

11 November 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 – ANNUAL GENERAL MEETING 2020

Fortescue Metals Group Ltd (**Fortescue**) (ASX: FMG) advises that Chairman, Dr Andrew Forrest AO and Chief Executive Officer, Elizabeth Gaines are addressing shareholders at the Annual General Meeting (**AGM**) at 10am AWST today. The AGM will be webcast on Fortescue's website at www.fmgl.com.au and a copy of the presentations are attached.

Yours sincerely
Fortescue Metals Group Ltd

Authorised by
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Company Secretary

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Fortescue Metals Group Ltd

Annual General Meeting

Wednesday, 11 November 2020

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.

Response to COVID-19



Prioritise the health of our people, maintain jobs, sustain our business and protect communities

Temporary extension of operational roster

Temperature and health testing and rapid screening

Village gyms and licensed areas temporarily closed

Additional bus and air charter services as needed

Non-essential site and office-based teams worked from home

1,300 care packages to Aboriginal communities



Safety and unique culture

2.1 TRIFR

At 30 September 2020

13% improvement

From 30 June 2020

96% participation

Safety Excellence and Culture Survey

Approach to Sustainability

We are a global force, committed to empowering thriving communities

Setting high standards



- Employee health and safety
- Economic contribution
- Workforce diversity
- Protecting Aboriginal heritage
- Ethical business conduct

Safeguarding the environment



- Climate change action and disclosure
- Protecting biodiversity and water resources
- Tailings management

Creating positive social change



- Creating employment and business opportunities for Aboriginal people
- Building sustainable communities
- Human rights

Diversity is integral to our success



Research shows diverse leadership teams result in increased likelihood of better company performance¹

