



Not for Release in the United States

23 April 2015

The Companies Officer
Australian Stock Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir

Fortescue Issues US\$2,300 million of Senior Secured Notes

Fortescue Metals Group Limited (Fortescue) (ASX: FMG) has today completed an offering of Senior Secured Notes. The offering was initially launched at US\$1,500 million and due to demand was upsized to US\$2,300. The offering is expected to settle on or about 27 April 2015, subject to customary closing conditions.

Fortescue Chief Executive Officer, Mr Nev Power said:

“We’ve seen strong demand from the market which will result in repayment of our 2017 and 2018 debt in full, refinancing of US\$450m of our 2019 debt and an additional US\$350m to further strengthen our balance sheet.”

“Once again the US capital markets have shown great support for Fortescue. The March 2015 quarterly results, reduction in operating costs and our track record of delivery have all been key factors in this great outcome for Fortescue”, Mr Power said.

It is estimated that the net proceeds from this offering will be approximately US\$2,203 million, after deducting estimated discounts and issue commissions. Fortescue will use the net proceeds to:

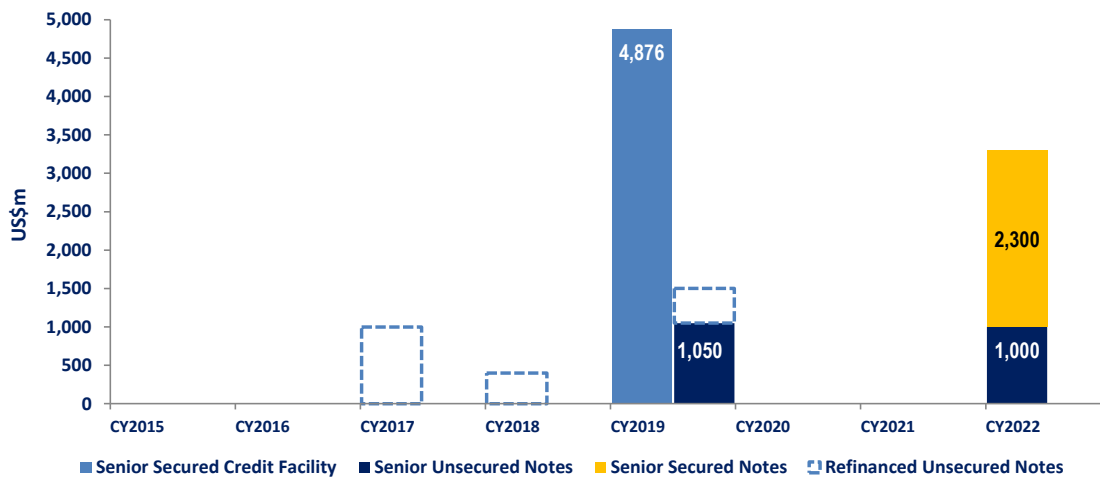
1. Redeem the outstanding 2017 and 2018 Senior Unsecured Notes;
2. To swap certain of the 2019 Notes for New Senior Secured Notes; and
3. To repay, redeem, repurchase or otherwise retire outstanding indebtedness maturing in 2019.

Details of the US\$2,300 million Senior Secured Notes are provided below:

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Principal Amount:	US\$2,300 million
Interest Rate:	9.75% per annum
Term:	7 years with a non-call period of 3 years
Guarantors:	Fortescue and its direct and indirect restricted subsidiaries, consistent with the Senior Unsecured Notes and existing Senior Secured Credit Facility
Security	Secured over the assets of Fortescue and each material subsidiary subject, in certain cases, to obtaining third party consents.
Terms and conditions	Substantially consistent with the company's existing Senior Unsecured Notes and Senior Secured Credit Facility. All debt facilities, including these new Senior Secured Notes, have no financial maintenance covenants.
Ranking of the Notes:	<i>pari passu</i> with all existing and future senior secured indebtedness

The following chart shows Fortescue's pro forma debt maturity profile after the transaction is completed. This includes the full redemption of 2017, 2018 and partial redemption of the 2019 Senior Unsecured Notes.



Chief Financial Officer Stephen Pearce said, "Today's outcome further strengthens Fortescue's financial position as we have extended our debt maturity profile, while maintaining significant flexibility and ensuring no maintenance covenants on any of our debt." Mr Pearce said.

Yours sincerely
Fortescue Metals Group Ltd

Ian Wells
 Company Secretary

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