

6 October 2022

PILBARA OPERATIONS SITE TOUR PRESENTATION

Fortescue Metals Group Ltd (Fortescue, ASX: FMG) hosts an investor and analyst site tour of its Pilbara operations on 6-7 October 2022, including a tour of the Solomon Hub and the Eliwana Operation.

A copy of the Executive and Management presentation is attached.

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Pilbara Operations Site tour

We are Fortescue

OCTOBER 2022

Forward Looking Statements Disclaimer



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Important Notice

The purpose of this presentation is to provide general information about Fortescue Metals Group Ltd ("Fortescue"), including general information in relation to Fortescue's wholly owned subsidiary Fortescue Future Industries Pty Ltd and its subsidiaries (collectively "FFI"). It is not recommended that any person makes any investment decision in relation to Fortescue or FFI 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. No representation or warranty, express or implied, is made by Fortescue or FFI that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Fortescue and FFI, their respective officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom. Each of Fortescue and FFI accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

Additional Information

This presentation should be read in conjunction with the Annual Report at 30 June 2022 together with any announcements made by Fortescue and/or FFI in accordance with Fortescue's continuous disclosure obligations applying to it as a company listed on the Australian Securities Exchange. 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 26 August 2022. 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 and FFI, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.



Safety and unique culture

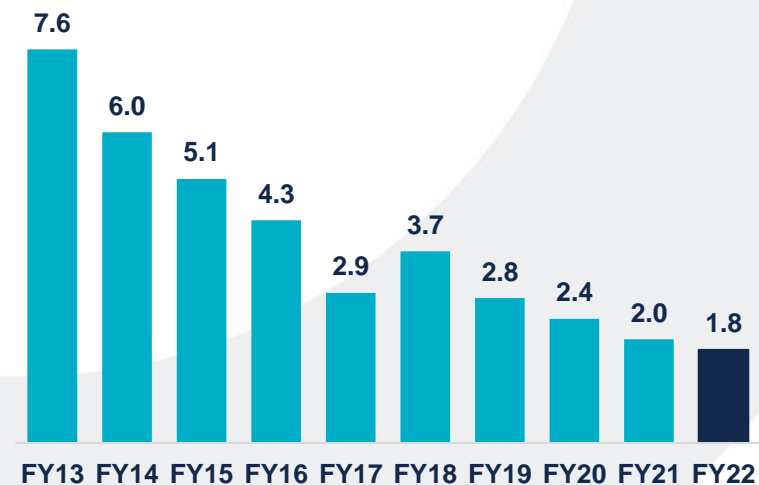
1.8 TRIFR

Total Recordable
Injury Frequency
Rate at 30 June 2022

10%

Improvement
compared to
30 June 2021

Total Recordable Injury Frequency Rate



Mining and processing operations



3 mining hubs

Hematite

4th under development

Magnetite

6 OPFs

Ore Processing Facilities



World leading infrastructure



760km rail

Fast heavy haul railway

16 train sets

70 operating locomotives

5 berths

3 shiploaders – configuration optimises loadout



Energy independence underway (zero carbon)

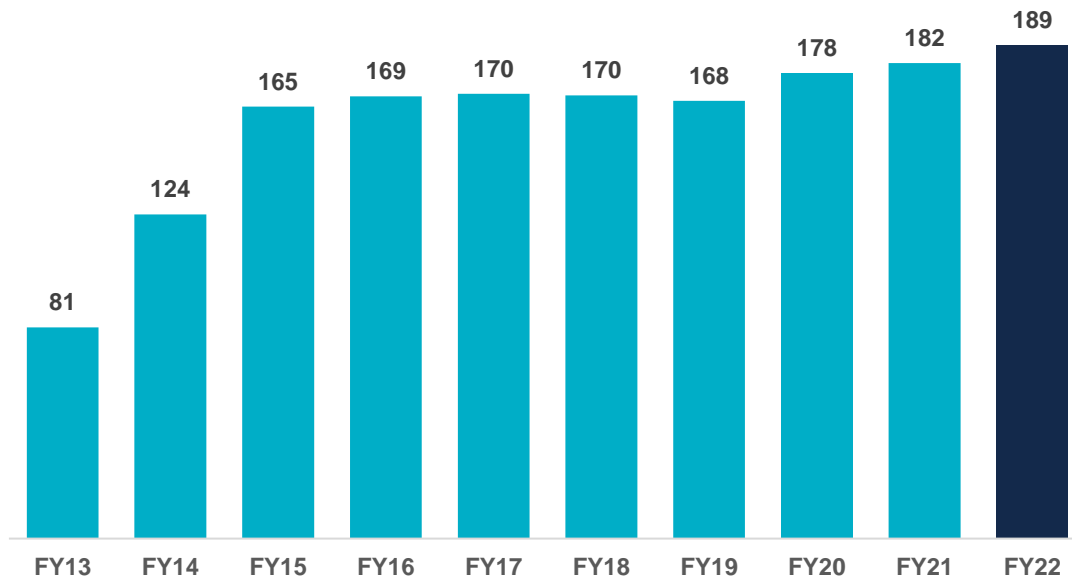


Production and costs

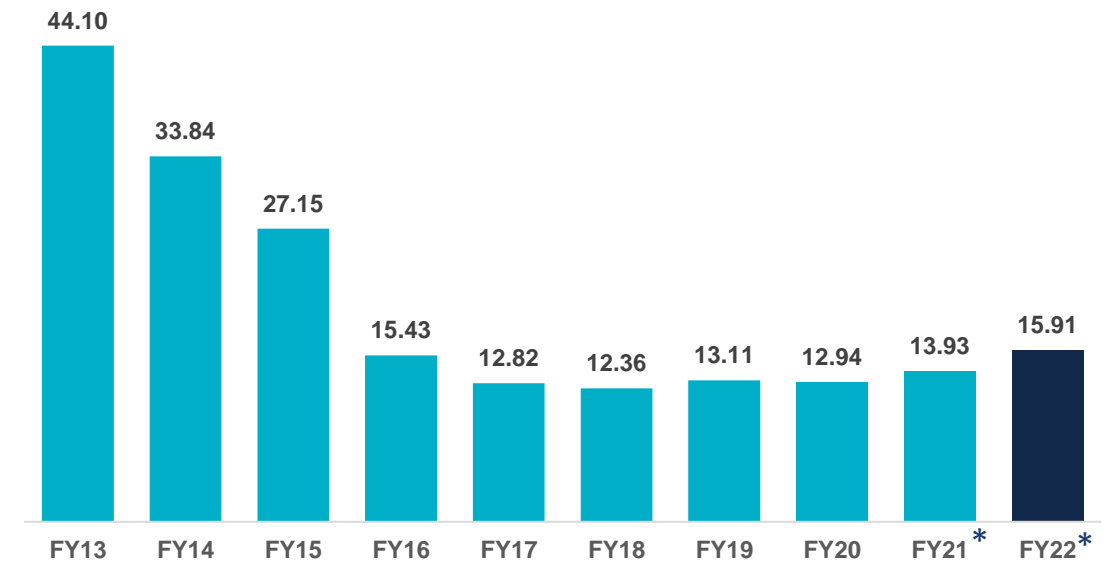
Track record of operating excellence



Iron ore shipments, mt



C1 cost, US\$wmt



* C1 cost largely risen because of rapidly accelerating fossil fuel costs, expected to fall when renewable energy independence is achieved

Optimising ore body

Extending mine life, increasing product grade



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Single source products

West Pilbara Fines

Kings Fines

Fortescue Lump

Blended products

Fortescue Blend Fines

Super Special Fines

Iron Bridge

Magnetite concentrate in FY23

Iron Bridge



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Huge differentiator in the Pilbara

