Resource Company Report: Franco-Nevada Corporation

Report Date	August 12, 2026	**Company Type**	Senior Precious Metals Royalty & Streaming
Company Name	Franco-Nevada Corporation	**Stock Symbol**	FNV (NYSE/TSX) / FN
2026 GEO Guidance	510,000 – 570,000 GEOs (upper half tracking)	**Q2 2026 GEOs Sold**	132,405 (+18% YoY)
Q2 2026 Revenue	US$580.9 million (+57% YoY)	**Q2 2026 Adj. Net Income**	US$349.2 million ($1.81/share)
Available Capital	US$4.3 billion (Jun 30, 2026)	**Quarterly Dividend**	US$0.44/share (19th consecutive annual increase)
CEO	Paul Brink	**No Direct Mining**	No AISC; GEO / royalty-stream metrics apply

1. Company Overview & Investment Thesis

Franco-Nevada Corporation (NYSE/TSX: FNV) is the leading senior precious-metals royalty and streaming company, with a diversified portfolio of gold, silver, PGM and energy interests. The company does not operate mines; it receives revenue from royalties and streams on third-party operations. 2026 guidance is 510,000–570,000 GEOs, with the company tracking toward the upper half of the range. Q2 2026 GEOs sold rose 18% year-over-year to 132,405, generating revenue of US$580.9 million (+57%) and adjusted net income of US$349.2 million ($1.81 per share). Available capital stood at US$4.3 billion at June 30, 2026. The quarterly dividend is US$0.44 per share, marking the 19th consecutive annual increase. As a pure royalty/streaming vehicle, Franco-Nevada has no direct AISC.

Investment Thesis: Franco-Nevada offers investors high-margin, capital-light exposure to precious metals with a long track record of dividend growth, a fortress balance sheet, and a deep pipeline of organic and acquisition-driven growth. The portfolio is geographically and asset-diversified, with meaningful contributions from producing mines and a backlog of development projects. Key risks include commodity-price volatility, operator performance, and the unresolved status of the Cobre Panamá stream (stockpile processing approved; full restart remains a political decision). Relative to junior royalty companies, FNV ranks substantially lower risk due to scale, diversification and balance-sheet strength.

2. Mining and Development Projects

Franco-Nevada does not operate mines. Its portfolio comprises hundreds of royalties and streams across precious metals and diversified (energy/iron ore) assets.

2.1 Producing Precious-Metals Portfolio

Location / Operator	Global – multiple operators including Candelaria, Tocantinzinho, Côté, Valentine, Antapaccay and others; Cobre Panamá (First Quantum) stockpile processing underway
Metals / Interest	Gold, silver and PGMs – streams and royalties; precious metals ~86–90% of GEOs
Status	Producing; Q2 2026 precious-metal GEOs 114,111 (+23% YoY); Cobre Panamá stockpile processing commenced May 2026 (not a full restart)
Key Metrics	2026 guidance 510–570k GEOs; H1 2026 ~269k GEOs sold; tracking upper half of guidance
Contribution / Notes	Core cash-flow engine; higher gold and silver prices and new mine contributions (Côté, Valentine, Tocantinzinho) support growth
Outlook	Continued delivery from existing assets plus stockpile GEOs from Cobre Panamá; full Cobre Panamá restart remains upside

2.2 Diversified (Energy / Iron Ore) & Development Pipeline

Location / Operator	Energy royalties (oil & gas) and iron-ore interests; advanced development projects (Cascabel, Eskay Creek, Stibnite, Castle Mountain, Detour expansions, etc.)
Metals / Interest	Oil, natural gas, iron ore – diversified revenue; plus precious-metals development streams/royalties
Status	Diversified assets contributing GEOs and cash flow; multiple development projects advancing
Key Metrics	Diversified revenue guidance US$245–285M for 2026; elevated oil prices supporting H1 results
Contribution / Notes	Provides commodity diversification and long-term optionality from the development pipeline
Outlook	Energy prices and advancement of key development projects (Cascabel, Eskay Creek, Stibnite) are medium-term catalysts

3. Exploration & Development Activity

Near-term focus is delivery of the upper half of 2026 GEO guidance, integration of stockpile deliveries from Cobre Panamá, continued organic growth from recently commissioned mines (Côté, Valentine, Tocantinzinho), and selective deployment of the US$4.3 billion available capital into new royalties and streams. Medium-term growth is expected from the development pipeline (Cascabel, Eskay Creek, Stibnite and others) and any resolution of the full Cobre Panamá restart. Success metrics are GEO delivery, adjusted EBITDA and net income, dividend growth, and accretive capital deployment.

