



Fortescue™

FY24 Half Year Results

22 FEBRUARY 2024

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Forward Looking Statements Disclaimer



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Additional Information

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Safety and unique culture



1.8 TRIFR

Total Recordable Injury
Frequency Rate, Metals

23%

Female employment rate

14%

First Nations employment rate
across Pilbara operations

H1 FY24 production highlights



94.6Mt

Total iron ore shipments

US\$17.77/wmt

C1 cost

US\$108/dmt

Average revenue

89%

Average revenue realisation

H1 FY24 financial highlights



US\$9.5bn

Revenue

US\$5.9bn

Underlying EBITDA

US\$3.3bn

Net profit after tax

62%

Underlying EBITDA margin

US\$73/dmt

Metals Underlying EBITDA
per tonne

US\$1.08

Earnings per share (^A\$1.66)



H1 FY24 financial highlights



US\$4.2bn

Net operating cash flow

US\$2.7bn

Free cash flow

US\$4.7bn

Cash on hand

US\$5.3bn

Gross debt

US\$0.6bn

Net debt

22%

Gross gearing

Shareholder returns



A\$1.08 per share

Fully franked interim dividend

65% of NPAT

Dividend payout ratio

A\$3.3bn

Value of interim dividend

FY24 guidance



192 - 197Mt

Iron ore shipments

US\$2.8 - US\$3.2bn

Metals capital expenditure

US\$18.00 - US\$19.00/wmt

C1 cost for Pilbara hematite

US\$800m

Energy net operating expenditure

US\$500m

Energy capital expenditure and investments

Pilbara operations and energy infrastructure

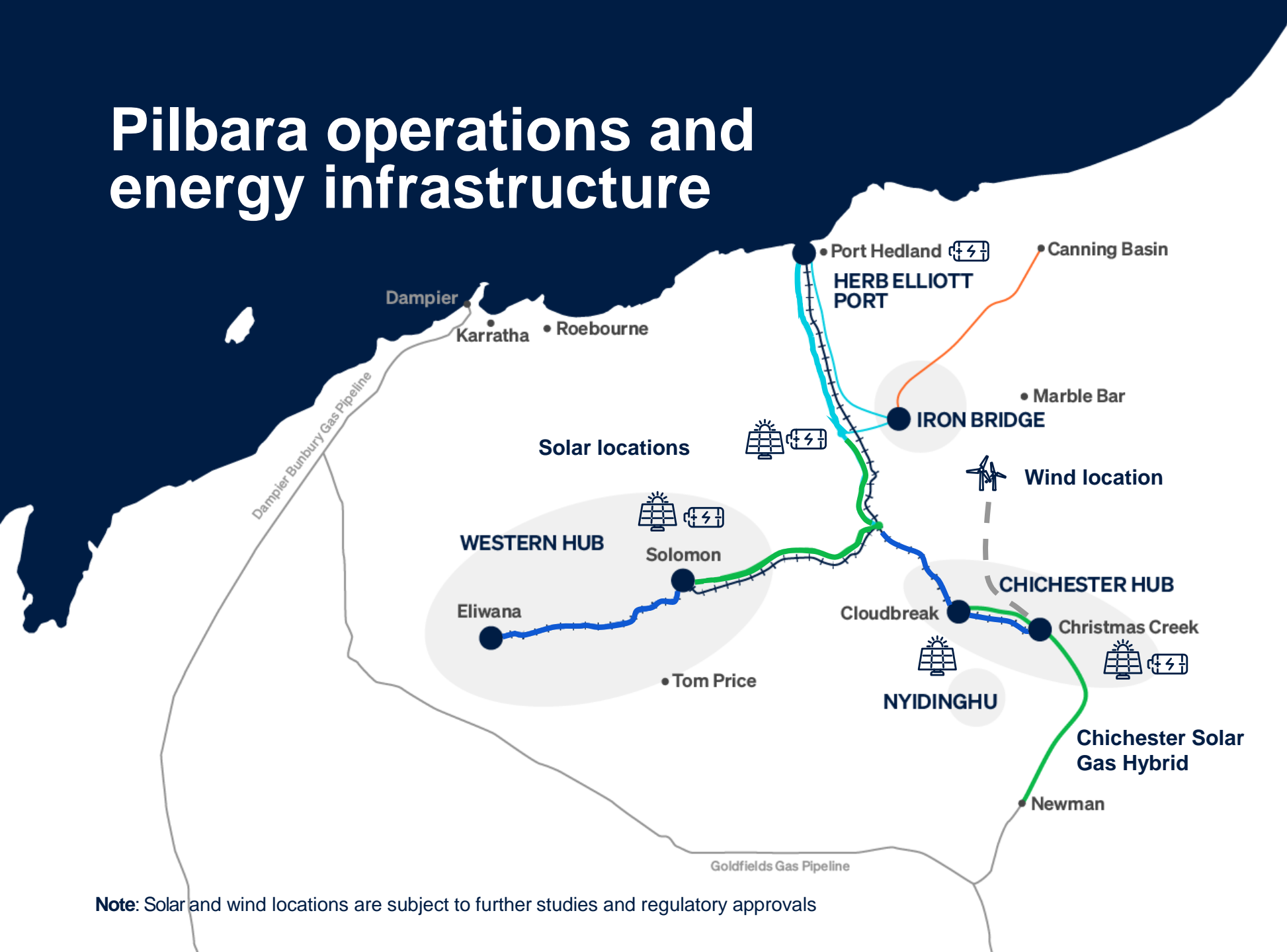


Pilbara Western Australia


Anticipated infrastructure

- > 1GW
- ~ 1GW
- ~ 4GWh storage
- > 750 km

- ### Transmission lines
- Operational
 - Commissioned
 - Under development
 - Future development



Note: Solar and wind locations are subject to further studies and regulatory approvals

An aerial photograph of a large cargo ship's deck. A prominent yellow crane is visible in the lower-left quadrant. The deck is filled with various equipment, including containers and structural elements. The ship is moving through dark green water.