US\$3.6 – US\$3.8bn

Capital estimate

67% Fe

High grade magnetite concentrate

22mtpa

First production in March 2023 quarter

Iron Bridge September 2022



Iron Bridge September 2022



World leading decarbonisation plan



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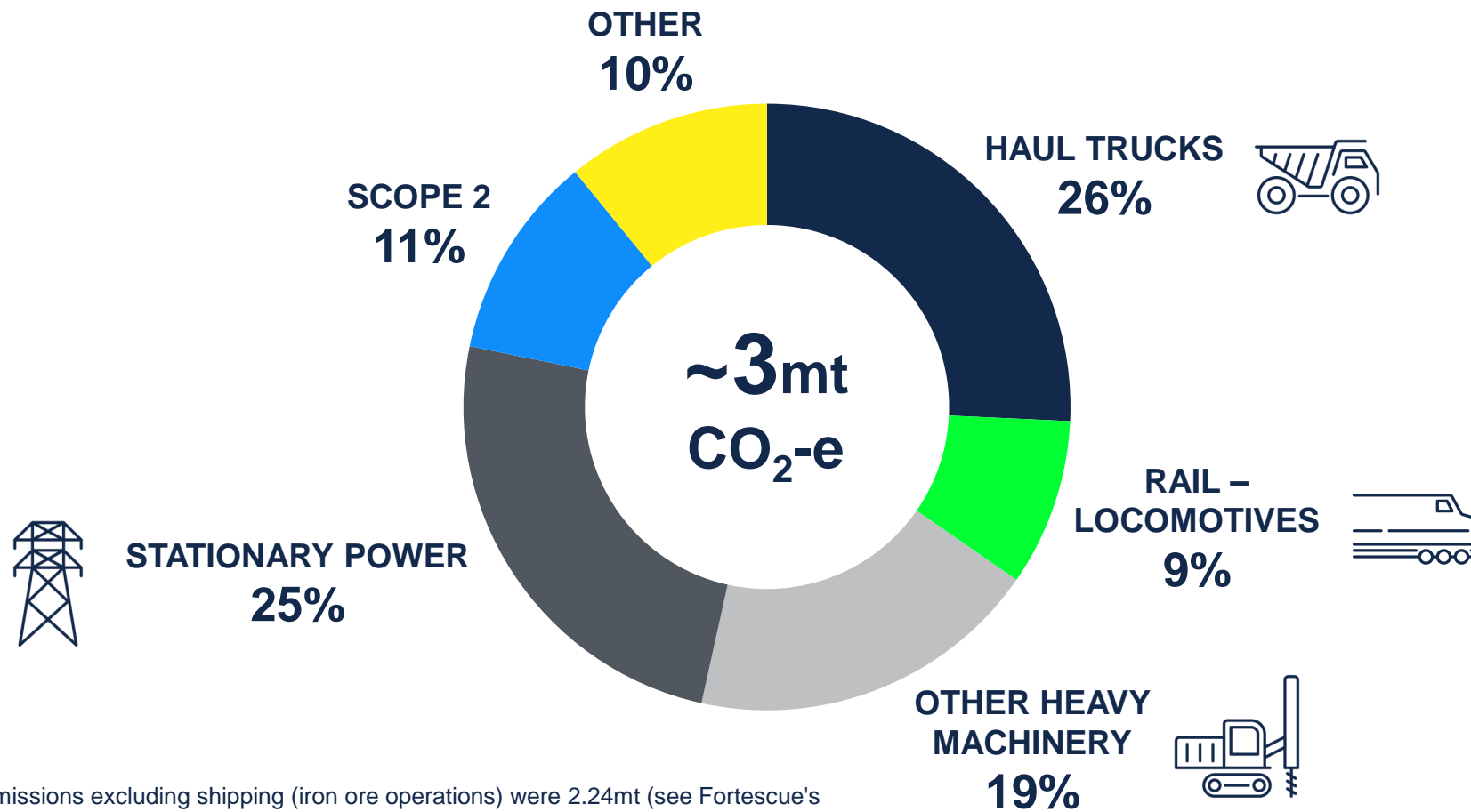


- Achieve real zero (scope 1 and 2) across iron ore operations by 2030
- Announced at United Nations roundtable with the Secretary General
- Science Based Targets Initiative (SBTi) to verify and audit
- Estimated cumulative operating cost savings of US\$3bn by 2030



Iron ore operations emissions

FY30 projected Scope 1 and 2 emissions under business as usual (no decarbonisation strategy)



FY22 Scope 1 and 2 emissions excluding shipping (iron ore operations) were 2.24mt (see Fortescue's FY22 Climate Change report) increasing to an estimated 3mt by 2030 under business as usual

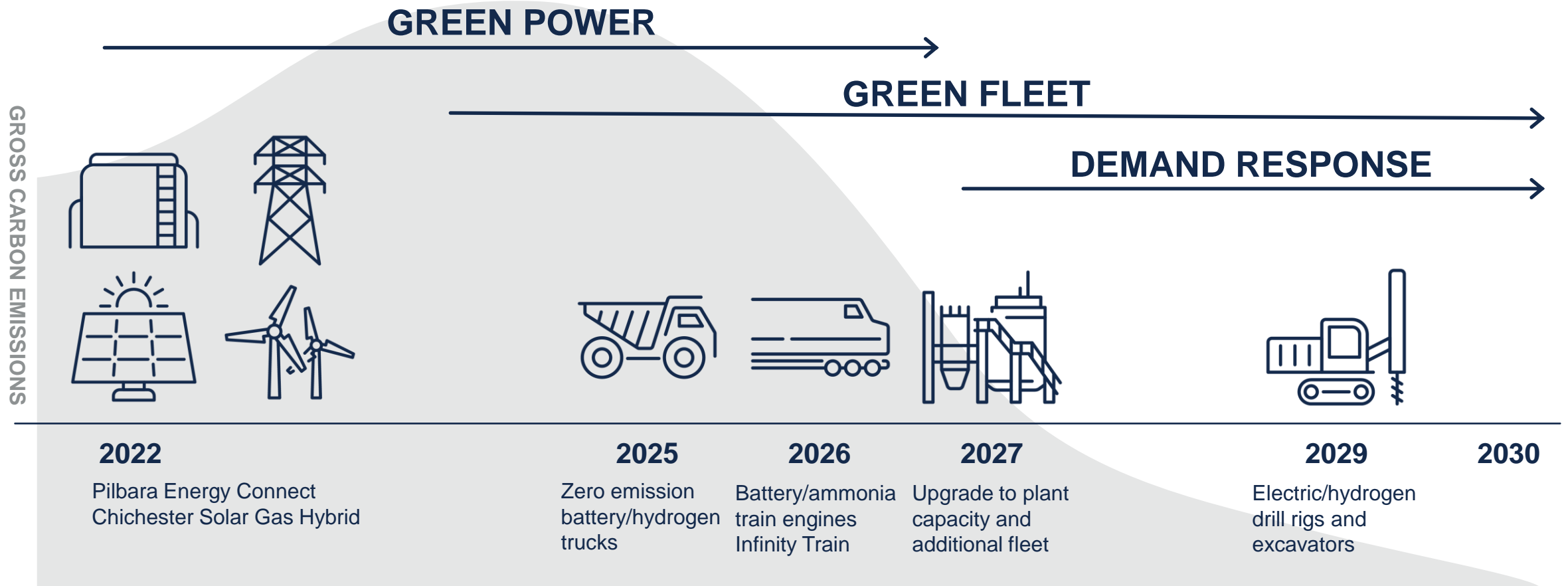
Decarbonisation roadmap

Scope 1 and 2 emissions



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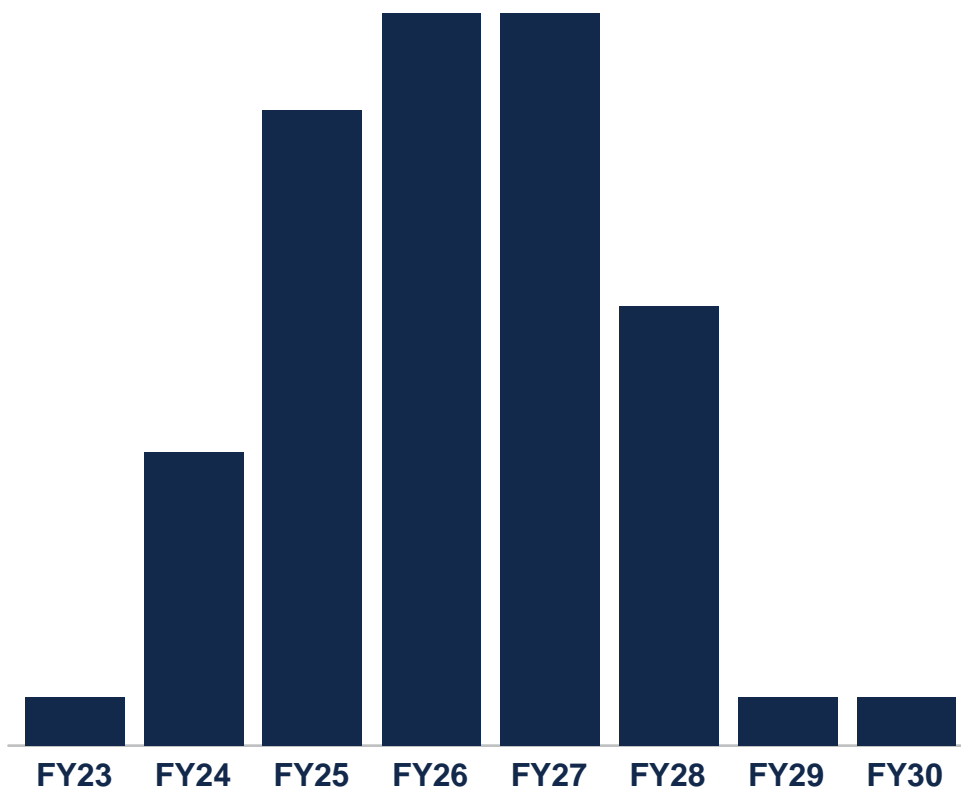


