

4 April 2016



The Companies Officer
Australian Securities Exchange Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Sir or Madam,

CHANGES TO CHRISTMAS CREEK MINING OPERATIONS

Fortescue Metals Group Limited (ASX: FMG, Fortescue) today announced that it will transition to a full owner operator model at its Christmas Creek mining operations. This change will take full effect from the completion of the current mining services contract with Downer EDI Limited (Downer) which ends on 30 September 2016.

A comprehensive change management plan has been developed which will allow for the safe and orderly changeover of operations. Production from Christmas Creek is not expected to be impacted during the transition.

Chief Executive Officer Mr Nev Power thanked Downer for their significant contribution to Fortescue's successful operations at the Christmas Creek mine.

"The Downer team have been involved with mining at Christmas Creek since the outset and have played an important role in Fortescue's development of our world class facilities in the Chichester Hub," Mr Power said.

"Adoption of an owner operator model will further reduce Fortescue's costs through ongoing improvement of the efficiency and productivity of our Christmas Creek mining operations".

Mr Power said "Our clear focus remains on safety, production and costs. Our ability to generate strong earnings and cash flow will enable further improvement in our balance sheet and return to our shareholders."

Yours sincerely
Fortescue Metals Group Ltd

Ian Wells
Company Secretary

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