



# Annual General Meeting 2018

15 November 2018



**Fortescue**  
The New Force in Iron Ore

# Elizabeth Gaines

Chief Executive Officer



# Celebrating 15 years of milestones

**15**  
**YEAR**  
Anniversary

**10**  
**YEARS**  
Since first ore  
shipped

**1**  
**BILLION**  
Tonnes iron ore  
supplied

# Safety and unique culture

Looking out for  
our mates

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3.7  
Total recordable  
injury frequency  
rate

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Company wide  
safety stop

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94%  
Safety and Culture  
survey participation

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# Communities benefit from our success

## Empowering communities

**14.1% Aboriginal employment**

**A\$2bn contracts** with Aboriginal businesses

**814** Aboriginal people employed via **VTEC**

**A\$50m Guaranteed Leasing Facility**

# Partnering with communities

**Hockey Australia  
National Indigenous  
Hockey Program**

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**Ronald McDonald  
House**

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**Hedland Senior  
High School Trade  
Training Centre**

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**Big hART  
Youth workshops**

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# Embracing diversity

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## Practical initiatives in the workplace



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**17.4% female** employment

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**24%** female **senior managers**

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Fortescue Family room

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**Flexible** working arrangements

# Safeguarding the environment

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Responsible  
environmental  
management

**91.7 million kL** of water directly  
reinjecting into aquifers

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**88% recycled** waste

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GHG emissions intensity  
**reduced by 13.5%** since FY15

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Expand **climate related  
financial disclosure** reporting



# Delivering FY18 results

**TRIFR 3.7**

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**170mt**  
Shipped

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**C1 cost**  
US\$12.36/wmt

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**24%**  
Net gearing

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**A\$0.23** per share  
Total dividends  
62% of FY18 NPAT

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**US\$4.0bn**  
Gross debt

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# Embracing technology



**World leading  
autonomous  
haulage technology**

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**Autonomous  
drills**

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**Relocatable  
Conveyor**

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**Data analytics  
Systems and  
processes**

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**Remote integrated  
operations centre**

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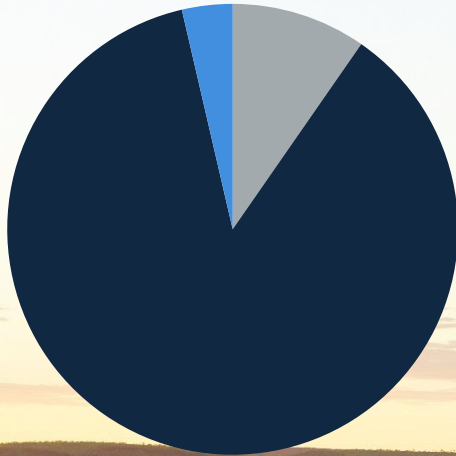
**Fortescue Ore  
Carriers  
Purpose built**

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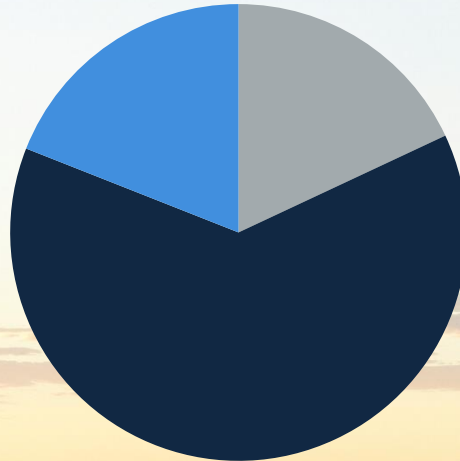
# Capital allocation

Increased returns to shareholders following rapid de-gearing of balance sheet

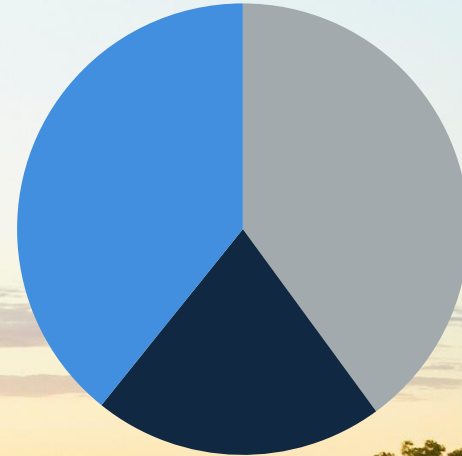
FY16 – US\$3.1bn



FY17 – US\$4.0bn



FY18 – US\$2.2bn



■ Capital expenditure ■ Net debt repayments ■ Dividends

# Eliwana mine and rail project



Largest  
development  
since T155

US\$1.275bn capital investment

143kms rail; 30mtpa dry OPF

Initial strip ratio 1.1:1

First ore on train **Dec 2020**

# West Pilbara Fines

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Underpinned  
by Eliwana

**First shipment scheduled  
Dec 2018**

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**5-10mt in FY19**

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**Growing to ~40mtpa for 20+  
years on completion of Eliwana**

