



FMG

CISA 2018

Elizabeth Gaines, CEO
20 September, 2018



Fortescue
The New Force in Iron Ore

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. 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.





Building a world class company

Core supplier
to China

Shipped over
1 billion
tonnes

Low cost
producer

170mt
Annual production
rate



Sharing our milestone celebrations



FMG'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

Delivering FY18 results

TRIFR 3.7

170mt
Shipped

C1 cost
US\$12.36/wmt

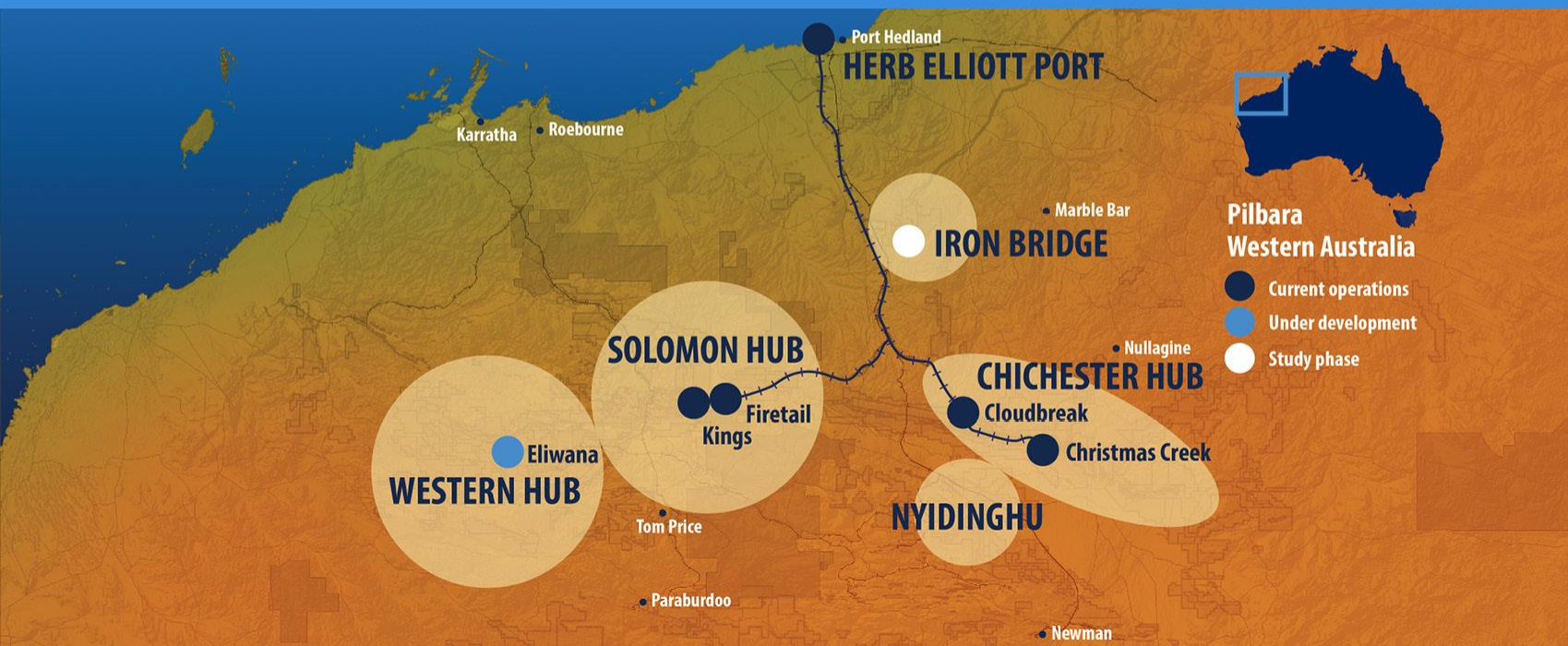
24%
Net gearing

A\$0.23 per share
Total dividends
62% of FY18 NPAT

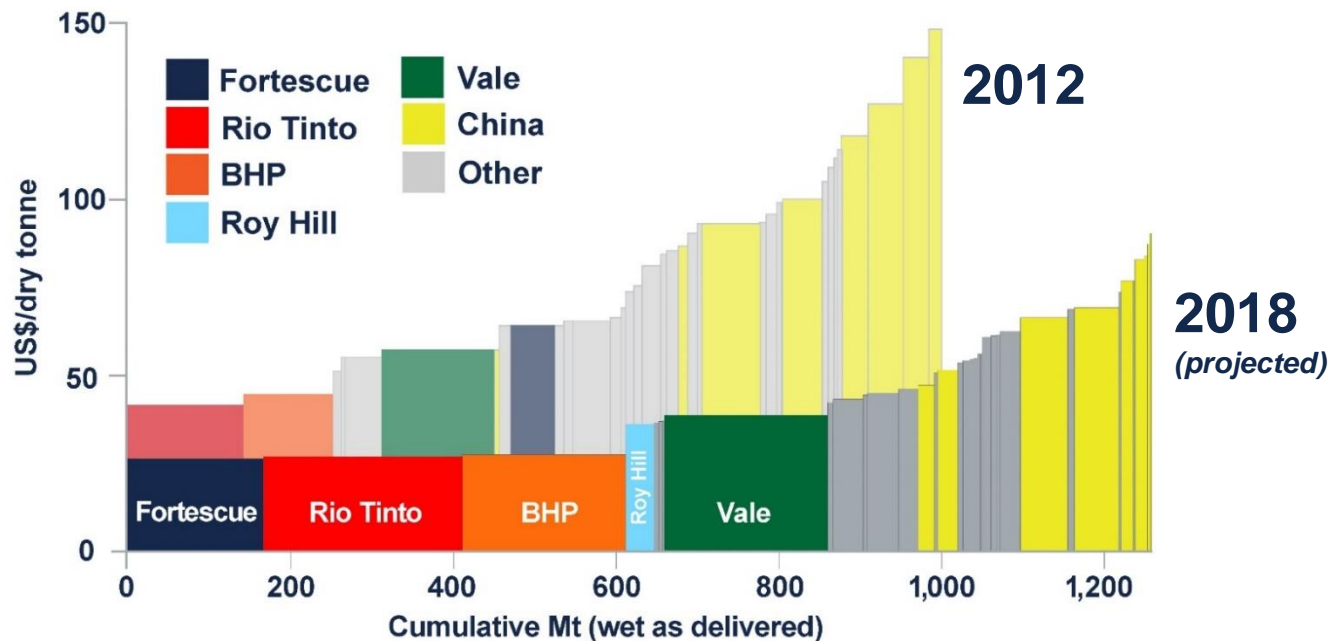
US\$4.0bn
Gross debt

Integrated mining and infrastructure operations

Focus on safety, production and cost



Lowest cost provider of seaborne iron ore to China



