



TWIGGY BACKING CHINA

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Body

Fortescue executive chairman Andrew Forrest backed China's economic might and iron ore demand to withstand any trade war escalation if Donald Trump won the US election.

With indications late on Wednesday pointing to a Trump victory, Mr Forrest called for clarity on the future of the Biden administration's Inflation Reduction Act and other green energy focused policies.

Mr Forrest said he did not share the concerns of WA premier Roger Cook that a US trade war with China could impact the mining industry and threaten jobs.

Sources within the **Fortescue** leadership team believe China could dramatically boost economic stimulus in response to any move by the US to ramp up tariffs.

"The amount of horsepower in the tank of China's economy and the ability to self-stimulate is phenomenal. You've seen just the edge of it," Mr Forrest said after **Fortescue** annual general meeting in Perth.

"I know that they (China) have so much ready to roll that, whichever way it goes, Australia is going to be all right.

"The biggest trading partner the US has ever and will ever have is China. Let's not forget that they butter each other's bread." Most commentators expect Mr Trump to take an axe to green energy incentives with ramifications for **Fortescue**'s \$US550m (\$841m) hydrogen project in Arizona.

Mr Forrest said **Fortescue** was already unhappy about some of the rules around the Arizona and needed more certainty on the future direction of the IRA.

"If you have a look at the IRA, it might get adjusted ... we need clarity," he said.

"The reason why we're not hammering into it is because we need clarity around some of the rules, which has been put off to after the election." The **Fortescue** founder described Mr Trump as a "pragmatic economic guy" who might see the sense in pursuing investment in green energy.

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"He's toed the election line. He's been really positive about green energy. He's been really possible positive about fossil fuels. Will he lean forward as much (into green energy)? I don't know. But remember, he's an economic pragmatist, so he's going to follow the money." Mr Forrest was speaking after **Fortescue** comfortably avoided a second strike on its remuneration report.

The company had moved to quell shareholder unease over ad hoc payment made to departing executives in 2022-23.

Indigenous leader Noel Pearson and infrastructure investment expert Rao-Monari were elected to the board. Shareholders received no update on when **Fortescue** might make final investment decisions on the Holmaneset hydrogen project in Norway and the PecÃ©m project in Brazil.

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