

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity Fortescue Metals Group Ltd
ABN 57 002 594 872

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Ms Elizabeth Gaines
Date of last notice	7 September 2018

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct & Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Pacific Custodians Pty Limited as trustee of the Fortescue Metals Group Limited Employee Share Trust, which holds ordinary shares acquired in respect of vested Performance Rights.
Date of change	18 December 2018
No. of securities held prior to change	A. 389,375 B. 300,552 C. Nil D. Nil
Class	A. Ordinary Shares B. FY2018 LTIP Performance Rights (unvested) C. FY2019 ESSIP Performance Rights (unvested) D. FY2019 LTIP Performance Rights (unvested)
Number acquired	A. Nil B. Nil C. 194,055 D. 517,480
Number disposed	A. Nil B. Nil C. Nil D. Nil

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Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	A. 389,375 B. 300,552 C. 194,055 D. 517,480
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	<p>FY2019 Performance Rights</p> <p>Performance rights have been provided to certain staff as part of the Fortescue Executive and Senior Staff Incentive Plan (ESSIP) for the performance period 1 July 2018 to 30 June 2019 and Long Term Incentive Plan (LTIP) for the performance period 1 July 2018 to 30 June 2021.</p> <p>If Performance Rights vest, ordinary fully paid Fortescue shares will be allocated (with one ordinary fully paid share acquired for each Performance Right that has vested) from the Fortescue Employee Share Trust.</p> <p>Recipients will only benefit from the grant of a Performance Right (and value received) if the relevant Performance Conditions are fulfilled and they are allocated the Performance Shares.</p> <p>The final number of ESSIP Performance Rights that vest will be dependent upon an assessment of Company and individual performance. Company performance comprises company financial, sustainability and growth measures designed to drive both a short and long term perspective on performance, and protect the long term interests of Shareholders.</p> <p>The final number of LTIP Performance Rights that vest will be dependent upon an assessment of overall performance of the Company at the end of each 3-year vesting period. LTIP performance is measured against a combination of financial and strategic measures being Absolute Return on Equity (AROE), relative Total Shareholder Return (TSR), and a basket of Strategic Objectives.</p> <p>The Performance Conditions will be measured over the period 1 July 2018 to 30 June 2019 for the ESSIP and over the 3-year period 1 July 2018 to 30 June 2021 for the LTIP.</p>

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A
Interest after change	N/A

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	
If prior written clearance was provided, on what date was this provided?	