

4 May 2022

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**PRESENTATION – MACQUARIE AUSTRALIA CONFERENCE 2022**

Fortescue Metals Group Ltd (Fortescue, ASX: FMG) advises that Elizabeth Gaines, Chief Executive Officer is presenting at the Macquarie Australia Conference 2022 on Wednesday, 4 May 2022. A copy of the presentation is attached.

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# Macquarie Australia Conference

Elizabeth Gaines  
4 May 2022

Thriving communities | Global force



# Forward Looking Statements Disclaimer



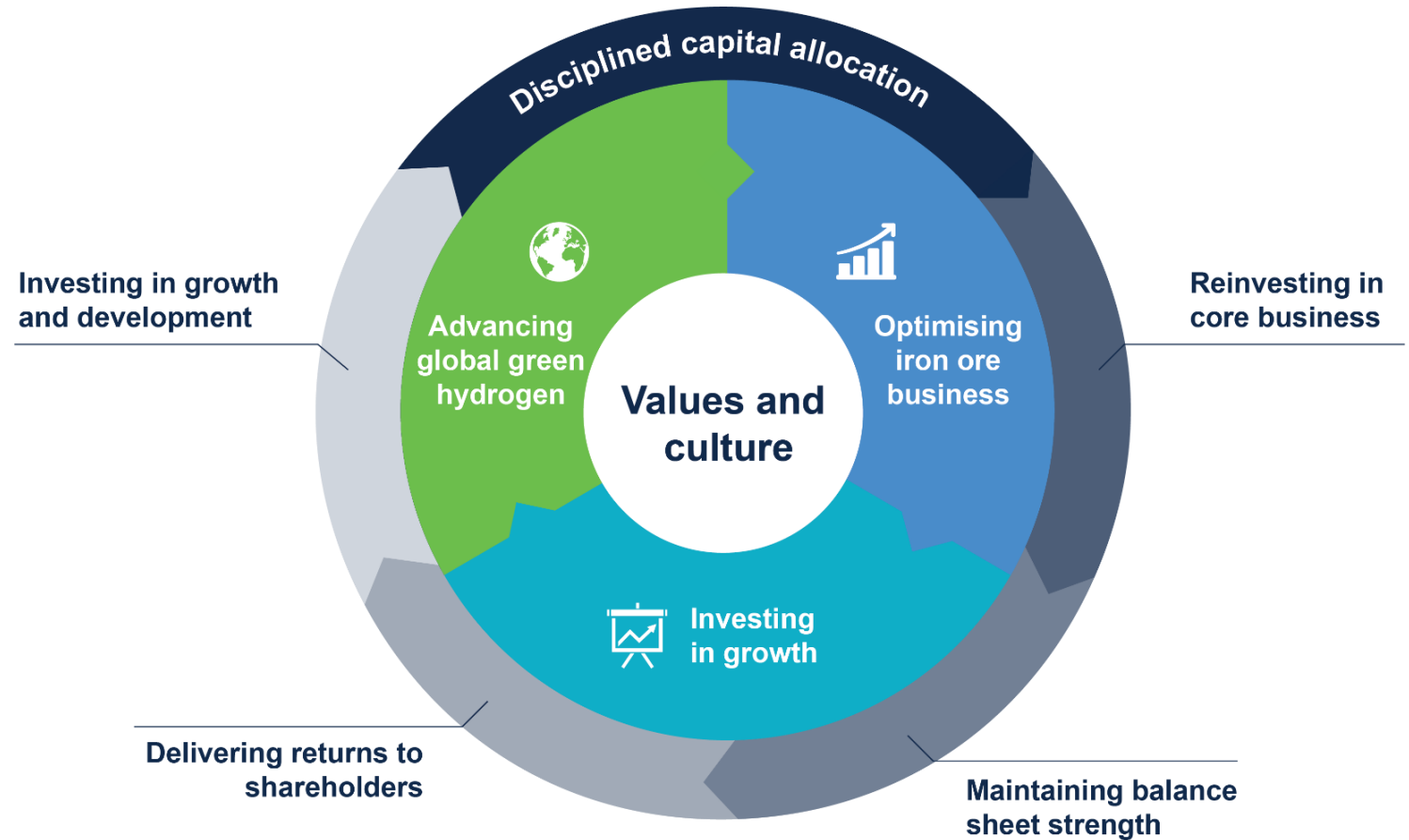
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## Additional Information

