

9 October 2023

FORTESCUE ENTERS RENEWABLE POWER PURCHASE AGREEMENT

Fortescue Metals Group Ltd (Fortescue, ASX: FMG) today announces that following a competitive process, its wholly owned subsidiary has entered into a power purchase agreement (PPA) with a wholly owned subsidiary of Genex Power Limited (Genex, ASX: GNX) for 337.5 megawatts (MW) of new solar energy. The PPA is intended to meet a portion of the renewable energy requirements for the proposed Gibson Island Project in Brisbane.

The PPA will secure 337.5 MW of the energy generated from the first stage (proposed at 450MW) of Genex's Bulli Creek Solar Project in Queensland, which it is developing in partnership with Electric Power Development Co., Ltd (trading as J-POWER).

Under the PPA, Fortescue will secure the solar energy and renewable generation certificates at an agreed nominal fixed price over a 25 year term.

The PPA is conditional on Genex achieving financial close on the first stage of its Bulli Creek Solar Project by 31 December 2024 and Fortescue reaching a final investment decision on the Gibson Island Project by 31 December 2023. The proposed Gibson Island Project involves the production of approximately 385,000 tonnes of green ammonia a year from the green hydrogen produced onsite through a 550MW hydrogen electrolysis facility.

Fortescue Energy CEO Mark Hutchinson said the agreement would secure part of the renewable power required for the Gibson Island Project as well as underpin the development of a new renewable energy project in Queensland.

"This agreement is the first step in securing renewable power supply for the Gibson Island Project over the long term," Mr Hutchinson said.

"It is the first PPA for the project and finalising it is an important milestone in our pursuit of a targeted final investment decision this calendar year.

"By entering this agreement we're also helping Genex and J-POWER to deliver their project and bring new renewable energy capacity online in Queensland - close to 115MW from this first stage is surplus to our contracted share and will therefore flow back into the electricity grid."

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