



Fortescue Metals Group

Annual General Meeting

Tuesday, 29 October



**Global force
Thriving communities**

Forward looking statement

Important Notice

The purpose of this presentation is to provide general information about Fortescue Metals Group Limited ("Fortescue"). It is not recommended that any person makes any investment decision in relation to Fortescue based on this presentation. This presentation contains certain statements which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements.

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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*.

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 Limited, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.

Cameron Wilson

Company Secretary



Elizabeth Gaines

Chief Executive Officer



Andrew Forrest AO

Founder and Chairman



Elizabeth Gaines

Chief Executive Officer





Safety and unique culture

2.8 TRIFR

Total Recordable Injury Frequency Rate

24%

Improvement compared to June 2018

Tailings storage

Management, monitoring, auditing
and disclosure

FY19 Highlights

167.7 million tonnes
Shipped

US\$6.0 billion
Underlying EBITDA

US\$3.2 billion
Net profit after tax (NPAT)

US\$13.11/wmt
C1 cost

US\$2.1 billion
Net debt

A\$1.14 per share
Total FY19 dividends paid

A strong start to FY20

First quarter of FY20 builds on record results in FY19

Safety 2.7

Total Recordable Injury Frequency Rate

42.2mt

Shipments for the quarter

US\$12.95/wmt

C1 costs

US\$85/dmt

Average revenue received

US\$3.4 billion

Cash on hand

US\$0.5 billion

Net debt

Increasing shareholder returns

A\$0.24 per share
Fully franked final dividend paid
in October

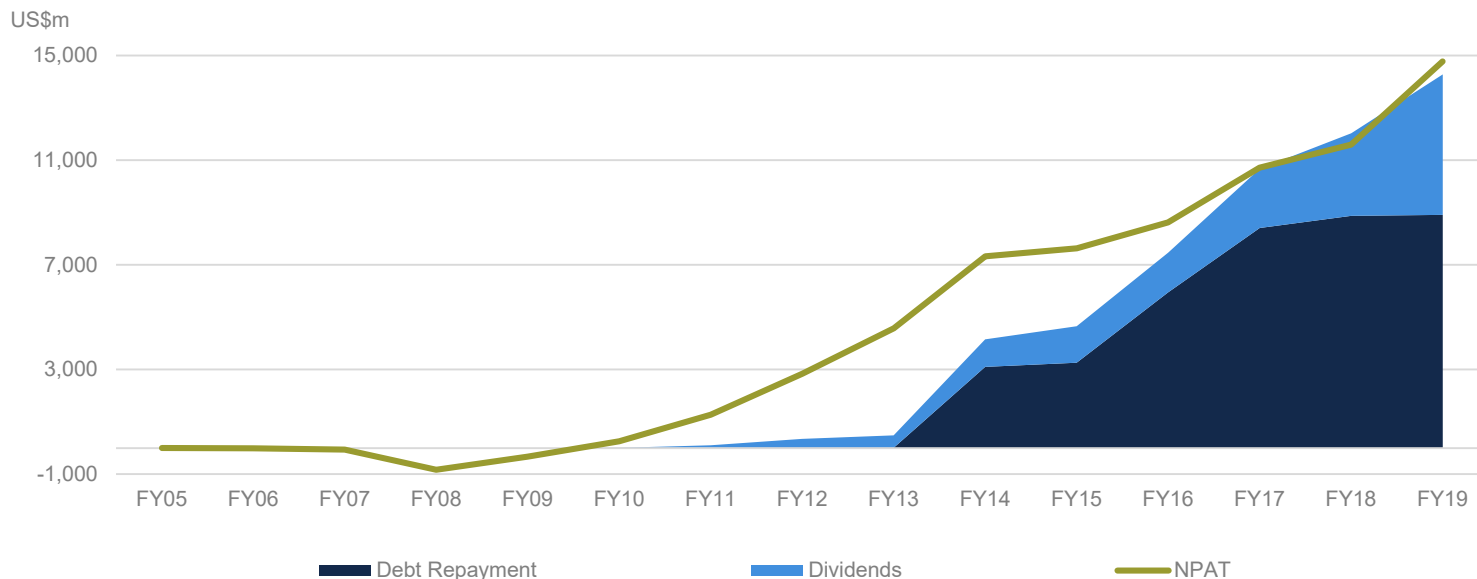
A\$1.14 per share
Total FY19 dividends paid