14% Aboriginal

Employment across Pilbara operations

19% female

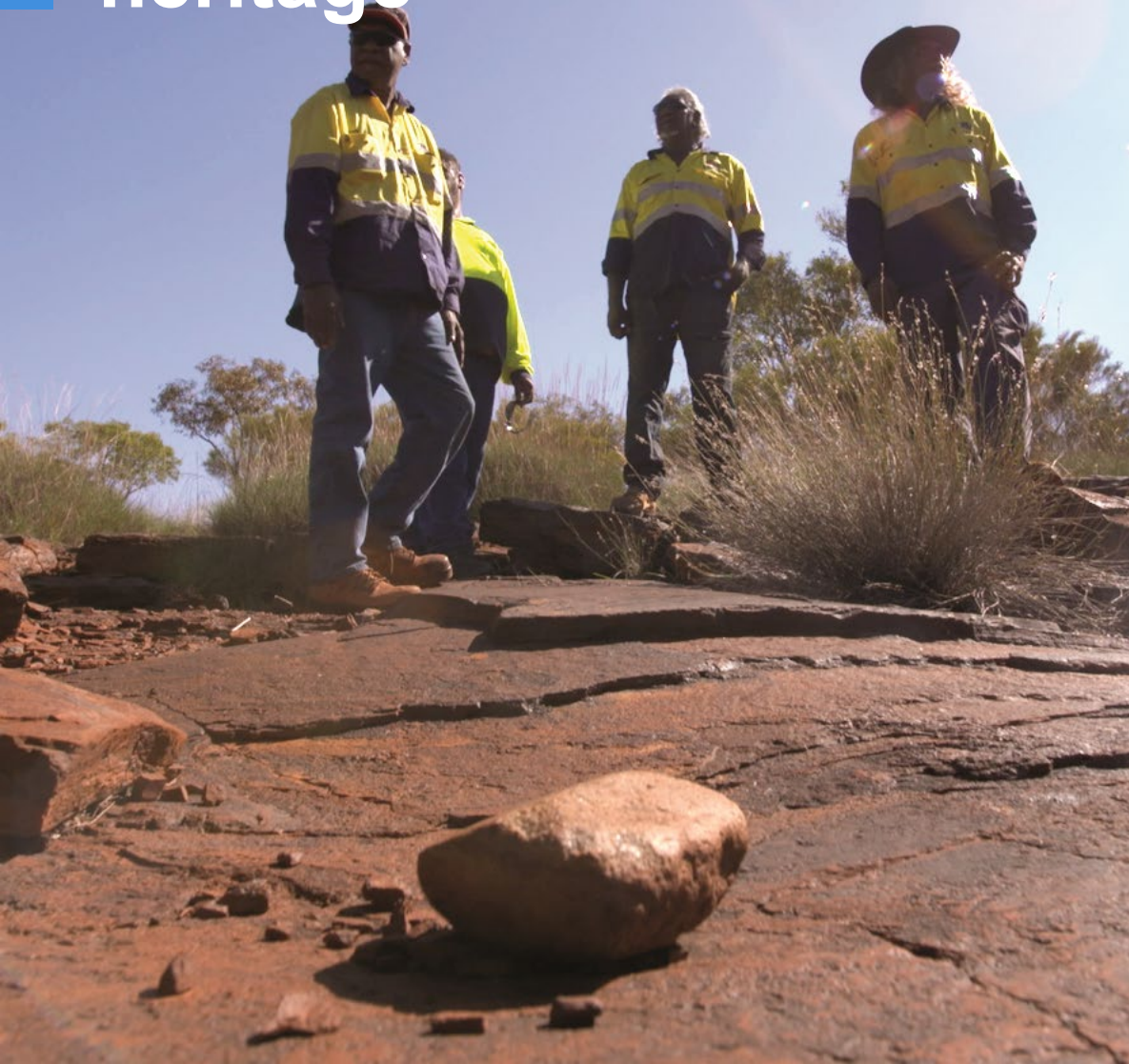
Employment rate

44% female

Representation on Board of Directors

¹Source: Curtin University and Women's Gender Equality Agency

Protecting Aboriginal heritage



Detailed processes for engagement and heritage management

Seven agreements

with Native Title Groups

Heritage avoidance

Primary objective

~6,000 heritage sites

Protected and avoided

2.7 million ha of land

Ethnographically surveyed

Creating positive social change



Empowering Aboriginal people through training, employment and business development opportunities

900 jobs

to Aboriginal people via VTEC since 2006

Billion Opportunities

A\$2.7 billion in contracts to Aboriginal businesses and joint ventures since 2011

