



Delivering on our strategy; driving future growth for WA

4 July 2019

Together we are Fortescue



Forward looking statements

Disclaimer

Important Notice

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Additional Information

This presentation should be read in conjunction with the Annual Report at 30 June 2018 together with any announcements made by Fortescue in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001*.

Any references to reserve and resources estimations should be read in conjunction with Fortescue's Ore Reserves and Mineral Resources statement for its Hematite and Magnetite projects at 30 June 2018 as released to the Australian Securities Exchange on 17 August 2018, together with the Iron Bridge Magnetite Mineral Reserves and Resources Report as released to the Australian Securities Exchange on 2 April 2019. 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 Limited, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.

A world class company

**>1.1 billion
tonnes shipped**

**~170mtpa
Production rate**

**Core supplier
to China**

**Low cost
producer**





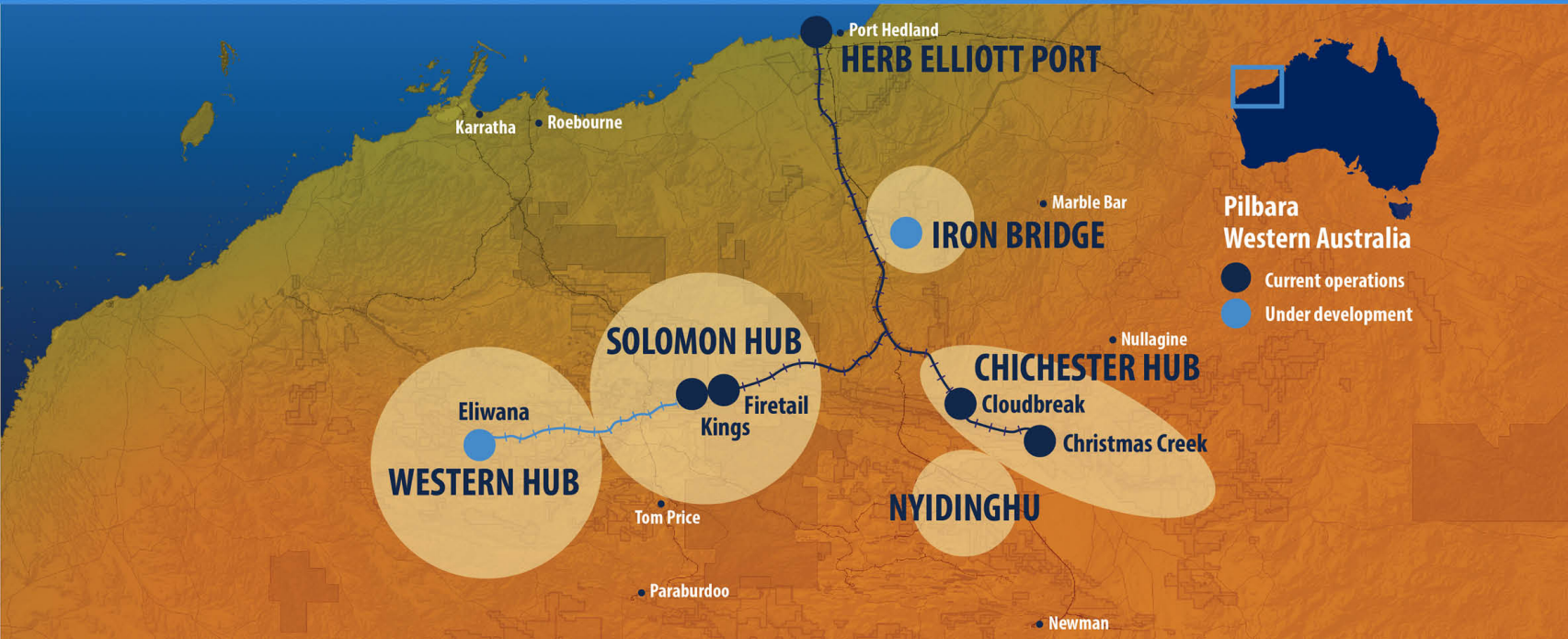
Fortescue's Values

Our Vision:
The safest, lowest
cost, most profitable
mining company.