Source: Metalytics – October 2017

Core supplier to Asia

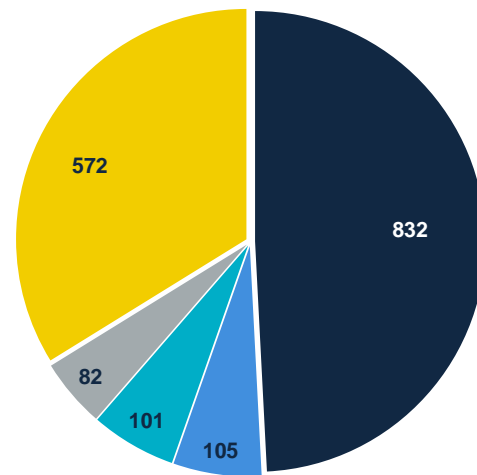
Competitive **value in use**

Diverse customer base

Responsive to market needs

Proximity to high growth region

2017 global steel production 1,691mt



■ China ■ Japan ■ India ■ United States ■ Rest of World

Diverse product suite



Iron Ore Technical FMG Forum

Excellent **value in use**

Higher **sintering productivity**

Quality **control** and
product **consistency**

Eliwana mine and rail project

**Underpins
West Pilbara
Fines**

US\$1.275bn capital investment

143kms rail; 30mtpa dry OPF

Initial strip ratio 1.1:1

First ore on train Dec 2020

West Pilbara Fines



	WPF	Platts IODEX 62
Iron content (Fe)	60.1	62.0
Alumina (Al ₂ O ₃)	2.3 - 2.5	2.25
Silica (SiO ₂)	4.3 - 4.5	4.0
Phosphorous (P)	0.08 – 0.09	0.09