Rail and shipping



2bn tonnes shipped

Since operations commenced

December shipments

Record month

Rail capacity uplift

Through supply chain improvements

Unlocking value at Iron Bridge



Unique process flow

Four international and national patents

High grade product

Supports lowering steelmaking emissions

Portfolio improvement

Product and market diversification

Minerals exploration



Pilbara

Mindy South, Wyloo North and White Knight

Australia

WA, NSW, SA and QLD

International

Argentina, Chile, Brazil, Peru and Kazakhstan

Belinga Iron Ore Project, Gabon



Exploration

Major exploration drilling campaign underway

Studies advancing

For a potential large-scale development

First shipment

Achieved in December 2023



Delivering opportunities in Gabon



Local employment

Over 400 Gabonese employed

Engaging communities

More than 200 community engagements

Supporting the economy

US\$40m local contract spend in Gabon since January 2023

Thriving communities



>A\$4.9bn

Contracts awarded to First Nations businesses¹

1,369 First Nations

Australians employed, 14% of operational workforce

>1,400

First Nations Australians employed through Vocational Training Employment Centre since 2006

¹Through Fortescue's Billion Opportunities program, since 2011.

A large Fortescue ship, the Green Pioneer, is shown at night in Dubai. The ship is illuminated with its own lights, and the city lights of Dubai are visible in the background. The ship's hull is dark, and the upper sections are white with green accents. The text 'Eliminating emissions' is overlaid in the top left corner.

Eliminating emissions



Real Zero by 2030

Scope 1 and 2 terrestrial emissions target across Australian iron ore operations

Net Zero Scope 3

Emissions target by 2040

No voluntary offsets

To be purchased for Scope 1 and 2 emissions

The Green Pioneer in Dubai for COP28

Eliminating emissions now



2-3GW

of renewable energy generation and battery storage to be deployed

4% emissions reduction

achieved in H1 FY24, relative to forecast

Pilbara Energy Connect

320km of transmission lines installed



Fortescue Energy



Green Energy

Green energy production

Fortescue WAE

Technology development

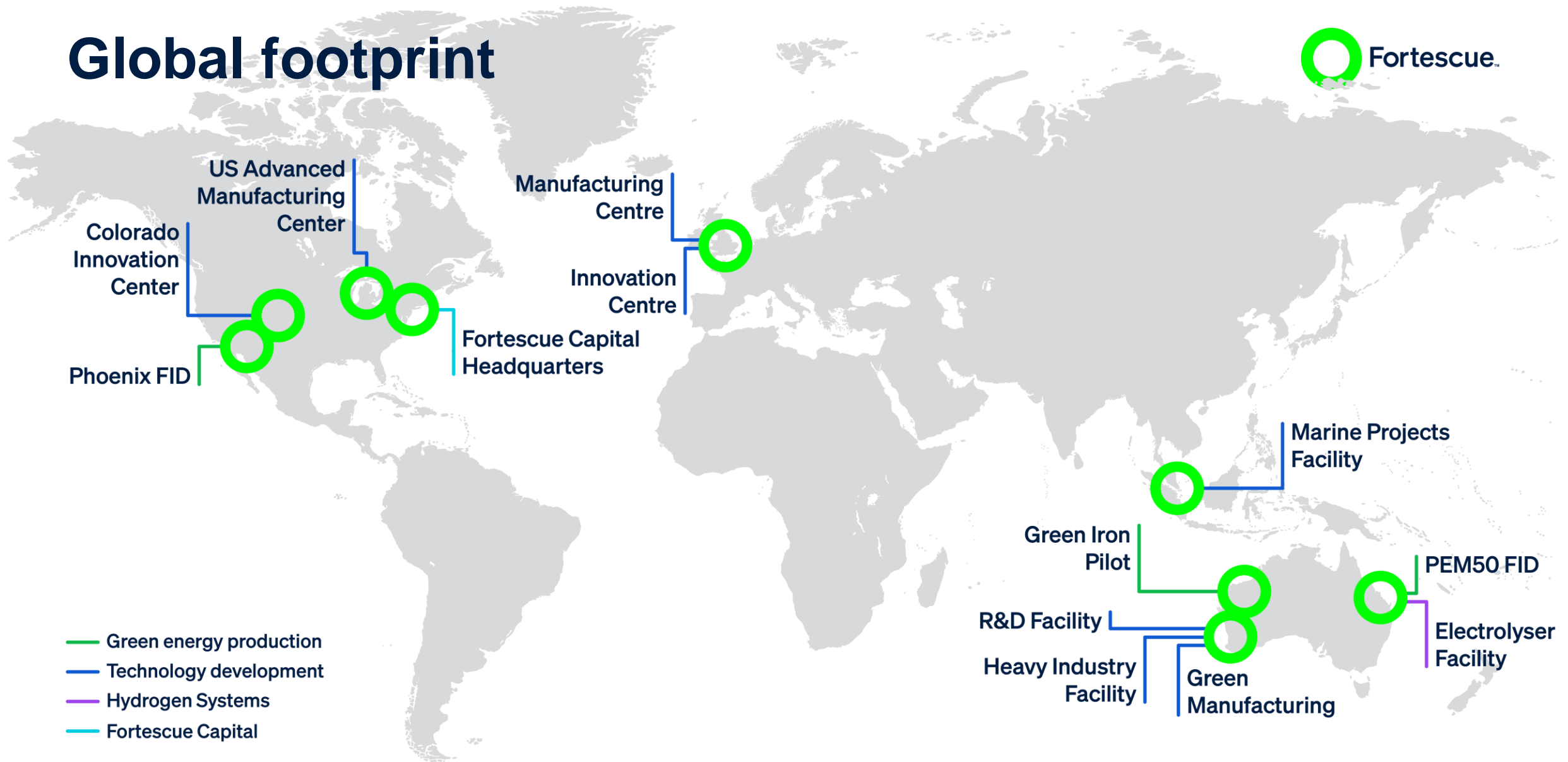
Fortescue Hydrogen Systems

Electrolysers and hydrogen production systems

Fortescue Capital

Green energy investment platform

Global footprint





Phoenix Hydrogen Hub, USA



Approved project

Investment of approximately ^{US}\$550 million

Phase 1

80MW electrolyser and liquefaction facility

11,000tpa

Liquified green hydrogen production targeted to start in 2026

Image is artist impression.



