Fortescue

JUNE 2025 QUARTERLY PRODUCTION REPORT

24 JULY 2025

Record full year shipments of 198Mt underpins strong cash flow generation

Summary

- Ongoing focus on safety contributed to a Total Recordable Injury Frequency Rate (TRIFR) of 1.3 in the 12 months to 30 June 2025 (FY25) consistent with the prior year.
- Record total iron ore shipments of 55.2 million tonnes (Mt) in the quarter contributed to record total shipments of 198.4Mt in FY25, four per cent higher than FY24.
- Shipments of Iron Bridge Concentrate were 2.4Mt in the quarter and totalled 7.1Mt in FY25.
- Hematite C1 cost of US$16.29/wet metric tonne (wmt) in Q4 FY25 and US$17.99/wmt in FY25, one per cent lower than FY24 and achieving the first annual decline since FY20.
- Hematite average revenue of US$82/dry metric tonne (dmt) for the quarter, realising 84 per cent of the average Platts 62% CFR Index, and average revenue of US$85/dmt in FY25.
- Iron Bridge Concentrate revenue of US$108/dmt for the quarter was 100 per cent of the average Platts 65% CFR Index and 111 per cent of the average Platts 62% CFR Index.
- Strong cash flow generation contributed to a cash balance of US$4.3 billion and net debt of US$1.1 billion at 30 June 2025. This is after capital expenditure of US$3.9 billion in FY25.
- Update on the staged ramp up of Iron Bridge, with nameplate capacity of 22Mt per annum anticipated to be achieved in FY28 amidst further process optimisation.
- Continued progress on decarbonisation, including the completion of the transmission line between Solomon and Eliwana and deployment of the first electric drill rig to site.
- The Green Energy project pipeline continues to be progressed and refined in a disciplined manner. Arizona Hydrogen and the PEM50 Project will not proceed.
- Fortescue recognised as 2025 Best Company for Equal Opportunity by Parity.Org. and recognised as a global leader in Real Zero decarbonisation by Climate Integrity.
- Appointment of Gus Pichot as CEO Growth and Energy, with responsibility for the Company's green energy development and growth projects.
- Ms Yasmin Broughton appointed to the Fortescue Board as a Non-Executive Director.
- FY26 guidance for total shipments is 195 - 205Mt, including 10 - 12Mt from Iron Bridge (100 per cent basis) and a C1 cost for Hematite of US$17.50 - US$18.50/wmt.

Fortescue Metals and Operations Chief Executive Officer, Dino Otranto said, "Fortescue's performance this year has been exceptional. We delivered record quarterly shipments of 55.2 million tonnes, contributing to a record full year total of 198.4 million tonnes. We met all aspects of our market guidance and cemented our position as the industry's lowest cost producer, with our annual C1 cost declining for the first time since FY20. This result is credit to the relentless focus of our teams on safety, efficiency and operational excellence.

“As we look to FY26, we’re focused on building on this momentum - safely ramping up Iron Bridge, breaking new production records and accelerating our decarbonisation efforts, including the advancement of green iron. Having returned from China last week, it’s clear there is strong support from both Australia and China to collaborate on a green iron and steel supply chain which would drive investment, strengthen trade ties and eliminate emissions at scale.”

Fortescue Growth and Energy Chief Executive Officer, Gus Pichot said, "Fortescue’s operational excellence is driven by our push to decarbonise, innovate and evolve. We are unapologetically ambitious, and that will remain at the centre of our disciplined growth strategy, as we build on a strong track record to create long-term value for our shareholders.

“Over the past year we have refined and reconsidered our global project pipeline with a sharpened focus on commercial outcomes. That’s meant making some tough decisions. We remain committed to disciplined growth, underpinned by targeted research and development that unlocks innovative solutions to drive down costs and deliver our green metals and green energy goals.”

