



## **Forrest blasts executives over 'most stupid' deal**

Australian Financial Review

February 7, 2025 Friday

Print & First Editions

Copyright 2025 Fairfax Media Publications Pty. Limited All Rights Reserved

**Section:** COMPANIES AND MARKETS; Pg. 15

**Length:** 567 words

**Byline:** Peter Ker

### **Body**

---

**Fortescue's** billionaire chairman Andrew Forrest blasted his executives about their plans to acquire a coal-to-hydrogen project, describing it as "the most stupid" deal he had seen in a long time in private messages that have come to light through litigation in the United States.

In 2022, **Fortescue** worked with Kid Shelleen, billionaire Paul Tudor Jones' flagship investment vehicle, on a joint bid for gas-fired power stations in Texas and coal plants in Ohio and West Virginia. The companies wanted to convert the plans to produce clean-burning hydrogen fuel. The relationship soured late in the year, with **Fortescue** lodging an unsuccessful unilateral takeover bid for the assets, refusing to pay due diligence costs accrued by Kid Shelleen and its advisors.

Mr Tudor Jones' company is now suing **Fortescue** for \$US6.25 million (\$9.95 million) compensation. **Fortescue**, which has dramatically scaled back its intentions to become a hydrogen giant, has been forced to hand over internal documents, emails and messages during the litigation process.

Among those messages is a July 2022 missive from Dr Forrest to **Fortescue** executives in which he describes the plans to buy the assets in Ohio and West Virginia as "at least the most stupid deal I have seen for a long while."

The bid with Kid Shelleen had been devised and led by **Fortescue's** then-chief commercial officer David Hunt, and the then-president of **Fortescue's** North American clean energy unit, Paul Browning. In another message sent on WhatsApp, Dr Forrest said the proposal "in itself makes me wonder deeply about the commercial nous of Paul Browning".

The comments were made near the peak of **Fortescue's** interest in green hydrogen, when the company was promising to produce 15 million tonnes of the commodity by 2030. **Fortescue** has since acknowledged it will not achieve that goal given the slow adoption of hydrogen around the world, but continues to develop a hydrogen project in Arizona and much smaller trial-scale hydrogen projects in Western Australia and Queensland. Kid Shelleen told the court that **Fortescue's** attitude towards the bid appeared to change around July 2022, the same month as Dr Forrest's messages.

## Forrest blasts executives over 'most stupid' deal

Mr Browning and Mr Hunt exited **Fortescue** in August 2022.

Kid Shelleen claims it was told by Mr Hunt in late August that **Fortescue** would make a solo bid for the assets, rather than continue with the joint bid.

Kid Shelleen claims that Mr Hunt offered to pay for the due diligence costs. **Fortescue** disputes that such a verbal promise was made, and says it would not be legally binding even if it were made.

Mr Browning was replaced as **Fortescue**'s top clean energy executive in North America by former AGL Energy chief executive Andy Vesey, who also gave testimony to the court shortly before Christmas.

Most of Mr Vesey's testimony is inaccessible to the public. However, a snippet made available by the Connecticut court shows Mr Vesey carried a second phone with him in case he lost his primary device.

**Fortescue** has declined to submit messages from that second phone to the court, arguing instead that they are identical to those on his primary device.

Kid Shelleen has disputed that claim, saying that while messages may be mirrored, the two phones have different WhatsApp messaging accounts.

Kid Shelleen has asked for Dr Forrest and **Fortescue** energy boss Mark Hutchinson to also give testimony, although this has not yet occurred.

**Load-Date:** February 9, 2025