				
Safety	Empowerment	Family	Frugality	Stretch targets
				
Integrity	Enthusiasm	Courage and determination	Generating ideas	Humility

Eliwana and Iron Bridge

Building on Fortescue's unparalleled track record and capability in safely developing and operating major iron ore projects in the Pilbara



Eliwana Mine and Rail Project



**US\$1.275bn
capital investment**

**143km rail
30mtpa dry OPF**

**First ore on
train Dec 2020**

**Underpins the
future of West
Pilbara Fines**

**Detailed
design led by
in-house team**

**On target for
delivery on time
and budget**

Iron Bridge Magnetite Project

US\$2.6bn investment in Stage 2 underpinned by Fortescue's track record in development and operations

22 wmtpa*
First ore
1H CY22

67% Fe, low
impurity
premium product

Low capital
intensity and
operating cost

Delivering
enhanced returns
to shareholders

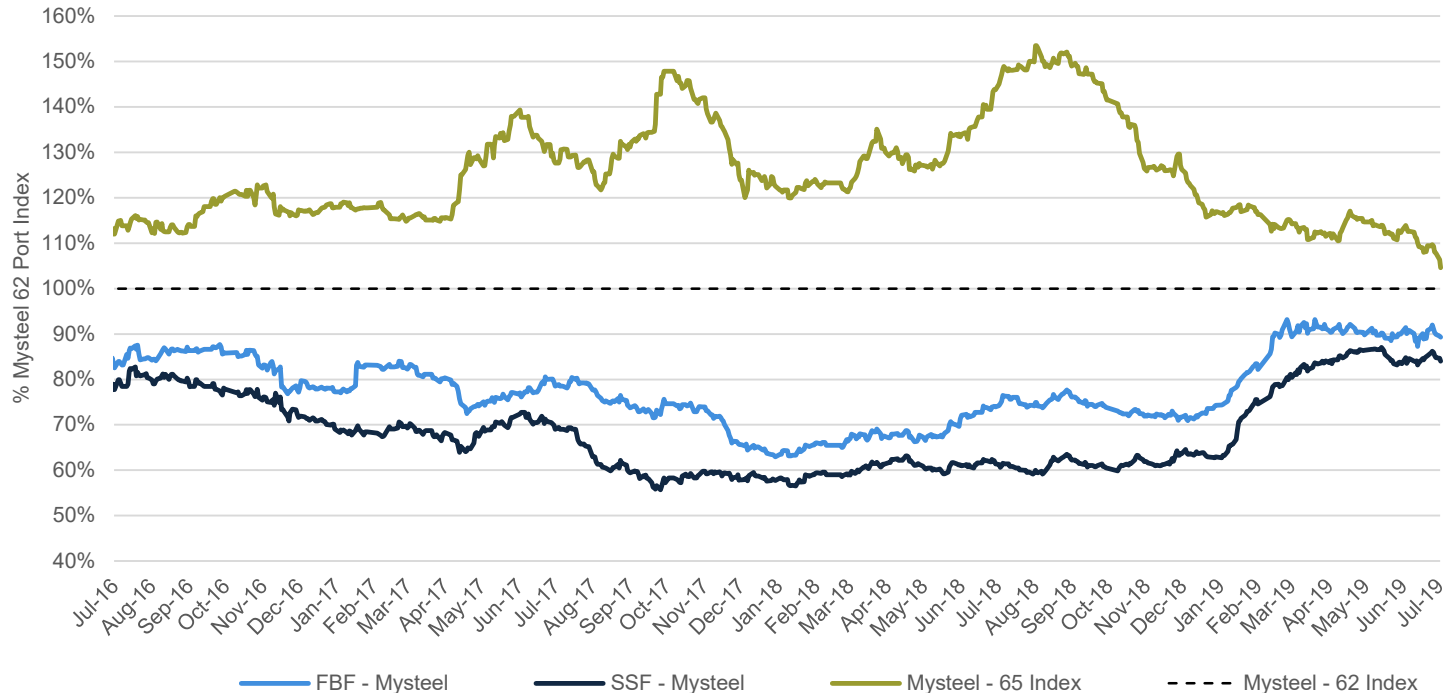
Stage 1 pilot and
demonstration
plants

Industry-leading
energy efficient
operation

**wet million tonnes per annum*

Iron ore price

Price spreads have narrowed due to lower steel margins



Integrated operations and marketing

Direct customer engagement
driving deep market insights

Collaborative operations and marketing
to capitalise on market opportunities

Co-location of key decision makers
enabling rapid response to market trends

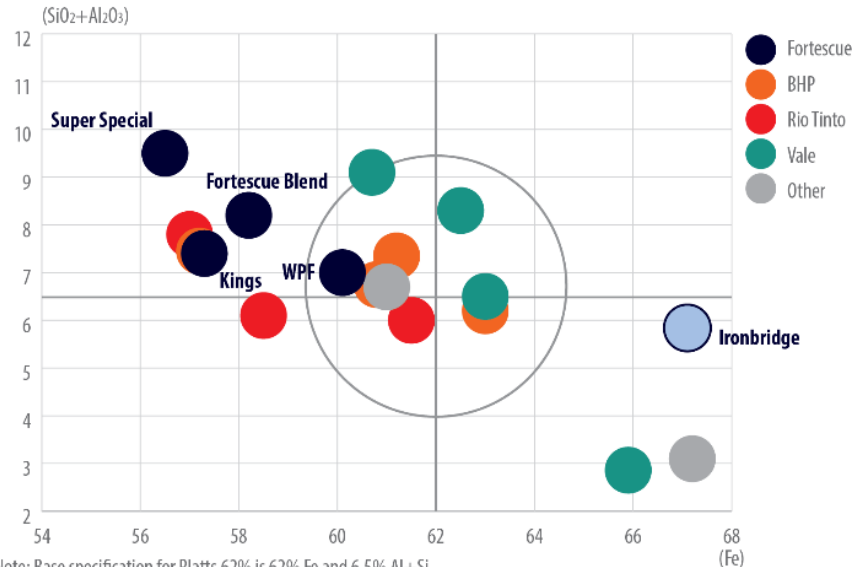
Margin optimisation
through rapid product mix adjustments

Achieving our strategy to deliver majority of product over 60% Fe

Increasing Fortescue's average grade

- **Competitively** positioned across all product segments
- **Flexibility to optimise** margins through iron ore market cycles
- **Highest grade Australian product** with global scale in magnetite

