



Fortescue 'staff stole green iron tech'

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Body

Andrew Forrest's **Fortescue** has launched secret raids on the homes and offices of directors of a green steel competitor, in a move described by Federal Court judge John Logan as a potential "industrial-scale forensic debacle" amid claims of intellectual property theft.

Fortescue won court orders authorising the searches in May, targeting the offices of would-be green steel competitor Element Zero and the homes and computers of company directors including former **Fortescue** chief scientist Bart Kolodziejczyk, long-term Andrew Forrest lieutenant Michael Masterman and former **Fortescue** staff member Bjorn Winther-Jensen.

Fortescue sought the co-called Anton Pillar orders after accusing all three men of taking **Fortescue**'s intellectual property with them when they quit the iron ore and would-be green energy giant, in what the mining giant describes as "industrial-scale misuse" of their positions with the company.

An Element Zero spokesman said the claims were "spurious" and "entirely without merit".

Element Zero won the first round in the battle to prevent **Fortescue** from accessing the devices and documents on Wednesday, ahead of a further hearing into arguments to set aside the -orders.

"Other affidavits â€¦ give pause for thought about whether, as the **Fortescue** parties have alleged, there was 'industrial scale misuse', or rather whether what occurred in the obtaining of the search orders, and the obtaining of material upon their execution, was what one might describe as an 'industrial-scale forensic debacle'," Justice Logan said in his decision.

Suppression orders covering the case were only partially lifted by Justice Logan on Tuesday, but the case centres around allegations made by **Fortescue** that Element Zero directors used confidential **Fortescue** intellectual property about **Fortescue**'s green iron (carbon-dioxide free) technology to found their own company.

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"That is said to have occurred whilst undertaking and leading research and development work, which included work on what is said to be a confidential process of electrochemical reduction of iron oxide in iron ore using ionic liquid electrolytes, to create metallic iron," Justice Logan said.

"It is alleged that, without the knowledge of the **Fortescue** parties, upon resignation of the second (Dr Kolodziejczyk) and third respondents (Dr Winther-Jensen) from the employment of the **Fortescue** parties in late 2021, information concerning such a process was copied and taken." In his decision Justice Logan stressed there was no finding or decision about the veracity of **Fortescue's** claims against Element Zero, and a spokesman for the company denied the allegations on Thursday.

"Element Zero believes this legal action is entirely without merit and welcomes the opportunity to respond to **Fortescue's** spurious claims. Our response will include an application to vary or set aside the original search orders," a spokesman said on Thursday.

"As Element Zero will demonstrate, its green metals technology was developed independently of and is very different from anything that **Fortescue** is doing or has done in this space. We continue to rapidly advance our technology.

"As the matter is now before the court, we will not be making further comment at this time." A **Fortescue** spokesman said the company's intellectual property is critical and "must be protected".

"Protecting our IP helps to protect the substantial investment of time and effort made by our innovative employees and stakeholders every day," he said.

"We invest significant resources in creating IP and are committed to vigorously managing and enforcing its protection. As the matter is the subject of legal proceedings, we do not intend to comment further at this stage." The documents and devices were made under Anton Pillar orders, which are made without alerting respondents, Justice Logan said.

"The purpose of such search orders is invariably to preserve evidence, so as to assist in the proof of an applicant's claim, which may be in jeopardy of destruction, concealment or perhaps removal from the jurisdiction," he said.

"They usually provide, and in this case, did, for a search by representatives of the applicants, here the **Fortescue** parties, of nominated places associated with the respondents, under the supervision of an independent lawyer." The court action comes as **Fortescue** kicked off negotiations with Chinese authorities for the supply of 100 million tonnes of green iron from its Pilbara operations in May.

The company ticked off a \$50m pilot plant for its green iron production plant in late 2023, estimating it could produce 1500 tonnes of iron ore a year from 2025.

Dr Forrest has spruiked his ambitious goal of producing 200 million tonnes a year of carbon-free iron ore for export to the company's customers.

Fortescue plans to produce high-grade iron ore for use in the steel industry by using renewable energy and green hydrogen reduction technology, together with an electric smelting furnace at its pilot plant. **Fortescue** will need about eight million tonnes of hydrogen a year to reach its goal of producing 200 million tonnes a year of green iron, potentially eliminating 220 million tonnes of carbon emissions annually.

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