Gladstone PEM50 Project, Australia



Approved project

Total investment of up to US\$150 million

Electrolyser plant

Stage 1 construction of 30MW to start in 2024

8,000tpa

Remaining 20MW capacity to be installed in 2028

Image is artist impression.



Green Iron Trial, Australia



Trial Commercial Plant

Green iron facility at Christmas Creek

Green pit to product

Utilising existing green hydrogen infrastructure

>1,500tpa

Technology to support magnetite and hematite ores

Develop technology

Battery and electric powertrains, zero emissions products for heavy industry

Expand manufacturing

Technical innovation and manufacturing centres

Design and build

Gen 3 Formula E battery

Hydrogen Systems



PEM technology

In-house designed proton exchange membrane electrolyser stack

2GW capacity

Automated assembly line to be operational in FY24

Electrolyser

Manufacturing Facility



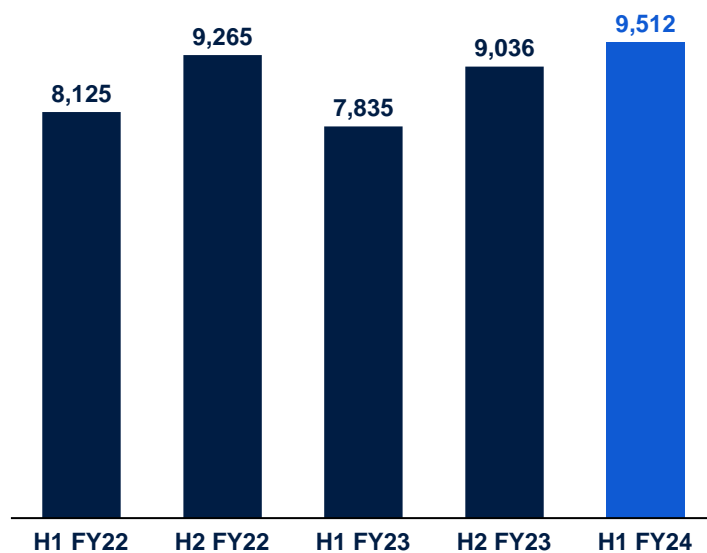
FY24 Half Year Results

Earnings

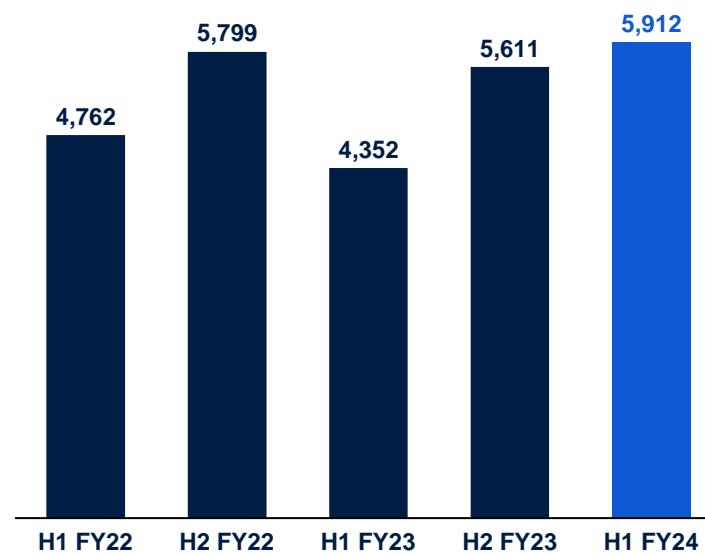
Half year earnings profile



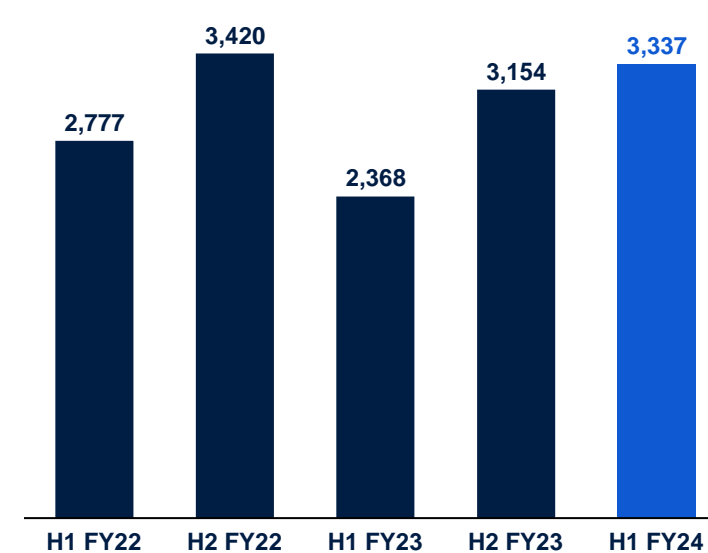
Revenue (US\$m)



Underlying EBITDA (US\$m)