Product positioning: Natural Fe v Gangue ($\text{SiO}_2 + \text{Al}_2\text{O}_3$)



Note: Base specification for Platts 62% is 62% Fe and 6.5% Al+Si

Source: Fortescue, company reports

Building strong relationships with China

WA companies have forged strong connections with China

Major supplier
of iron ore
to China

Investment
and financing
relationships

Over US\$1billion
in procurement
from China

Academic, policy
and community
engagement

Looking forward: the next five years



World class exploration

Opportunities that will be driven by market demand

Pilbara

Iron ore, lithium

Australia

NSW ~2,000km² tenure
SA ~6,000km² tenure

South America

Ecuador, Colombia
Argentina
Copper, lithium

Portugal

Lithium



Innovation agenda

World first AHS on commercial scale

>29 million km safely travelled

Industrial autonomous mobility

LV trials on site

Energy strategy

Renewable energy, reduced emissions and increased connectivity

Hydrogen

Technology, operations, domestic industry, global supply chain

WA: the nation's engine room

**WA GSP 14% of
Australia's GDP ***

**WA 17% of
Australia's business
investment ***

**WA exports
accounted for
35% of Australian
exports***

**WA is the world's
most diversified
mining and energy
jurisdiction**

Our shared challenge



Our continuing contribution to WA

Global leaders in safety

Operational excellence and sustainable investment

Building our skills base and diversity

Building strong communities



Creating shared value

Strength of WA's mining and resource sector

Delivering on our strategy and generating strong returns

Embracing our shared challenge



Fortescue
The New Force in Iron Ore

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