

Franco-Nevada (FNV)

Resilience in a Golden Age



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Please refer to the cautionary language in our public filings.

The Investment Thesis: A Dichotomy of Proven Resilience and Asymmetric Opportunity



The Premier Royalty Platform

- Best-in-class, gold-focused royalty/streaming model insulates from operational risk and cost inflation.
- Vast, diversified portfolio of 430+ assets generates high-margin (**86% Adj. EBITDA**), predictable cash flows.
- Pristine, debt-free balance sheet with **\$2.4B** in available capital provides a powerful strategic advantage.



The Material Headwind

- The November 2023 shutdown of the cornerstone Cobre Panama asset has removed a significant source of near-term revenue.
- Asset has been fully impaired (**\$1.17B charge**), with zero contribution assumed in current guidance.
- Prolonged uncertainty around resolution creates an overhang on the stock.



The Resilient Core

- Ex-Cobre Panama, the underlying business demonstrated robust growth in 2024 (**Revenue +15%, Adj. EBITDA +16%**).
- Record 2024 capital deployment (**\$1.3B**) into high-quality assets in top-tier jurisdictions (Canada, US) de-risks the portfolio.
- Favorable macro environment with record gold prices provides a powerful tailwind.



The Asymmetric Upside

- With the asset written down to nil, the downside risk from Cobre Panama is largely realized and priced-in.
- International arbitration is underway and a new Panamanian government is open to dialogue.
- Any positive resolution represents a significant, un-modeled catalyst that could increase annual GEOs by **~30%**.

A Structurally Superior Business Model



Royalty & Streaming (Franco-Nevada)



Exposure to Upside: Full leverage to commodity price increases and exploration success.



Cost Exposure: Insulated from operating cost inflation and capital cost overruns.



Margins: Exceptionally high and durable. Margins expand in a rising price environment.

86%
Adj. EBITDA
Margin in 2024



Scalability: Lean overhead (~40 employees) manages a global portfolio of 430+ assets.



Risk Profile: Diversified across hundreds of assets, commodities, operators, and geographies.



Traditional Mining Operator



Exposure to Upside: Leveraged to commodity prices and exploration.



Cost Exposure: Fully exposed to rising labor, fuel, and material costs, and all capital expenditures.



Margins: Vulnerable to margin compression from cost inflation.



Scalability: Capital and labor-intensive; requires vast operational infrastructure.



Risk Profile: Concentrated risk in a few key operating mines; exposed to single points of failure.

The Competitive Moat: Unmatched Scale and Diversification

Peer Comparison Matrix

Data as of mid-2025

Metric	Franco-Nevada (FNV)	Wheaton PM (WPM)	Royal Gold (RGLD) (Pro-Forma post-SSL Merger)
Market Capitalization	~\$35.7B	~\$30.0B	~\$14.6B
Total Assets	430	35 (Operating & Dev.)	~400
Adj. EBITDA Margin (LTM)	~87%	~75%	~80%
Commodity Exposure	~80% Precious Metals	~94% Precious Metals	~87% Precious Metals

Key Insight

Validation of Strategy

The RGLD/Sandstorm merger validates the premium the market places on scale and diversification—a strategy FNV has perfected.

Rational Competition

The consolidation of an aggressive competitor may create a more rational environment for new deal opportunities.