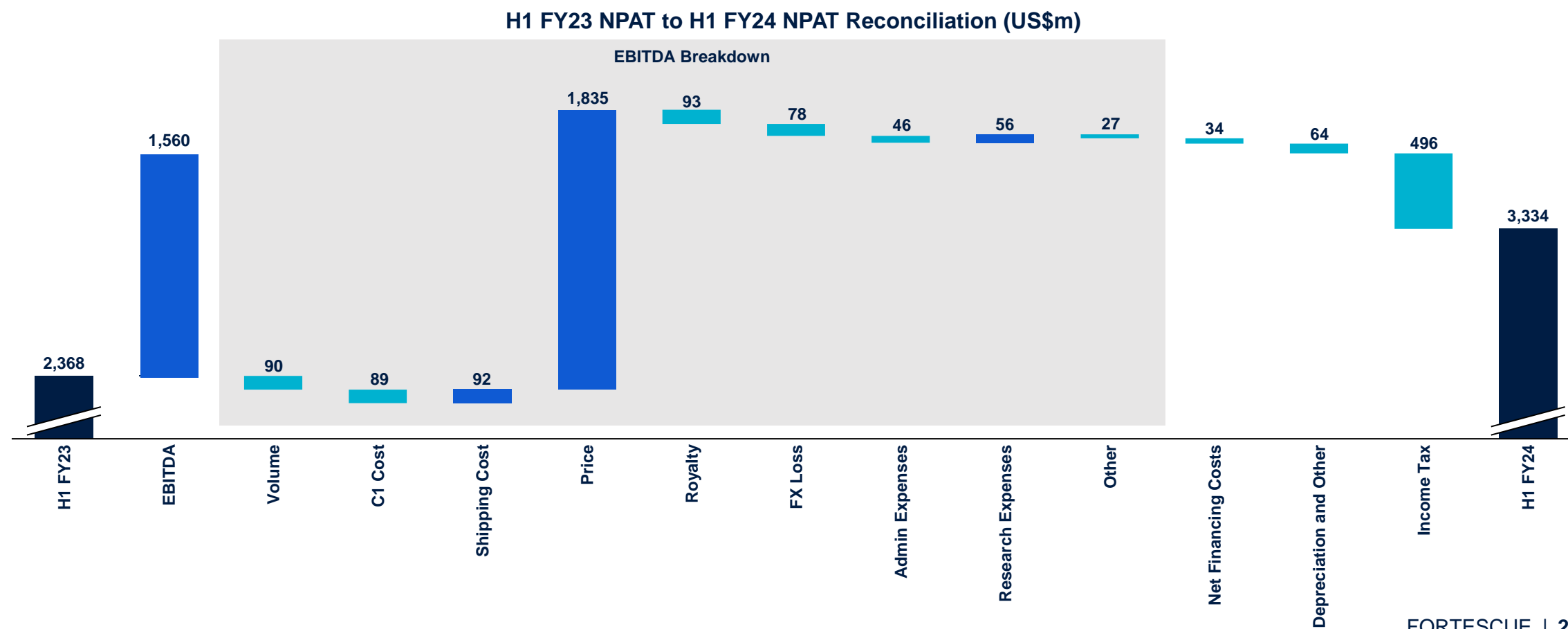
Underlying NPAT¹ (US\$m)



¹ Attributable Underlying NPAT.

Earnings reconciliation

Favorable price movements and disciplined cost performance

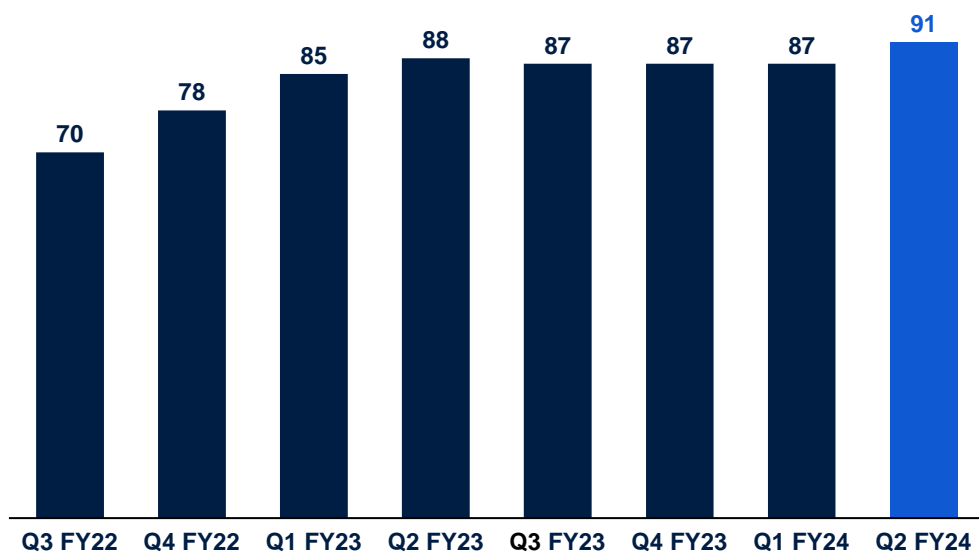


Price realisations

H1 FY24 average revenue of ^{US}\$108/dmt



Average price realisation of the Platts 62% CFR Index (%)



Platts 62% CFR Index (US\$/dmt)