Extremely competitive capital cost

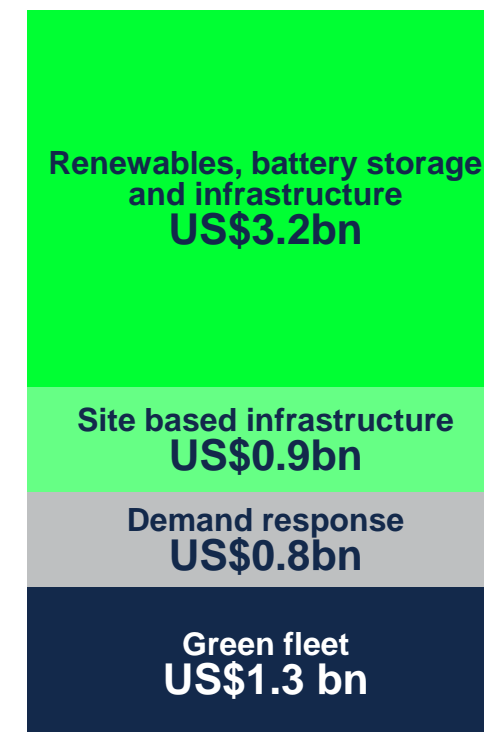
Generating our own fuel source



Maximum annual expenditure – US\$1.5bn

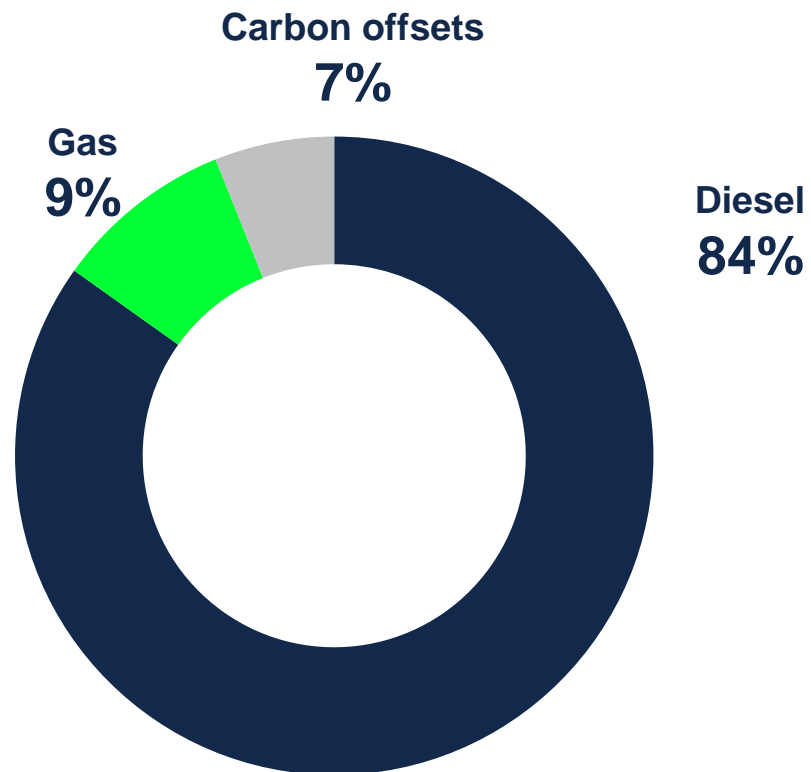


Capital investment – US\$6.2bn



Attractive operating cost savings

US\$818m* cost savings from elimination of:



- Displacement of approximately 700 million litres of diesel
- Displacement of approximately 15 million GJ of gas
- Elimination of carbon offset purchases wherever possible

* Assumed prevailing market prices: US\$1.00/litre for diesel, US\$4.50/GJ for gas and US\$20/unit for ACCUs

Our approach to sustainability



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People

Building sustainable communities

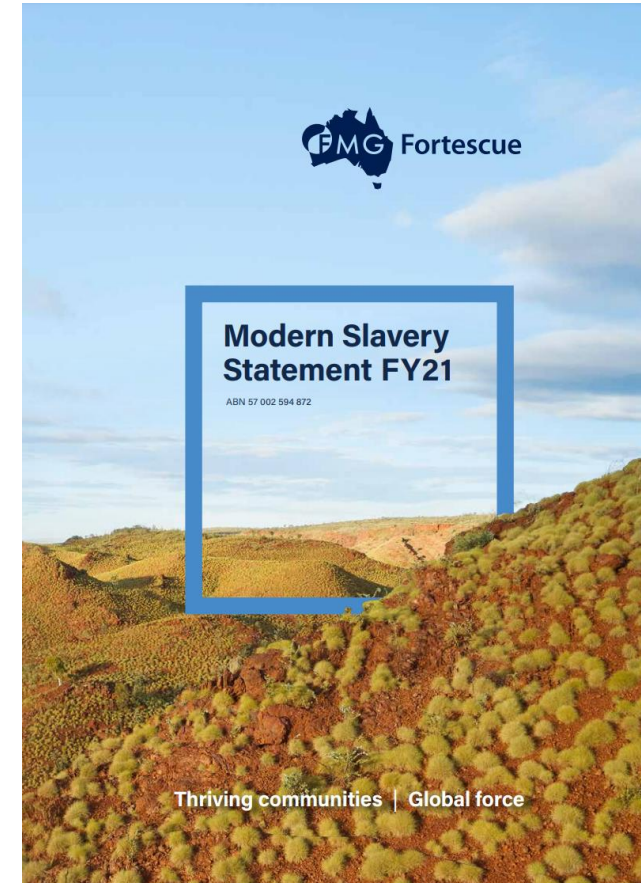
Planet

Safeguarding natural systems

Process

Operating with integrity

Sustainability reporting suite



Reporting and ESG assessments



Voluntary standards and principles for transparent reporting



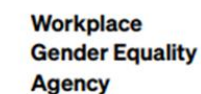
This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.
We welcome feedback on its contents.



