



20 August 2014

The Companies Officer
Australian Securities Exchange Ltd
2 The Esplanade
Perth WA 6000

Dear Sir/Madam

Fortescue continues debt reduction program with repayment of US\$0.5 billion of Senior Unsecured Notes

Fortescue Metals Group Ltd (ASX: FMG, Fortescue) has issued a US\$0.5 billion voluntary redemption notice to the trustee of the US\$0.9 billion Senior Unsecured Notes due 2018 (the “Notes”).

The US\$0.5 billion of Notes will be redeemed on Friday October 17, 2014.

Today’s announcement comes less than six months after Fortescue fully repaid both the 2015 and 2016 Notes on 14 March 2014, and takes total debt repayments since November 2013 to US\$3.6 billion.

Fortescue also intends to repay an additional US\$0.5 billion to US\$1.0 billion during FY15, subject to iron ore prices and other market factors.

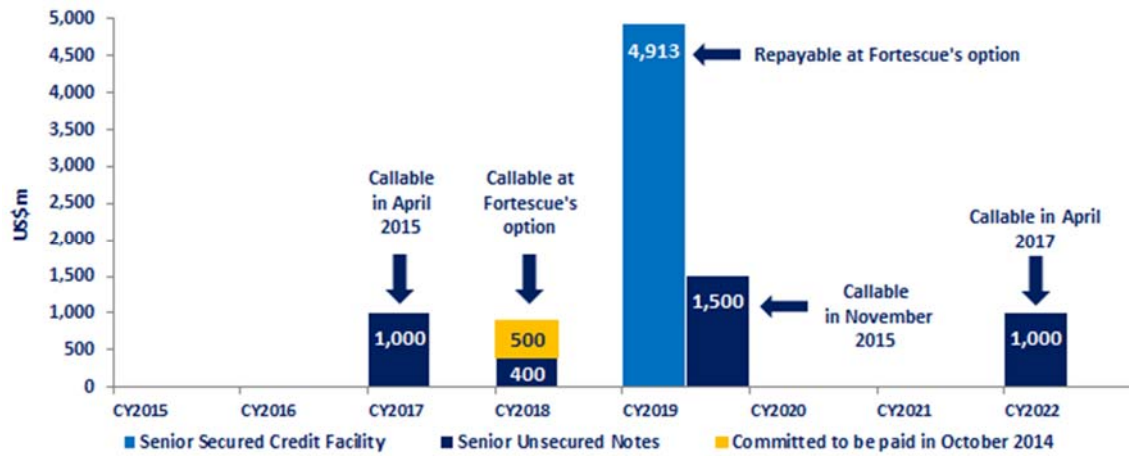
The key terms of the redemption are listed below:

	2018 Notes
Principal value	US\$900 million
Prior Redemption	N/A
Redemption value	US\$500 million
Redemption date	Friday October 17, 2014
Redemption conditions	Notes are redeemable at 105.156% of principal value at the option of Fortescue from February 1, 2014, upon providing a notice to the trustee.

Fortescue continues to have significant flexibility to make further voluntary repayments of debt, or refinance prior to maturity.

The following chart shows Fortescue’s debt maturity profile as at June 30, 2014, including the US\$0.5 billion partial redemption of 2018 Notes.

Chart 1: Pro-forma Debt Maturity Profile as at June 30, 2014



Yours sincerely
Fortescue Metals Group Ltd

Mark Thomas
 Company Secretary

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