Press Release

Franco Nevada
The GOLD Investment that WORKS

NEWS RELEASE
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(in U.S. dollars unless otherwise noted)

Designated News Release

Franco-Nevada Adds Iron Ore Royalty Exposure

Franco-Nevada has acquired 14.7% of Vale's outstanding Participating Debentures ("Royalty Debentures") from the Brazilian Development Bank ("BNDES") and the Government of Brazil for $538M. The Royalty Debentures provide holders with life of mine net sales royalties on Vale's Northern and Southeastern Iron Ore Systems and on certain copper and gold operations (together, the "Royalty"). This transaction provides royalty exposure to some of the world's largest and most profitable integrated iron ore mines with reserve weighted mine lives of 30 years and potential for multiple additional decades through reserve growth. The Royalty covers a total of 15.6 thousand square kilometers of mineral properties held by Vale in Brazil, also offering exposure to a number of development properties. The Royalty currently generates an annualized pre-tax cash yield of 10% based on acquisition cost and the most recent semi-annual Royalty Debenture payment. The amount of production capacity subject to the Royalty is expected to grow by approximately +60% by 2026 which would imply an 8% yield on investment at that time, assuming consensus long term iron ore prices.

Franco-Nevada has also accumulated a 9.9% equity investment in Labrador Iron Ore Royalty Corporation ("LIORC"). The position was acquired over a number of years for a total investment of C$93M, representing an average cost of C$14.72/share, versus recent trading of approximately C$38/share. An investment in LIORC functions as a flow through of income from its royalty and equity interest in the Iron Ore Company of Canada's ("IOC") Carol Lake mine operated by Rio Tinto in Labrador. Reserves at Carol Lake are sufficient to sustain mining for 24 years and resources indicate potential for further multi-decade extensions. Since starting to accumulate the position, Franco-Nevada has recouped more than 95% of its original investment (inclusive of Q1 2021 dividends declared and to be paid April 26, 2021). Our LIORC investment is generating an annualized cash yield of 27% based on acquisition cost and the most recent dividend payment. Franco-Nevada has no intention of increasing the position at current prices.

Both investments provide exposure to mines producing high grade iron ore products that are preferred by steelmakers seeking to reduce CO_2 and other emissions from their operations. The two transactions further diversify Franco-Nevada's asset, geographic and operator mix. Assuming the commodity prices used in Franco-Nevada's five-year guidance and consensus iron ore prices, iron ore is expected to contribute between 5-6% of total revenues in 2021 and 4-5% in 2025. Franco-Nevada's revenue mix is expected to remain greater than 80% precious metals through 2025.

"The Vale Royalty and the LIORC equity investments, along with our by-product precious metal streams from copper mines, provide a base of low-risk long-life cash flow. We believe the combination of this foundation with exposure to the exploration success and commodity price optionality of our gold royalties and streams and energy assets is a very attractive investment proposition," commented Paul Brink, President and CEO.

$538 Million Vale Royalty Debenture Acquisition

Franco-Nevada acquired 57 million Royalty Debentures for $538 million on April 16, 2021. The acquisition represents 14.7% of the total issued Royalty Debentures. The acquisition was made through a secondary offering of Royalty Debentures held by BNDES and the Government of Brazil. The Royalty Debentures were issued in 1997 with the privatization of Vale to provide the existing shareholders exposure to future resource growth. The Royalty Debentures are economically equivalent to royalty interests with no maturity until the underlying mining rights are extinguished.

The Royalty terms, on a 100% basis, provide for a 1.8% (0.264% attributable) net sales royalty on (i) iron ore sales from the Northern System and (ii) approximately 70% of sales from the Southeastern System. Both systems are fully integrated, allowing strong margins and a low cost position.

- The Northern System covers Serra Sul (i.e. S11A-D), Serra Norte and Serra Leste and represents one of the most profitable mining complexes globally with long-life reserves and excellent potential for mine life extensions. The Northern System produced 192 Mt of premium +65% iron ore in 2020. Production capacity is expected to be 206 Mt in 2021 and to increase to 260 Mt long term through the approved expansion of Serra Sul and other growth projects, representing an increase of +26% over 2021 levels. Royalty payments from the Northern System commenced in 2H 2013.

- The Southeastern System is a key global producer of pellet feed and will start contributions to the Royalty once a cumulative sales threshold of 1.7 Bt of iron ore has been reached, expected during 2024. The Southeastern System is expected to increase capacity from reduced 2021 levels of 77 Mt to 101 Mt capacity in 2022. At this level of production, the Southeastern System is expected to increase attributable production to the Royalty by a further 35% once the threshold is met.

