

1 December 2020

The Companies Officer
Australian Securities Exchange Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Madam or Sir

PRESENTATION – GLOBAL IRON ORE & STEEL FORECAST CONFERENCE

Fortescue Metals Group Ltd (ASX: FMG) advises that Greg Lilleyman, Chief Operating Officer, is presenting at the Global Iron Ore & Steel Forecast Conference on Tuesday, 1 December 2020. A copy of the presentation is attached.

Yours sincerely
Fortescue Metals Group Ltd

Authorised by
Cameron Wilson
Company Secretary

Media contact:
Michael Vaughan, Fivemark Partners
E: mediarelations@fmgl.com.au
M: +61 422 602 720

Investor Relations contact:
Andrew Driscoll, GM Investor Relations
E: investorrelations@fmgl.com.au
P: +61 8 9230 1647



**World class operations,
infrastructure and
marketing delivering
value**

Greg Lilleyman, Chief Operating Officer

Thriving communities | Global force

Forward Looking Statements Disclaimer

Important Notice

The purpose of this presentation is to provide general information about Fortescue Metals Group Ltd (“Fortescue”). It is not recommended that any person makes any investment decision in relation to Fortescue 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 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, its 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. Fortescue 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.

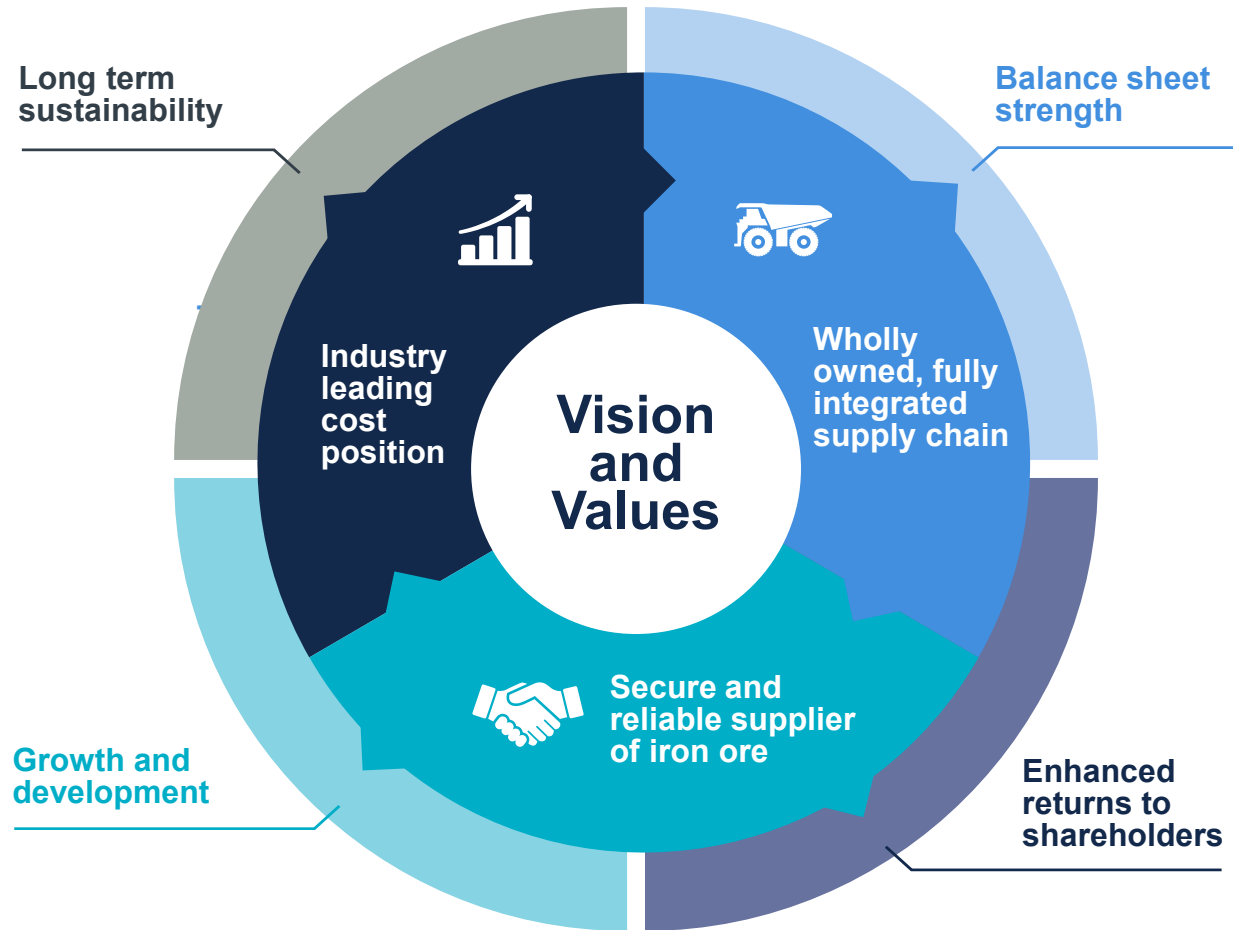
Additional Information

This presentation should be read in conjunction with the Annual Report at 30 June 2020 together with any announcements made by Fortescue in accordance with its continuous disclosure obligations arising under the Corporations Act 2001 and ASX Listing Rules. 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 21 August 2020. 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 Ltd, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.