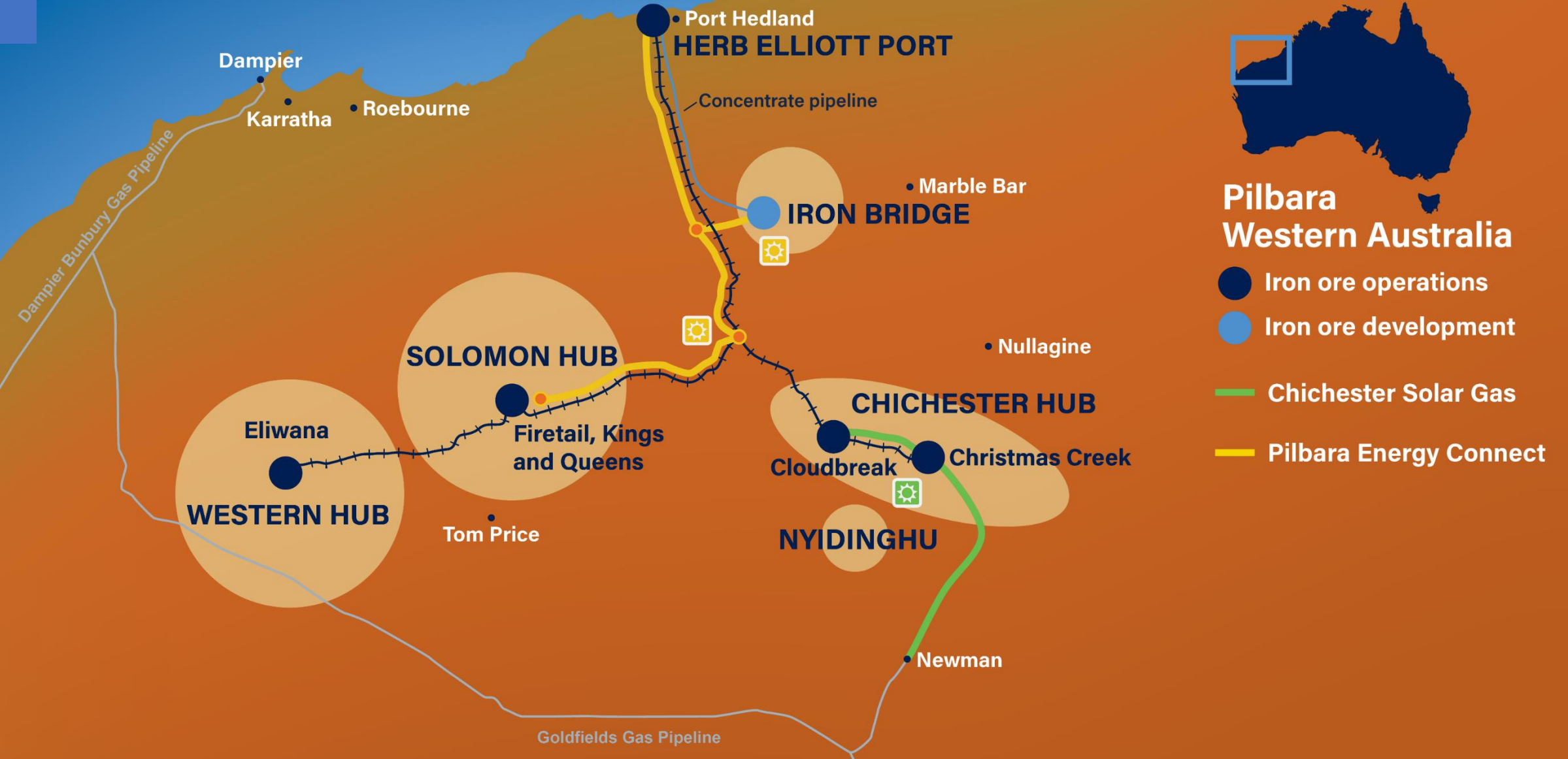
This presentation should be read in conjunction with the Annual Report at 30 June 2021 together with any announcements made by Fortescue in accordance with its continuous disclosure obligations arising under the Corporations Act 2001 and ASX Listing Rules. Any references to reserve and resources estimations should be read in conjunction with Fortescue’s Ore Reserves and Mineral Resources statements released to the Australian Securities Exchange on 27 August 2021. Fortescue confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. All amounts within this presentation are stated in United States Dollars consistent with the functional currency of Fortescue Metals Group Ltd, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.

