



First Nations Engagement Investor Roundtable

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Start of Transcript

Operator: Thank you for standing by and welcome to the Fortescue First Nations Engagement Investor Roundtable. All participants are in a listen only mode. There will be a presentation followed by a question and answer session. If you wish to ask a question you will need to press the star key, followed by the number one on your telephone keypad. I would now like to hand the conference over to Fiona Hick, Fortescue Metals CEO. Please go ahead.

Fiona Hick: Thank you and welcome, everyone. It's a pleasure to join you from Perth today for our First Nations Engagement Roundtable. I'd like to begin by acknowledging the Traditional Custodians of the land on which we're holding this roundtable today, and pay my respects to their Elders past, present and emerging. I'd also like to extend this respect to other Aboriginal people and Torres Strait Islanders who are present today.

Joining me is Warren Fish, our Director Communities, Environment and Government, and Rosli Wheelock, General Manager First Nations. The purpose of this roundtable is to discuss Fortescue's approach to First Nations engagement and share some insights on the implementation of Western Australia's new Aboriginal Cultural Heritage Act, which came into effect just last month. We know our approach to First Nations engagement is very important to our shareholders and the investment community. So, I'm going to begin by making some opening remarks and then I'll pass to our subject matter experts, Warren and Rosli, to take you through today's presentation which you can view on the webcast. After that, we'd be very happy to take questions.

So firstly, our approach to heritage management. Fortescue's commitment to preserve and promote First Nations history and culture is embedded in our approach to operating sustainably and responsibly. Like everything we do, it's guided by our Values. We work in partnership with the First Nations people of the land where our operations and projects are located to ensure sites of cultural significance are identified and managed.

We have strong relationships with the First Nations people which are built on open and transparent engagement, mutual respect and the development and ongoing operation of comprehensive Native Title agreements. This is evidenced through our seven major Native Title agreements with Native Title groups in the Pilbara, three of which are underpinned by registered Indigenous Land Use Agreements.

Coming into the business, I've been really impressed by Fortescue's approach more broadly to First Nations engagement. There is a range of practical initiatives driving economic and employment opportunities. I'm incredibly proud that First Nations people are such a significant and valued proportion of our workforce, representing 10 per cent of our total workforce and 16 per cent of our operational workforce.

Key to these strong employment outcomes has been our Vocational Training Employment Centre program, which we call VTEC, and this has been providing sustainable career pathways into the company for First Nations Australians for over 15 years. The program is an important part of our training and development strategy which has seen more than 1,200 First Nations Australians gain full time employment with Fortescue.

First Nations leaders are critical to enabling a culture that supports and allows First Nations people to thrive, and Fortescue provides a range of professional development opportunities for First Nations employees with leadership aspirations. We are also strongly committed to building thriving communities and ensuring we support First Nations businesses as part of

that. Our award-winning Billion Opportunities program has awarded over A\$4.6 billion in contracts to over 190 First Nations businesses since it was established. While today we are going to primarily talk to our engagement throughout the Pilbara region, our approach to cultural heritage applies to all of our activities globally.

So, I'll now hand over to Warren to provide some further detail.

Warren Fish: Thank you very much, Fiona. Good morning everyone. By way of introduction, I'm an archaeologist by profession and emigrated to Australia about 25 years ago. I've spent my career in executive positions in the resources industry, much of which has involved negotiating land access agreements. I ran my own company for several years and in 2020 was approached by PKKP Aboriginal Corporation to lead their negotiations with Rio Tinto in the wake of the destruction of the rock shelters at Juukan Gorge.

It was an absolute privilege and pleasure to spend significant amounts of time on country with senior Elders and holders of culture and lore. To say I learnt a lot is an understatement. I bring those lessons with me into the role I currently hold at Fortescue. The tragic event at Juukan Gorge has fundamentally and irrevocably changed the landscape in Western Australia, Australia and indeed the world. The way that the resources industry reacts to this change will have far-reaching impacts on business. Let's be clear here, there has been an impact on access to ground and access to inventory. This impact is both in timing as well as in permanent change. It is difficult to generalise or quantify the impacts as they really occur on a case-by-case basis. This has been an experience industry wide, and Fortescue has not been immune. An example of this is the change in mine plan and schedule at our Eliwana operation, which has resulted in a different product mix than originally planned for.