4. Management and Board of Directors

Management

Name	Title	Notes	Experience / Focus
Paul Brink	President & CEO	Leadership	Overall strategy, capital allocation, portfolio growth and shareholder returns
Finance / technical team	CFO / technical	Support	Financial reporting, deal evaluation and asset management

Board of Directors

Name / Group	Role	Key Background
Board (collective)	Governance	Oversight of strategy, dividend policy, capital allocation, major transactions and risk
Independent directors	Oversight	Mining, finance, energy and capital-markets experience

5. Financial Information

Franco-Nevada reported Q2 2026 revenue of US$580.9 million (+57% YoY), GEOs sold of 132,405 (+18%), adjusted EBITDA of US$529.7 million ($2.75 per share, +45%), and adjusted net income of US$349.2 million ($1.81 per share, +46%). H1 2026 revenue reached a half-year record of US$1.23 billion. Available capital was US$4.3 billion at June 30, 2026. The company declared a quarterly dividend of US$0.44 per share (19th consecutive annual increase). 2026 GEO guidance of 510,000–570,000 remains unchanged, with tracking toward the upper half of the range.

GEO / Financial Summary

Line Item	Amount / Notes
2026 GEO Guidance	510,000 – 570,000 GEOs (upper half tracking)
Q2 2026 GEOs Sold	132,405 (+18% YoY)
Q2 2026 Revenue	US$580.9 million (+57% YoY)
Q2 2026 Adj. EBITDA	US$529.7 million ($2.75/share)
Q2 2026 Adj. Net Income	US$349.2 million ($1.81/share)
Available Capital (Jun 30, 2026)	US$4.3 billion
Quarterly Dividend	US$0.44/share

Corporate Summary

Item	Value / Notes
Primary listings	NYSE & TSX (FNV)
CEO	Paul Brink
Cobre Panamá status	Stockpile processing underway; full restart pending political decision
Business model	Senior precious-metals royalty & streaming; progressive dividend

6. Company Valuation

Franco-Nevada trades as the premier senior precious-metals royalty and streaming company. Valuation is commonly framed on GEO multiples, cash-flow yield, dividend growth, net asset value of the portfolio, and peer comparisons within the senior royalty space (Wheaton, Royal Gold, etc.).

Discounted NPV discussion: A practical framework values the producing precious-metals and diversified portfolios on expected long-term GEOs and commodity prices, applies probability-weighted values to the development pipeline and any Cobre Panamá restart scenario, and adds available capital net of commitments. Key sensitivities are gold and silver prices, the timing and scale of Cobre Panamá stockpile deliveries and any full restart, operator performance at key mines, and the successful deployment of available capital into accretive new interests. Delivery of upper-half 2026 guidance, continued dividend growth, and disciplined capital allocation are the primary near- to medium-term valuation catalysts.

Merger & Acquisition Activity

Franco-Nevada remains an active acquirer of royalties and streams, supported by US$4.3 billion of available capital. The company continues to evaluate a strong pipeline of opportunities across precious metals and diversified assets. No formal public takeover offer for Franco-Nevada has been announced. As the largest pure-play precious-metals royalty company by many measures, it is more likely to be a consolidator than a target, while management continues to execute on organic growth and selective acquisitions.

7. Risks

- Gold, silver and energy price volatility.
- Cobre Panamá full restart remains a political/regulatory uncertainty (stockpile processing is approved and underway).
- Operator performance and production interruptions at key assets.
- Competition for high-quality new royalty and stream opportunities.
- Geopolitical and jurisdictional risk across the global portfolio.
- Execution risk on the development pipeline (Cascabel, Eskay Creek, Stibnite, etc.).
- Currency and interest-rate exposure on a large available-capital base.

8. Comparative Risk Analysis

On a relative-risk scale of 1 to 7 (1 = lowest risk, 7 = highest risk) versus other precious-metals royalty and streaming companies, Franco-Nevada is ranked **2**. The ranking reflects low risk within the senior royalty peer set: industry-leading scale and diversification, a fortress balance sheet (US$4.3B available capital), a 19-year track record of consecutive dividend increases, high margins, and a deep organic growth pipeline. Positive factors include the breadth of the producing portfolio, the absence of direct operating risk, and substantial financial capacity for growth. The primary residual risk is the unresolved full restart of Cobre Panamá (stockpile processing provides partial near-term upside). Relative to junior and intermediate royalty companies, FNV ranks substantially lower risk; relative to the other senior royalty peers (Wheaton, Royal Gold), it is among the lowest-risk names in the group. The net result is a risk ranking of 2.

Sources: Company Q2 2026 results (August 11, 2026), 2026 guidance, Cobre Panamá updates, dividend declarations, and market data as of mid-August 2026.