# Transitioning to a vertically integrated green energy and resources company



Thriving communities | Global force

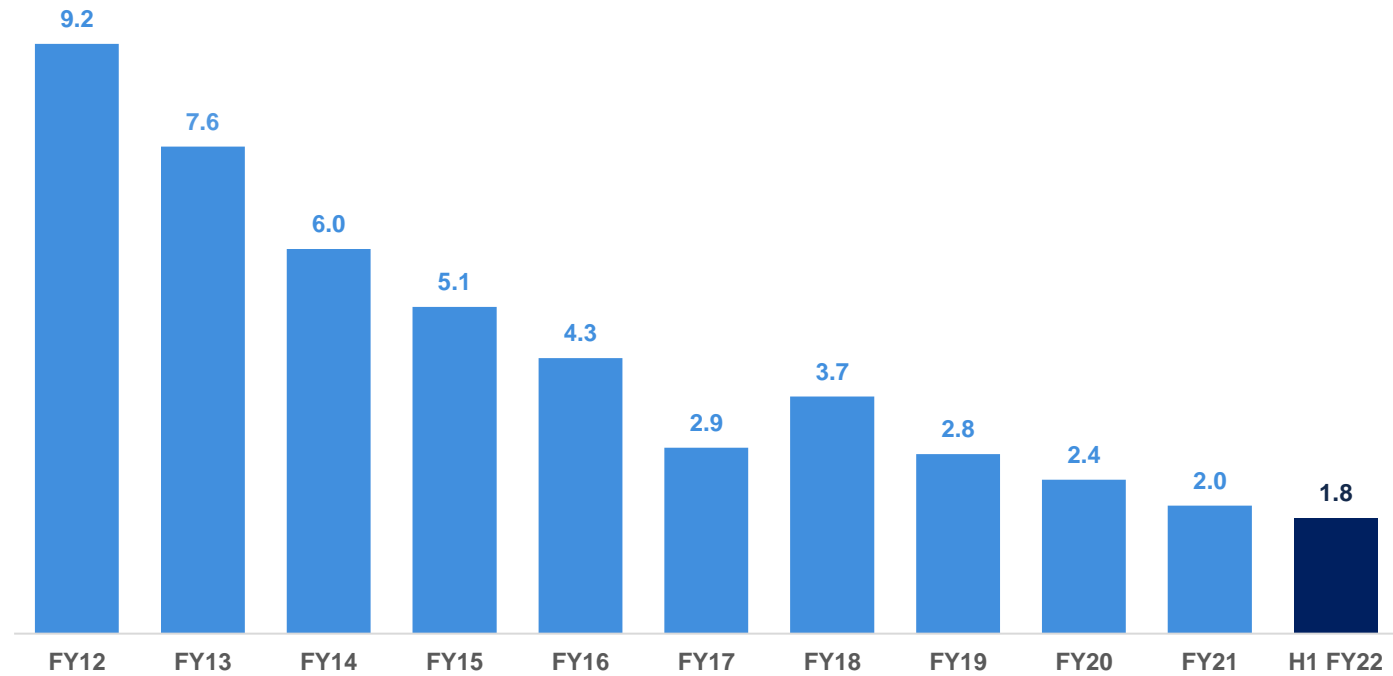
# Integrated mine to market infrastructure



# Safety and unique culture

## Unwavering focus on health and safety of the Fortescue family

Total Recordable Injury Frequency Rate



# March 2022 quarter highlights



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**1.8 TRIFR**

18% improvement from  
2.2 at 31 March 2021

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**US\$100 /dmt**

Average revenue  
70% of Platts 62% CFR Index

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**46.5 mt shipped**

10% higher than Q3 FY21

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**US\$15.78 /wmt**

C1 cost  
US\$15.45 /wmt YTD

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**US\$2.4 bn**

Net debt

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**US\$1.5 bn**

Offering of Senior Notes  
completed in April 2022

# H1 FY22 financial highlights



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**US \$8.1 bn**

Revenue

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**59%**

Underlying EBITDA margin

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**US \$4.8 bn**

Underlying EBITDA

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**US \$58 /dmt**

Underlying EBITDA per tonne<sup>1</sup>

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**US \$2.8 bn**

Net profit after tax

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**A\$0.86 per share**

Fully franked interim dividend

<sup>1</sup> Underlying EBITDA per tonne excludes FFI expenditure



# Marketing strategy



**Aligned with needs of customers and market**

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## **Direct engagement**

Customers and stakeholders

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## **Flexible and innovative**