Our response to this has been to go back to our roots and look to what we do well. One of the fundamental pillars of Fortescue is First Nations engagement and opportunity provision, including capacity building. We have tapped into the DNA of the Company and Rosli will talk more to this shortly. We have coupled the strong record with the concept of Co-Management, which allows for a very different relationship with Traditional Custodian partners than has historically been the case across the industry. One of the criticisms of the resources industry from First Nations communities is that they are only consulted when something is required of them in return. Outside of this, contact is minimal. In some instances, these relationships are managed as part of an approvals process and thus are transactional in nature.

At Fortescue, we see relationships with Traditional Custodians as strategic in nature and absolutely vital to the health of our business. This means that we seek advice and involvement in all of the three main phases of the resources lifecycle, firstly in planning, taking into account sensitive and significant places and managing them along with Traditional Custodians. We have direct Traditional Custodian involvement in our mine planning process. Secondly, operations, this entails benefit sharing, capacity building, commercial opportunity and the like. Lastly, mine closure. We plan to leave country in a state fit to be handed down to the next generation. We jointly plan and execute this with our Traditional Custodian partners.

In order to do this, we have to establish and maintain meaningful partnerships based on trust and driven by mutual benefit. A further consequence of Juukan Gorge is that consultation requirements from First Nations communities has increased sharply. There is now a First Nations lens on most approvals, but these communities simply do not have the capacity to respond to these new requirements. A tremendous amount of effort goes into assisting First Nations communities to build capacity in order to respond to this workload, but also to enable them to take full advantage of the myriad opportunities that are now in front of them. This is in everyone's best interest and further contributes to having different relationships than we've had in the past.

The sum total of this is that we're looking to a very different First Nations landscape and relationships with Traditional Custodians. Legislative reform is driving proponents to think about how they manage and maintain relationships with First Nations people. We are supportive of this and are developing frameworks to respond in a coherent and controlled manner. Pillars underpinning this are capacity-building, strategic partnership management, and commercial opportunity provision.

In a word, partnership. Fortescue is well-placed to do this as many of the prerequisites are already in our DNA. We have a demonstrated track record in this regard, extending 20 years. We will extend this approach to our decarbonisation projects, and are currently in discussions with a number of Native Title parties providing innovative partnerships and benefit-sharing models.

In closing, I'd like to make a few comments about a topical issue, the Yindjibarndi Compensation Claim. Fortescue has offered compensation to the Yindjibarndi people in the past and we continue to be ready to settle this dispute by paying compensation. We would like this matter resolved as quickly as possible and preferably outside of the courts.

I'd like to hand over now to Rosli Wheelock for further comment.

Rosli Wheelock: Thank you Warren and morning everyone, it's great to be joining you all and providing an update on Fortescue and our approach to First Nations engagement. My name's Rosli Wheelock, I'm a Badimaya / Watjarri Man from Western Australia and I've recently been appointed the General Manager First Nations. In actual fact, I would have met a lot of you back in October last year when we had our investor tour up in the Pilbara at our Eliwana Operation. I've been working with Fortescue for a little over 12 years now and in my time at Fortescue, I've held key leadership positions and management roles, and worked across a number of our operations, including Cloudbreak, Solomon and Eliwana, where was the Operational General Manager.

My newly created role places all of our First Nations related workstreams under one portfolio. At Fortescue we recognised that we needed to consolidate these departments. This way we can leverage with greater impact the amazing work that all these portfolios deliver, not only to our core business, but also to our Traditional Custodian partners and the broader Aboriginal community. This includes, in my team, Cultural Heritage, Aboriginal Business Development, Native Title, First Nations relations and our highly successful VTEC program.

It fills me with immense pride to say that Fortescue is one of Australia's largest employers of Aboriginal people. Last year we had 100 VTEC trainees go through our program, almost half of which were Traditional Custodians from within the communities where we operate.