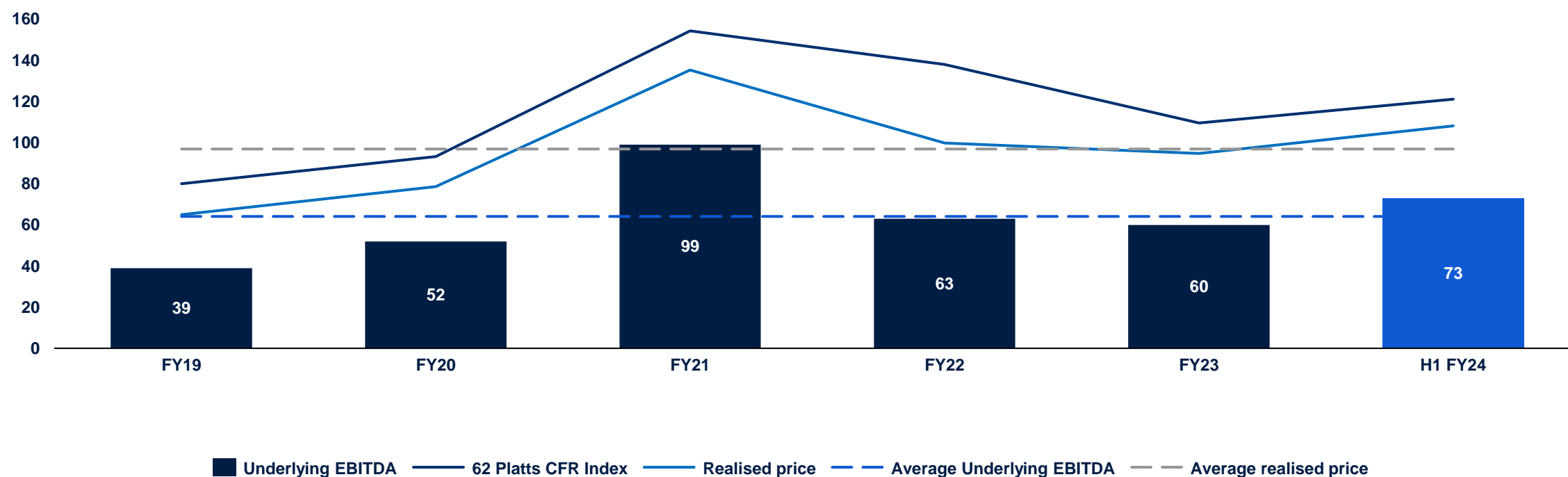


Prices and margins

Strong margins through cycle



Prices and Metals Underlying EBITDA margin (US\$/dmt)

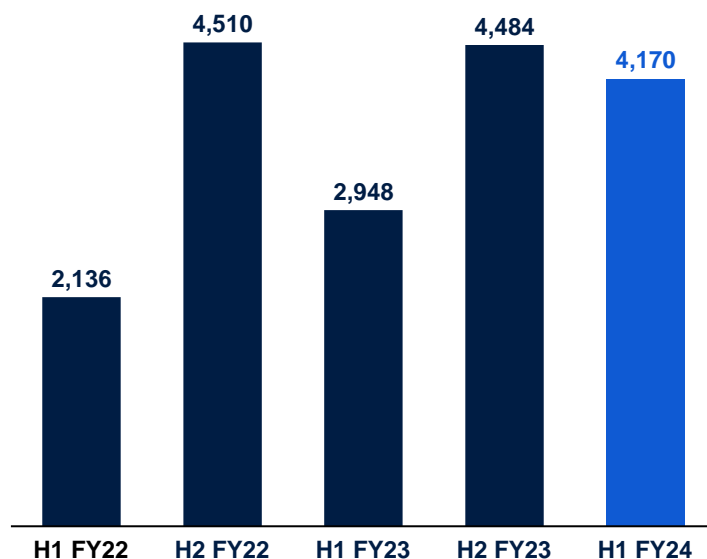


Cash generation

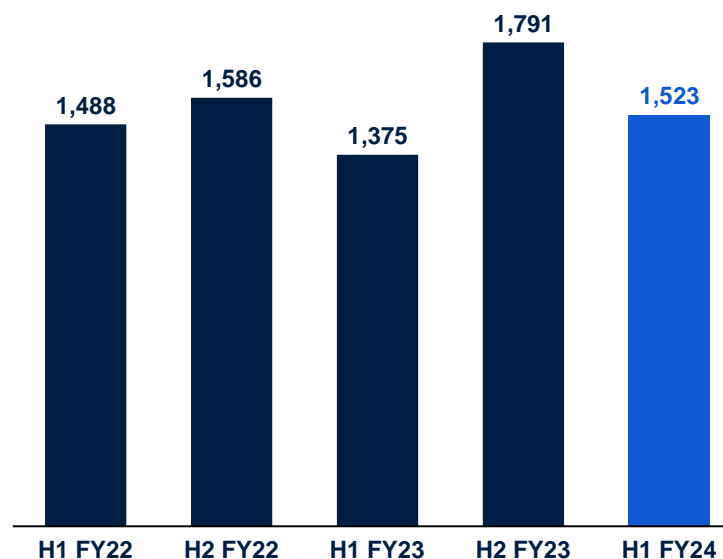
Operating cash flows support growth



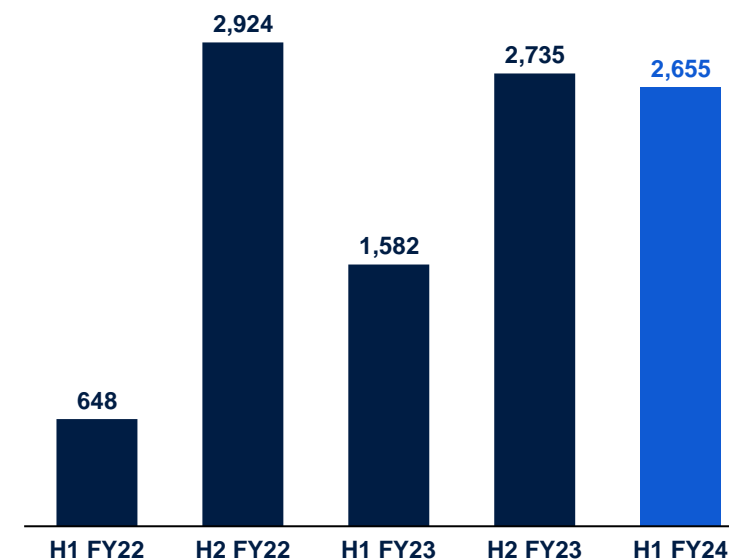
Net cash flow from operating activities (US\$m)



Capital expenditure (US\$m)