Operations

Operations summary (M wmt)	FY25	FY24	Var (%)	Q4 FY25	Vs Q3 FY25 (%)	Vs Q4 FY24 (%)
Total ore mined	238.9	216.9	10	64.3	16	9
Total ore processed	201.1	189.9	6	54.4	14	7
Total ore shipped	198.4	191.6	4	55.2	20	3
Total ore shipped (Fortescue share)	196.2	191.2	3	54.4	19	2
Hematite C1 cost (US$/wmt)	17.99	18.24	(1)	16.29	(7)	(12)

Volumes on a 100 per cent basis, unless stated otherwise.

- Ongoing focus on safety contributed to a TRIFR of 1.3 in FY25, consistent with the prior year. Strong performance across two newly introduced safety metrics, Leading Safety Index (LSI) and Critical Incident Frequency Rate (CIFR), complementing TRIFR by providing more balanced, forward-looking safety performance measures.
- Strong performance across mining, processing, rail and shipping combined to deliver total shipments of 55.2Mt in Q4 FY25, three per cent higher than Q4 FY24 and a quarterly record. This included Hematite shipments of 52.8Mt and Iron Bridge Concentrate shipments of 2.4Mt.
- This contributed to record total shipments of 198.4Mt in FY25, four per cent higher than FY24, including 191.3Mt of Hematite and 7.1Mt of Iron Bridge Concentrate. Record shipments were achieved while managing the impacts of several significant weather events in Q3 FY25.
- Full year performance records were also achieved in total mining, processing and rail demonstrating reliability across the supply chain and an ongoing focus on productivity.
- Hematite C1 cost of US$16.29/wmt in Q4 FY25 was seven per cent lower than the previous quarter reflecting the strong operational performance. The C1 cost of US$17.99/wmt in FY25 was down one per cent on FY24 and achieved the lower end of market guidance at the guided exchange rate (AUD:USD 0.68).
- FY26 guidance for total shipments is 195 - 205Mt, including 10 - 12Mt from Iron Bridge (100 per cent basis).
- FY26 guidance for Hematite C1 cost is US$17.50 - US$18.50/wmt. Guidance is based on an assumed FY26 average exchange rate of AUD:USD 0.65 and anticipates some increase in labour rates and mine plan-driven impacts, offset by cost management and efficiency initiatives.
- Iron Bridge’s FY26 cash operating expenditure excluding shipping and royalties is anticipated to be approximately US$650 million (Fortescue’s share).

Hematite Operations (M wmt)	FY25	FY24	Var (%)	Q4 FY25	Vs Q3 FY25 (%)	Vs Q4 FY24 (%)
Ore mined	219.7	203.9	8	61.5	19	12
Overburden removed	340.9	324.3	5	80.4	7	-
Ore processed	194.6	187.8	4	52.4	13	6

Iron Bridge (M wmt)	FY25	FY24	Var (%)	Q4 FY25	Vs Q3 FY25 (%)	Vs Q4 FY24 (%)
Ore mined	19.2	13.0	48	2.9	(28)	(33)
Overburden removed[1]	8.4	16.7	(50)	1.8	91	(59)
Ore processed	6.5	2.1	210	2.0	55	60

Volumes on a 100 per cent basis, Fortescue has 69 per cent equity share of Iron Bridge. [1] Excludes development overburden.

Marketing

Product summary (M wmt)	FY25	(%)	FY24	(%)	Q4 FY25	(%)
Iron Bridge Concentrate	7.1	4	1.2	1	2.4	4
West Pilbara Fines	14.0	7	12.9	7	3.5	6
Kings Fines	15.3	8	14.5	8	3.5	6
Fortescue Blend	74.1	37	78.9	41	21.5	39
Fortescue Lump	7.6	4	6.0	3	1.8	3
Super Special Fines	80.4	41	78.1	41	22.6	41
Total shipments	198.4	100	191.6	100	55.2	100
- Fortescue share	196.2	-	191.2	-	54.4	-

Volumes on a 100 per cent basis, unless stated otherwise. Timing differences may occur between shipments and sales as Fortescue Trading (Shanghai) Co., Ltd. holds inventory at Chinese ports.

