

23 June 2016



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

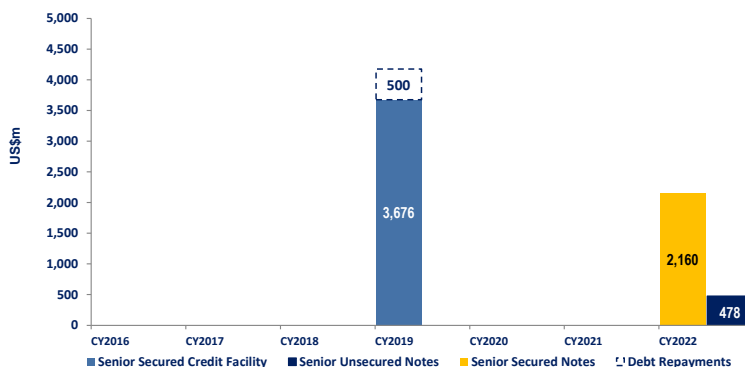
Dear Sir/Madam

Fortescue announces a further US\$500 million repayment of 2019 Term Loan

Fortescue Metals Group (ASX: FMG, Fortescue) has issued a further US\$500 million repayment notice for the 2019 Senior Secured Term Loan ("Term Loan").

In line with Fortescue's previously announced strategy, this US\$500 million Term Loan repayment will be made at par from accumulated cash on Tuesday June 28, 2016, generating interest savings of US\$21 million per annum.

Fortescue's pro forma debt maturity profile after repayment of the Term Loan is set out in the chart below:



Fortescue Chief Financial Officer, Stephen Pearce said, "Cashflow generation from our operational performance and cost reductions have allowed Fortescue to continue to repay debt. This brings total FY16 debt repayments to US\$2.9 billion, reducing annual interest expense by US\$186 million."

"We remain committed to our debt repayment strategy and the continued strengthening of Fortescue's balance sheet."

Yours sincerely

Fortescue Metals Group Ltd

Ian Wells

Company Secretary

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