Fortescue's Trade Up

Providing an accredited pathway to a trade qualification





Emissions reduction targets

Addressing the global climate change challenge with a sense of urgency

Net zero

Operational emissions by 2040

26% reduction

Scope 1 and Scope 2 emissions from 2020 levels, by 2030

Decarbonisation pathway

Energy infrastructure to increase use of renewables

Technology and innovation

Hydrogen and battery electric solutions

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

FY20 highlights



Excellent operational performance drove record financial results

2.4 TRIFR

14% improvement

↑178.2 mt shipped

6% on FY19

US \$12.94 /wmt

C1 cost includes US\$0.22/wmt
COVID-19 impact

↑US \$79 /dmt

Average realised price
21% on FY19

↑US \$8.4bn

Underlying EBITDA

↑US \$4.7bn

NPAT

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

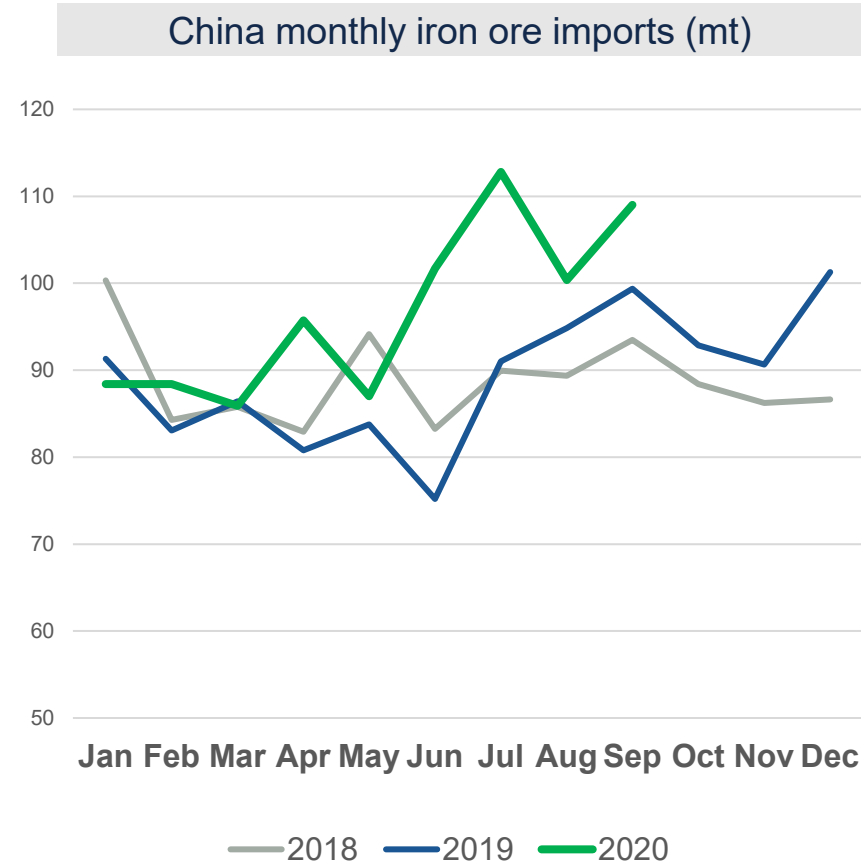
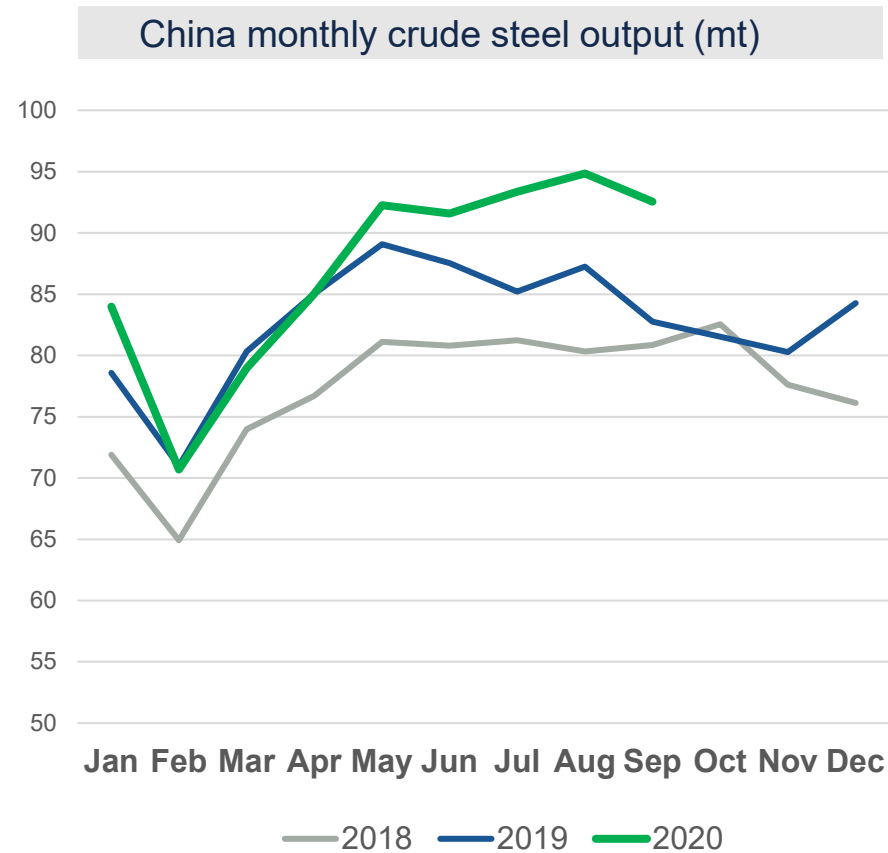
Net cash

