

湖南华菱钢铁集团有限责任公司

Hunan Valin Iron and Steel Group Company Ltd

January 23, 2020

The Manager
ASX Market Announcement Office
20 Bridge Street
Sydney NSW 2000
By facsimile: +61 2 9347 0005 (seven pages)

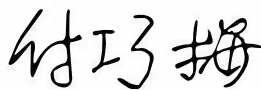
Dear Sir/Madam

Fortescue Metals Group Ltd (ASX: FMG)
Form 604: Notice of change of interests of substantial holder

This is from Hunan Valin Iron and Steel Group Company LTD and our associates in connection with a recent disposal of 1.6414% of its relevant interests in Fortescue Metals Group Ltd.

In accordance with section 671B of the Corporations Act 2001 (Cwlth), we enclose a Form 604: *Notice of change of interests of substantial holder*.

Yours faithfully



Fu Qiaomei
In-house legal counsel of Valin Group
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Email: fugiaomei@chinavalin.com

Add: No.222 Xiangfu West Road, Tianxin District, Changsha City, Hunan Province
People's Republic of China Post code:410000

Form 604

Corporations Act 2001

Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme	FORTESCUE METALS GROUP LIMITED (the "company")
ACN/ARSN	002 594 872

1. Details of substantial holder (1)

Name	Hunan Valin Iron and Steel Group Co., Ltd. (湖南华菱钢铁集团有限责任公司) and each of its related bodies corporate listed in Annexure A ("Hunan Valin Subsidiaries") (together the "Hunan Valin Group")
ACN/ARSN (if applicable)	N/A

There was a change in the interests of the substantial holder on	23/01/2020
The previous notice was given to the company on	13/01/2020
The previous notice was dated	13/01/2020

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Shares	363,135,863	11.7941%	312,596,573	10.1527%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
23/01/2020	Valin Mining Investments (Singapore) Pte Ltd	See Annexure "A"	See Annexure "A"	50,539,290	1.6414%

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Hunan Valin Group	Valin Investments (Singapore) Pte Ltd	Valin Investments (Singapore) Pte Ltd	Valin Investments (Singapore) Pte Ltd is the registered holder of ordinary shares in the company (Section 608(1) (a) of the Corporations Act (2001))	228,007,497	7.4053%
Hunan Valin Group	Valin Resources Investments (Singapore) Pte Ltd	Valin Resources Investments (Singapore) Pte Ltd	Valin Resources Investments (Singapore) Pte Ltd is the registered holder of ordinary shares in the company (Section 608(1) (a) of the Corporations Act (2001))	76,426,216	2.4822%
Hunan Valin Group	Valin Mining Investments (Singapore) Pte Ltd	Valin Mining Investments (Singapore) Pte Ltd	Valin Mining Investments (Singapore) Pte Ltd is the registered holder of ordinary shares in the company (Section 608(1) (a) of the Corporations Act (2001))	8,162,860	0.2652%

5. Changes in association

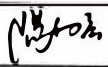
The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Hunan Valin Group	No.222 Xiangfu Rd West,Tianxin District Changsha.Hunan.China 410004

Signature			
print name	Yang Xianghong	capacity	Vice President/Board Secretary, Hunan Valin Iron and Steel Group Co., LTD
sign here		date	January 23, 2020

DIRECTIONS	
(1)	If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
(2)	See the definition of "associate" in section 9 of the Corporations Act 2001.
(3)	See the definition of "relevant interest" in sections 608 and 671B (7) of the Corporations Act 2001.
(4)	The voting shares of a company constitute one class unless divided into separate classes.
(5)	The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
(6)	Include details of:
(a)	any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B (4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
(b)	any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
	See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
(7)	Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
(8)	If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
(9)	Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

CHANGE LIST OF EXCHANGEABLE BONDS EXCHANGED TO FMG SHARES

Date	Registered Company	Nature of Change	Quantity	Consideration (Note (10))	Class of Securities	Person's votes affected
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	36,622	154,102.55	Ordinary	36,622
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	915,567	3,852,397.15	Ordinary	915,567
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	183,113	770,112.84	Ordinary	183,113
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	585,962	2,465,534.18	Ordinary	585,962
22-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	183,113	770,179.49	Ordinary	183,113
21-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	1,464,907	6,161,169.31	Ordinary	1,464,907
20-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	5,200,420	21,872,151.06	Ordinary	5,200,420
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	5,493,402	23,103,385.12	Ordinary	5,493,402
21-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	2,197,360	9,240,554.21	Ordinary	2,197,360
16-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	3,405,909	14,322,859.02	Ordinary	3,405,909
23-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	366,226	1,540,358.98	Ordinary	366,226
23-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	6,006,119	25,265,166.63	Ordinary	6,006,119