78% of FY19 NPAT
Dividend pay-out ratio

Share buy-back
A\$139m completed, extended
to October 2020

Capital allocation

Disciplined allocation to capital investment
and shareholder returns



Integrated operations and marketing

Direct customer engagement driving deep market insights

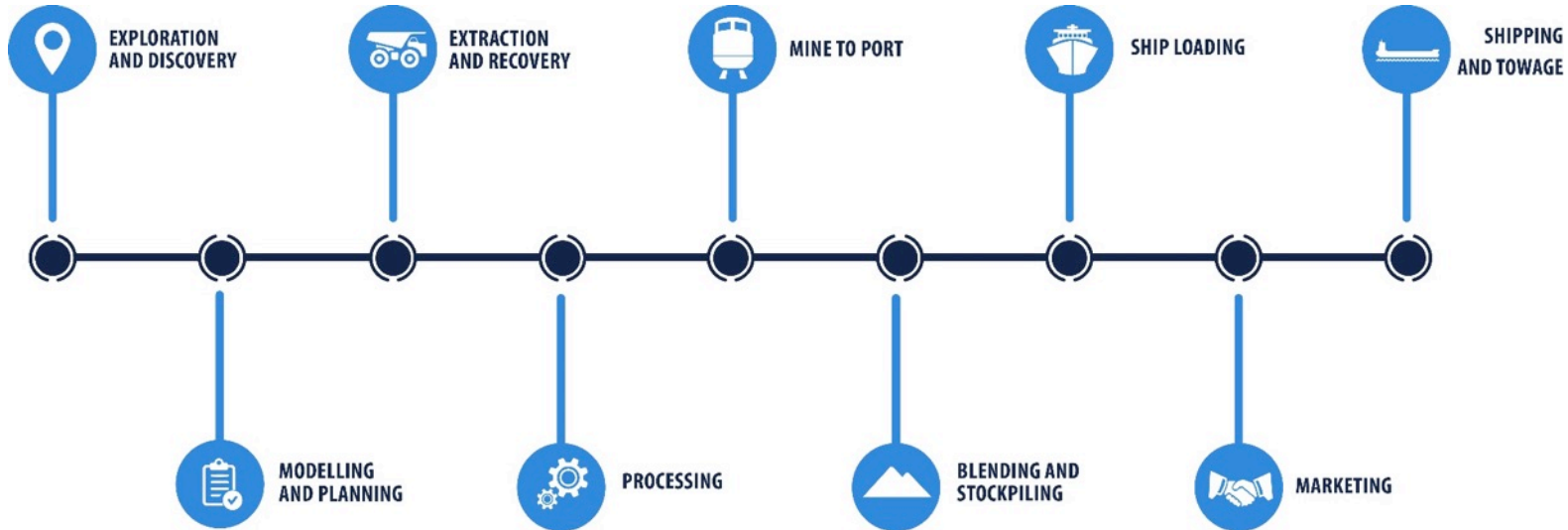
Co-location of key decision makers enabling rapid response to market trends

Agile product mix adjustments to meet customers' needs

Collaborative operations and marketing to optimise market opportunities

Fully integrated supply chain

Supported by a culture of innovation



Investment in growth

Unparalleled track record and capability in safely developing and operating major iron ore projects in the Pilbara



Eliwana project

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



Infrastructure

143km rail; 30mtpa dry OPF

Latest technology

Driving low cost operation

First ore on train

December 2020

West Pilbara Fines

Increasing production and mine life

Iron Bridge Magnetite Project

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

22 mpta

First ore scheduled mid-2022

67% Fe

Low impurity premium product

Low capital

intensity and operating cost

Energy efficient

Industry leading, proven design

World class exploration

Opportunities driven by market demand

Pilbara

Largest tenement holder

Australia

NSW ~3,000km² tenure

SA ~15,000km² tenure

South America

Ecuador, Argentina

Colombia

Building strong relationships with China

WA companies have forged strong connections with China

Major supplier
of iron ore to China

Over US\$1billion in
procurement from China

Investment and financing
relationships

Academic, policy and
community engagement

Communities benefit from our growth and development

Setting high standards

Safeguarding the environment

Creating positive social change

Safeguarding the environment

For future generations

Australia's Paris Agreement commitment

Taskforce on Climate-related Financial Disclosure reporting

UN Framework Convention on Climate Change

Voluntary short term target and long term goal

Practical initiatives and innovative solutions

Managing emissions and cost of supply

Gas opportunities

Displacing diesel using gas as a transition fuel

Automation

Offsetting haul distance, reducing fleet requirements

Relocatable conveyor

Reducing haulage distances, increasing efficiency

Hydrogen

Partnership with CSIRO

Chichester Solar Gas Hybrid

100 per cent of daytime stationary energy requirements at Fortescue's Chichester Hub will be powered by renewable energy

