

6 September 2019



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

Dear Madam or Sir

Successful completion of US\$600 million High Yield Bond offering

Fortescue Metals Group Limited (ASX: FMG, Fortescue) has today announced the successful completion of the US\$600 million offering of Senior Unsecured Notes at an interest rate of 4.5 percent, maturing 15 September 2027.

Proceeds from the Senior Unsecured Notes will be applied to the partial repayment of US\$600 million of the outstanding US\$1.4 billion 2022 Syndicated Term Loan Facility (Term Loan).

In addition, Fortescue is in negotiations with existing Term Loan lenders for the extension of Term Loan maturities of US\$600 million, to 2025 on the same terms and conditions. The balance of the Term Loan of US\$200 million will be repaid from operating cash.

Fortescue's Chief Executive Officer, Elizabeth Gaines said, "Following the record financial result in FY19 together with a strong start to FY20, the ongoing strength of Fortescue's performance has resulted in today's successful execution of the Senior Unsecured Note offering.

"Fortescue's balance sheet is structured on investment grade terms which have allowed us to take advantage of market conditions to extend the maturity profile of Fortescue's debt at a low cost. In addition, we are in negotiations to extend the balance of the 2022 Term Loan while maintaining optionality and flexibility to ensure the long term sustainability of our operations, invest in growth and development and continue to deliver returns to our shareholders," Ms Gaines said.

Key details of the newly issued US\$600 million Senior Unsecured Notes are set out below:

Terms	Description
Facility size	US\$600 million
Interest rate	4.5%
Term	8 years, non-call life
Use of proceeds	Repayment of a portion of the 2022 Syndicated Term Loan Facility
Ranking of Notes	Pari Passu with all existing and future senior unsecured indebtedness

Yours sincerely
Fortescue Metals Group Ltd

Cameron Wilson
Company Secretary

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