ESG performance measures and benchmarking



FTSE4Good





Driving down costs with green energy



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Real zero by 2030

Decarbonising our operations

Net zero scope 3 emissions by 2040

Science based

Commitment to SBTi

Native Title land areas



Pilbara Western Australia

- Iron ore operations
- Iron ore development

Protecting Aboriginal heritage



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Seven agreements

with Native Title groups in the Pilbara region

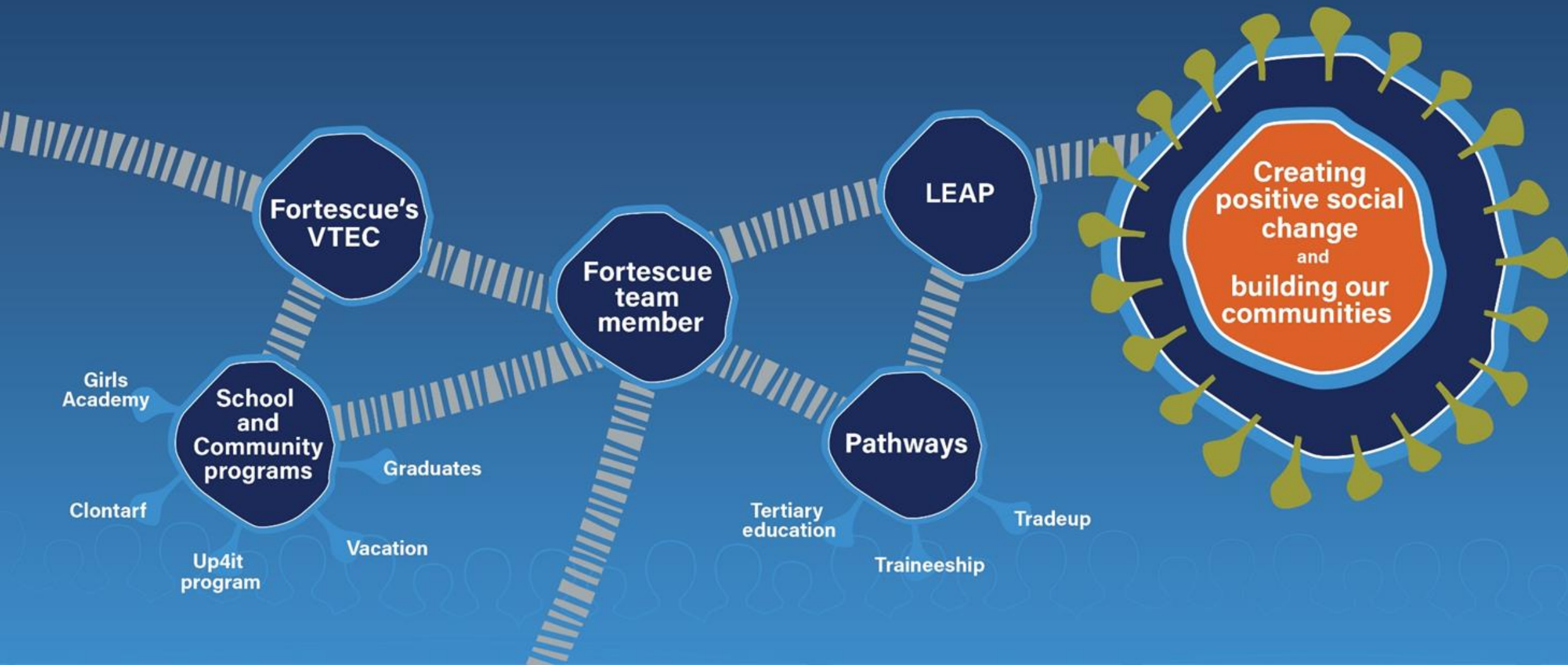
Co-management framework

with the Wintawari Guruma Aboriginal Corporation

>6,100 heritage sites

protected and avoided

Creating opportunities



Creating positive social change



Creating opportunities through training, employment and business development

>A\$4bn in contracts

to Aboriginal businesses and joint ventures through Billion Opportunities since 2011

1,100 Aboriginal people

employed since 2006 through VTEC

Disciplined capital allocation

Fortescue's capital allocation is based on four key pillars



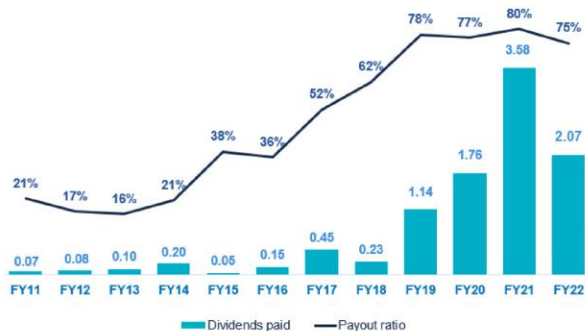
Reinvesting
in core business

Investing in growth
and development



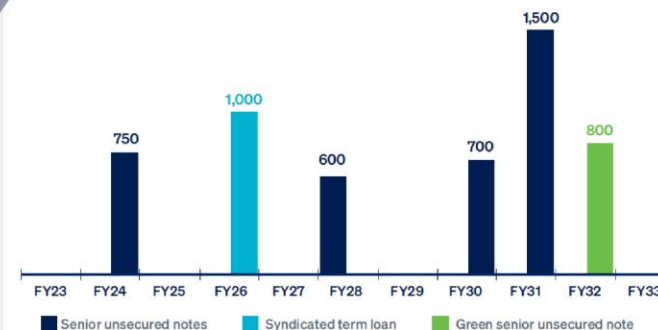
- Iron Bridge Magnetite Project
- Pilbara Energy Connect
- Decarbonisation
- Allocation 10 per cent of NPAT to FFI

Delivering returns to
shareholders



Disciplined
capital
allocation

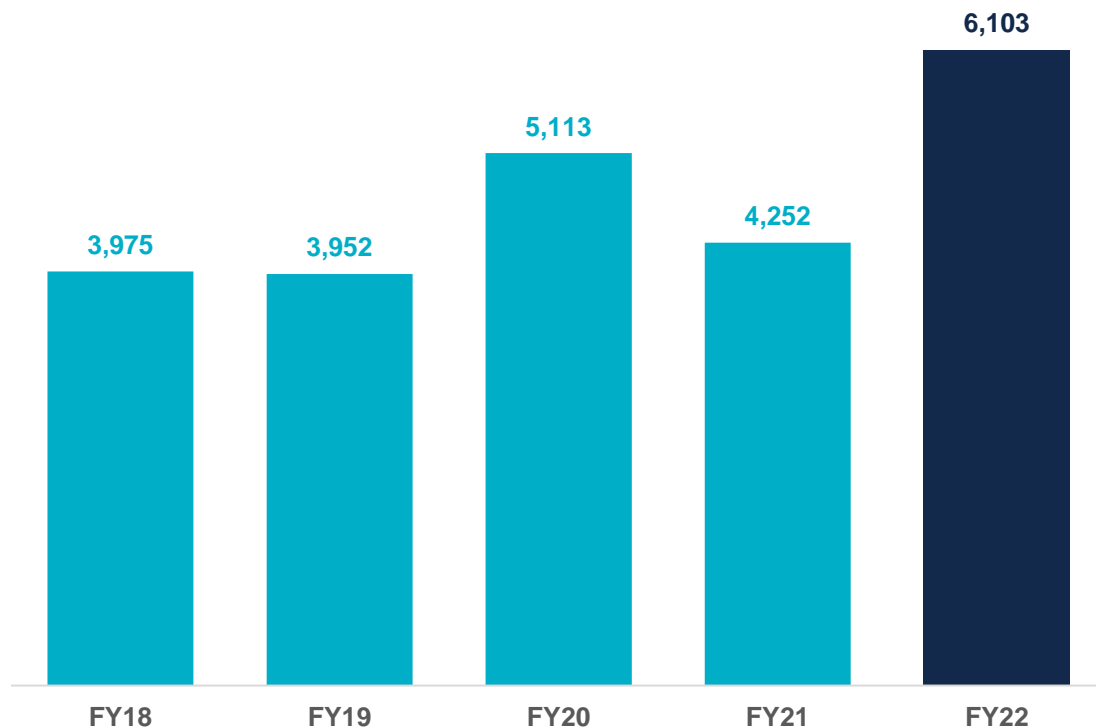
Maintaining balance
sheet strength



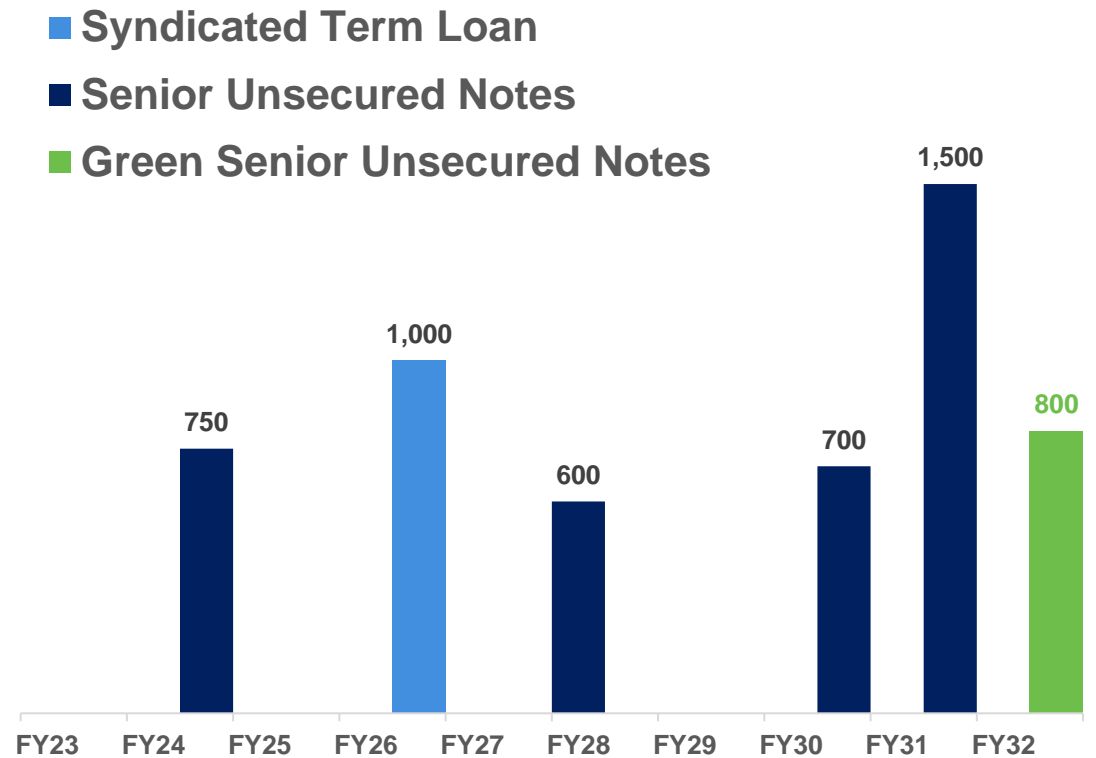
Robust balance sheet

Future capacity to support growth

Gross debt (US\$m)