>10 mt sold

FMG Trading Shanghai
since June 2019

Strong demand for iron ore in China supported by increased imports

Sustained growth in China's crude steel production



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

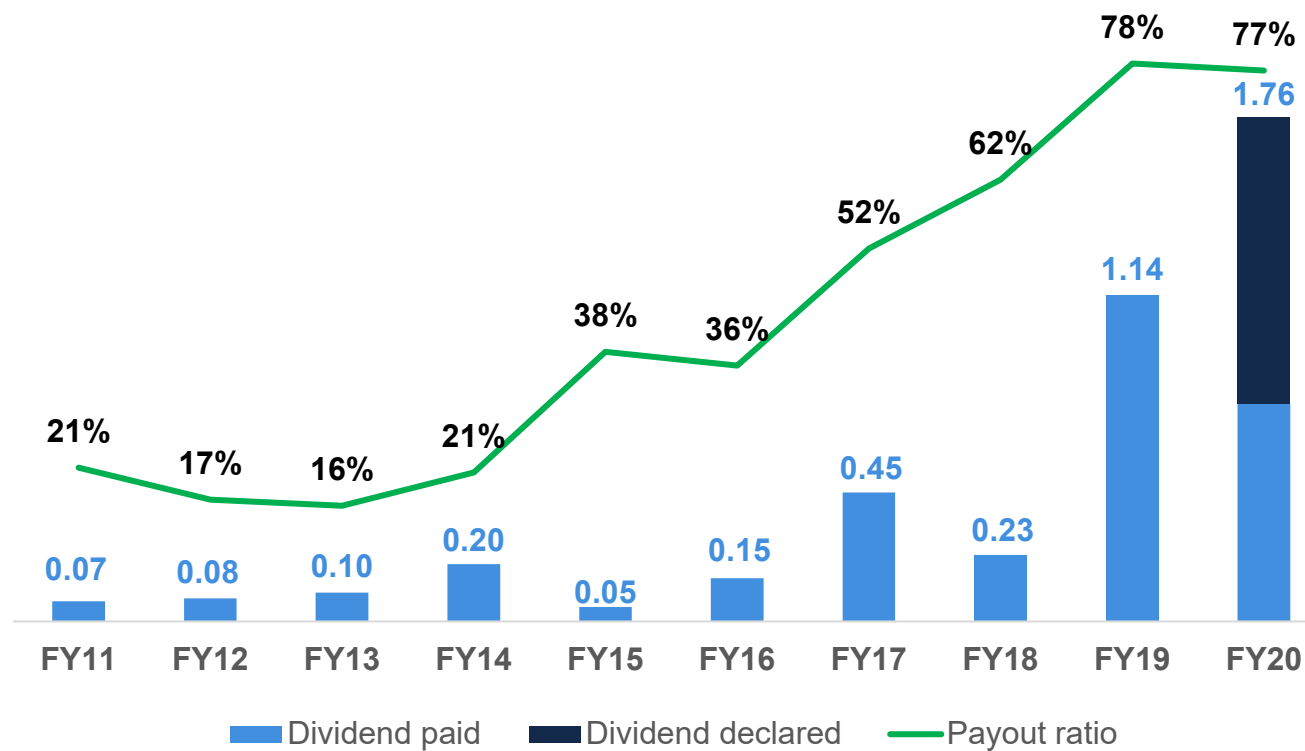
US\$700 million investment
Solar-gas hybrid energy and transmission infrastructure

Delivering dividends



Fully franked dividend of A\$1.76 per share, representing a 77% payout of FY20 NPAT

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



Our Purpose

Thriving communities | Global force

Fortescue's Values





Dr Andrew Forrest AO Founder and Chairman

Our performance based culture





Our assets and infrastructure



Our Board and leadership team





Thrive by Five

Fire and Flood Resilience





Protecting Australia from COVID-19



WALK FREE

STACKED ODDS

*How lifelong inequality shapes women
and girls' experience of modern slavery*





New frontiers



“After scientific and personal analysis of the renewable energy resources of our little planet, I can assure you that there is more than enough renewable energy to sustainably and economically supply every person on this planet, from this time forth.