60MW solar pv
generation facility

60-kilometre
transmission line

Displace around 100
million litres of diesel

Pilbara Energy Connect

Our Vision

The safest, lowest cost, most profitable mining company

Fortescue's Values



Andrew Forrest AO

Founder and Chairman



Delivering outstanding results



Global scale operations



Your team

Creating positive
social change



Your Board



Energy and autonomy

New Emissions
Technologies

Alternative pathways to
prosperous and secure
low-emissions future

csiro.au/energy



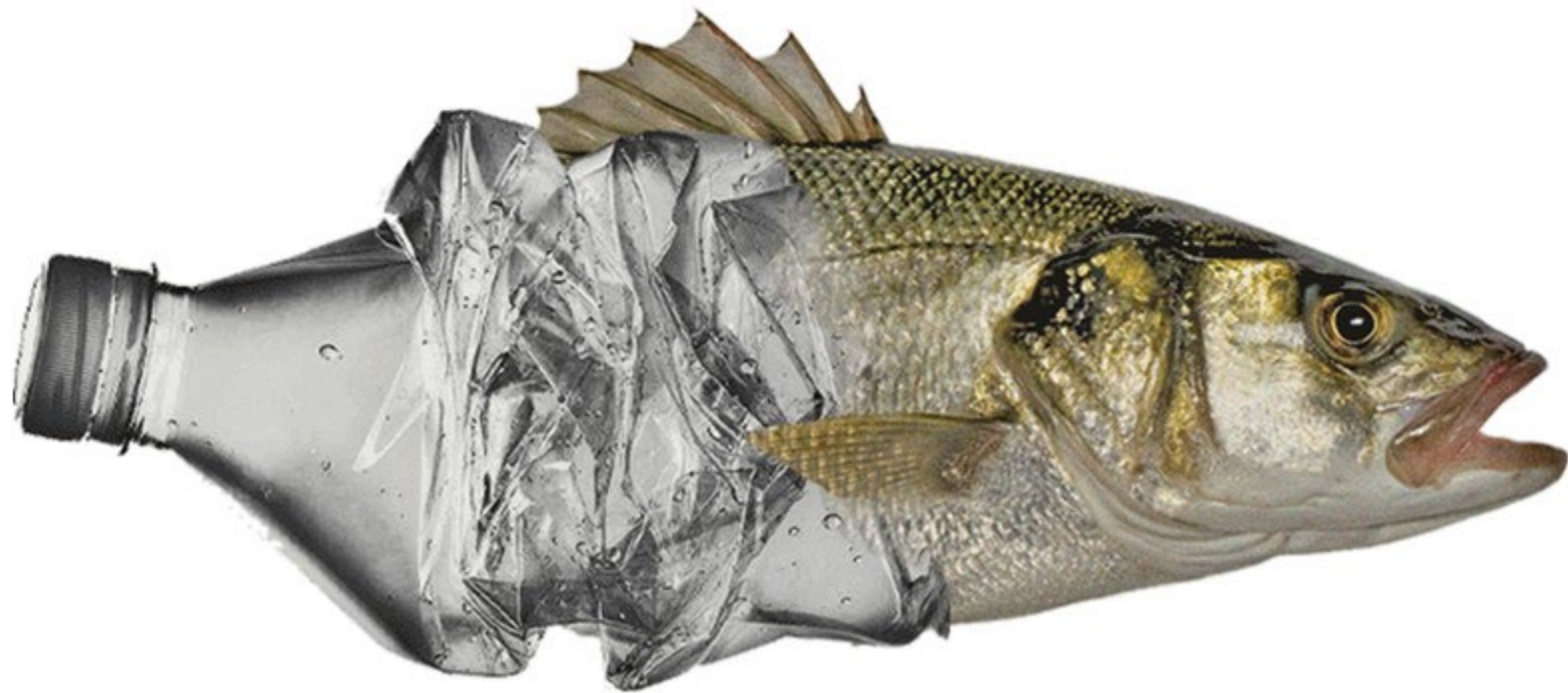
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Sea The Future



Protecting human rights



Ready for 2020





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