



Fortescue Metals Group Ltd  
Fortescue House  
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Western Australia 6005  
PO Box 910 West Perth Western Australia 6872

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8 June 2004

Mr Anthony Walsh  
Assistant Manager Companies  
Australian Stock Exchange Ltd  
Level 8  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Facsimile: 9221 2020

Dear Mr Walsh

**Re: PRICE QUERY**

We refer to your letter of 7 June 2004 and respond to the questions therein as follows;

1. The Company is not aware of any information that has not been released to the market, which, if known, could be an explanation for the recent trading in the securities of the Company.
2. Not applicable.
3. The Company is not aware of any explanation for the price change or increase in volume (if any) in the securities of the Company.
4. The Company is of the opinion that it is in compliance with the listing rules and, in particular listing rule 3.1.

Yours sincerely  
Fortescue Metals Group Ltd

Chris Catlow  
Company Secretary

**ASX**

AUSTRALIAN STOCK EXCHANGE

**FAXED**  
7 June 2004

Mr C Catlow  
Company Secretary  
Fortescue Metals Group Limited  
PO Box 910  
WEST PERTH WA 6872

Facsimile: 92660188

Dear Sir

**Fortescue Metals Group Limited (the "Company")**

**PRICE AND VOLUME QUERY**

We have noted a change in the price of the Company's securities from 38 cents on 21 May 2004 to 53 cents on 7 June 2004. ASX also notes the higher volumes of securities being traded.

In light of the price change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 12noon WST on Tuesday, 8 June 2004.

Australian Stock Exchange Limited  
ABN 98 008 624 691  
Level 8  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000

GPO Box D187  
Perth WA 6840

Telephone 61 9224 0000  
Facsimile 61 9221 2020  
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The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

### Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours faithfully,

Anthony Walsh  
Assistant Manager Companies