



**Fortescue**  
The New Force in Iron Ore

## Media Release

### FMG Nicola's maiden voyage into Port Hedland

**Port Hedland, Monday, 19 December:** Fortescue Metal Group's (Fortescue) first Very Large Ore Carrier (VLOC), FMG Nicola, has arrived in Port Hedland to complete its maiden voyage from China.

A natural extension of Fortescue's supply chain, FMG Nicola is the first of eight VLOCs which are designed to complement Fortescue's world class port infrastructure through maximising the tonnage per ship, improved loading rates, and safe manoeuvring within the port and the channel. When fully operational, the VLOC fleet will provide approximately 12 per cent of Fortescue's total shipping requirements.

Sharing the experience of the first voyage of Fortescue's shipping fleet with the company's Chairman Andrew Forrest, were sister Jane and brother David. The three siblings sailed with the VLOC, the FMG Nicola, from Asia to Port Hedland.

Mr Forrest described the experience as immensely educational and said it had allowed first hand experience of the trials and challenges of ocean-crossing maiden voyages. It also demonstrated the clear competitive advantages the Fortescue VLOC design had over conventional Cape Size or Vale Max vessels, particularly with regard to economy and efficiency.

Andrew Forrest and the ship's namesake, Nicola Forrest, were today thrilled to welcome the FMG Nicola to Port Hedland.

"Construction of Fortescue's VLOC fleet is another major milestone on Fortescue's journey and a valuable complement to our global scale operations and infrastructure," Mr Forrest said.

"Family is at the heart of Fortescue's values and I am very proud that the ships will be named after my wife Nicola and our children."

Chief Executive Officer, Nev Power, said "FMG Nicola is the culmination of the hard work, ingenuity and dedication of the Fortescue team and we are delighted to celebrate her arrival into the Herb Elliot Port with the Port Hedland community."

"Fortescue also thanks the Pilbara Ports Authority (PPA) and Port Hedland Pilots (PHP) for their expertise that helped us to ensure that the innovative VLOC design maximised safety and manoeuvrability in the Port Hedland channel," Mr Power said.

"Our partnerships with the Yangzijiang Xinfu Shipyard and Guangzhou Shipyard International for construction of the eight VLOCs have continued to build our strong collaboration and relationships with China. Fortescue's supply of iron ore from our world class operations in the Pilbara to our Chinese steel customers is supporting China's highly competitive ship building sector at a time

when it is facing significant challenge, demonstrating the strength of two-way trade between our countries,” Mr Power said.

## **Background**

Three more VLOCs are currently under construction at Yangzijiang Shipyard and a further four VLOCs are being built at Guangzhou Shipyard International. The delivery of the final vessel is expected in mid-2018.

In November, Fortescue announced the significant financing transaction with the China Development Bank Financial Leasing Co., Ltd. (CDB Leasing) to finance the VLOC fleet. The agreement is the largest direct funding arrangement provided by a major Chinese financier for a non-Chinese company in Australia.

*Photos available on request*

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