It is our job to respectfully use these readily available renewable resources and supply the world’s fuel and power at sufficient scale to satisfy the need for abundant, cheap, zero pollutant energy.”

– Dr Andrew Forrest AO, Chairman

Renewable Energy/Green Industry revolution begins at home – at Fortescue



We start with renewable energy to power our fixed plant





...then to our trucks,
rail and ships

Every step reduces carbon emissions and operating costs

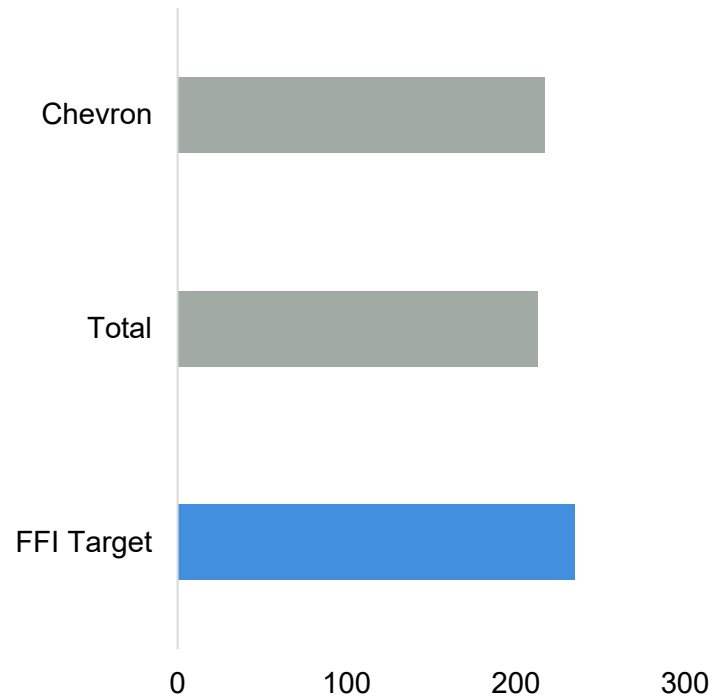


Pilbara energy project



Why? Large scale production of energy

Relative installed capacity¹ (GW)



¹ Comparatives based on 2019 mmboc production converted to installed GW on an energy equivalent basis

Green H₂/Ammonia is critical to reduce emissions in the world's major emitting industries