A Resilient Portfolio Built on Diversification & Quality

Key Portfolio Stats

430
Total Assets

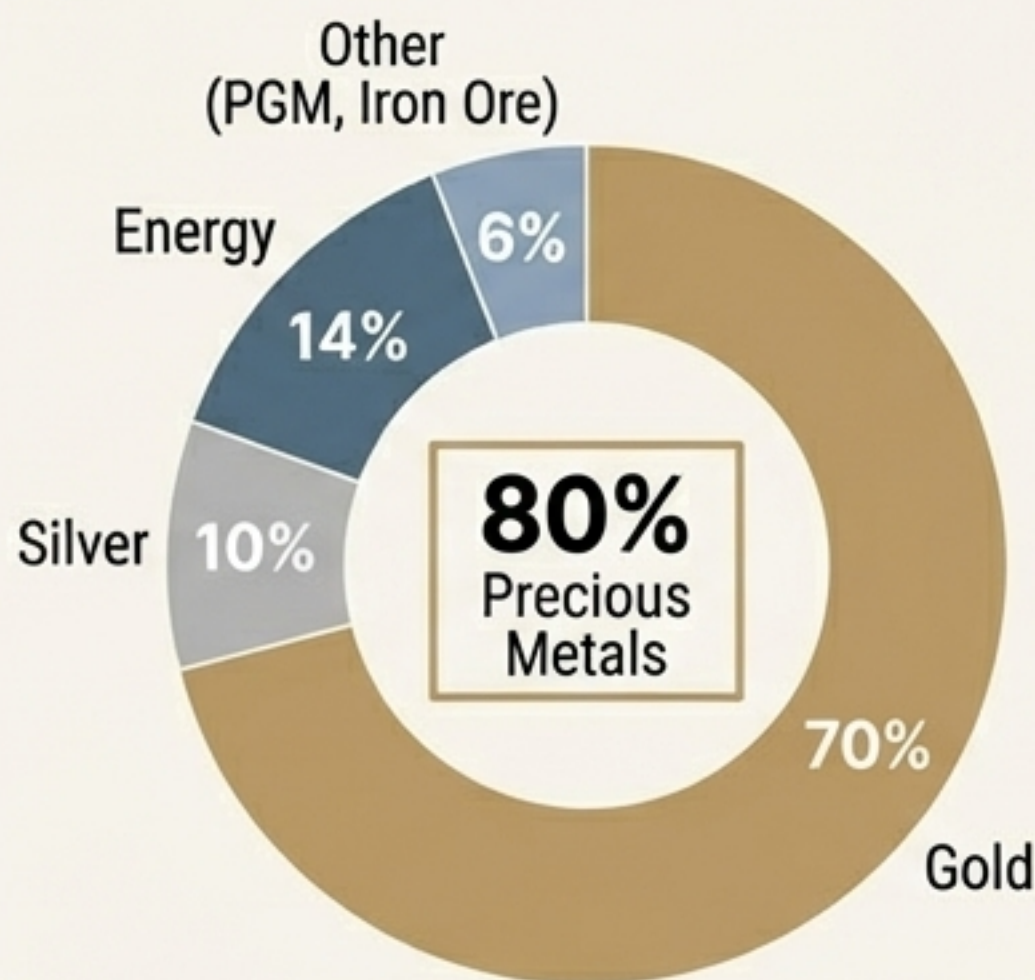
119
Producing Assets

38
Advanced-Stage Assets