Pleasingly, year on year, we continue to increase the percentage of Aboriginal leaders within our business. Across our Pilbara operations, we have 16 per cent Aboriginal employment, and across our total workforce, we have 10 per cent Aboriginal employment. For context, for our international listeners, at Australia's last Census, Aboriginal and Torres Strait Islander people represented 3.2 per cent of Australia's population. With a total of 1,200 Aboriginal people employed through VTEC since 2006, we continue to demonstrate a strong commitment to empowerment through employment.

There have been two and three generations of employees that have come through the VTEC program, and as an example of this, we had a mother who started in the mining industry in our operations many years ago. Her son followed and is still operating our big heavy haulage trains in the Pilbara, and just last week, his daughter joined Fiona Hick as the CEO for a Day at our June quarterly results. She is doing great things as a leader in the Water Management team at our Christmas Creek Operation. This is a demonstration of the generational impact our VTEC program is having on the community.

Our Billion Opportunities program forms a critical element of our approach to ensuring economic opportunity and growth for the Traditional Custodians of the regions in which we operate. Since its commencement in 2011, the program has awarded contracts and subcontracts worth more than A\$4.6 billion to over 190 Aboriginal businesses. Billion Opportunities is complemented by a range of practical initiatives that provide Aboriginal businesses with the tools to build value and sustainability, which in turn creates employment and development opportunities. Through its continued success, it is hoped the program will inspire other businesses to implement Aboriginal procurement strategies and provide opportunities for thousands of Aboriginal businesses across the country.

One recent example of this is the signing of our Drill Fleet partnership, with Nyamal Aboriginal Business Corporation, which Fiona touched on earlier. Fortescue signed a major agreement with the Nyamal Traditional Custodian group to provide mining equipment for our Iron Bridge Magnetite Project. The A\$18 million agreement will see Nyamal Aboriginal Corporation initially provide five contour drill rigs, one stemming loader and two platform rigs to Fortescue. This will grow to include six additional platform rigs over the next two years to meet the Iron Bridge mine plan. From the outset, Fortescue has been focused on practical initiatives that drive economic and employment opportunities for Indigenous Australians. Contracts like this support the growth of Indigenous businesses, which in turn provides ongoing economic benefits to communities.

A major barrier for Aboriginal business is accessing capital. Since 2017, we have partnered with ANZ to offer a funding program that allows eligible Aboriginal businesses to access finance at a competitive rate. Fortescue acts as guarantor, which removes the need for the Aboriginal business to provide security. The Aboriginal business owns the assets during the term of the contract and is then able to use these assets as security in the future. This initiative has already guaranteed A\$99 million in funding to 17 Aboriginal businesses. More than 200 mobile assets have been purchased using the funding, including excavators, water carts, graders, prime movers, buses and light vehicles. Pleasingly, in the history of the program, there have been no defaults.

So, the above Nyamal agreement is an example of our approach to co-management, and recently we signed a Memorandum of Understanding (MoU) with the Puutu Kuntj Kurrama and Pinikura (PKKP) people. This is not new to Fortescue. In fact, we have been working very closely and collaboratively with all our Native Title partners for many years on the protection of heritage, early engagement as well as business and employment opportunities.

By signing this MoU, we are formalising our co-management way of working with the specific needs, aspirations and the approach that best suits the PKKP people. We are in discussions with all of our groups on co-management, however co-management, in reality, is just giving a title to something that we do and is the way that we work with our Traditional Custodian groups.

So, what's in it for the Traditional Custodians and Fortescue? Simplistically, our Traditional Custodian groups want greater trust and certainty on the protection of cultural heritage, and Fortescue want greater certainty on our projects. This aligns with the needs of both PKKP and Fortescue. For us, this means sharing mine and project plans as early as possible so that we get early engagement and feedback. Co-management is not an afterthought or regulatory tick the box. We must work with our Native Title partners and Traditional Custodians to protect culture and give the PKKP people an equal say in what happens on their country. This will apply to every aspect of the mine life cycle from the planning to closure and rehabilitation. It requires mutual obligation and shared responsibility. Fortescue and PKKP must be committed to the best outcomes for it to work successfully.