The Royalty also provides for a 2.5% (0.367% attributable) net sales royalty on certain copper and gold assets. The Royalty applies on a 50% basis (i.e. 1.25% of net sales) to Sossego, reflecting Vale's ownership at the time of issuance. Additionally, the Royalty provides for a 1% (0.147% attributable) net sales royalty on all other minerals (covered mining rights include prospective deposits for other minerals including zinc, manganese, amongst others), subject to certain thresholds. The 1% (0.147% attributable) also applies to proceeds in the event of an underlying asset sale. In total, the Royalty covers 15.6 thousand square kilometers of prospective geology.

Royalty payments are made on a semi-annual basis on March 31st and September 30th of each year reflecting production in the preceding half calendar year period. The first payment for 1H 2021 will be payable to Franco-Nevada on September 30, 2021, making the transaction effective as of January 1, 2021. Franco-Nevada will accrue the Royalty revenue quarterly with the revenue from the Royalty received by Franco-Nevada to be reflected as *Other Mining Assets* in our public disclosure and will be included in Franco-Nevada's calculation of GEOs, consistent with the treatment of LIORC revenue. While production attributable to the Royalty is expected to increase through 2025, analyst consensus iron ore prices decline over that period. As a result, Franco-Nevada expects to record between 25,000 and 35,000 GEOs in both 2021 and 2025 from the Royalty.

The transaction was financed with a combination of cash on hand and a draw on the Company's $1B credit facility. Following the acquisition, Franco-Nevada has approximately $1.2B of available capital to complete additional transactions and continues to be in a net cash position.

Investment in Labrador Iron Ore Royalty Corporation

Franco-Nevada has accumulated holdings of 6.3M common shares of LIORC (9.9% of total issued). The investment in LIORC functions similar to a royalty given the flow through of revenue generated from LIORC's underlying 7% gross overriding royalty interest, C$0.10 per tonne commission, and 15.1% equity interest in IOC's Carol Lake mine, operated by Rio Tinto. LIORC normally pays cash dividends from net income derived from IOC to the maximum extent possible, while maintaining appropriate levels of working capital. Similar to Vale's Northern and Southeastern Systems, IOC produces high grade +65% Fe iron ore concentrate for sale and pellets with a reserve-only 24-year mine life and a large mineral resource supporting further extensions. IOC has nominal capacity of 23 Mtpa (combined concentrate and pellets) with 2020 attributable royalty sales of 18.3 Mt and Rio Tinto has provided 2021 guidance of saleable production between 17.9 Mt and 20.4 Mt. IOC benefits from integrated infrastructure, including the mine, concentrator/pellet facilities, railway, and a port at Sept-Îles, Quebec. IOC has a long history as a supplier of high quality, low impurity, premium iron ore and pellets which has typically received premium prices from the European steel making industry. The expected contribution from the LIORC investment is already included in Franco-Nevada's GEO guidance for 2021 and 2025, provided in March 2021.

Additional information on both investments is included in the Virtual Analyst Day presentation available on our website.

Revised 2021 Guidance and 5-Year Outlook

Reflecting the acquisition of the Royalty Debentures, Franco-Nevada now expects attributable royalty and stream sales in 2021 to total 580,000 to 615,000 GEOs from our Mining assets, an increase from 555,000 to 585,000 GEOs previously, and additional revenue of $115 to $135 million from our Energy assets. For 2021 guidance, silver, platinum, palladium and iron ore prices have been converted to GEOs using commodity prices of $1,750/oz Au, $25.00/oz Ag, $1,100/oz Pt, $2,200/oz Pd and $150/t Fe 65%. The WTI oil price and Henry Hub natural gas price are assumed to average $55 per barrel and $2.50 per mcf. We estimate depletion expense to be $265 to $300 million.

For its 5-year outlook, Franco-Nevada now expects its existing portfolio to produce between 630,000 and 660,000 GEOs by 2025, an increase from 600,000 to 630,000 GEOs, and additional revenue of $150 to $170 million from our Energy assets. The commodity price assumptions (excluding Fe 65% at $89/t) are the same as those used for our 2021 guidance and assume no other acquisitions other than the Condestable stream, Séguéla royalty and Royalty Debentures.