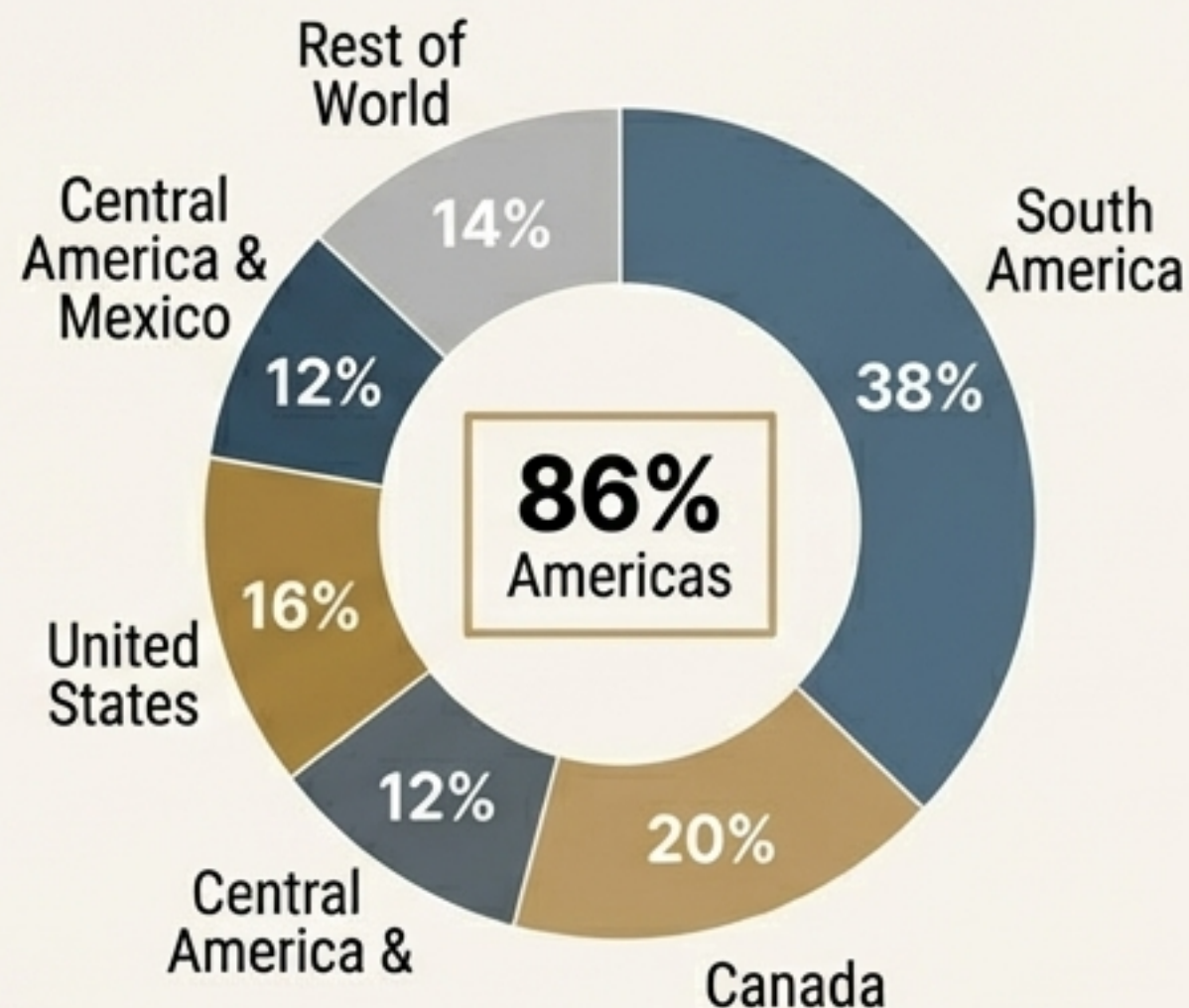
273
Exploration-Stage Assets

70,500 km²
of royalty land with free exploration optionality.

Diversification by Commodity (Q2 2025 Revenue)