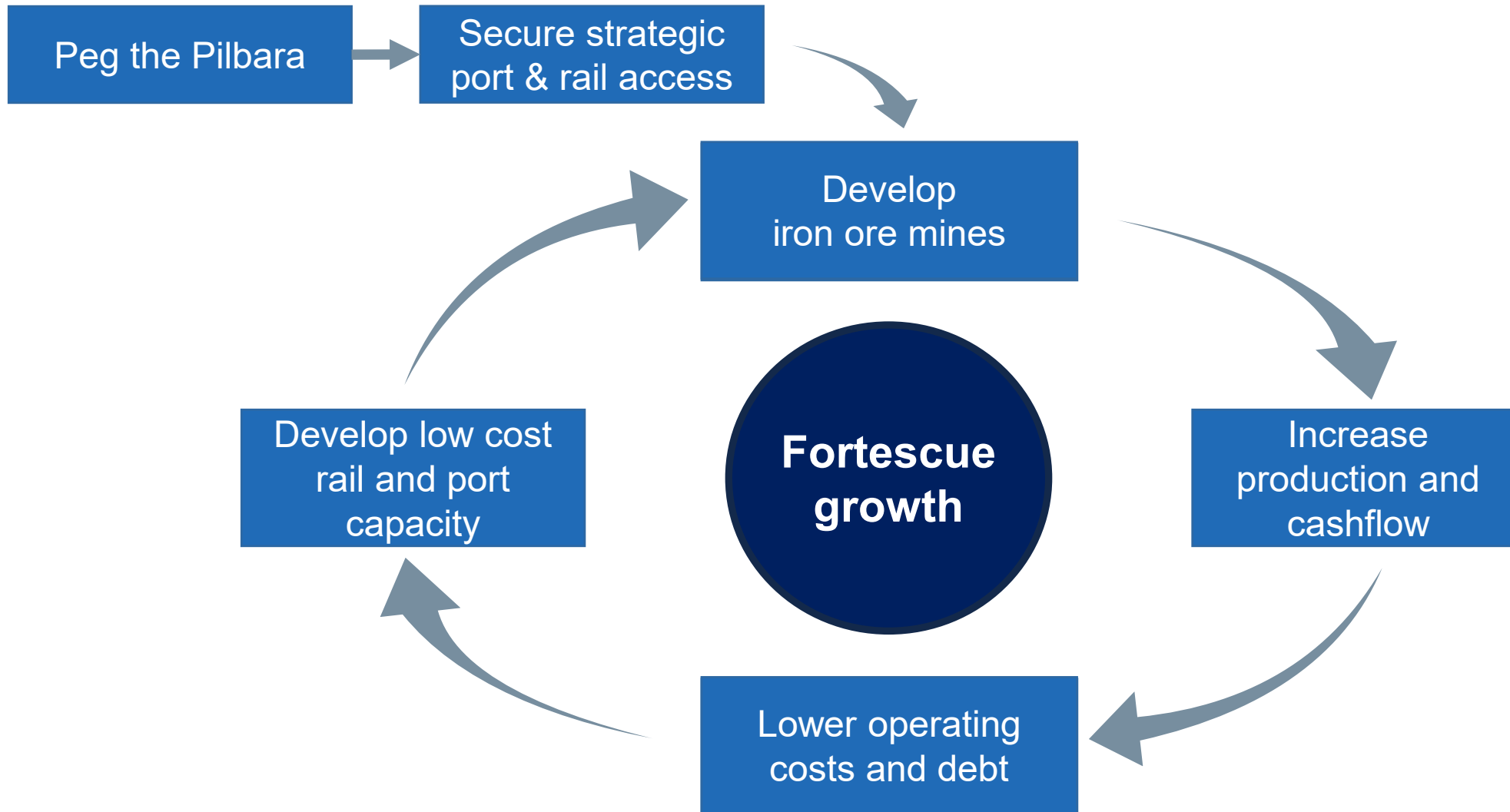
- × Transport/shipping ✓ Adopt H₂/Ammonia fuel cells
- × Ammonia/fertiliser ✓ Produce ammonia from green hydrogen
- × Steel making/coal ✓ Switch to green hydrogen fuelled process
- × Industrial heating ✓ Switch to green hydrogen fuel

Achieving Paris targets requires a 70 per cent reduction in CO₂ emissions



Fortescue and the coming stampede into Renewable Energy/Green Industry

Our Origin: Fortescue Metals Group flywheel



We are a global leader

Thriving Communities | Global Force

- **Strongest balance sheet in the global resources sector**
- **Leading cost position in the world's most competitive industry**
- **Entire supply chain financed, built and operated – from source to market**
- **Planning to repeat this track record for Renewable Energy/Green Industry**

Our track record

Thriving Communities | Global Force

- **Number one ranking stock in the S&P/ASX 100 Index for total shareholder returns over the three years to 30 June 2020**
- **Most efficient rail, port and shipping infrastructure in Australia**
- **World's fastest, heaviest bulk railway**
- **Large complex projects developed at unequalled speed and cost**