Co-management makes clear how we both communicate and resolve differences, which gives PKKP and the community a greater role to work on the ground monitoring and engaging with our operations team. In practice for us, we have PKKP monitors on our site at our Eliwana operations embedded with our operations team. Working closely and strategically with our Traditional Custodian partners is vital to the success of our operations, and at Fortescue we have a strong foundation to build on, in order to maintain the level of trust and mutual benefit for many years to come.

So as many of you would be aware, WA's new *Aboriginal Cultural Heritage Act* came into effect last month. Fortescue supports the legislative reform and the modernisation of the *Aboriginal Cultural Heritage Act*. The core objectives of the Act are that it focuses on agreement making with Aboriginal people to ensure they can protect and manage their cultural heritage, and it involves decision making regarding identification, conservation and management of cultural heritage to Aboriginal people. It also establishes a tiered system for activities to be categorised and a corresponding process for each of these tiers. This helps determine the level of due diligence that needs to be undertaken.

So what has not changed? What has not changed is our focus on cooperative, co-management approach to activities with our Native Title partners; nor has our practice of undertaking heritage surveys in collaboration with senior Traditional Custodians; our longstanding approach to avoiding impact on heritage wherever possible. Where Aboriginal cultural heritage will not be impacted by our activities, well then no approval is required and the heritage sites and places of outstanding significance were protected under the former Act. Likewise, activities that may harm Aboriginal cultural heritage require approval; this principle existed under the old Act for 50 years. The requirement for us to engage with Native Title representatives in areas in which we operate hasn't changed, and are known now to be called the Local Aboriginal Cultural Heritage Services.

In short, a lot of the requirements of the new Act are in line with the way that Fortescue has operated for many years. Having been at Fortescue for 12 years, and working closely with our Native Title partners both in operations and now as the General Manager First Nations, I believe we are strongly positioned to ensure our partnerships continue to flourish and provide mutual benefit for generations to come.

On that note, we will now move to the Q&A part of the roundtable.

Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star two. If you are on a speakerphone, please pick up the handset to ask your question. In the interests of time, we ask that you please limit to two questions per person. If you wish to ask further questions, you may rejoin the queue by pressing star/one again. Your first question comes from Hayden Bairstow with Macquarie. Please go ahead.

Hayden Bairstow: (Macquarie Group) Morning guys, thanks for the call. It's much appreciated to get that more clarity on it. I'm just keen to understand a couple of things from my side. Firstly, just on the approvals process and how that lines up with what you have to do with the EPA, is the sort of timeframe now more aligned or is securing all of the Native Title approvals and getting all the surveys done now have to be done at the front end before you can start doing all the EPA work?

Then the second one would just be more broader on mine planning. I guess industry standard was more detailed planning for three years, does that now need to extend and you need to push that detailed planning process out to more of a five-year view to make sure you can get all of these approvals done in time? Thanks.

Warren Fish: Thanks Hayden, it's Warren Fish speaking, I'll just have first crack at that answer if you don't mind. Your question about the EPA is a really interesting one. What we have seen in a world post Juukan Gorge is that there's a First Nations lens on all approvals and certainly the EPA are a lot more interested now in Aboriginal consent or in First Nations consent in the approvals process. So, it's something we are planning for and we realise is a part of the world we live in right now. So yes, it does make things more complex. I'm not too concerned about timing from an EPA perspective, I'm more concerned at providing enough capacity in our Indigenous Native Title partners to be able to respond to that. For me that's the key we're putting a lot of effort into right now.

With regarding to mine planning, I think you're absolutely spot on and I'll ask Rosli to comment on this in more detail, but I think we certainly need to start looking at horizons that are a bit further out to make sure that we have our house in order with regard to the entire approvals process, most of which these days seems to focus around First Nations.

Rosli, would you like to add to that?

Rosli Wheelock: Yes, hi Hayden, it's Rosli here. to your point about more certainty in mine plans, even under the old regime, the more detail, the more certain our plans are, obviously that's better for everyone and for the approvals process. So clearly for us getting more sophisticated with our mine plans and understanding the constraints within that early time horizon is really important. To say that we've had to change anything specifically because of the new Act, I don't think so.

