

MARCH 2025 QUARTERLY PRODUCTION REPORT

29 APRIL 2025



Record nine-month production and shipments

Summary

- Total Recordable Injury Frequency Rate (TRIFR) of 1.1 at 31 March 2025, a 27 per cent improvement from 1.5 at 31 March 2024.
- Total iron ore shipments of 46.1 million tonnes (Mt) in Q3 FY25 contributed to record shipments for the nine months to 31 March 2025 of 143.2Mt.
- Hematite C1 cost of US\$17.53/wet metric tonne (wmt) was four per cent lower than Q2 FY25.
- Hematite average revenue of US\$87/dry metric tonne (dmt) for the quarter, realising 84 per cent of the average Platts 62% CFR Index.
- Iron Bridge Concentrate revenue of US\$117/dmt was 100 per cent of the average Platts 65% CFR Index and 113 per cent of the average Platts 62% CFR Index.
- Cash balance of US\$3.3 billion and net debt of US\$2.1 billion at 31 March 2025, after payment of the interim dividend of US\$1.0 billion and capital expenditure of US\$1.0 billion in the quarter.
- Successfully acquired Red Hawk Mining Limited for A\$254 million, with the Blacksmith Iron Ore Project to be integrated into Fortescue's Life of Mine Plan.
- Partnered with NAB to expand Fortescue's Buriya Capital Funding program, further supporting eligible First Nations businesses to access funding at competitive rates.
- Commenced construction on a 190 megawatt solar farm at Cloudbreak.
- Successful production and shipment of the first T 264 Power System to Liebherr from the Fortescue Zero facilities in the United Kingdom.
- Fortescue Zero announced as Official Pit Boost Provider of the Formula E World Championship for Season 11.
- Continued to optimise and refine the Green Energy project pipeline, with timelines being reassessed and adjusted to reflect global market conditions and uncertain policy settings.
- Mr Noel Quinn appointed to the Fortescue Board as a Non-Executive Director.
- Guidance for FY25 shipments, C1 cost and capital expenditure remains unchanged.

Fortescue Metals Chief Executive Officer, Dino Otranto said, "We achieved another solid quarterly production result, shipping 46.1 million tonnes of iron ore while maintaining our outstanding safety performance. This was a particularly impressive achievement, as the team safely and effectively navigated several significant weather events in the quarter. With record shipments achieved for the nine months leading up to 31 March 2025, we remain on track to deliver on our full year guidance.

"During the quarter, we also completed the acquisition of Red Hawk Mining which supports our strategy to continually optimise our iron ore operations in the Pilbara, giving us the flexibility to enhance our future mine plan."

Fortescue Energy Chief Executive Officer, Mark Hutchinson said, “It has been a big quarter for our green technology business, reaching a key milestone in the delivery of decarbonisation for Fortescue, with the successful production and shipment of the first T 264 Power System to Liebherr. Our Fortescue Zero teams have also developed and supplied the Formula E World Championship with our innovative Pit Boost technology, bringing mid-race charging to the series for the first time.

“We are also continuing to assess the timelines of our Green Energy project pipeline to reflect global market conditions and policy settings.”

Operations

Operations summary (M wmt)	Q3 FY25	Q2 FY25	Var (%)	Q3 FY24	Var (%)
Total ore mined	55.5	61.9	(10)	46.6	19
Total ore processed	47.6	51.0	(7)	42.4	12
Total ore shipped	46.1	49.4	(7)	43.3	6
Total ore shipped (Fortescue share)	45.6	48.9	(7)	43.1	6
Hematite C1 cost (US\$/wmt)	17.53	18.24	(4)	18.93	(7)

Volumes on a 100 per cent basis, unless stated otherwise.

- A continuous focus on safety contributed to a TRIFR of 1.1 in the 12 months to 31 March 2025.
- Total ore mined was 55.5Mt in Q3 FY25, 19 per cent higher than Q3 FY24, with an increase in volumes across both the Hematite Operations and Iron Bridge. Total ore processed of 47.6Mt was 12 per cent higher than Q3 FY24. Total ore processed of 146.7Mt in the nine months to 31 March 2025 was five per cent higher than the prior corresponding period and a record.
- Total iron ore shipments of 46.1Mt in Q3 FY25 were six per cent higher than Q3 FY24, with shipments in the prior corresponding period affected by an ore car derailment. Shipments in Q3 FY25 were impacted by several significant weather events, with the Port of Port Hedland closed for five days. Total iron ore shipments of 143.2Mt in the nine months to 31 March 2025 were four per cent higher than the prior corresponding period and a record.
- Shipments from Iron Bridge totalled 1.5Mt in Q3 FY25, contributing to shipments of 4.7Mt in the nine months to 31 March 2025. The Iron Bridge supply chain was impacted by Tropical Cyclone Zelia during the quarter and ended the period with a healthy run of mine and port stock position.
- As reported in February 2025, the schedule for Iron Bridge to operate at its nameplate capacity of 22Mt per annum is under review, pending an assessment to optimise the performance of the air classification circuit and downstream aerobelt conveyors. This assessment is anticipated to be completed in Q4 FY25.
- Hematite C1 cost of US\$17.53/wmt in Q3 FY25 was four per cent lower than the previous quarter and seven per cent lower than Q3 FY24 reflecting the favourable AUD:USD exchange rate, lower strip ratio and strong operational performance.
- Following an off-market takeover offer initially announced on 28 January 2025, Fortescue completed the acquisition of Red Hawk Mining Limited for A\$254 million in March 2025. The acquisition will enable integration of the Blacksmith Iron Ore Project into Fortescue's Life of Mine Plan.