Debt maturity profile excluding leases (US\$m)

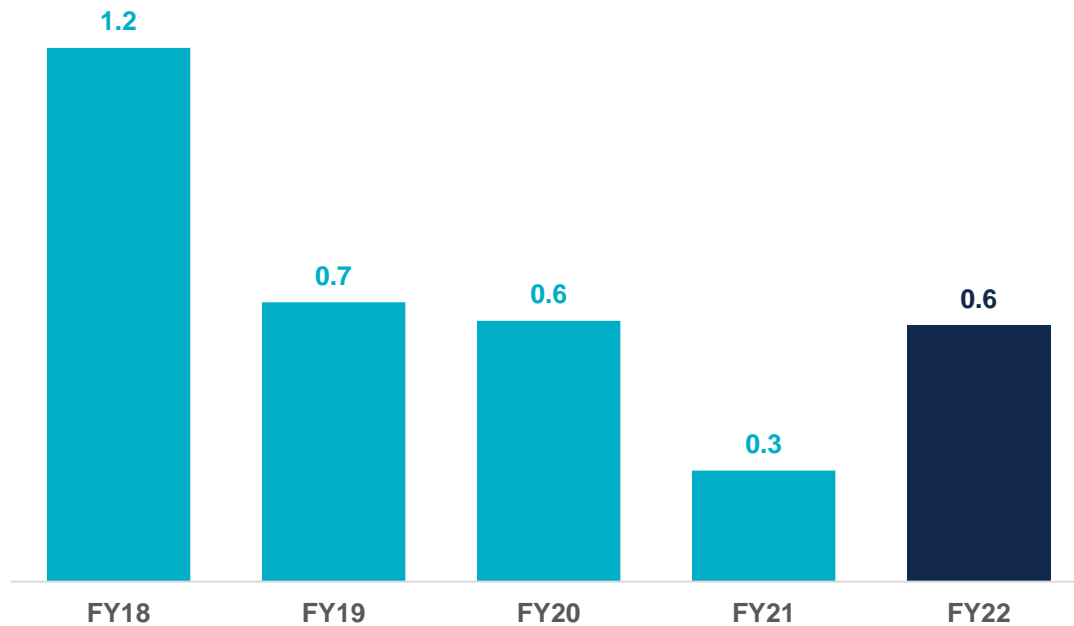


Robust balance sheet

Credit metrics below target range

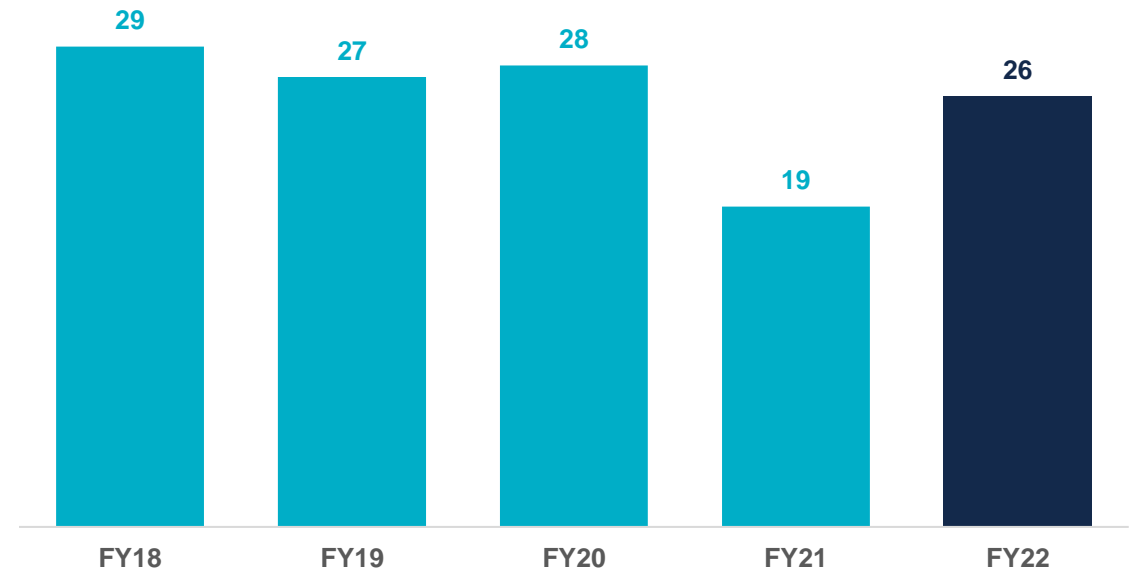
Gross debt to EBITDA (x)

Target: 1-2x



Gross gearing (%)

Target: 30-40%



Delivering returns to our shareholders



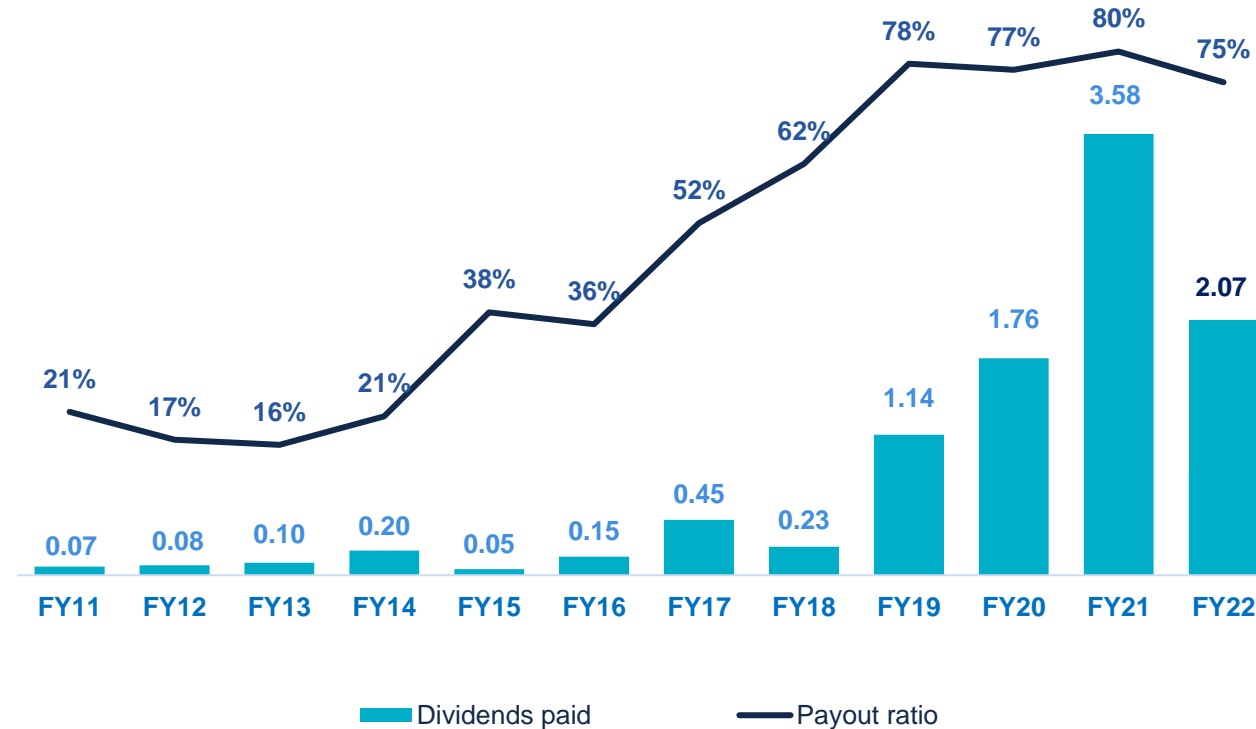
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FY22 fully franked dividends of ^A\$2.07 per share, representing a 75% payout of NPAT

Dividends (A\$/share) and payout ratio (%)



FFI capital allocation



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US\$500 – US\$600m

FY23 anticipated operating expenditure

US\$230m

FY23 anticipated capital expenditure

10% of NPAT

Capital allocation

US\$1.1bn

Capital commitment unutilised

FFI strategy overview

A global green energy, technology and development company

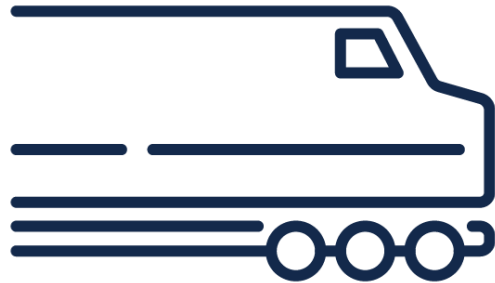


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Green technology



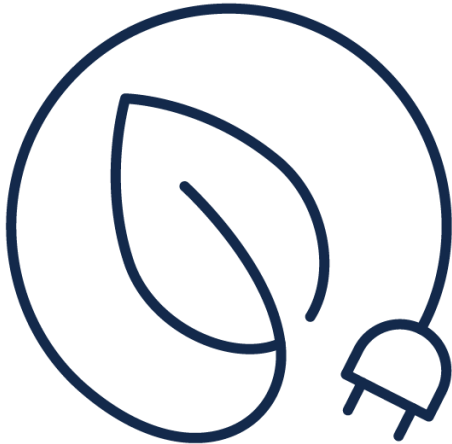
- Key enabler of iron ore operations decarbonisation
- Developing zero emission haul truck power system technologies
- Developing infinity train
- >250 patents and applications