We've worked really hard to make sure that all of our mine plans have as much certainty for a longer period every time we run our life-of-mine and five-year mine plans.

Operator: Thank you. Your next question comes from David Radclyffe with Global Mining Research. Please go ahead.

David Radclyffe: (Global Mining Research) Hi, good morning Fiona, Warren and Rosli. So, my first question is on Eliwana and access there and what's happening. If we go back to the site visit last year, you'd said some sites were being investigated further and you would have liked to have had access, but the message was more of deferral rather than sterilisation and you did obviously talk to change in the product mix. So just wondering if there's a bit of an impact, update there on the potential impact and how could we think about this eventually coming through in terms of reserves as well? Could some of those actually be taken out of the mine plan?

Rosli Wheelock: Yes, so the base case for us for now is that we don't expect to see any material change to our broader portfolio Pilbara hematite product mix. At Eliwana, as you mentioned, we're producing 15 million tonnes of Western Pilbara Fines product and we predict that product mix to be stable over the short term. We're also working very closely with our Traditional Owners in a constructive way to understand some of those resource limitations. Obviously with our Annual Report, we will release and disclose our mineral resource and ore reserves, which takes into account heritage restricted areas where appropriate; they've been excluded from the estimate.

David Radclyffe: (Global Mining Research) Okay, all right. Thank you. Then maybe as a follow up, could we come back to Yindjibarndi and can you clarify that there's still no Native Title agreement? I know you've been speaking on it for a long while now, and then how that process might go going forward, like is it predicated on sorting out the compensation claim? The lack of agreement, it's still not really, from your perspective, impacting on the ground in terms of Solomon and Eliwana and the day to day. Then what should we be looking for next in terms of this process?

Warren Fish: Thanks David. I'll take that question. I think again, I'd like to reiterate the fact that we seek agreement and we have sought an agreement with Yindjibarndi for a long period of time. We're certainly very happy to pay compensation and that matter is before the courts, so I absolutely can't comment on compensation or anything like that right now.

We'd love to settle this out of court. Clearly there is a court process that's been mandated. That will continue. As of right now, we are accessing country in a completely and absolutely legal way and there is no current impact to operations. We will at some stage need to negotiate an agreement with Yindjibarndi, but I think there is enough in front of us at the moment with regard to the court proceedings to get those out of the way first.

Operator: Thank you. Your next question comes from Rahul Anand with Morgan Stanley Australia. Please, go ahead.

Rahul Anand: (Morgan Stanley Australia) Hi, Fiona and team. Thanks for the call. Really helps us understand the important parts of the business here. Look, I just wanted to continue on from David's question on Eliwana. If you could help us understand, perhaps in a bit more detail, what are some of the pending issues on site? Obviously, Warren, you talked about the blend being maintained in the near term but how far down are you in the path of defining what sort of impact this may have in terms of the reserves at perhaps not just Eliwana but the rest of the portfolio?

We saw some small downgrades by other players like Rio earlier this year and also last year. They were attributable to Traditional Owner rights and issues. I'd just be keen to understand firstly the specifics around the challenges you're facing at sites for Eliwana and how far down are you, the path, of re-looking at some of the mine plans and the reserve side of things in terms of potential sterilisation?

Rosli Wheelock: Sure, it's Rosli here. I'll tackle that question. So, mine planning, as you're all aware, is an iterative process and we're always updating mine plans based on new information, new constraints and some of the issues that

arose through Eliwana but not necessarily to do with obviously the new Act. We had the disruption of Juukan Gorge. There was also the disruption of COVID which meant surveys stopped.

So, a large part of some of the constraints is around just resourcing and getting back to unlocking a lot of those areas and work that we were doing with PKKP. But having said that, we've got other areas that we can go and mine as we can work through these. So, like I said, there's no material impact or change to our product mix. Eliwana will continue to produce 15 million tonnes of Western Pilbara Fines. So, at this stage, yes, apart from the fact that what we'd originally planned has come down, 15 million tonnes looks to be a stable mix.