A technology company with deep industry experience

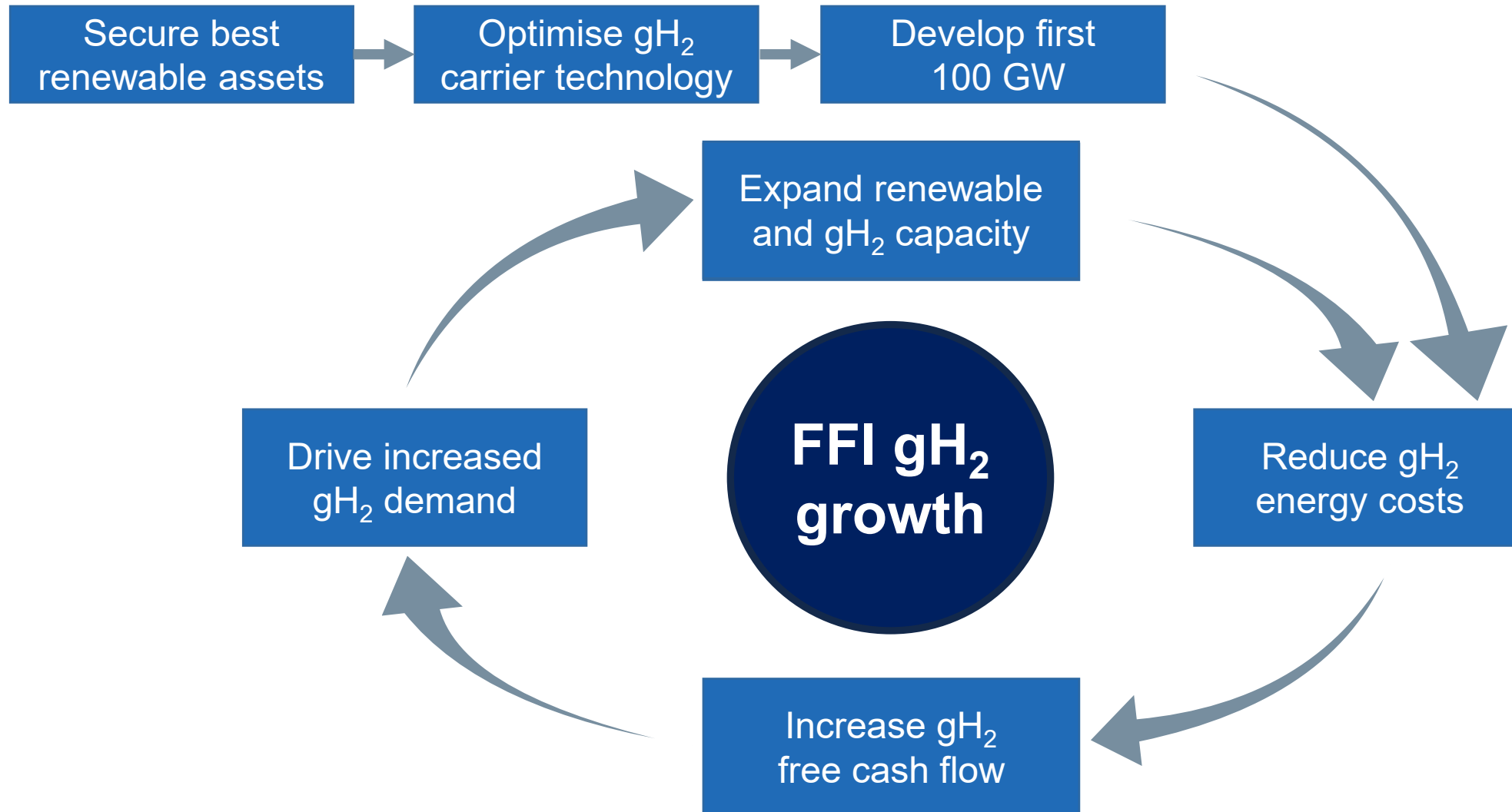
Thriving Communities | Global Force

- Intensely technology based with one of the largest mining automation operations globally
- Successfully raised and repaid US\$33bn¹ corporate debt
- ~A\$1bn investment in decarbonisation and hydrogen R&D through to 2023
- Patenting and licensing relevant technologies

