

24 March 2017

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



Dear Sir or Madam

Fortescue announces US\$1.0 billion repayment of 2019 Term Loan

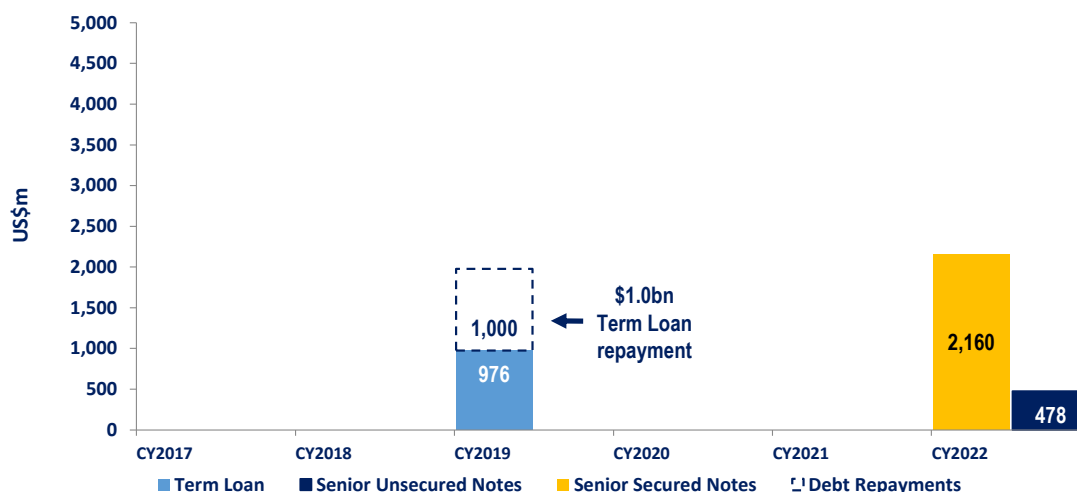
Fortescue Metals Group (ASX: FMG, Fortescue) has issued a US\$1.0 billion repayment notice for the 2019 Senior Secured Credit Facility ("Term Loan").

In line with Fortescue's previously announced strategy, this US\$1.0 billion Term Loan repayment will be made at par on Thursday 30 March 2017 and will generate annual interest savings of approximately US\$38 million. Following this repayment, the outstanding balance of the 2019 Term Loan will be reduced to US\$976 million.

Chief Executive Officer, Nev Power, said "This US\$1.0 billion payment continues our debt reduction strategy lowering our all in cost position and reducing 2019 debt to less than US\$1.0 billion.

Productivity and efficiency initiatives have delivered sustained cost reductions and combined with strong market conditions are generating significant free cash flow. We will continue to prioritise free cash flow for debt reduction, investment in our core iron ore business and returns to shareholders."

Fortescue's pro forma maturity profile after repayment of the 2019 Term Loan is set out in the chart below.



Yours sincerely
Fortescue Metals Group Ltd

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Company Secretary

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