Product and logistics offering

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## **Long term relationships**

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## **Product suite**

Aligns with needs of the market



# Iron ore market

CY22 economic growth targets to support steel demand

## China GDP growth target: 5.5% YoY

Policy setting support growth targets

## Rest of world

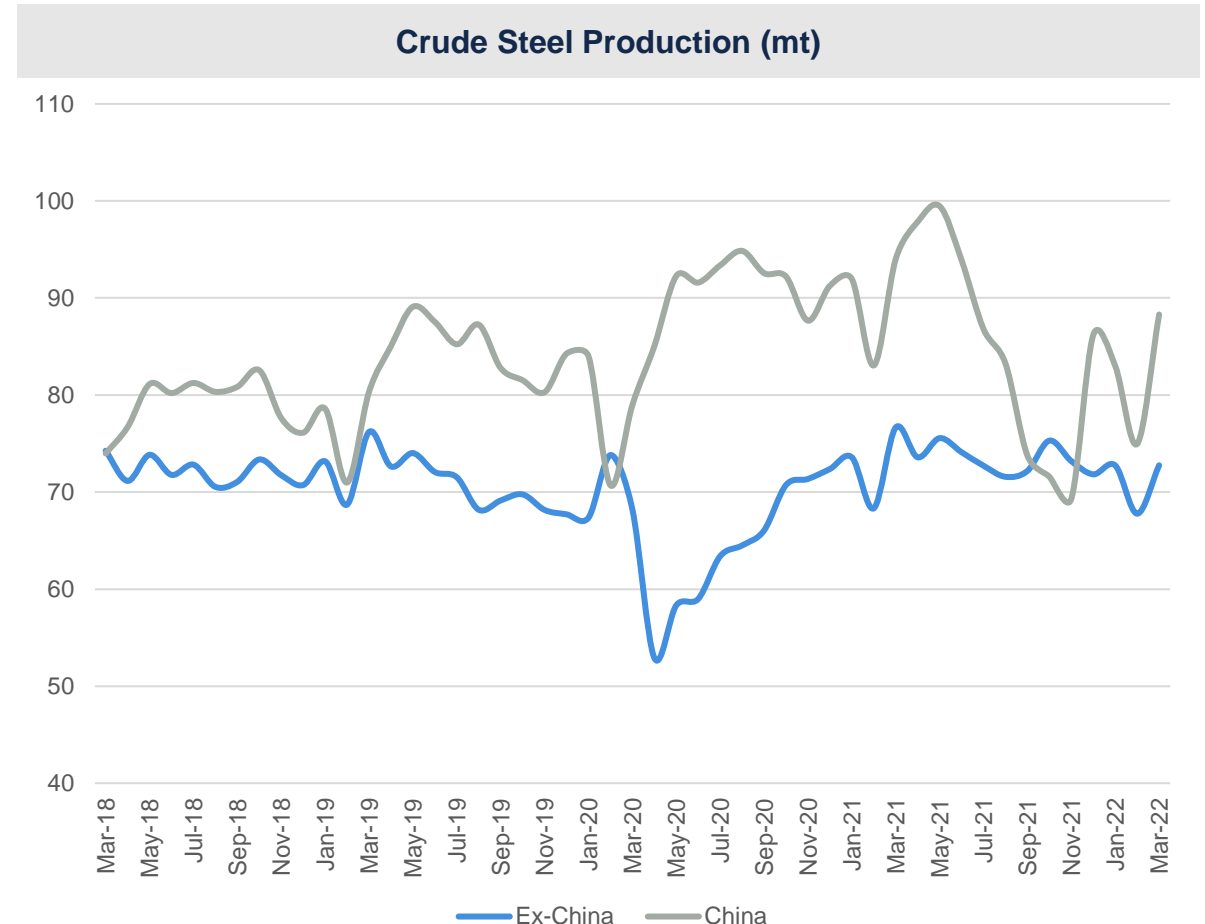
Steel production recovered to pre-pandemic levels