23-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	6,775,195	28,505,272.75	Ordinary	6,775,195
20-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	1,025,435	4,314,124.92	Ordinary	1,025,435
20-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	878,944	3,697,981.33	Ordinary	878,944
20-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	3,662,268	15,408,922.07	Ordinary	3,662,268
21-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	549,340	2,313,537.87	Ordinary	549,340
21-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	10,327,595	43,498,271.19	Ordinary	10,327,595
21-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	549,340	2,313,637.85	Ordinary	549,340
23-Jan-20	Valin Mining Investments (Singapore) Pte Ltd	Exercise of Exchange Right of Exchangeable Bonds	732,453	3,088,716.36	Ordinary	732,453
TOTAL			50,539,290	212,658,434.88	--	50,539,290


Note (10): Valin Mining Investments (Singapore) Pte. Ltd. (the "Issuer") issued U.S.\$354,800,000 Zero Coupon Exchangeable Bonds due 2021 exchangeable into shares of Fortescue Metals Group Ltd. (the "Exchangeable Bonds", the identification number of ISIN: XS1514653150) pursuant to a trust deed dated as of 15 November 2016 by and between the Issuer and DB Trustees (Hong Kong) Limited, as trustee.

From January 14, 2020 to January 23, 2020, U.S.\$276,000,000 in principal amount of Exchangeable Bonds have been exchanged into FMG shares. This is due to an exercise of Exchange Right by the bondholders thereof. The Exchange Ratio: per US\$200,000 in nominal value of the Exchangeable Bonds is 36,622.68 Shares and AUD 66,653.28 in cash. The Consideration is nominal value of the Exchangeable Bonds minus the cash paid to the bondholders.

This is Annexure A of 3 page referred to in Form 604 Notice of Change of interests of Substantial Holder

Name: Yang Xianghong

Capacity: Vice President/Board Secretary, Hunan Valin Iron and Steel Group Co.,LTD

Signature: 

Date: January 23, 2020

ANNEXURE B
HUNAN VALIN ASSOCIATES

EACH OF THE ENTITIES BELOW IS AN ASSOCIATE OF HUNAN VALIN IRON AND STEEL GROUP COMPANY LTD BY VIRTUE OF BEING A RELATED BODY CORPORATE OF HUNAN VALIN IRON AND STEEL GROUP COMPANY LTD

NAME	CAN/ARSN (IF APPLICABLE)
HUNAN VALIN STEEL CO., LTD	N/A
XIANGTAN IRON & STEEL GROUP CO., LTD	N/A
LIANYUAN IRON & STEEL GROUP CO., LTD	N/A
HENGYANG STEEL TUBE (GROUP) CO., LTD	N/A
HUNAN VALIN MINERAL INVESTMENT CO., LTD	N/A
HUNAN VALIN INSURANCE BROKER CO., LTD.	N/A
HUNAN TIANHE REAL ESTATE DEVELOPMENT CO., LTD.	N/A
VALIN INVESTMENTS (SINGAPORE) PTE LTD	N/A
VALIN RESOURCES INVESTMENTS (SINGAPORE) PTE LTD	N/A
VALIN MINING INVESTMENTS (SINGAPORE) PTE LTD	N/A
VALIN GROUP HONG KONG INTERNATIONAL TRADE CO., LTD	N/A
HUNAN DICE VENTURE CAPITAL CO., LTD	N/A
JINSHAN HUARONG (TIANJIN) INDUSTRIAL INVESTMENT FUND PARTNERSHIP (LP)	N/A
HUNAN XINPORT GROUP CO., LTD	N/A
HUNAN VALIN ENERGY CONSERVATION & ENVIRONMENTAL PROTECTION TECHNOLOGY CO., LTD	N/A
VALIN JINSHAN (TIANJIN) INDUSTRIAL INVESTMENT MANAGEMENT CO., LTD	N/A

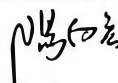
This is Annexure B of 1 page referred to in Form 604 Notice of Change of interests of Substantial Holder

Name: Yang Xianghong

Capacity: Vice President/Board Secretary, Hunan Valin Iron and Steel Group Co.,LTD

Signature:

Date:


January 23, 2020