

28 January 2020

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

Dear Madam or Sir

HUNAN VALIN IRON AND STEEL GROUP: CLARIFICATION REGARDING RECENT CHANGE OF RELEVANT INTEREST

In response to recent analyst and media speculation, Fortescue Metals Group (ASX:FMG Fortescue) provides the following clarification in respect to the recent change in Hunan Valin Iron and Steel Group Co Ltd's (Valin) relevant interest in Fortescue.

In November 2016, Valin issued an Exchangeable Bond which entitled the bondholders under certain circumstances to exercise an Exchange Right and receive shares in Fortescue at maturity of the bond. The bonds have recently matured and a number of bondholders have exercised their Exchange Right. Valin has transferred Fortescue shares that it previously held to those bondholders, therefore reducing Valin's reported shareholding. As a substantial shareholder in Fortescue, Valin notified the ASX of these changes, most recently on 23 January 2020. Valin's current relevant interest in Fortescue is 10.15%.

Yours sincerely Fortescue Metals Group Ltd

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