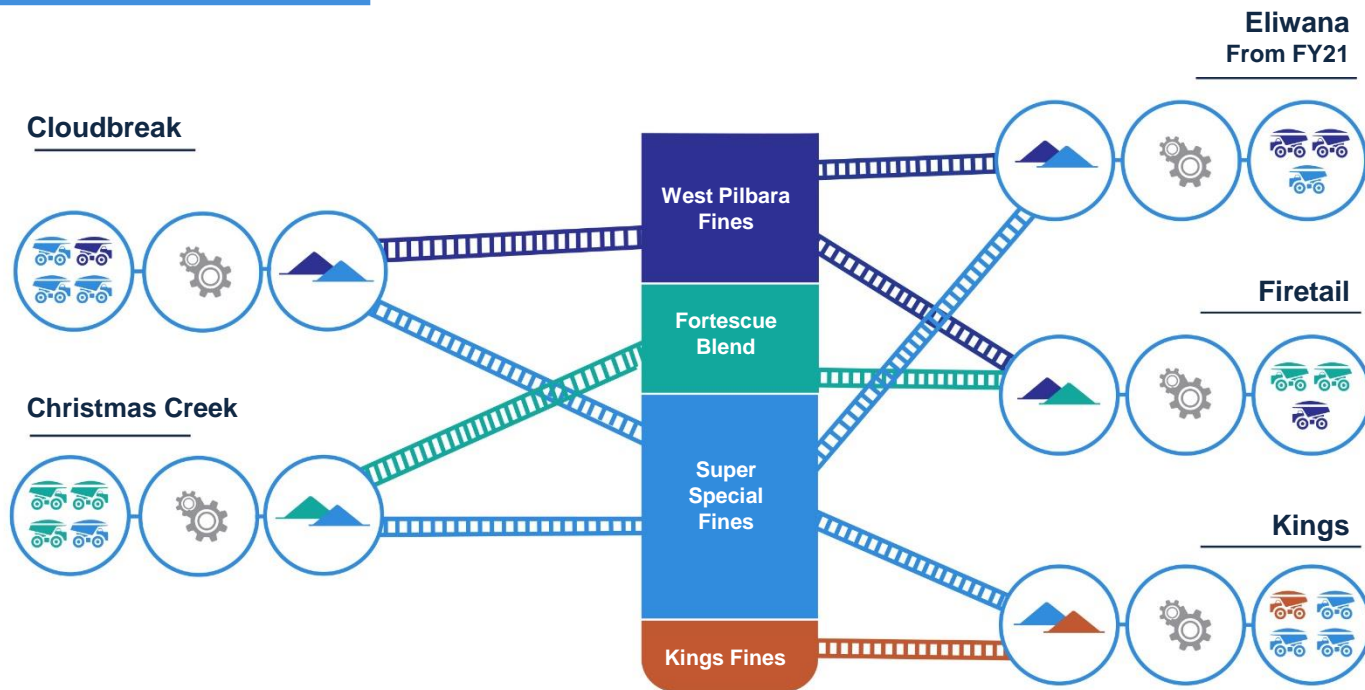
First shipment scheduled Dec 2018

5-10mt in FY19

**Growing to ~40mtpa for 20+ years
on completion of Eliwana**

FY19 and beyond

Development of Eliwana underpins long term production of West Pilbara Fines



Embracing technology

**World leading
autonomous
haulage
technology**

**Autonomous
drills**

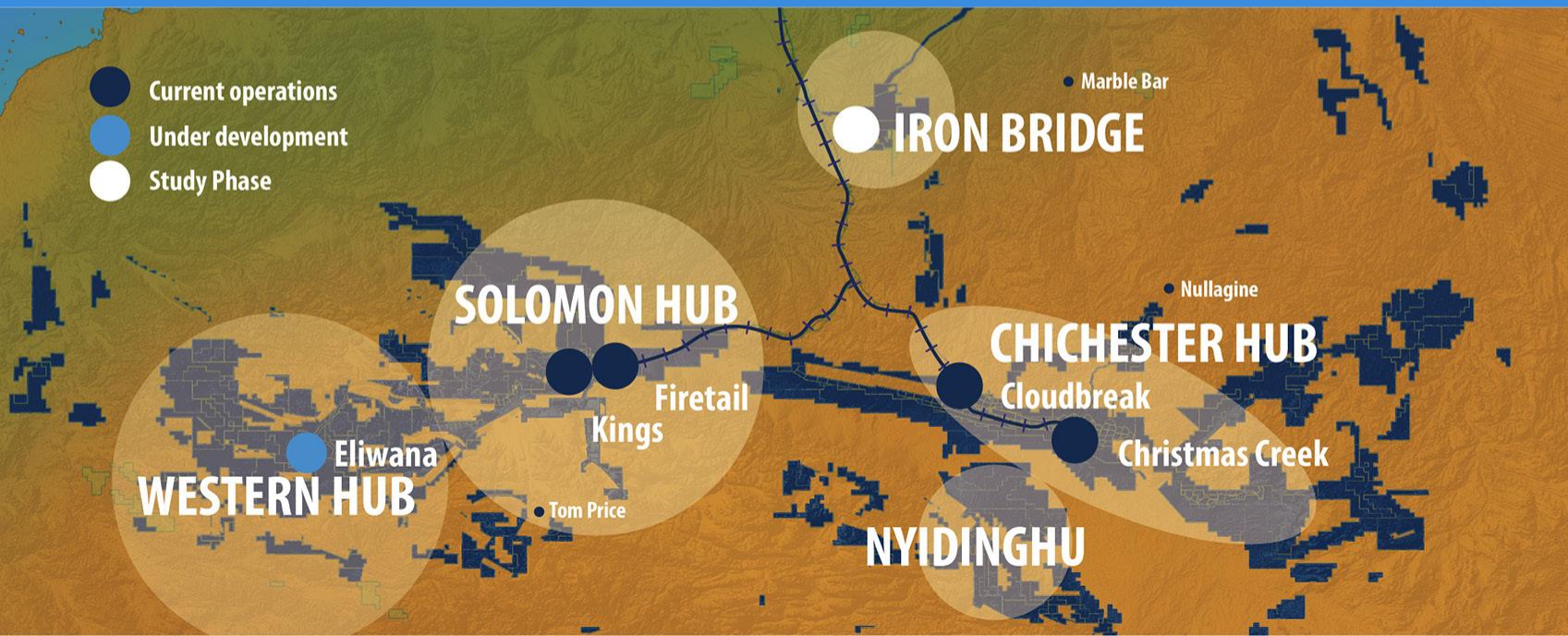
**Relocatable
Conveyor**

**Data analytics
Systems and
processes**

**Remote
integrated
operations centre**

**Fortescue Ore
Carriers
Purpose built**

Significant Pilbara footprint for long life production



Key strategic focus

Balance sheet strength

Long term sustainability

Growth and
development options

Returns to shareholders





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