Free cash flow (US\$m)¹



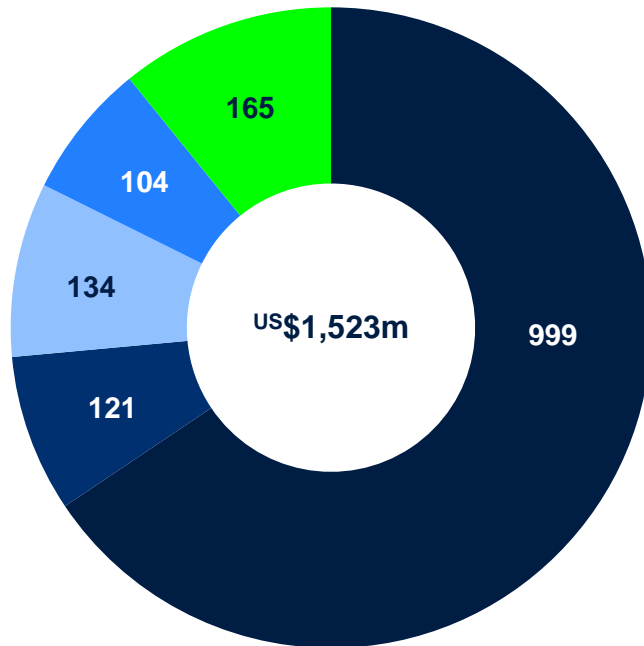
¹ Free cash flow is calculated as net cash flow from operating activities less net cash flow from investing activities.

Capital expenditure

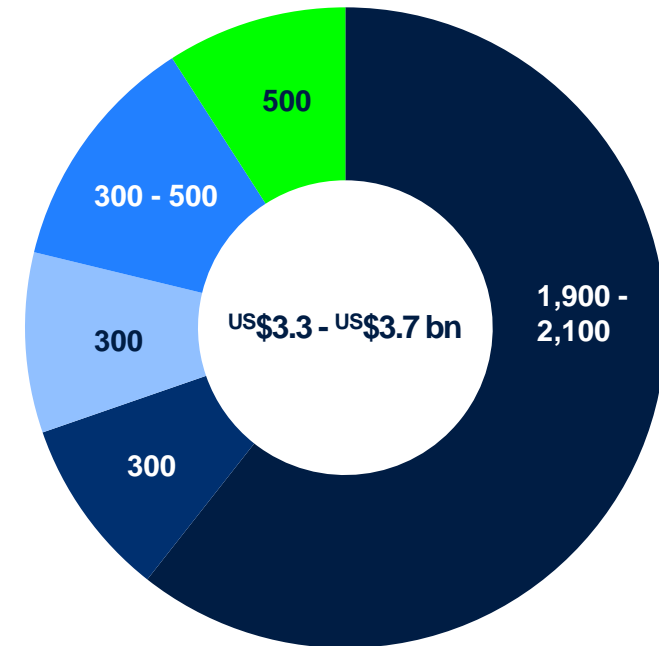
Disciplined capital investment



H1 FY24 capital expenditure (US\$m)



FY24 capital expenditure guidance (US\$m)



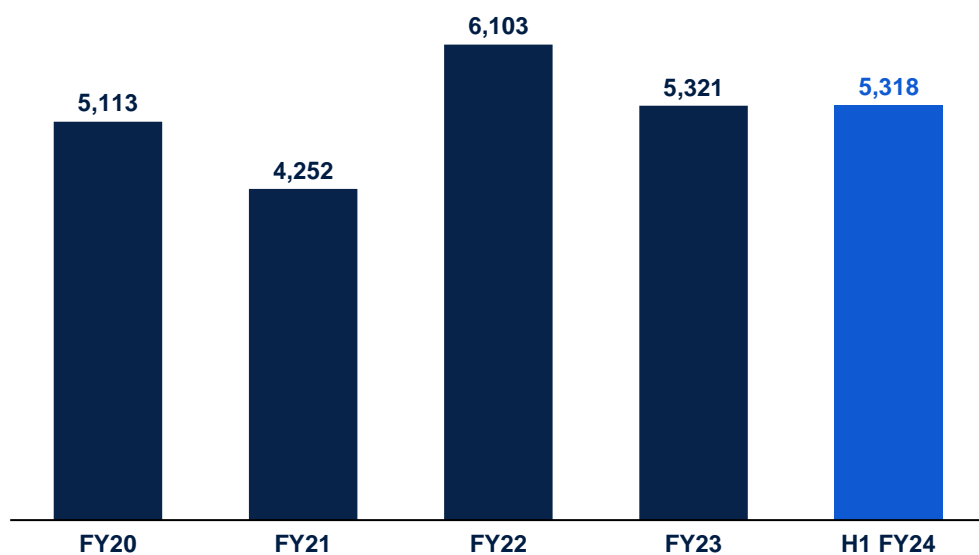
■ Sustaining and hub development ■ Exploration and studies ■ Iron ore projects ■ Decarbonisation ■ Fortescue Energy