- Hematite average revenue of US$81.77/dmt in Q4 FY25 represents a realisation of 84 per cent of the average Platts 62% CFR Index of US$97.76/dmt.
- Hematite average revenue for FY25 was US$84.79/dmt representing a realisation of 84 per cent of the average Platts 62% CFR Index of US$100.10/dmt.
- Iron Bridge Concentrate revenue of US$108.11/dmt in Q4 FY25 was 100 per cent of the average Platts 65% CFR Index of US$108.38/dmt and 111 per cent of the Platts 62% CFR Index.
- Iron Bridge Concentrate average revenue for FY25 was US$112.73/dmt representing a realisation of 99 per cent of the average Platts 65% CFR Index of US$114.38/dmt and 113 per cent of the Platts 62% CFR Index.
- China portside sales through Fortescue Trading (Shanghai) Co., Ltd. were 5.6Mt in Q4 FY25, contributing to full year sales of 15.6Mt.

Minerals exploration

- Total exploration and studies capital expenditure was US$97 million in Q4 FY25 and US$321 million in FY25.
- Iron ore exploration progressed with multiple drill rigs operating in the Pilbara with a focus on near mine exploration at the Chichester Hub and Iron Bridge, together with infill drilling at Mindy South and White Knight.

- Exploration activities continue to advance the Belinga Iron Ore Project in Gabon, with drilling operations ongoing. Currently, there are four reverse circulation (RC) drill rigs, and one diamond core rig deployed on the site.
- Exploration activity on Fortescue's critical minerals portfolio included drilling in Argentina and preparation for drilling at projects in Peru and Australia. Target generative activities advanced in Chile and are continuing across the broader portfolio.

Energy

- Fortescue Zero continues to advance its green technology product portfolio to support decarbonisation of Fortescue's operations and provide solutions for other heavy emitters.
- Fortescue's Green Energy project pipeline continues to be progressed and refined in a disciplined manner that reflects global market conditions and policy settings.
- Following a detailed review, Fortescue has determined that the Arizona Hydrogen Project in the United States and PEM50 Project in Gladstone, Australia will not proceed. An assessment is underway to repurpose the assets and the land.
- Fortescue expects its financial results for H2 FY25 to reflect a pre-tax write down of approximately US$150 million (preliminary estimate) relating to the expenditure on the PEM50 Project, electrolyser manufacturing equipment in Gladstone and engineering costs for the Arizona Hydrogen Project.
- FY26 guidance for Energy capital expenditure is approximately US$300 million and for net operating expenditure is approximately US$400 million.

Financial position

- Fortescue's cash balance was US$4.3 billion at 30 June 2025, compared to US$3.3 billion at 31 March 2025.
- Gross debt was US$5.4 billion at 30 June 2025 from US$5.5 billion at 31 March 2025, and net debt was US$1.1 billion (US$2.1 billion at 31 March 2025).
- Total capital expenditure and investments for the quarter was US$1.1 billion and for FY25 was US$3.9 billion.

FY26 guidance

- Iron ore shipments of 195 - 205Mt, including 10 - 12Mt for Iron Bridge (100 per cent basis).
- C1 cost for Hematite of US$17.50 - US$18.50/wmt.
- Metals capital expenditure of US$3.3 - US$4.0 billion, inclusive of:
    - Sustaining and hub development US$2.0 - US$2.3 billion
    - Decarbonisation US$0.9 - US$1.2 billion
    - Exploration and studies US$300 - US$400 million
    - Other projects US$100 million.
- Energy capital expenditure of approximately US$300 million and net operating expenditure of approximately US$400 million.

Guidance is based on an assumed FY26 average exchange rate of AUD:USD 0.65.

This announcement was authorised for lodgement by the Company Secretary.

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