World class company



Global force | Thriving communities





Safety and unique culture

2.1 TRIFR

at 30 September 2020

COVID-19

Prioritising health and safety of the Fortescue family

Projects

Embedding our safety culture across multiple sites

Q1 FY21 highlights

Strong start to FY21 with record first quarter operating performance

2.1 TRIFR

13% improvement

↑44.3 mt shipped

5% higher than Q1FY20

US \$12.74 /wmt

C1 cost

↑ US \$106 /dmt

Average realised price
89% of average Platts 62%
CFR Index

↑ US \$1.0bn

Net cash

>10 mt sold

FMG Trading Shanghai
since June 2019

Deliberate strategy for dynamic future growth



Fully integrated
supply chain



Structure of business

Operations and marketing



Product strategy
Majority over 60% Fe



Investing in growth
Underpinned by innovation



Marketing

Integrated operations and marketing strategy to maximise value

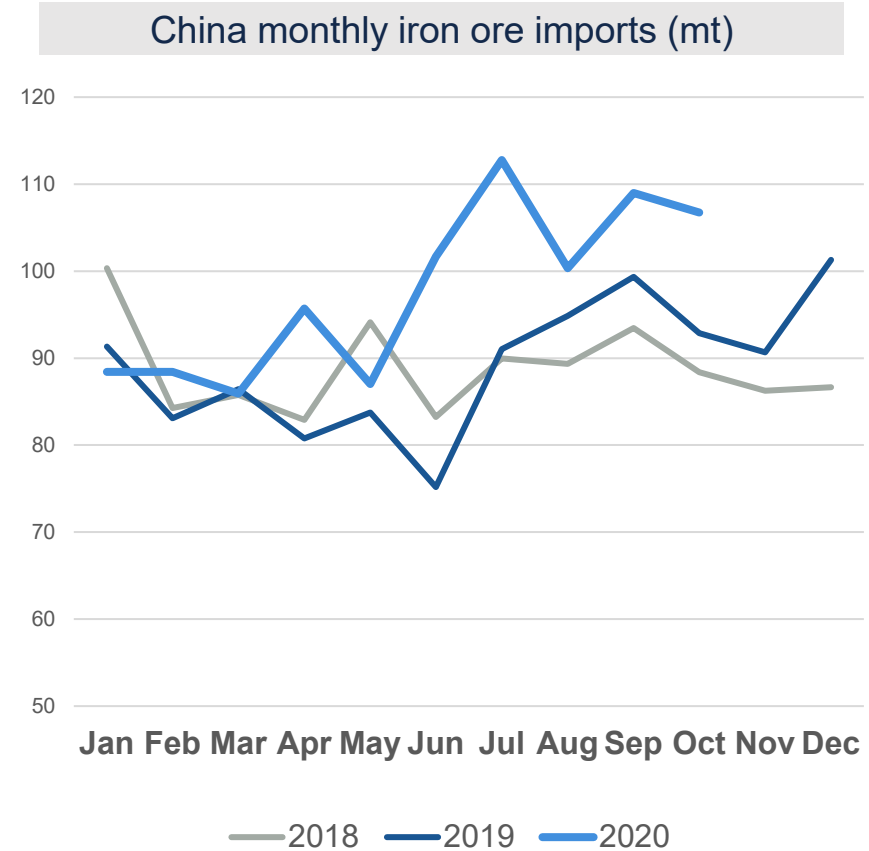
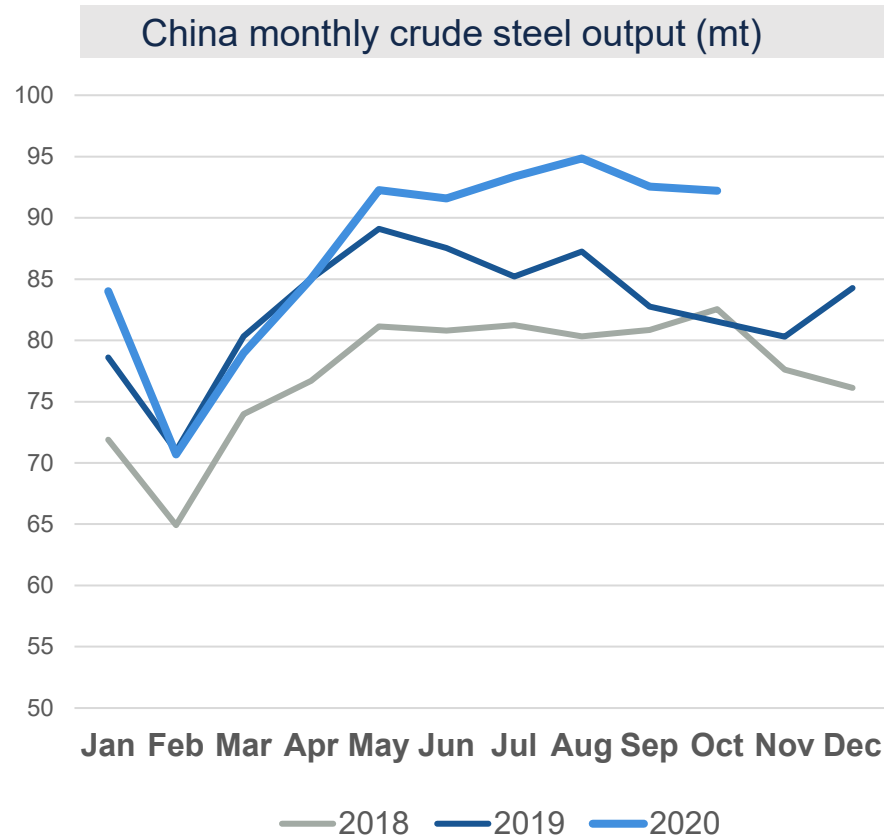
Direct customer engagement driving deep market insights