Strong balance sheet

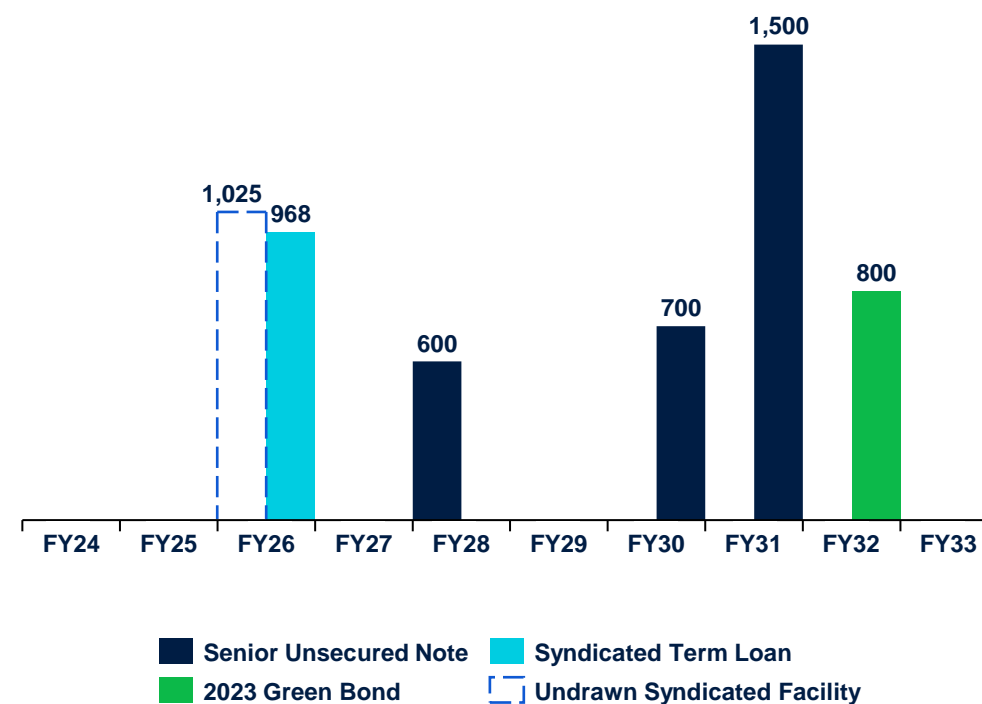
With long dated debt maturity profile



Gross debt (US\$m)



Debt maturity profile excluding leases (US\$m)

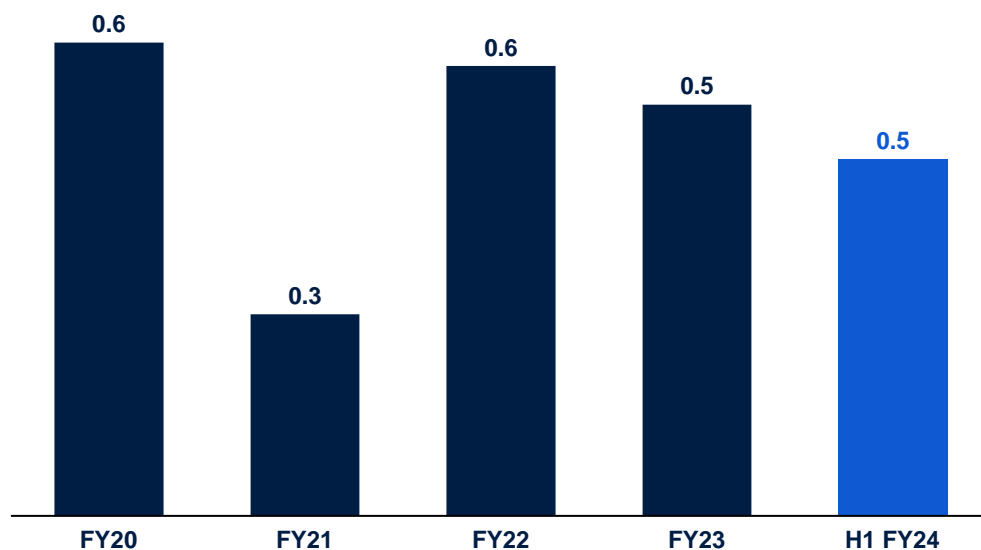


Credit metrics

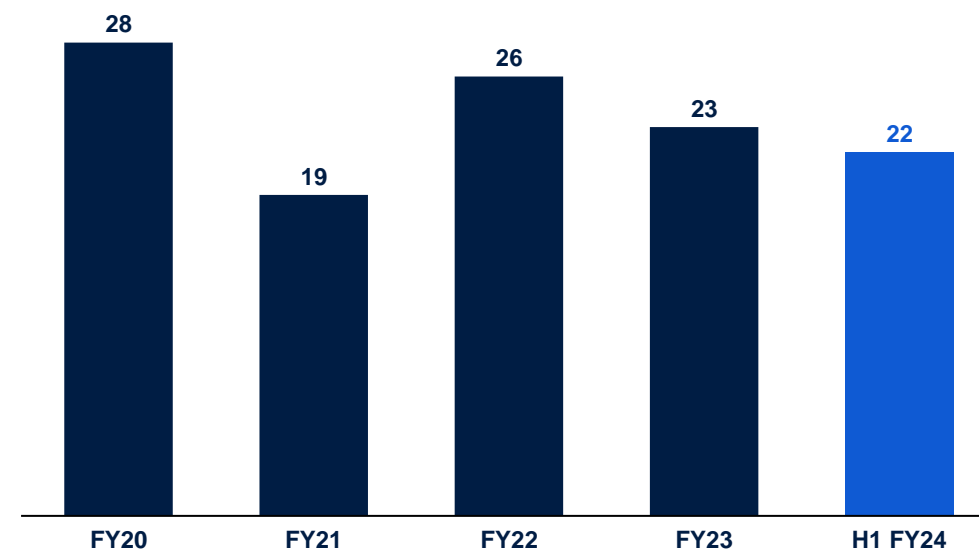
Strong credit metrics through the cycle



Gross debt to EBITDA (x)



Gross gearing (%)