# Relationships with China

AUSTRALIA  
Australian Government

AUSTRALIA  
澳大利亚

Australian Government

AUSTRALIA  
澳大利亚



Australian Government

AUSTRALIA  
澳大利亚

Australian Government

AUSTRALIA  
澳大利亚



Australian Government

Australian Government

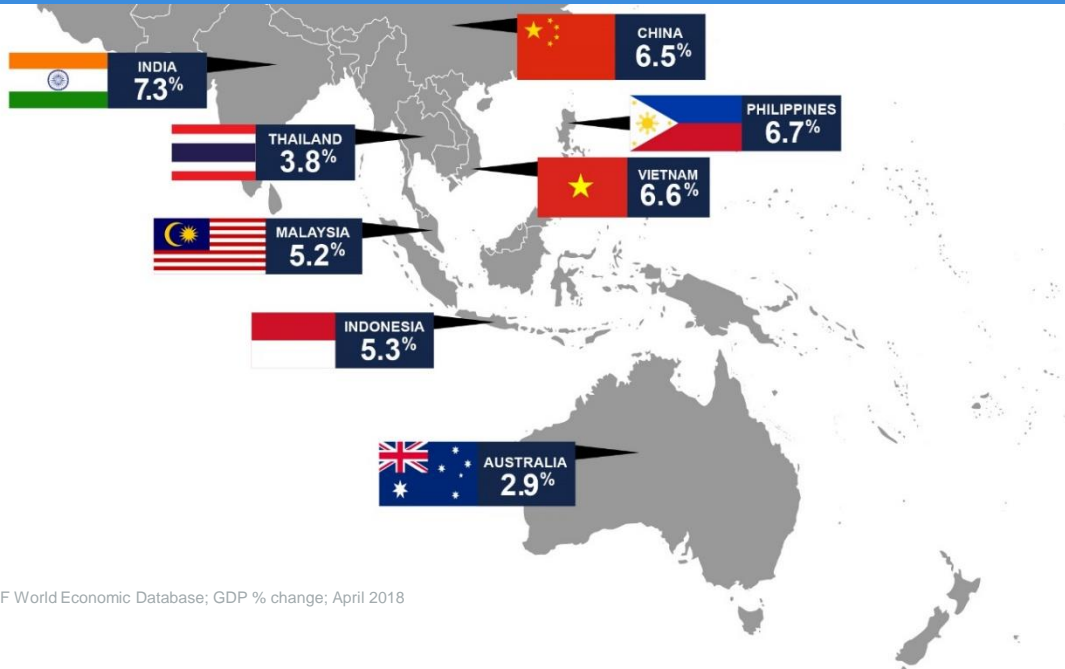
Australian G



Fortescue  
The New Force in Iron Ore

# Diversifying Fortescue's customer base

Developing and emerging Asia represents two thirds of global growth



Source: IMF World Economic Database; GDP % change; April 2018

# FY19 Guidance

**165-173mt**  
Shipments

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**US\$12-13/wmt**  
C1 cost

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**US\$1.2bn**  
Capital spend

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**Dividend policy**  
50-80%  
pay-out of NPAT

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# Key strategic focus

Balance sheet strength

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Long term sustainability

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Growth and development options

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Returns to shareholders

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# Fortescue's values

Our Vision:  
The safest, lowest  
cost, most profitable  
mining company



Safety



Empowerment



Family



Frugality



Stretch targets



Integrity



Enthusiasm



Courage and  
determination



Generating ideas



Humility

# Andrew Forrest AO

Founder and Chairman



# Unparalleled opportunity

80mt gap in supply



# Truly global scale operations

Excellent operational capability



# Core Leadership Team

Champions of Fortescue's culture



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# Board governance

Talented and diverse board  
committed to our shareholders



# Growth and development

Built on our reputational capital





# Ethical focus promoting positive change

Collaborate to contribute effectively to overall social and economic wellbeing



# Protecting human rights

Eradicate modern slavery, protect the environment and enhance  
early childhood development

# Minderoo

Programs that strengthen communities  
and support disadvantaged people



Fortescue  
The New Force in Iron Ore

# Celebrating our milestone year

My sincere thanks to our shareholders and the entire Fortescue Family





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[www.fmgl.com.au](http://www.fmgl.com.au)

 FortescueNews

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Proudly Supporting



**munderoo**  
FOUNDATION