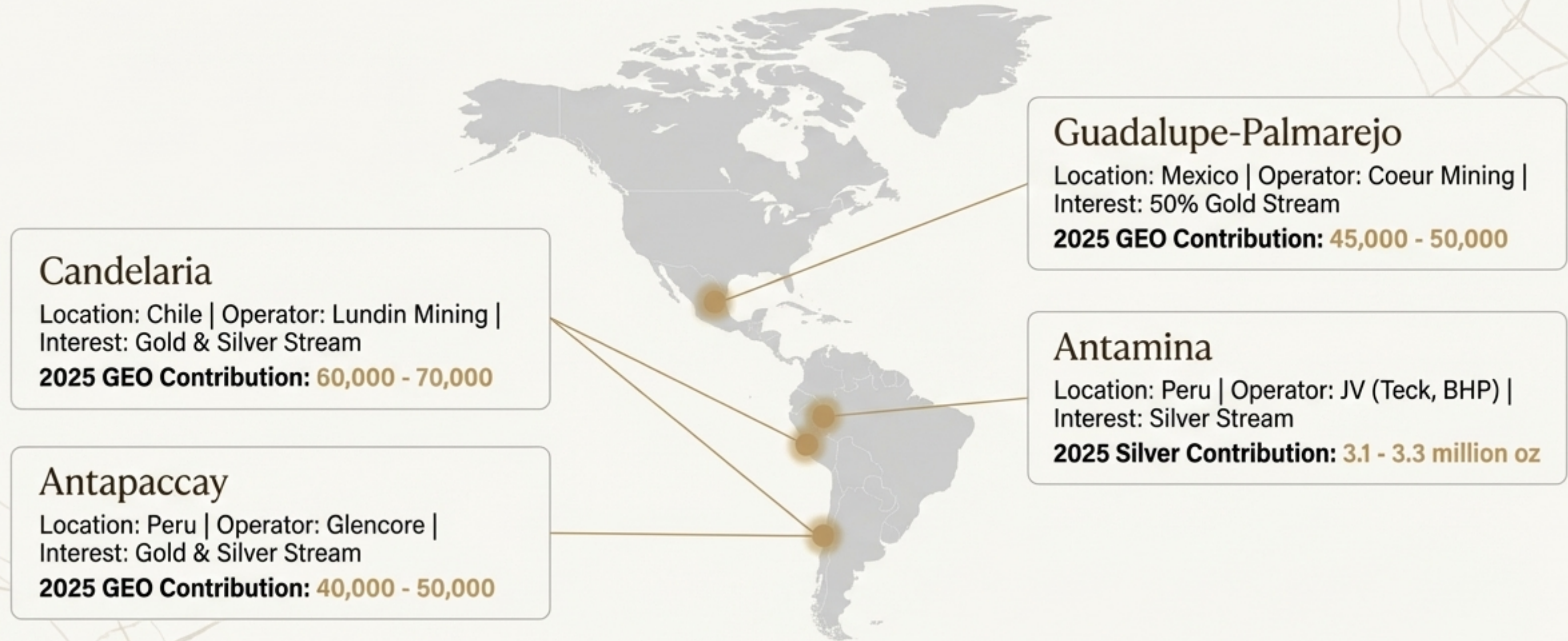


Diversification by Geography (Q2 2025 Revenue)



Company policy states no single asset is expected to contribute more than 15% of revenue in 2025.

The Cornerstone Assets Anchoring Cash Flow



Portfolio is underpinned by long-life assets operated by world-class, well-capitalized mining companies.

The Material Headwind: The Cobre Panama Shutdown



2023

Contributed **128,599 GEOs** to Franco-Nevada.



Nov 2023

Panamanian Supreme Court rules contract unconstitutional; mine ordered into "preservation and safe management."



Q4 2023

FNV recognizes a full non-cash impairment charge of **\$1.17 Billion**, writing the asset's carrying value to nil.



2024-2025

FNV guidance assumes **zero contribution** from the mine.

Cobre Panama was a cornerstone asset. Its shutdown prompted a prudent accounting approach, fully reflecting the **financial impact** in 2023 results. The company's **current valuation and forward-looking guidance** are built on the portfolio *excluding* this asset.

Cobre Panama: A Zero-Cost Call Option on a World-Class Asset

Downside Realized

- **Asset Value:** Written down to \$0 on the balance sheet.
- **Market Expectation:** Priced for a zero-value, worst-case scenario.
- **Financial Impact:** \$1.17B impairment already taken in 2023.



Upside Potential

- **Path to Resolution:** International arbitration initiated under the Canada-Panama Free Trade Agreement.
- **Political Shift:** New Panamanian administration (mid-2024) is open to discussions with the operator.
- **Economic Impetus:** Mine contributes up to 5% of Panama's GDP, creating public pressure for a restart.

The Asymmetric Bet

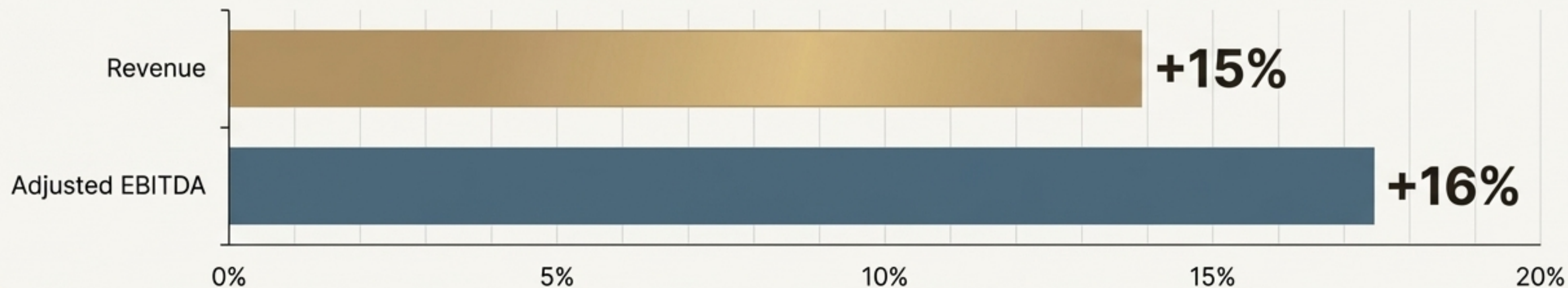
Any positive development—a negotiated restart or a favorable arbitration outcome—represents a significant, un-modeled upside catalyst. A full restart could increase FNV's total annual GEOs by approximately **30%**.