Reliable supplier and optimised product mix that meets customers' needs

Aligning delivery with customers' requirements and opening new channels

Strong demand for iron ore in China supported by increased imports

Sustained growth in China's crude steel production



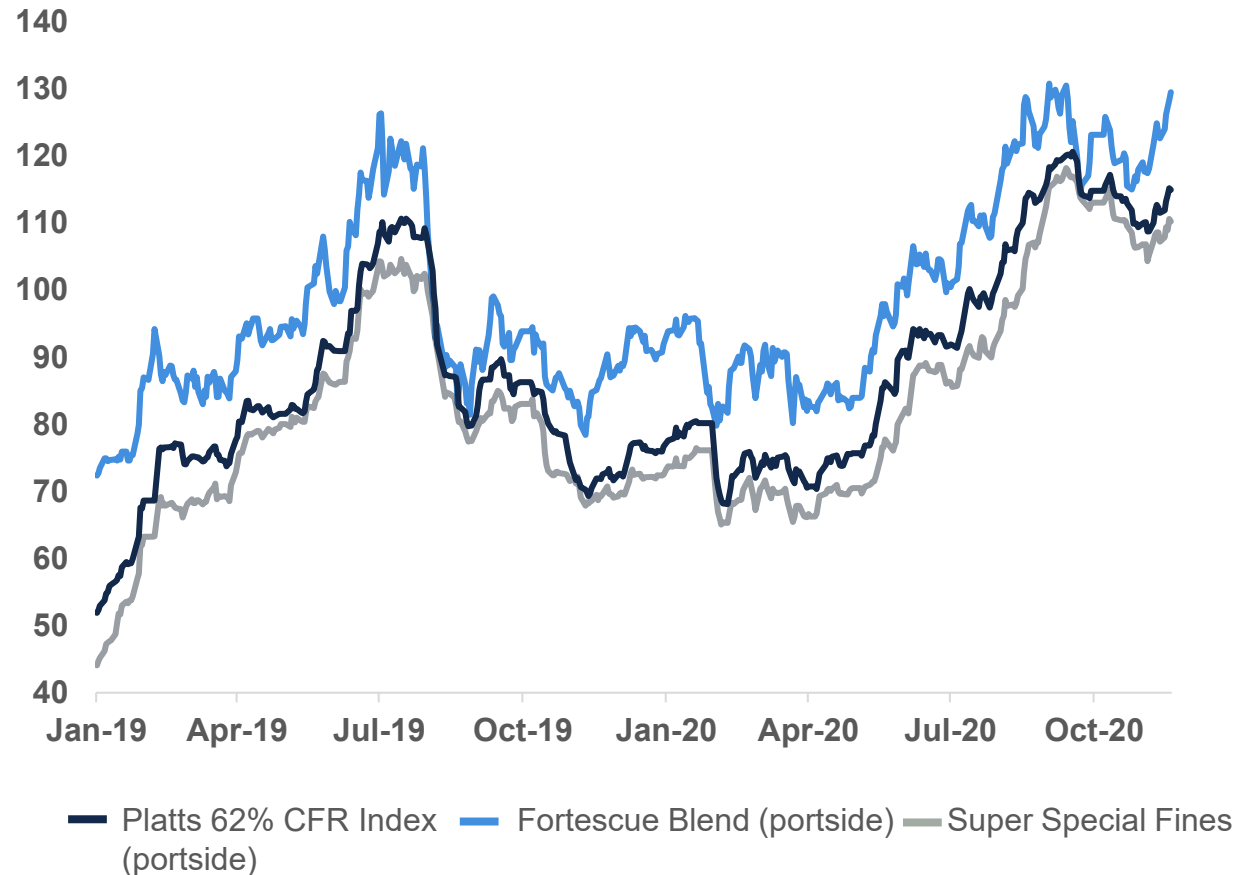
Iron ore price



Fortescue's average realised price of US\$79/dmt in FY20 increased by 21 per cent on the prior year



Iron ore prices, CFR China (US\$/dmt)