¹ Debt capital raised including refinancing

**Fortescue is building a major
Renewable Energy/Green Industry
business with global scale**

Fortescue Future Industries (FFI) flywheel

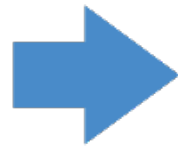


We are now rapidly expanding globally

Entire system delivered and operated by Fortescue Future Industries

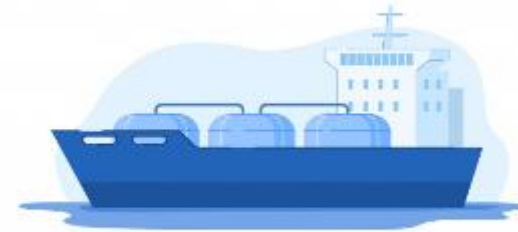
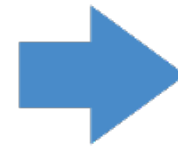


**Renewable energy
target
235 GW**



Green Industry

- Fuels
- Fertilizers
- Metals



**Ship green products
to markets**

Our thriving communities

Thriving Communities | Global Force

- **Has now engaged with 25 governments to develop potential projects**
- **Local workforce engagement across all projects ensuring communities thrive**
- **We only work with governments who do not tolerate Modern Slavery¹**
 - **Zero forced, bonded or compulsory labour**
 - **Zero forced marriage and child marriage**

¹ Complete removal of individual freedom sanctioned by the State or not

What we say to governments

Thriving Communities | Global Force

- **We are a major Australian infrastructure developer and operator that insists on human rights and equal opportunities**
- **We are a Renewable Energy/Green Industry developer, financier and operator**
- **We are here to establish new tech industry with zero carbon emissions**
- **We are selecting partners to develop Renewable Energy/Green Industry owned and operated by Fortescue**

Our global fair process

Thriving Communities | Global Force

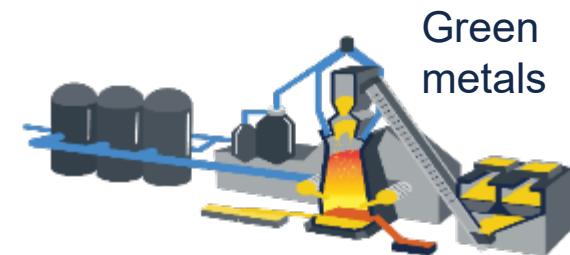
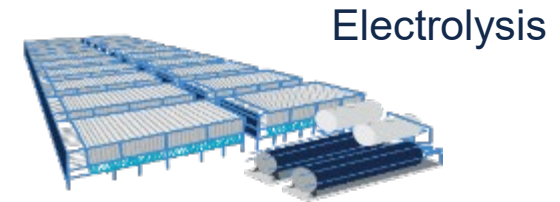
- **Partnering with countries to unlock Renewable Energy/Green Industry potential**
- **47 countries closely studied for**
 - **government interest and capability**
 - **renewable energy sources**
- **Shortlisting countries to work with**
- **23 visited, 24 yet to be visited**

We are leading the IP race

Thriving Communities | Global Force

- Hydropower and Geothermal plant design
- Energy storage chemistry
- Ammonia cracking and production
- Synthetic fertiliser production
- Hydrogen electrolysis membranes
- Green metals production

~A\$1bn committed to decarbonisation, R&D and technology patents



Renewable energy must be cheaper than fossil fuel

Thriving Communities | Global Force

- FFI has a portfolio of potential renewable energy assets, which are efficient, low cost and non-replicable
- Scale and innovation in gH₂ production will deliver lowest cost per unit of energy
- Value comparisons aiming to exceed major oil companies, with lower business risk
- Disciplined management of risks through global diversity



Transforming Fortescue

From

**Cashflow and
Growth**

Resources

To

**Cashflow and
Super Growth**

**Renewables
and Resources**



Fortescue, for the future



www.fmgl.com.au

 FortescueNews