## China port inventories

Iron ore stocks decline

## Iron ore supply

Remains constrained



Source: World Steel Association, NBS

# Eliwana operations

Ramp up and integration of Eliwana contributed to record performance in FY21



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## First ore

Achieved in December 2020

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## 30 mtpa dry OPF

Running at annualised rate of production

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## Low capital intensity

Fast payback on investment

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## 143km rail

First east-west line through Hamersley Ranges

# Iron Bridge

Strategic investment providing enhanced product range



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**22 mtpa**

First production in the March 2023 quarter

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**67% Fe**

High grade magnetite concentrate

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**US\$3.6 – US\$3.8 bn**

Capital estimate

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**US\$2.7 – US\$2.9 bn**

Fortescue's share

# Approach to sustainability

Ensuring communities benefit from Fortescue's success



## Setting high standards

Health, safety and wellbeing

Workforce diversity

Protecting Aboriginal heritage

Business integrity

Economic contribution



## Safeguarding the environment

Climate change action

Protecting biodiversity

Water management

Mine closure and rehabilitation

Waste management



## Creating positive social change

Creating opportunities

Building sustainable communities

Social investment

Protecting Human rights

Eliminating modern slavery

# Sustainability performance



## Recognised as a global leader in sustainability

Gold Class Sustainability Award in 2022 S&P Global Sustainability Yearbook

Included in the Australian, Asia-Pacific and World Dow Jones Indices for third year

TCFD aligned climate-related reporting

Leading climate-related targets

Recognised for sustainable water management

## Sustainability Award

Gold Class 2022

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**S&P Global**

# Creating positive social change



Empowering thriving communities and creating opportunities through training, employment and business development

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> **A\$63 million**

Social investment in communities (FY21)

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**Billion Opportunities**

> A\$3.5 billion in contracts awarded to Aboriginal businesses and joint ventures since 2011

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**VTEC program**

> 1,000 Aboriginal people successfully employed across all sites

# Industry leader in addressing climate change

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## Carbon neutrality by 2030

Clear priorities on decarbonisation pathway

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## Net zero Scope 3 emissions by 2040

Addressing emissions across the value chain

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## Green fleet development

Heavy industry decarbonisation initiatives

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## Stationary energy

Energy infrastructure supporting incorporation of large scale renewables



# Fortescue Future Industries



**Green energy and green technology company**

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## **Enabler of decarbonisation targets**

Investing in decarbonisation technologies  
Supplier of green energy

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## **New energy business**

Assessing global portfolio of renewable energy and green industry opportunities

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## **Capital allocation**

10 per cent of Fortescue's net profit after tax  
FY22 anticipated expenditure: US\$400 – US\$600m

# Williams Advanced Engineering



**Leading provider of high-performance battery  
and electrification technologies**

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## **Demonstrated track record**

of success in advanced engineering across the premium  
automotive and motorsports sectors

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## **Enabling Fortescue's decarbonisation**

Critical technology and expertise in high-performance battery  
systems and electrification

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## **Vertically integrated**

into Fortescue and managed by Fortescue Future Industries

# Decarbonisation progress

Leading the world effort to decarbonise hard to abate sectors

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## Haul trucks

- Developed hydrogen powered haul truck prototype
  - Prototype battery electric power system under development
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## Drill rigs

- Design of hydrogen powered drill rig prototype
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## Rail

- Successful combustion of >80 per cent ammonia in fuel
- Purchase of two new battery electric locomotives from Progress Rail Australia



# FY22 guidance



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**185 – 188 mt**

Iron ore shipments

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**US \$15.75 –**

**US \$16.00 /wmt**

C1 cost

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**US \$3.0 – US \$3.2 bn**

Capital expenditure, excluding  
Fortescue Future Industries

*C1 cost and capital expenditure is based on an assumed FY22 average exchange rate of AUD:USD 0.73*

# Our Values

Safety

Integrity

Family

Enthusiasm

Empowerment

Courage and determination

Frugality

Generating ideas

Stretch targets

Humility



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