Source: Platts

Delivering on our product strategy

Enhancing Fortescue's product portfolio

Competitive

positioning across all product segments

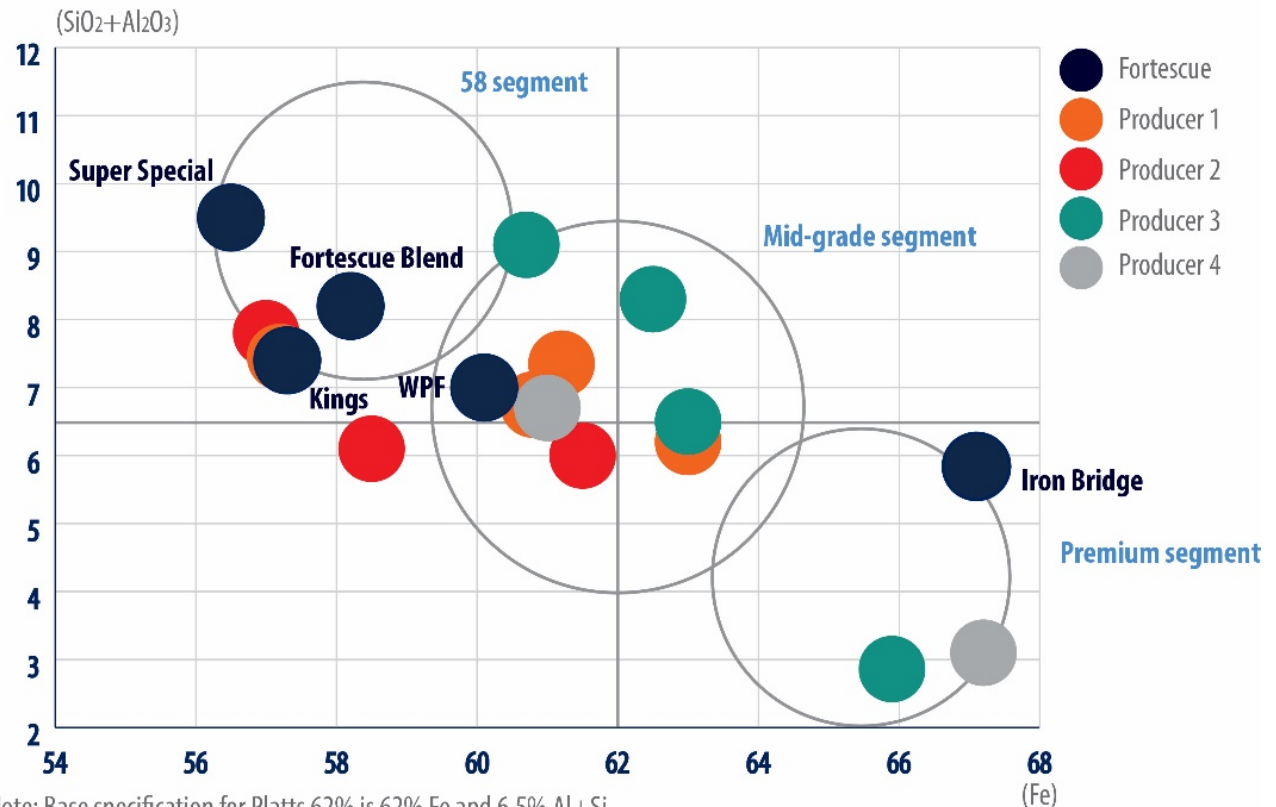
Flexibility

to optimise margins through iron ore market cycles

Highest grade

Australian product, with global scale production

Product positioning: Natural Fe v Gangue ($\text{SiO}_2 + \text{Al}_2\text{O}_3$)



Note: Base specification for Platts 62% is 62% Fe and 6.5% Al+Si

Source: Fortescue, company reports



Investing in growth

Executing on growth, product and decarbonisation strategy

Eliwana

US\$1.325 – US\$1.375 billion investment
30mtpa processing and 143km rail

Iron Bridge

US\$2.6 billion investment
22mtpa 67% Fe magnetite concentrate product

Pilbara Energy Connect

US\$700 million investment
Solar-gas hybrid energy and transmission infrastructure

