

11 October 2018



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

Dear Madam or Sir

### **FORTESCUE LAUNCHES SHARE BUY-BACK PROGRAM**

Fortescue Metals Group Ltd (**Fortescue**) (ASX: FMG) today announced that it will establish an on-market share buy-back program of up to A\$500 million (US\$355 million at current exchange rates). This share buy-back program is expected to commence after the release of the Company's Quarterly Report on 25 October 2018 and to remain in place for a period of up to 12 months.

Fortescue's Chief Executive Officer Elizabeth Gaines said, "The share buy-back program is a natural extension of our capital allocation focus which has now clearly shifted from debt reduction following the rapid de-gearing of the balance sheet and the successful execution of our capital management strategy.

"With our continued strong operating performance and new investments underway, the purchase of our own shares, funded out of operating cash flows, maintains our disciplined balance sheet management. This is consistent with our clear business strategy of investing in our core iron ore business while pursuing growth and development and delivering returns to our shareholders."

The buy-back program does not require shareholder approval as it will be within the '10/12 limit' permitted by the *Corporations Act 2001*.

The number and timing of shares purchased will depend on Fortescue's share price and market conditions. All ordinary shares purchased pursuant to the share buy-back program will be cancelled. Fortescue reserves the right to vary, suspend or terminate the buy-back program at any time.

Particulars of the share buy-back program are set out in the Appendix 3C attached to this announcement.

Yours sincerely

**Fortescue Metals Group Ltd**

**Cameron Wilson**  
Company Secretary

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Rule 3.8A

# Appendix 3C

## Announcement of buy-back (except minimum holding buy-back)

*Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Fortescue Metals Group Limited	57 002 594 872

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	On-Market
2	<sup>+</sup> Class of shares/units which is the subject of the buy-back ( <i>eg, ordinary/preference</i> )	Ordinary Shares
3	Voting rights ( <i>eg, one for one</i> )	One for one
4	Fully paid/partly paid ( <i>and if partly paid, details of how much has been paid and how much is outstanding</i> )	Fully paid
5	Number of shares/units in the <sup>+</sup> class on issue	3,113,798,151
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	On-going capital management

<sup>+</sup> See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer ( <i>eg, details of any proposed takeover bid</i> )	None apart from any information publicly disclosed by the Company through the ASX on or prior to the date of this notice.
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### On-market buy-back

9	Name of broker who will act on the company's behalf	Macquarie Bank
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number  <small>Note: This requires a figure to be included, not a percentage.</small>	Up to that number of shares for which the total buy-back consideration paid or payable is AUD\$500 million.  The Company reserves the right to suspend or terminate the buy-back at any time.
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	Up to 12 months
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	N/A

### Employee share scheme buy-back

14	Number of shares proposed to be bought back	N/A
15	Price to be offered for shares	N/A

<sup>+</sup> See chapter 19 for defined terms.

### Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back
- 17 Number of shares proposed to be bought back
- 18 Price to be offered for shares

### Equal access scheme

- 19 Percentage of shares proposed to be bought back
- 20 Total number of shares proposed to be bought back if all offers are accepted
- 21 Price to be offered for shares
- 22 <sup>+</sup>Record date for participation in offer   
Cross reference: Appendix 7A, clause 9.

### Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

*or, for trusts only:*

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: C. Wilson Date: 11 October 2018  
(~~Director~~/Company secretary)

Print name: Cameron Wilson

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<sup>+</sup> See chapter 19 for defined terms.