Financial Resilience Proven Under Pressure

Headline 2024 Results (Reflecting Cobre Panama Shutdown):
Revenue: -9% to \$1.11B | GEOs Sold: -26% to 463,334

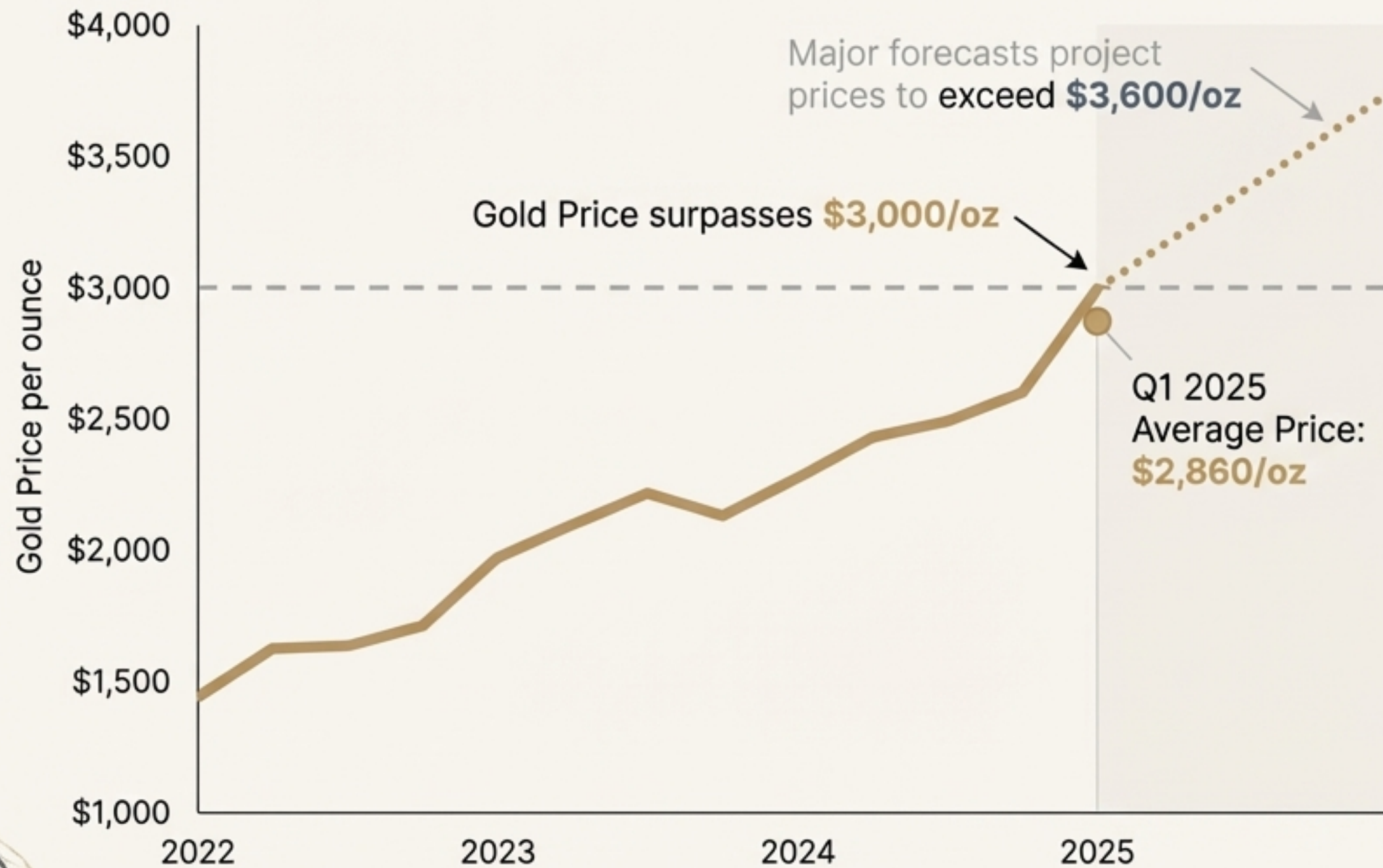
The headline numbers mask the core portfolio's performance. When Cobre Panama's contribution is excluded from both years, the business demonstrated powerful underlying growth.

2024 Growth (Ex-Cobre Panama)



Diversification worked as designed, allowing the business to absorb the loss of a cornerstone asset while simultaneously growing the underlying portfolio.

