



HD **FED:FMG gets environment okay**

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FORTESCUE MELBOURNE, June 23 AAP - Fortescue Metals' plans for a new Pilbara **iron ore** project have moved a step closer with conditional environmental approval.

Western Australia's Environmental Protection Authority (EPA) approved the **Iron** Bridge mine subject to 17 conditions.

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The mine would have a 45 year life and be the **company's** first foray into magnetite **iron ore**.

Magnetite sells for more than the more common hematite but also costs more to produce, making it less lucrative in the current falling price environment.

Fortescue and Rio Tinto have been forced to heavily discount some of their **iron ore** in the last week, with demand weak from **China** and the price down 34 per cent this year.

EPA chairman Paul Vogel said the 17 conditions could ensure the project was managed to minimise and mitigate any threats.

Among the animals to be protected were the Pilbara leaf-nosed bat and northern quoll.

Iron Bridge would clear 5,141 hectares of native vegetation.

The West Australian environment minister and federal government must still approve it.

The potential 15 **million** tonne a year project could be in production by next year.

Fortescue is keen to sell down its 61 percent **stake** in the assets to pay down debt and already counts Taiwan's Formosa Plastics Group and **China's** Baosteel as joint venture partners in the project.

The **company's** shares had taken off on Monday, up 22 cents, or 5.2 per cent, to \$4.44 by 1400 AEST.

AAP gr/gfr

CO ambol : Fortescue Metals Group Ltd

IN i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | ibasicm : Basic Materials/Resources | i211 : Metal Ore Mining | imet : Mining/Quarrying

RE austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

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