FFI strategy overview

A global green energy, technology and development company



Green manufacturing



- Green Energy Manufacturing centre, Queensland
- Stage 1: 2GW capacity electrolyser manufacturing facility
- Future capability to manufacture renewables equipment, systems and infrastructure

FFI strategy overview

A global green energy, technology and development company

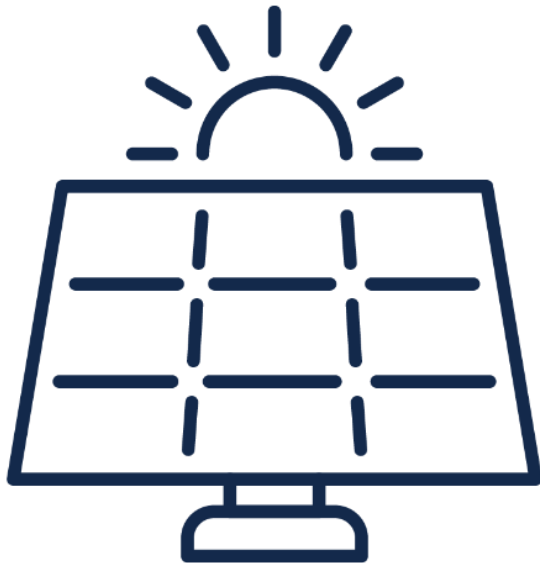


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Green energy projects



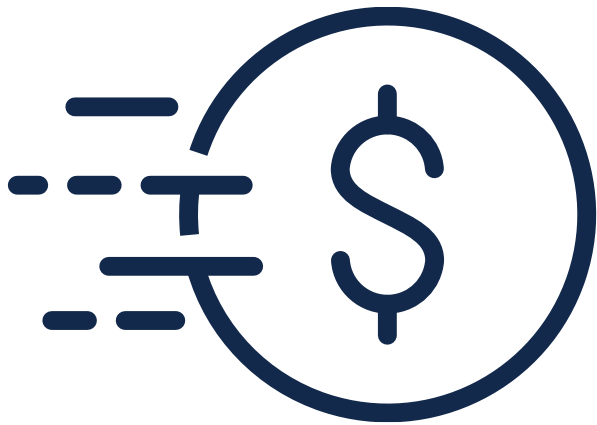
- Project identification and development
- 120 development projects across 40 countries
- Wind, solar, hydro and geothermal resources
- Gibson Island progressing to FEED

FFI strategy overview

A global green energy, technology and development company



Green market development



- Supplying green energy and products globally
- Agreement with E.ON to deliver up to 5mtpa of green hydrogen
- Developing world leading green hydrogen energy import facility in Germany

FY23 guidance



US\$2.7 – US\$3.1 bn

Capital expenditure, excluding FFI

187 – 192mt

Iron ore shipments

US\$18.00 – US\$18.75/wmt

C1 cost for hematite

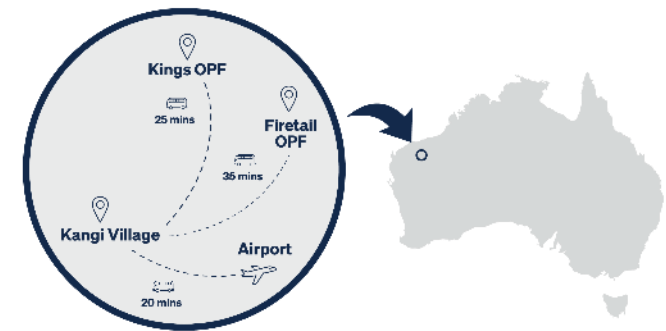
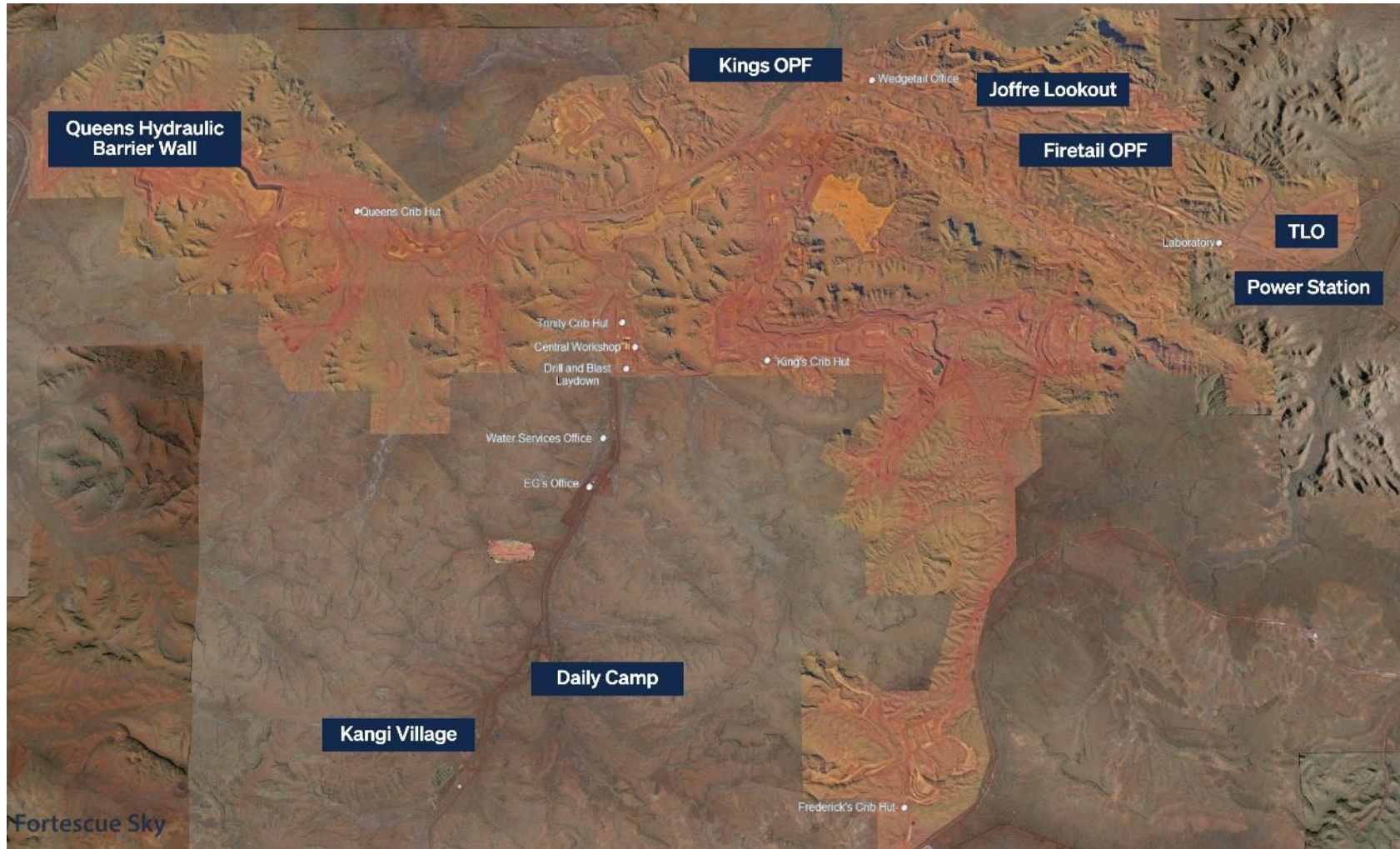
*Guidance is based on an assumed FY23 average exchange rate of
AUD:USD 0.70*

