

## Fortescue faces \$1.8b native title compensation claim

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## **Body**

**Fortescue** and the state of Western Australia have been hit with a \$1.8 billion native title claim in an extraordinary escalation of a long-running battle over the Yindjibarndi lands on which the company built its Solomon iron ore mining hub.

The miner is expected to report a \$2.6 billion half-year profit today, but now must factor in the risk of a dramatically higher than expected claim by the Yindjibarndi people.

The Yindjibarndi people have sued <u>Fortescue</u> and the state to compensate for lost economic benefits and cultural and spiritual damage caused by the Solomon project, three-quarters of which sits in Yindjibarndi land that also takes in the gorges and rock pools of Millstream Chichester National Park. The Federal Court will decide whether WA or <u>Fortescue</u>, which has mined the Yindjibarndi land for iron ore without permission nor agreement with the Yindjibarndi Aboriginal Corporation for 10 years, will pay the compensation bill.

The Yindjibarndi were found to be native titleholders of the land in 2017.

Western Australia is a co-defendant alongside <u>Fortescue</u> in the lawsuit, filed by the Yindjibarndi in March 2023, because it issued <u>Fortescue</u>'s mining licence and collects royalties from its iron ore shipments. Under the state's mining code, the government has the authority to compel <u>Fortescue</u> to cover any compensation claims. However, <u>Fortescue</u> will likely challenge this.

Court documents released yesterday show the compensation claim, initially estimated at around \$1 billion, has nearly doubled to \$1.8 billion.

The lion's share of the bill is linked to the mine destroying culture through loss of connection to the land. For this the group, led by Michael Woodley, is claiming compensation of \$1.1 billion. "On the assumption that there are 1000 people in the Yindjibarndi community, this amount would compensate each Yindjibarndi person \$1 million," according to the court filing.

Economic loss - due to a failure to receive royalties - is claimed to be \$678 million.

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Another of the traditional owners' claims for compensation, previously untested under Australian law, is around social disharmony caused by *Fortescue* opting to throw its support behind a breakaway group, Wirlu-murra Yindjibarndi Aboriginal Corporation, which has separately struck deals with the miner. The court filing points to \$880,000 in receipts paid by *Fortescue* to the breakaway group.

To compensate for this, the Yindjibarndi are asking for \$112 million.

During the hearings, <u>Fortescue</u> denied it stoked community tension and rejects claims it is liable for "cultural loss" in relation to community division. The Yindjibarndi are also seeking recompense of \$34 million for specific destruction of sites that formed a core spiritual connection to the land.

<u>Fortescue</u> says it recognises the group's right to compensation, but disputes the amount. <u>Fortescue</u> will submit its written closing arguments by the end of the month.

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