Also, I mean maybe one of the other things that you're talking about is Flying Fish. So Flying Fish was a project that we had to bring forward by a year-and-a-half, two years based on those constraints. You know, that was always in the mine plan to come forward. So as mentioned, it's part of that iterative mine plan process where, as constraints come forward, we just make changes to the mine plan and adjust.

Rahul Anand: (Morgan Stanley Australia) Got you. Okay, so it sounds more like delays rather than disagreements. Then Flying Fish, still with the Eastern Guruma, right? So that's basically your extension through post Solomon?

Rosli Wheelock: No, Flying Fish is on PKKP country. It's about 30 kilometres east of the main Eliwana mine.

Operator: Thank you. Your next question comes from John Tumazos with John Tumazos Very Independent Research. Please, go ahead.

John Tumazos: (Very Independent Research) I want to apologise for asking a naïve question as a distant American friend, but if there's no change in mine plan or reserves and the new law conforms essentially to Fortescue practices, I'm wondering why we're having the call. Are there some people in your investor audience that think the new law is a problem for Fortescue, or are there other mining companies in iron ore or gold or other sectors for whom this law changes practices? I'm just trying to understand the context of the call.

Fiona Hick: Hi John. Look, thanks very much for your question. It's Fiona here. The reason that we're holding this investor roundtable is because there's investor interest in what we do and how we do it. The new Act has been generating some media activity here in Australia, so we just thought it was prudent to provide some further detail on Fortescue's approach. That's really the summary of the rationale for holding the call. I'm going to hand over to Warren in terms of you also asked a question more generally around the industry. Obviously, we're here to talk about Fortescue specifically but Warren might be able to share a bit more broadly.

Warren Fish: Thanks, Fiona. Hello, John. So, you know, the impacts of legislative reform, I think as we've tried to demonstrate is, I think we're quite well positioned to respond. There are some parts of the industry that perhaps might be a little bit more concerned about the new regime and initial thoughts for myself certainly go straight to the exploration industry. I think it's going to be interesting to see how that industry as a whole, particularly in Western Australia, responds to new requirements. You know, it's going to take some change in approach from a lot of those companies. So certainly, I think we're well placed to respond but you might want to think about how the rest of industry responds to this.

Operator: Thank you. Your next question comes from Paul McTaggart with Citigroup. Please, go ahead.

Paul McTaggart: (Citigroup) Morning all. So, I just wanted to follow up on the capacity of Traditional Owners to undertake some of the survey work that is required. Do you see this as a constraint going forward or is it just a case of - to your earlier point, just getting in earlier with mine plans and planning work? I mean will this be an industry constraint? Can we manage this?

Warren Fish: Paul. It's Warren here. Yes, look, it's a significant issue for us. It's both a short-term problem and one that may be with us for a little while. So, in order to undertake the work that we require, we ask for and in most cases get, senior people on country who are knowledge holders. These are some of the older elders who either are getting more and more infirm and are less in number than what they perhaps once were. So, we need to make sure that there's a transfer of knowledge through community. To make sure that we get appropriate levels of knowledge holders on site with us. This is not a short-term fix. So that's the first problem. We need to get the appropriate Traditional Custodians on country with us to provide us advice on our operations.

The second issue is the capacity of the prescribed body corporates themselves. There is a tremendous amount of information coming their way now with regard to matters as wide as subterranean water extraction plans, cultural heritage management plans, potential employment on our sites. So, there's a flood of information going into these organisations. We need to make sure that they have the appropriate skill in the organisations themselves to provide the administrative support to allow traditional custodians to make appropriate decisions both on how we work on country and, secondly, how they respond to us as an industry.

Paul McTaggart: (Citigroup) So the kind of corollary to that is how do we ensure that we have the right knowledge transfer in these communities? How do we encourage that and how do we address those concerns?

Warren Fish: So the way that we're trying to do this, Paul, is to make sure that we see our relationships with Traditional Custodian communities as relationships - not as transactional but as strategic. So, we are spending quite a bit of time on language and culture and on taking people back to country to make sure that there is a transfer, as early as we can in the piece. It's again, a long-term issue for us but for us, it's based around holding strong relationships and holding partnerships where we each understand what our roles are and we each understand what our commitments are to each other.