Statements regarding Vale's and LIORC's operational performance and expectations and Franco-Nevada's 2021 guidance and 5-year outlook are based on public forecasts and other disclosure by the third-party owners and operators of our assets or on our assessment thereof including certain estimates based on such information.

Corporate Summary

Franco-Nevada Corporation is the leading gold-focused royalty and streaming company with the largest and most diversified portfolio of cash-flow producing assets. Its business model provides investors with gold price and exploration optionality while limiting exposure to cost inflation. Franco-Nevada uses its free cash flow to expand its portfolio and pay dividends. It trades under the symbol FNV on both the Toronto and New York stock exchanges. Franco-Nevada is the gold investment that works.

For more information, please go to our website at www.franco-nevada.com or contact:

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Forward-Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws and the United States Private Securities Litigation Reform Act of 1995, respectively, which may include, but are not limited to, statements with respect to future events or future performance, management's expectations regarding Franco-Nevada's growth, results of operations, estimated future revenues, performance guidance, carrying value of assets, future dividends and requirements for additional capital, mineral reserve and mineral resource estimates, production estimates, production costs and revenue, future demand for and prices of commodities, expected mining sequences, business prospects and opportunities, the performance and plans of third party operators, audits being conducted by the Canada Revenue Agency ("CRA"), the expected exposure for current and future assessments and available remedies, the remedies relating to and consequences of the ruling of the Supreme Court of Panama in relation to the Cobre Panama project, the aggregate value of common shares which may be issued pursuant to the Franco-Nevada's at-the-market equity program (the "ATM Program"), and the Company's expected use of the net proceeds of the ATM Program, if any. In addition, statements (including data in tables) relating to reserves and resources and gold equivalent ounces ("GEOs") are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates and assumptions are accurate and that such reserves and resources and GEOs will be realized. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "potential for", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Franco-Nevada to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual events or results to differ materially from any forward-looking statement, including, without limitation: the price at which common shares are sold in the ATM Program and the aggregate net proceeds received by the Company as a result of the ATM Program; fluctuations in the prices of the primary commodities that drive royalty and stream revenue (gold, platinum group metals, copper, nickel, uranium, silver, iron ore and oil and gas); fluctuations in the value of the Canadian and Australian dollar, Mexican peso, and any other currency in which revenue is generated, relative to the U.S. dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory, political or economic developments in any of the countries where properties in which Franco-Nevada holds a royalty, stream or other interest are located or through which they are held; risks related to the operators of the properties in which Franco-Nevada holds a royalty, stream or other interest, including changes in the ownership and control of such operators; influence of macroeconomic developments; business opportunities that become available to, or are pursued by Franco-Nevada; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which Franco-Nevada holds a royalty, stream or other interest; whether or not the Company is determined to have "passive foreign investment company" ("PFIC") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; potential changes in Canadian tax treatment of offshore streams; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which Franco-Nevada holds a royalty, stream or other interest; access to sufficient pipeline capacity; actual mineral content may differ from the reserves and resources contained in technical reports; rate and timing of production differences from resource estimates, other technical reports and mine plans; risks and hazards associated with the business of development and mining on any of the properties in which Franco-Nevada holds a royalty, stream or other interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious disease; the impact of the COVID-19 (coronavirus) pandemic; and the integration of acquired assets. The forward-looking statements contained in this press release are based upon assumptions management believes to be reasonable, including, without limitation: the ongoing operation of the properties in which Franco-Nevada holds a royalty, stream or other interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; the expected application of tax laws and regulations by taxation authorities; the expected assessment and outcome of any audit by any taxation authority; no adverse development in respect of any significant property in which Franco-Nevada holds a royalty, stream or other interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; integration of acquired assets; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. However, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance. In addition, there can be no assurance as to the outcome of the ongoing audit by the CRA or the Company's exposure as a result thereof. Franco-Nevada cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

For information regarding Franco-Nevada's 2021 and 2025 GEO guidance, please refer to Franco-Nevada's most recent annual Management's Discussion and Analysis filed with the Canadian securities regulatory authorities on www.sedar.com and filed with the SEC on www.sec.gov. For additional information with respect to risks, uncertainties and assumptions, please refer to Franco-Nevada's most recent Annual Information Form filed with the Canadian securities regulatory authorities on www.sedar.com and Franco-Nevada's most recent Annual Report filed on Form 40-F filed with the SEC on www.sec.gov. The forward-looking statements herein are made as of the date of this press release only and Franco-Nevada does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.