Capitalizing on a Golden Age



Key Macro Drivers



Monetary Policy: Anticipated interest rate cuts decrease the opportunity cost of holding gold.



Geopolitical & Economic Uncertainty: Enhances gold's role as a safe-haven asset and store of value.



Structural Central Bank Demand: A third consecutive year of >1,000 tonnes purchased in 2024 provides a strong price floor.

A Fortress Balance Sheet Deployed for Growth



Côté Gold Mine Royalty

Jurisdiction: Canada

Asset: Royalty on one of Canada's newest and largest gold mines.

Strategy: Adding a long-life asset in a top-tier jurisdiction.



Arthur Project Royalty

Jurisdiction: Nevada, USA

Asset: \$250M royalty on a major new gold discovery.

Strategy: De-risking the portfolio by increasing North American weighting.

\$0

Long-Term Debt

\$2.4 Billion

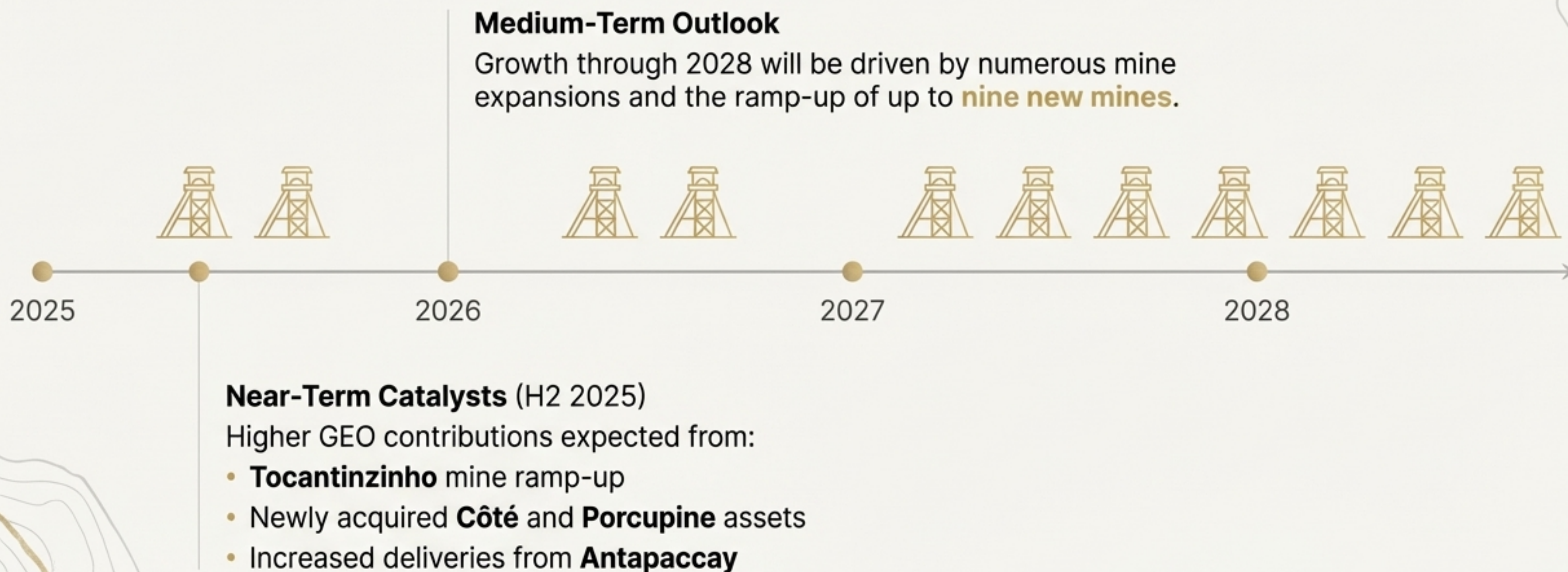
in Available Capital
(as of Dec 31, 2024)