Operator: Thank you. Your next question comes from Glyn Lawcock with Barrenjoey. Please go ahead.

Glyn Lawcock: (Barrenjoey) Fiona, good morning. I just wanted to maybe take Paul's question a step further because it's sort of where I wanted to go as well, but can you give some examples of what perhaps Fortescue and maybe the industry and also the Government, because I mean the Government have imposed this Act on everybody, to assist the Traditional Owners in coping with knowledge transfer. I mean is there anything you can point to as examples for what you're doing?

Then following up to that, is there anything you can make as a sweeping comment, maybe with everything from the Act and I appreciate there were three major changes you talked to, and you say you're already complying anyway, but any thoughts on the quantifying the time and the dollar impact that could have on permitting and the process in general? Then finally - sorry, just the Eliwana resource exclusion. Is that a permanent exclusion or is it just simply subject to review under the Act and potentially it could come back? Thanks.

Warren Fish: Glyn, I'll probably take the first bit of your question. So practical initiatives, we provide additional funding into prescribed body corporates that we have agreements with to ensure that there is sufficient capacity from a personnel perspective and an expert sort of capacity on their side of the fence. So that's kind of a start for us. We also have a number of programs with some of our First Nations partners on building culture, building appreciation for country. A range of programs getting people back onto country. This is all done under the aegis of their Elders. So, what we're hoping and trusting is that there is a knowledge transfer process occurring in that regard. Time and cost, Rosli, I'll probably pass on to you for that.

Rosli Wheelock: Yes, do you want to cover that question again? Just so I've answered appropriately, sorry. Glyn?

Glyn Lawcock: (Barrenjoey) Yes, sorry. I was just curious if you know, obviously there were three changes you spoke about. The focus on agreement making, devolved decision making to the Aboriginal people and there's now a tiered

system et cetera. Just wondering, can you quantify what that could mean for the industry and maybe for Fortescue? Because even while you're compliant, I assume there's a time and dollar quantity you could have put to it. Or even just in time. You know, is permitting pushed out another one or two years? Is that sort of your rough feel for what it could mean to the industry.

Rosli Wheelock: Yes, I mean look, for us the Act has only just come out and we've been busily preparing for the Act with what we knew about it before it got released. So, there's an element of understanding the Act and how it relates to all of our operations and approvals. So, to be able to give a number on that, I think is probably a little bit premature. Then from a dollar impact on approvals, again, we haven't significantly boosted our workforce to be able to tackle this and like we mentioned earlier on in the presentation, a lot of what we've been doing is the way we've been working even prior to the new Act.

So, time, I think, is probably premature to answer that just now. Again, it's not dodging the question but it will be case by case. In fact, from approvals perspective, there may be examples where some approvals could possibly be quicker in the new regime if we come to an agreement with our Native Title partners on a specific area as part of our current management process. So again, we're still working through that.

Operator: Thank you. Your next question comes from Ian McIlwraith with ACSI. Please, go ahead.

Ian McIlwraith: (ACSI) Thank you and thanks for the presentation. Going back to the Yindjibarndi question. My understanding is that your Executive Chair has actually been talking with representatives of the Yindjibarndi to try to reach some form of agreement, but you're still a long way apart on money, which I assume is part of the mediation process the court is heading towards. Can you talk a bit more about how close you might be to an agreement?

Warren Fish: Yes, thanks, Ian. Look, again, the matter is before the courts. I can't comment in any detail. Andrew and Michael Woodley have a respectful and constructive engagement. Our view is that progress is being made but as I said, the matter is before the courts so certainly, I unfortunately can't comment any more at this stage.

Ian McIlwraith: (ACSI) I think given that it's a civil compensation case and they are putting you through the mediation route rather than having a trial in court, I would have thought you had some freedom to talk about it?

Warren Fish: No, I'm afraid not.

Operator: Thank you. Your next question comes from Michaela Jamison with Jarden. Please, go ahead.

Michaela Jamison: (Jarden) Great, thank you. My first question relates back to providing the additional capacity to First Nations partners. So, the first part of the question is, do you think royalties should pay for this or should companies help with funding this? Then secondly, even if companies do have the funding, we've heard that mining industry is hiring the fast bulk of heritage consultants so keen to hear your view on that, please.