Solomon Hub

Solomon Hub site tour overview



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Solomon Hub overview



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70mtpa

Two Ore Processing Facilities and three mining areas

Product mix

Super Special Fines, Fortescue Blend, Kings Fines

27km

Mining footprint

Solomon Hub overview



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Queens conveyor

8.7km long, equivalent to using 12 trucks

78 autonomous haul trucks

Largest autonomous haul truck deployment

0.8 million km/month

Distance travelled by the autonomous fleet

Solomon Hub safety performance



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1.1 TRIFR

Total Recordable Injury Frequency Rate at 30 June 2022

26%

Exposure reduction improvement compared to 30 June 2021

16 months

Total Recordable injury free for shutdowns

Solomon Hub building a diverse workplace



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Championing diversity

16%

Female employment

13%

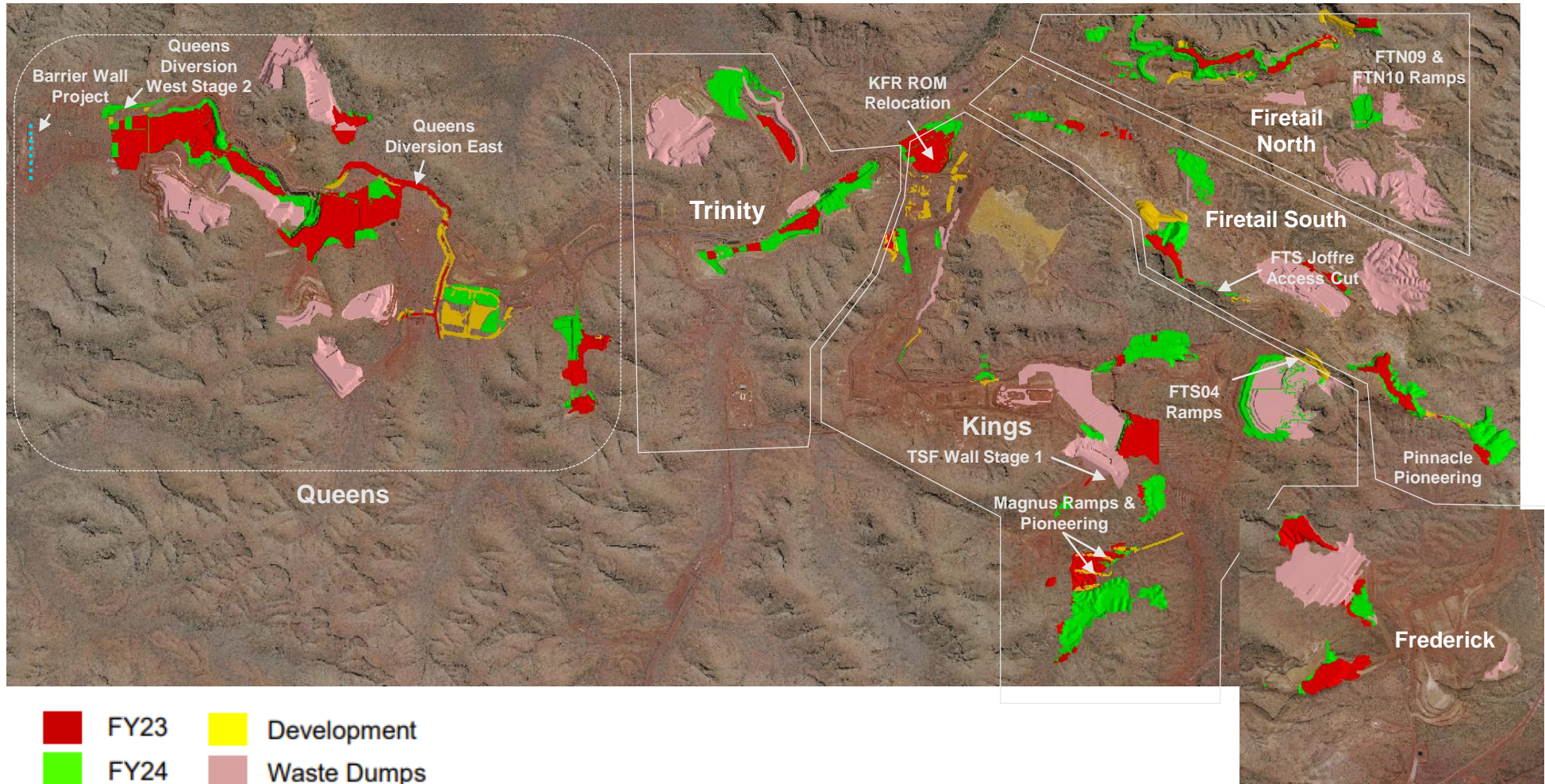
Aboriginal people
employment

24

VTEC trainees employed in
FY22

Solomon Hub mining overview

Mine locations and major projects



Solomon Hub operations



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Mobile maintenance facility

>200 HME assets, >620 ancillary assets

Queens hydraulic barrier wall

Protection of cultural heritage and environment



Solomon Power Station



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160MW gas engine

Designed for hybrid and renewable energy integration

Battery Energy Storage Systems

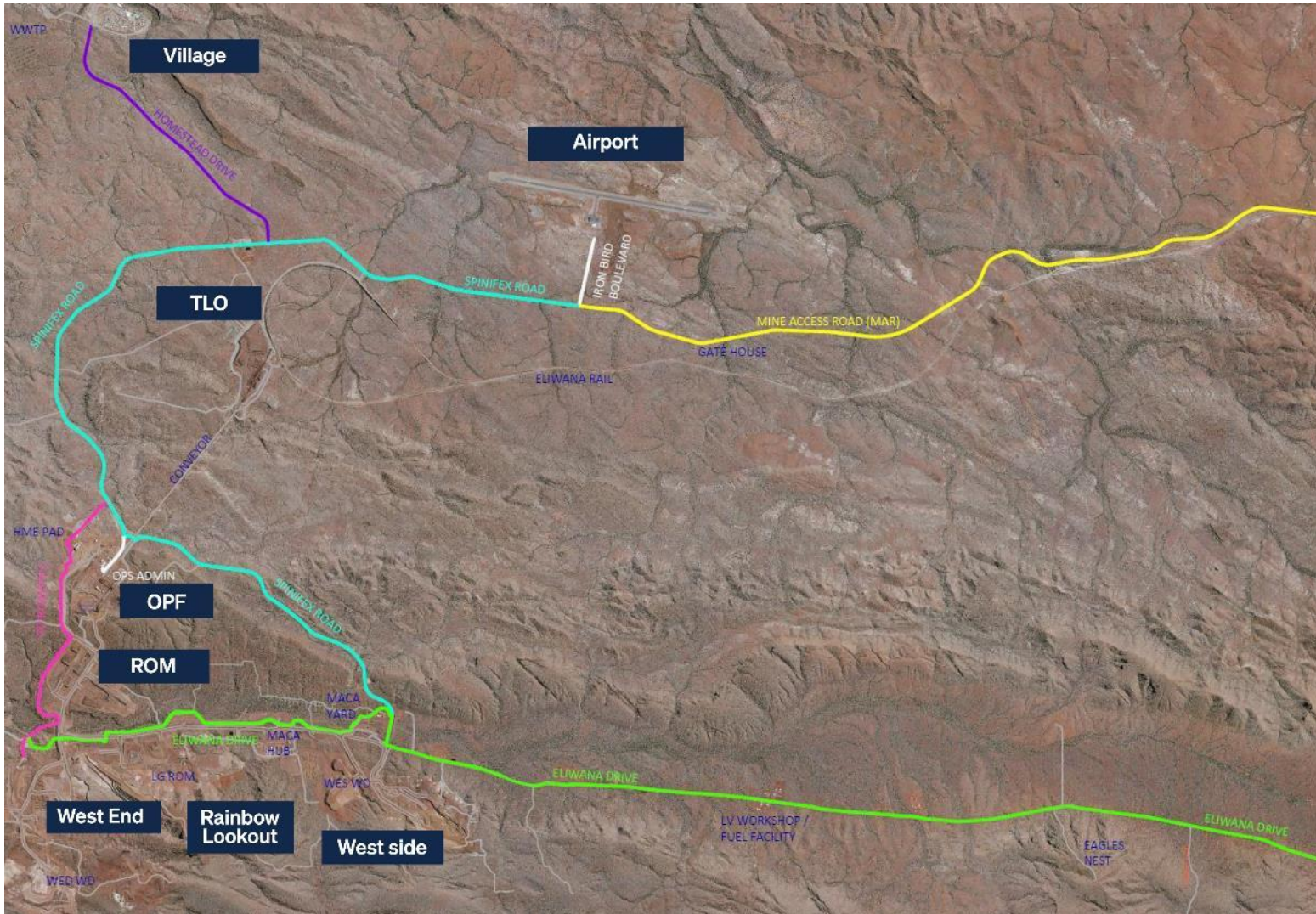
Two units across operations totalling 57.5MVA