\$1.3 Billion

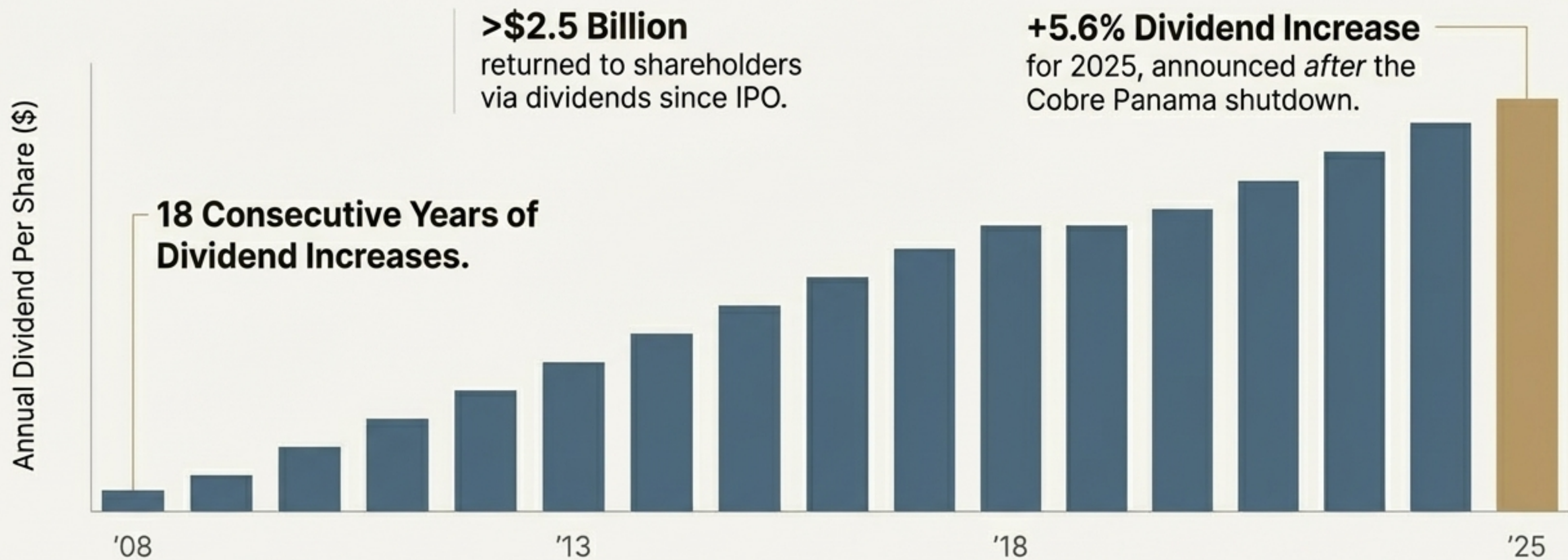
in new acquisitions and
commitments in 2024
(most active year
in history)

A Clear and Visible Path to Organic Growth

Beyond acquisitions, FNV has a multi-year organic growth runway from its existing portfolio.



An 18-Year Legacy of Consistent Shareholder Returns



Our objective is to provide a sustainable and progressively growing dividend through all parts of the commodity cycle. This commitment is a testament to the cash-generative strength and resilience of our diversified portfolio.

Leadership in Governance and ESG

ESG Ratings



#1 Ranked
Gold Company



AA



Prime

Key Governance & Diversity Highlights

- Management team possesses deep institutional knowledge, with a focus on growing NAV and cash flow *per share*.
- Met diversity targets with **40%** representation of diverse persons at the Board and senior management levels.

A top-tier ESG profile makes Franco-Nevada attractive to the widest base of institutional investors and reduces the risk of exclusion from ESG-mandated funds.

The Verdict: A Balanced View for Investors

The Bull Case

- + • **Superior Model:** Best-in-class, high-margin business with mitigated risk.
- + • **Financial Power:** Debt-free balance sheet enabling value-accretive growth.
- + • **Clear Growth Runway:** Driven by recent landmark acquisitions and a deep organic pipeline.
- + • **Macro Tailwinds:** Record gold prices fueled by strong fundamental drivers.
- + • **Asymmetric Opportunity:** Cobre Panama resolution offers significant, un-modeled upside with downside already priced in.
- + • **Proven Resilience:** Peerless track record of dividend growth and industry-leading ESG credentials.

The Bear Case

- • **Cobre Panama Overhang:** Uncertainty will likely weigh on valuation until resolved.
- • **Commodity Price Risk:** Financials are highly levered to gold; a correction would have a material impact.
- • **Execution Risk:** Record capital deployment carries the risk of miscalculation on a major acquisition.
- • **Geopolitical Exposure:** Despite de-risking, portfolio remains meaningfully exposed to Latin America.