Eliwana Mine and Rail Project



30 mtpa

First ore progressing on schedule

60.1% Fe

Underpinning production of West Pilbara Fines

US\$45 per tonne

Industry leading capital intensity

Ore Processing Facility

Close to completion and commissioning

Eliwana progress

On schedule for first ore on train in December 2020



Ore processing facility



Eliwana rail bridge

Iron Bridge Magnetite project



22 mtpa

Production, with first ore on ship in mid-CY22

67% Fe

High grade, low impurity concentrate product

US\$2.6bn

Stage 2 investment, low capital intensity

>88%

Bulk earthworks complete

Iron Bridge progress

Construction on schedule



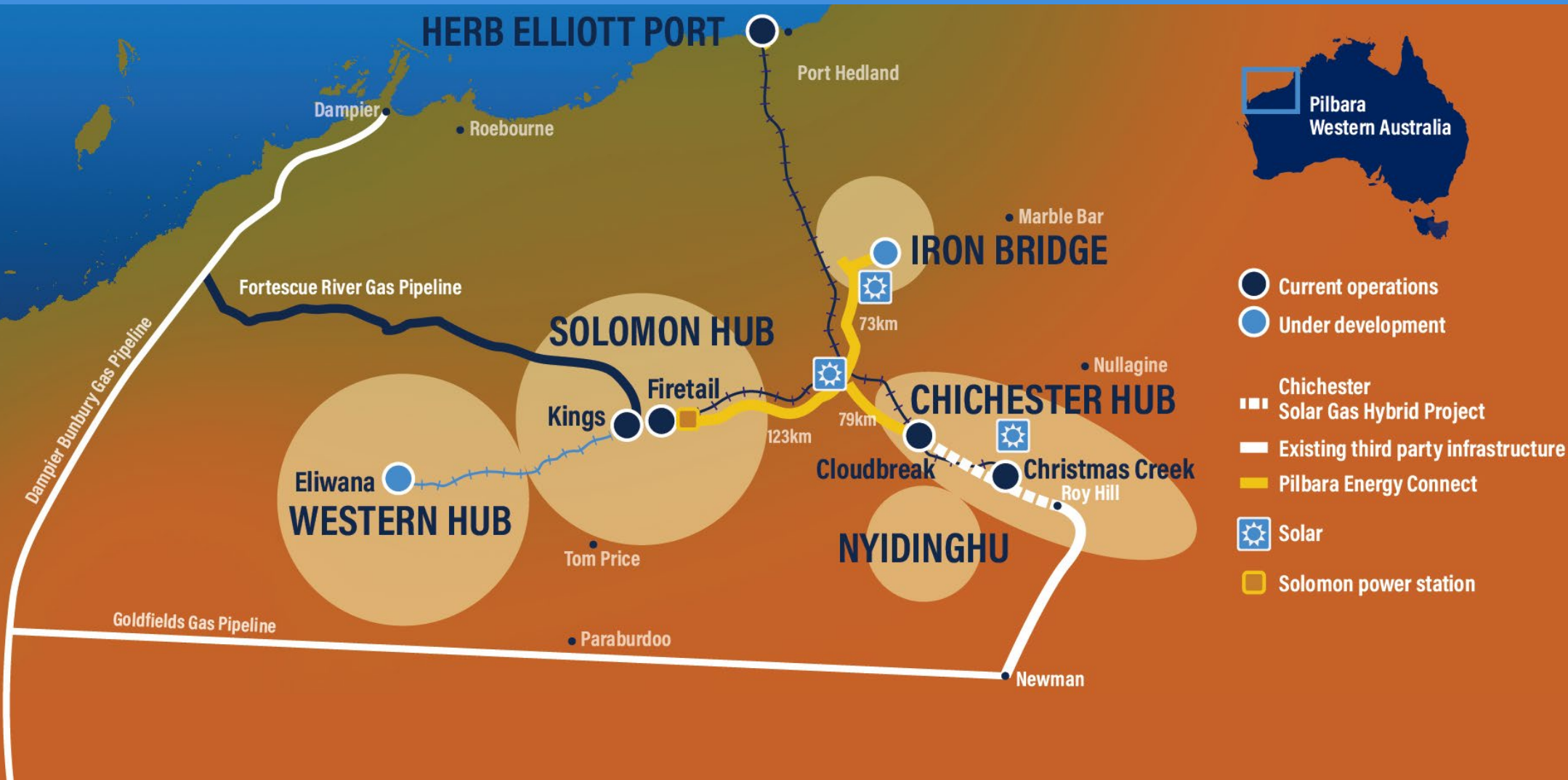
Ore processing facility site



Rendering – Ore processing facility

Energy infrastructure

US\$800 million investment with our business partners will deliver 25 to 30 per cent of stationary energy from solar power



Energy infrastructure

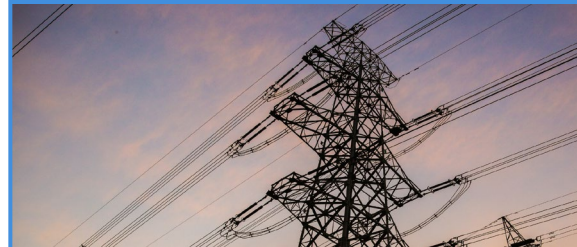
Industry leading emissions reduction goal, to achieve net zero operational emissions by 2040, underpinned by practical initiatives

Chichester solar gas hybrid project



- US\$100 million investment by Alinta Energy
- 60MW of solar generation
- 60km transmission line linking Chichester operations with Alinta Energy's Newman gas-fired power station
- 35MW battery facility
- Displaces 100 million litres of diesel

Pilbara Energy Connect



- US\$250 million Pilbara Transmission Project
- 275km of high voltage transmission lines
- US\$450 million Pilbara Generation Project
- 150MW of gas fired generation, 150MW of solar PV and large-scale battery storage

Hydrogen



- Reduce carbon emissions and reliance on diesel in our operations
- Hydrogen mobility and improving domestic energy security
- Export potential of green hydrogen from Australia
- Investment in new hydrogen technologies through key strategic partnerships

Key strategic focus

Underpinned by balance sheet strength



Long term
sustainability



Growth and
development



Enhanced returns
to shareholders

FY21 guidance



175 – 180mt

Iron ore shipments

**US\$13.00 –
US\$13.50/wmt**

C1 costs based on assumed
exchange rate of AUD:USD 0.70

**US\$3.0 –
US\$3.4 billion**

Capital expenditure

Our Purpose

Thriving communities | Global force

Fortescue's Values





www.fmgl.com.au

 FortescueNews

