



Fortescue Metals Update

PHIC CIF

13 May 2020



Global force
Thriving communities

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 2019 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 2 April 2019 for its Magnetite projects and on 23 August 2019 for its Haematite projects. 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.

COVID-19 response

Prioritise the health of our people, maintain jobs, sustain our business and protect our communities

**Temporary extension
of operational roster**

**Additional bus and air
charter services**

**Temperature and health
testing and rapid
screening**

**Non-essential
site-based teams
working from home**

**Village licensed areas
closed**

**1,700 care packages to
Aboriginal communities**

Safety and unique culture

2.5 TRIFR

Total Recordable Injury Frequency Rate
on a 12 month rolling basis

11%

Improvement compared to 30 June 2019

Reducing fatality risk profile

March quarter 2020 highlights

TRIFR 2.5

11% improvement from 2.8 in FY19

US\$73/dmt

Average price received 82% of 62% Fe Index

42.3mt shipped

10% higher than Q3 FY19

US\$13.27/wmt

C1 costs 2% lower than Q3 FY19

Growth projects

Key milestones achieved

US\$0.1 billion

Net cash

Eliwana project

US\$1.275 billion capital investment,
Progressing on schedule and budget

Stage 1 earthworks

on 143km railway completed

First steel erection

of 30mtpa dry OPF

Aerodrome and village

completed, first charter June 2020

Construction peak

mid-2020

Iron Bridge Magnetite Project

US\$2.6 billion investment delivering enhanced returns to
shareholders and JV partners

22 mpta, 67% Fe product

First ore on ship mid-2022

Detailed engineering

passed halfway mark

First blast at OPF site

Allowing earthworks to commence

Site construction

will commence second half of CY20

Dust management at Port

No net increase in emissions from Herb Elliott Port as a result of the export of the Iron Bridge concentrate or increased tonnage through the Port

Product moisture content controls

Dewatering plant and monitoring

Conveyor washing to remove residue

Stockpiles located 4 km from residential areas

Further away than previous proposal

Loading socks to direct concentrate into ship hull

Energy infrastructure

US\$800¹ million investment providing 25–30 per cent of stationary energy requirements from solar

Pilbara Transmission Project

275km of high voltage transmission lines

Pilbara Generation Project

150MW gas, 150MW solar PV

Large scale battery storage

Chichester Solar Gas Hybrid

Displacing around 100 million litres of diesel at Chichester Hub

¹ Including Fortescue's investment of US\$700m and Alinta Energy's investment

Supporting our communities

**\$145,000 to 79 Pilbara
community groups in FY19**

**Over 300 residential
employees**

**Royal Flying Doctors
\$1million donation**

**WAPOL Pilbara District
Donation of eye protection glasses,
and hand sanitiser**

**Ongoing support for
YIC, Women's Refuge, Hedland
Senior HS and Clontarf**

**Sporting partnerships
Swans, Swanettes, Hockey
Australia, RugbyWA**

Our Vision

The safest, lowest cost, most profitable mining company

Fortescue's Values

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



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