Warren Fish: Sorry, I didn't quite catch the second part of the question, Michaela.

Michaela Jamison: (Jarden) The second part is, we've heard that the mining industry is hiring a lot of the heritage consultants so there's actually not a lot of resources available for First Nations groups. So, I was just interested in your comment on that.

Warren Fish: Yes. Really what royalties are, is a mechanism to compensate First Nations people for the loss of Native Title rights. That's the philosophical question on whether or not that should pay for capacity building is one that is certainly outside of my bailiwick to answer. It's probably a matter for them. What I do know, is that if we have joint interests, we should probably find joint solutions to this problem. What we're looking at doing more and more is working closer and

closer with our Aboriginal and First Nations partners to ensure that the outcomes are reached regardless of the route that we take to get there.

With regard to heritage consultants, I think you actually would have seen there's been a tremendous increase in the hiring of heritage consultants. That has had an impact of sorts, I imagine, but I think that the skillsets that we're looking for now are probably a lot broader than just heritage consultants. So, we need environmental consultants, we need more water quality specialist et cetera, et cetera. So, it's not just based around the discipline of heritage.

Operator: Thank you. Question comes from Maddy Dwyer with Paradise. Please go ahead.

Maddy Dwyer: (Paradise) Good morning, everyone. Thanks for your time. My question was around - well basically, could you please talk us through in a bit more detail the extent to which Free, Prior and Informed Consent principles fit into your co-management approach? I haven't really heard it mentioned too much today, but I guess interested from a practical point of view as you're working on designing this with the PKKP.

Warren Fish: Thanks, Maddy. So, we support the UN declaration on the rights of Indigenous peoples and human rights principles that embodies - which clearly include Free, Prior and Informed Consent or FPIC. It's a concept that we spend a lot of time thinking about and we certainly believe that we continue to hold Free, Prior and Informed Consent. It's been one of the cornerstones of the work that we've done with PKKP and it's in fact inculcated in the agreements that we have negotiated and executed with them. So, it's a central part of how we work.

Operator: Thank you. Your next question comes from Lyndon Fagan with JP Morgan. Please, go ahead.

Lyndon Fagan: (JP Morgan) Thanks very much. I realise the scope of this call is mainly on the Pilbara, but I was really interested to find out what sort of cultural heritage measures are being taken with the Gabon project. So, it just seems like a very quick journey to go from initial agreement to first production, and I'm just wondering whether there was any First Nations consideration or royalties agreed in Gabon? I've got a follow up after that.

Warren Fish: Okay, so I can't comment on the direct agreement at this stage, Lyndon, but what I can say is that there was a significant body of work done with the Gabonese Government and with local communities in the area around our area of interest. That work is continuing and we've had a really good response from local communities on the work that we've done there. Clearly there are both environmental and heritage factors that needs to be taken into account. The approval for the initial phase of mining was done on a very, very small parcel of land. Studies are ongoing into the effects that the project might have on a more broader basis, and we're certainly happy to talk to you folks about that once we have that in hand.

Lyndon Fagan: (JP Morgan) Okay, so there's not a lot to really talk about there at this stage by the sound of it. The other follow up is, I guess bringing it all together. I realise there's a whole lot of different agreements out there but is it possible to summarise what percentage of revenue is going to First Nations in the form of royalty agreements? Out in Gabon that is?

Warren Fish: I don't have the answer to that question, frankly.

Operator: Thank you. There are no further questions at this time. I'll now hand back to Fiona Hick for closing remarks.

Fiona Hick: Thank you and thanks very much for joining us today. Thanks Warren and Rosli as well. As you've heard, preserving and promoting First Nations history and culture is really embedded in the way that Fortescue operates and has done for many years. We're very much focussed on practical initiatives that continue over years to drive economic and employment opportunities for First Nations people. This is a really important topic. If you have any other questions that

you may want answered, then please, as always, feel free to reach out to Andy and the Investor Relations team if you have any follow up questions. Thanks for your time.

Operator: That does conclude our conference for today. Thank you for participating, you may now disconnect.

End of Transcript