

Not for release in the United States

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SUCCESSFUL COMPLETION OF US\$1,500 MILLION SENIOR NOTES OFFERING

Fortescue Metals Group Ltd (Fortescue, ASX: FMG) has today announced the successful completion of the US\$1,500 million offering of Senior Notes, details of which are summarised below.

- US\$800 million of proceeds from the Green Senior Notes will be applied to Eligible Green Projects, pursuant to Fortescue’s Sustainability Financing Framework; and
- US\$700 million of proceeds from the Senior Notes will be applied toward general corporate purposes.

The use of proceeds from the Green Senior Notes will be applied to a number of decarbonisation initiatives, including the 150MW solar generation component of the Pilbara Energy Connect (PEC) Project, the acquisition of Williams Advanced Engineering and the hydrogen mobility project at Christmas Creek.

The proceeds raised from the Senior Notes are available to fund Fortescue’s major growth project, Iron Bridge, together with the balance of PEC. To-date, the capital expenditure incurred for these projects has been funded from free cash flow.

Fortescue Chief Executive Officer, Ms Elizabeth Gaines said “Fortescue’s Sustainability Financing Framework recognises the global growth in sustainability and green sources of capital. The successful completion of Fortescue’s inaugural green financing offering demonstrates the Company’s passion and commitment to integrate sustainability into all aspects of our business, as we take a global leadership position in the green energy transition.”

Fortescue Chief Financial Officer, Mr Ian Wells said “The company maintains a strong balance sheet underpinned by investment grade credit metrics. The success of this transaction demonstrates the ongoing support for Fortescue’s industry leading decarbonisation targets and further optimises our capital structure.”

Details of the US\$1,500 million Senior Notes are set out below:

Terms	Description	
Facility size	US\$700 million	US\$800 million
Interest rate	5.875%	6.125%
Term	Eight-year, non-call life	Ten-year, non-call life
Use of proceeds	General Corporate Purposes	Eligible Green Projects
Ranking of Notes	Pari Passu with all existing and future senior unsecured indebtedness	

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The senior unsecured notes referred to herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.