Hematite Operations (M wmt)	Q3 FY25	Q2 FY25	Var (%)	Q3 FY24	Var (%)
Ore mined	51.5	56.4	(9)	44.0	17
Overburden removed	75.0	87.1	(14)	70.6	6
Ore processed	46.3	49.3	(6)	42.0	10

Iron Bridge (M wmt)	Q3 FY25	Q2 FY25	Var (%)	Q3 FY24	Var (%)
Ore mined	4.0	5.5	(27)	2.6	54
Overburden removed ¹	0.9	2.2	(59)	3.2	(72)
Ore processed	1.3	1.7	(24)	0.4	225

Volumes on a 100 per cent basis, Fortescue has 69 per cent equity share of Iron Bridge. ¹ Excludes development overburden.

Marketing

Product summary (M wmt)	Q3 FY25	(%)	Q2 FY25	(%)	Q3 FY24	(%)
Iron Bridge Concentrate	1.5	3	1.5	3	0.5	1
West Pilbara Fines	3.4	7	3.6	7	3.0	7
Kings Fines	4.0	9	4.1	8	3.9	9
Fortescue Blend	17.3	38	18.1	37	16.8	39
Fortescue Lump	1.8	4	1.9	4	1.6	4
Super Special Fines	18.0	39	20.2	41	17.5	40
Total shipments	46.1	100	49.4	100	43.3	100
- Fortescue share	45.6	-	48.9	-	43.1	-

Volumes on a 100 per cent basis, unless stated otherwise. Timing differences may occur between shipments and sales as Fortescue Trading (Shanghai) Co., Ltd. holds inventory at Chinese ports.

- Hematite average revenue of US\$87.41/dmt in Q3 FY25 represents a realisation of 84 per cent of the average Platts 62% CFR Index of US\$103.64/dmt.
- Iron Bridge Concentrate revenue of US\$117.00/dmt in Q3 FY25 was 100 per cent of the average Platts 65% CFR Index of US\$116.88/dmt and 113 per cent of the Platts 62% CFR Index.
- China portside sales through Fortescue Trading (Shanghai) Co., Ltd. were 3.1Mt in Q3 FY25.

Minerals exploration

- Total exploration and studies capital expenditure in Q3 FY25 was US\$64 million.
- Iron ore exploration has restarted in the Pilbara after the wet season with a focus on near mine exploration at the Chichester Hub and infill drilling at Mindy South.
- Exploration activities continued at the Belinga Iron Ore Project in Gabon. Drilling activity recommenced, with the current campaign involving four reverse circulation (RC) drill rigs.
- Exploration activity on Fortescue's critical minerals portfolio included drilling on projects in Argentina with over 18,000 metres completed this season, preparation for drilling in Peru and Kazakhstan, together with target generative activities continuing across the portfolio.

Energy

- Fortescue Zero successfully completed the production and shipment of the first T 264 Power System to Liebherr from its production facilities in the United Kingdom.
- Fortescue Energy is continuing to progress and refine its Green Energy project pipeline in a disciplined manner, with timelines adjusted to reflect global market conditions and uncertain policy settings.
- Development timeframes of Fortescue's Arizona Project and Gladstone PEM50 Project are being reassessed. Fortescue anticipates having greater clarity on the impact of external factors on these projects by the end of the financial year.
- Fortescue retains a portfolio of Green Energy projects. Feasibility studies and planning approvals continue to progress for the Holmaneset Project in Norway and the Pecém Project in Brazil.

Financial position

- Fortescue's cash balance was US\$3.3 billion at 31 March 2025, compared to US\$3.4 billion at 31 December 2024.
- Cash outflows in Q3 FY25 included payment of the interim dividend of US\$1.0 billion and total capital expenditure and investments of US\$1.0 billion.
- Gross debt was US\$5.5 billion at 31 March 2025 (US\$5.4 billion at 31 December 2024) and net debt was US\$2.1 billion (US\$2.0 billion at 31 December 2024).

FY25 guidance

- Iron ore shipments of 190 - 200Mt, including 5 - 9Mt for Iron Bridge (100 per cent basis).
- C1 cost for Hematite of US\$18.50 - US\$19.75/wmt.
- Fortescue Metals capital expenditure of US\$3.5 - US\$3.8 billion.
- Fortescue Energy net operating expenditure of approximately US\$700 million and capital expenditure of approximately US\$400 million.

Guidance is based on an assumed FY25 average exchange rate of AUD:USD 0.68.

This announcement was authorised for lodgement by Navdeep (Mona) Gill, Company Secretary.

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