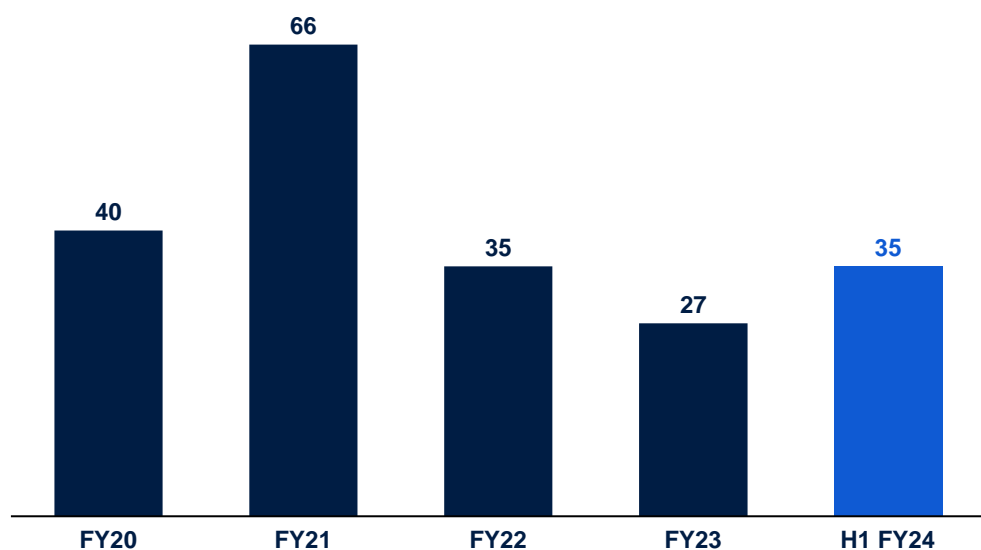


Return on capital

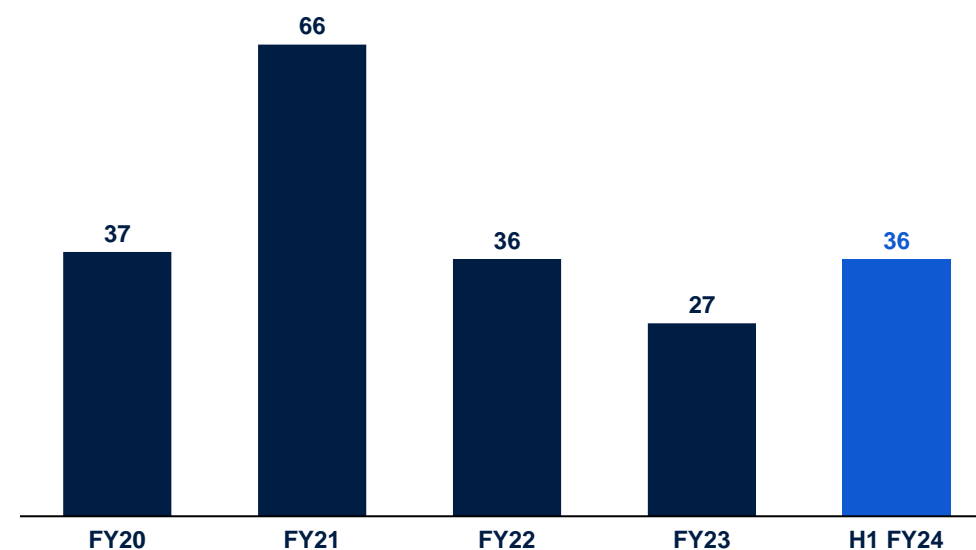
Capital efficiency driving strong returns



Return on equity (%)



Return on capital employed ¹ (%)



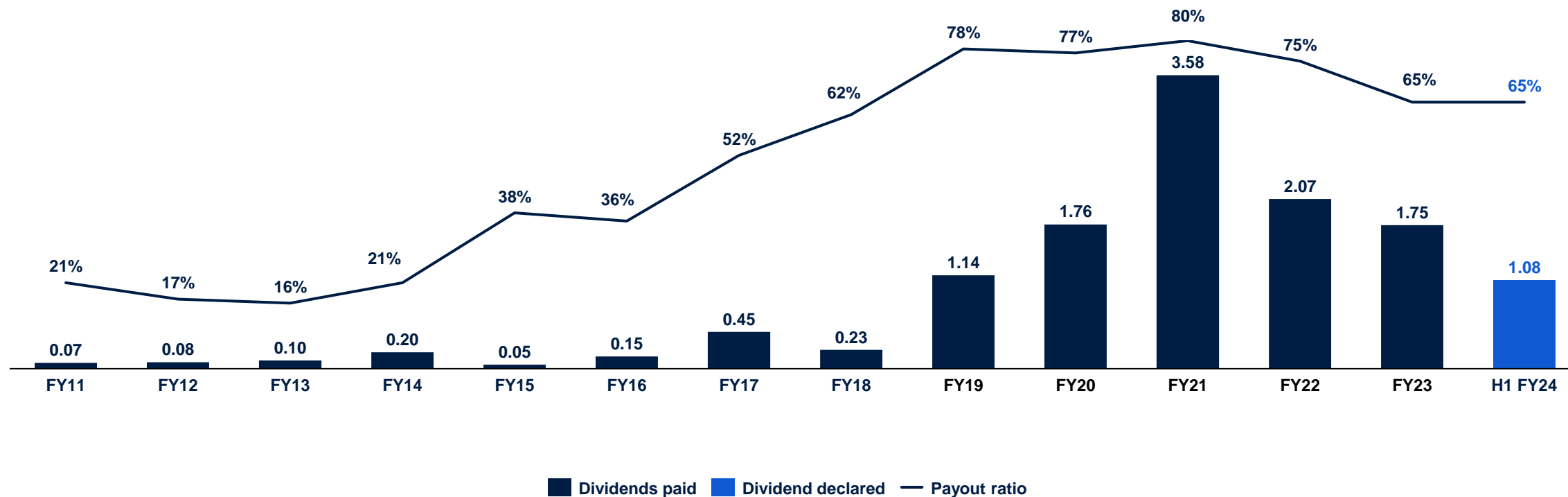
¹ ROCE is calculated as earnings before interest and tax divided by average capital (total assets minus current liabilities).

Delivering returns to our shareholders



Dividend policy to pay out 50-80% of Underlying NPAT

Dividends (A\$/share) and payout ratio



**We are
Fortescue**



Safety

Family

Empowerment

Frugality

Stretch targets

Integrity

Enthusiasm

**Courage and
determination**

**Generating
ideas**

Humility