Additional grid reserve

Continuous power solutions

Eliwana Operations

Eliwana site tour overview



Eliwana overview



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30mtpa

Dry Ore Processing Facility

Product mix

West Pilbara Fines and Fortescue Blend

70km

Eliwana mine footprint

Eliwana overview



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~250m

Proposed depth of West End pit

143km

Rail connecting Eliwana to Solomon Hub

Flying Fish

Development underway

Eliwana safety performance



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3.7 TRIFR

Total Recordable Injury Frequency Rate at 30 June 2022

16%

Exposure reduction improvement compared to 30 June 2021

14 months

Total Recordable injury free for Mobile Maintenance

Eliwana building a diverse workplace



Championing diversity

23%

Female employment

14%

Aboriginal people
employment

8

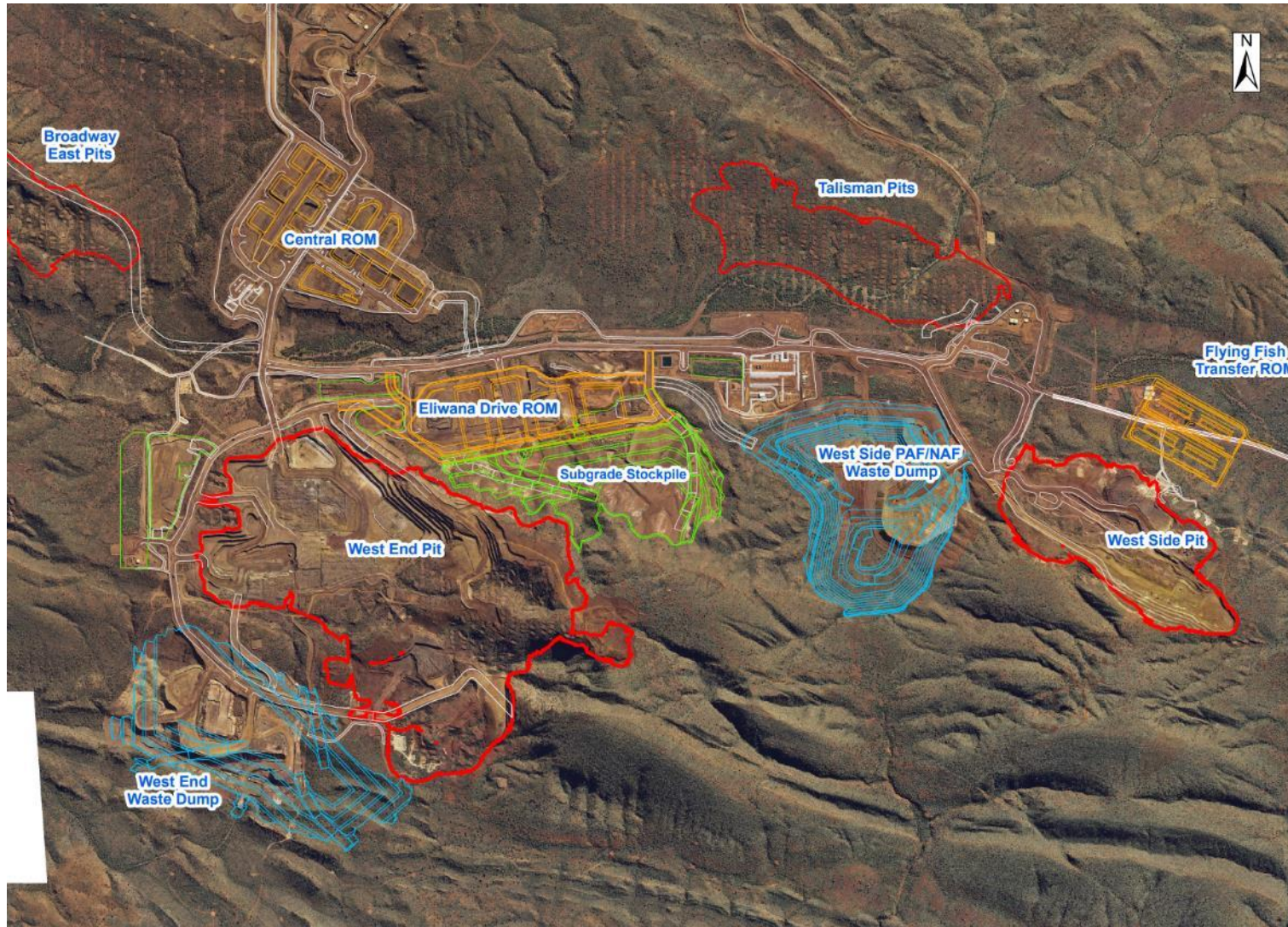
VTEC trainees employed in
FY22

Eliwana mining overview



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Eliwana operations



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Low capital intensity

US\$46/tonne for mine and rail

Low profile design

Capacity to direct load onto trains up to 10,300 tonnes per hour

Plant reliability

Average OPF daily available time of 22.6 hours

Eliwana OPF ramp up

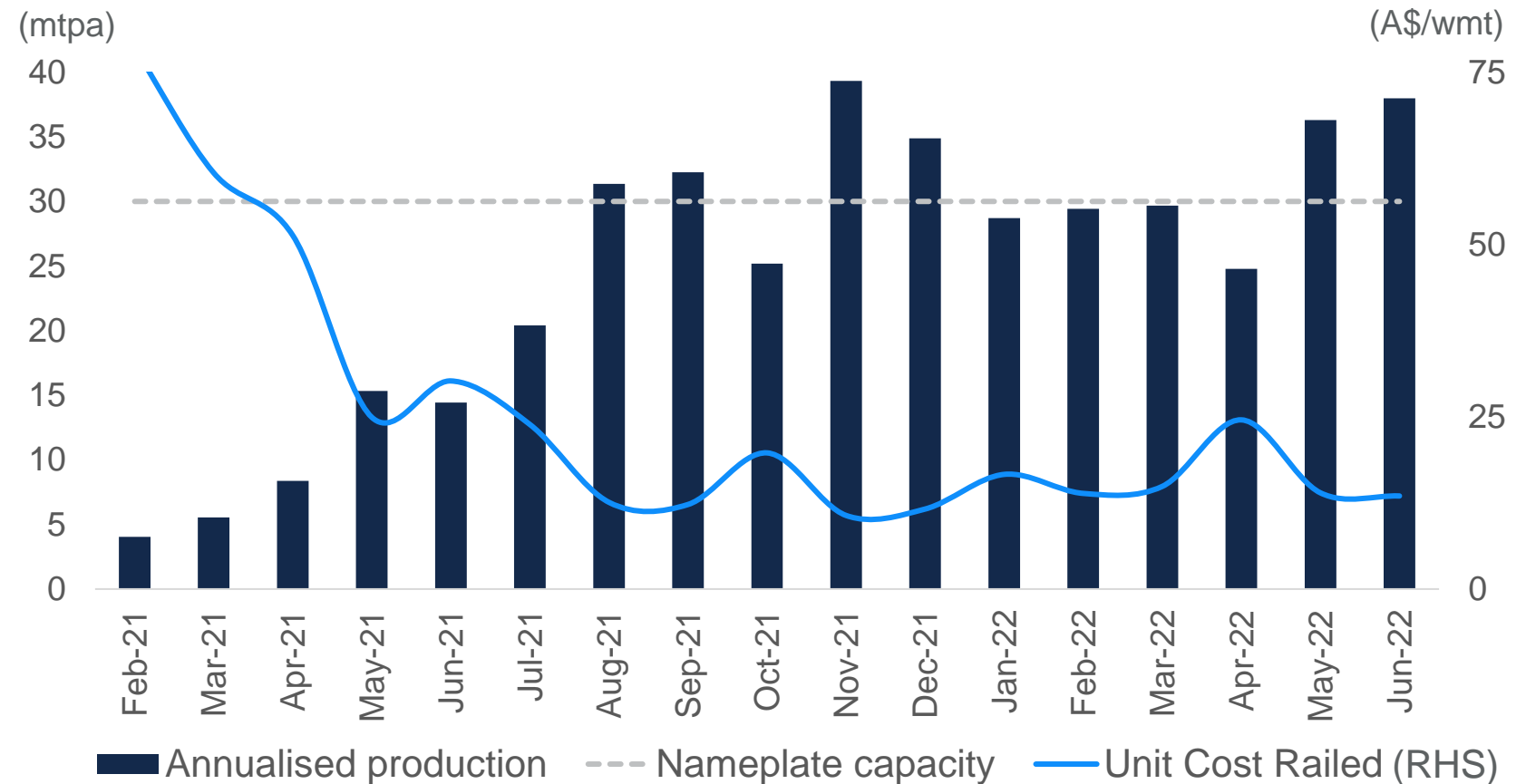


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Production and nameplate capacity



We are Fortescue



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Safety

Family

Empowerment

Frugality

Stretch targets

Integrity

Enthusiasm

**Courage and
determination**

**Generating
ideas**

Humility
