

27 June 2019

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

Dear Sir or Madam

**FORTESCUE CELEBRATES FLEET OF TUGS IN PORT HEDLAND
OFFICIAL OPENING OF THE JUDITH STREET HARBOUR**

Fortescue Metals Group (Fortescue) has celebrated the completion of its fleet of tugs and towage infrastructure at the Company's Herb Elliott Port in Port Hedland. Founder and Chairman, Andrew Forrest AO, together with Chief Executive Officer Elizabeth Gaines and the Core Leadership Team, were joined by Town of Port Hedland Mayor, Camilo Blanco and members of the Port Hedland community to celebrate the milestone ahead of tug operations commencing in July.

Fortescue has procured and constructed six tugs and leased a further three tugs, including six Advanced Rotor Tugs 85-32W, which were constructed by Damen Shipyards at the Song Cam and Damen Song Cam shipyards in Vietnam. The tugs will be based at the new nine berth tug and harbour facility, located in the vicinity of Fortescue's berths one to three at Anderson Point.

Mr Forrest said, "As Australia's economic and industrial gateway to Asia, the Port of Port Hedland is the largest bulk export port in the world. It is an economic powerhouse of our country generating countless jobs and businesses directly across the nation and supporting the standard of living of us all.

"Since Fortescue was founded we have set ourselves the toughest stretch targets we could. We aimed to develop the world's most advanced vertically integrated bulk operations infrastructure, and to seamlessly link this with our core exploration, metallurgical and mining operations.

"Our aim was to develop an integrated world leading system to deliver critical ores that would build the economies of nations. The strategic decisions made by the Board to build our fleet of ore carriers and Fortescue owned and operated towage capability mark the critical completion of this part of Fortescue's journey.

"I'm delighted to announce today that this new tug and harbour facility, the final step in Fortescue's initial journey, will be named the Judith Street Harbour.

"Judith Street is my Mum and has been a wonderful inspiration to all our family. I credit Mum with teaching all of us the importance of courage, persistence, determination and, with Dad, kindness to all, but particularly the least socially and economically privileged among us. I have tried to apply these lessons all my life."

Ms Gaines said, "Fortescue operates the most efficient bulk port operation in Australia and the towage fleet represents the final element in our supply chain, with our innovative new tug fleet able to provide safe and reliable towage services and additional towage capacity for all Port Hedland users. The tug fleet and new facilities will maximise the efficiencies of our operation and provide long-term sustainable towage services crucial to meeting the demands of our customers," Ms Gaines said.

"I would like to thank the entire Fortescue team for their work to bring us to the point of operational readiness, as well as the Pilbara Ports Authority, Damen Song Cam Shipyard who constructed the vessels and KOTUG and Westug Pty Ltd who will manage the towage operations" Ms Gaines said.

Yours sincerely
Fortescue Metals Group Ltd

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