith and a ceremony was held in Fortescue's offices last Thursday to celebrate the agreement. Mr Forrest was not present during the final negotiations or the signing, but was in attendance at the ceremony. The ceremony was attended by the six Signatories from the Nyiyaparli Group together with another 7 directors from the Claimant Group together with their advisor who is not aboriginal and was present and played an active role throughout the negotiations in Perth last week and at the time of signing.

The statement by the PNTS last Friday as to its intended action to seek an annulment of the Agreement came as a surprise to Fortescue as the cheque paid to the Nyiyaparli Claimant Group pursuant to the initial consideration under the Agreement had been cashed.

Yours sincerely
Fortescue Metals Group Ltd

Rod Campbell
Company Secretary