

Press Release
Third Quarter Ended September 30, 2009

FOR RELEASE: November 9, 2009

www.franco-nevada.com

Franco-Nevada Reports Record Quarterly Gold Revenue and Declares Dividend

NOT FOR DISTRIBUTION TO US NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.

This press release contains forward-looking statements. Reference should be made to the "Cautionary Statement on Forward-looking Information" at the end of this press release.

Highlights for Q3 2009 (US dollars unless otherwise noted)

- Gold Royalty Revenue⁽¹⁾ for the quarter of \$25.5 million was a record high. Overall Royalty Revenue was \$36.4 million and the contribution from precious metals was 77%.
- Free Cash Flow⁽³⁾ was \$32.5 million (\$0.29 per share) representing a margin of 89% of Royalty Revenue.
- Net income for the quarter was \$12.3 million (\$0.11 per share). Adjusted Net Income⁽⁴⁾ for the quarter was \$7.3 million (\$0.07 per share).
- 75% of Royalty Revenue in the quarter was earned in the US, Canada and Australia.
- At September 30, 2009, Franco-Nevada had a strong financial position with no debt or hedges and working capital of \$559.0 million, marketable securities of \$59.4 million and an undrawn \$150 million revolving credit facility.
- Semi-annual dividend declared of Cdn\$0.14 per share to be paid on December 18, 2009 to shareholders of record on December 4, 2009.

TORONTO, November 9, 2009 - Franco-Nevada Corporation (TSX: FNV) today reported its financial results for the three and nine months ended September 30, 2009. All figures are in US dollars unless otherwise noted. The complete Financial Statements and Management's Discussion and Analysis can be found today on Franco-Nevada's website at www.franco-nevada.com and by tomorrow on www.sedar.com.

Selected Quarterly Financial Information:

(Thousands of US dollars, except per share amounts)

	Q3 2009	Q2 2009	Q3 2008
Royalty Revenue ⁽¹⁾	\$ 36,409	\$ 32,887	\$ 39,937
Total revenue ⁽²⁾	\$ 41,090	\$ 45,079	\$ 40,023
Net income	\$ 12,343	\$ 25,089	\$ 9,893
Basic earnings (loss) per share	\$ 0.11	\$ 0.25	\$ 0.10
Free cash flow ⁽³⁾	\$ 32,479	\$ 27,919	\$ 35,352
Free cash flow ⁽³⁾ per share	\$ 0.29	\$ 0.27	\$ 0.35
Adjusted Net Income ⁽⁴⁾	\$ 7,342	\$ 1,498	\$ 9,959
Adjusted Net Income per share ⁽⁴⁾	\$ 0.07	\$ 0.01	\$ 0.10
Working Capital	\$ 559,015	\$ 512,940	\$ 334,444
Total assets	\$ 1,938,690	\$ 1,877,235	\$ 1,571,200
Total shareholders' equity	\$ 1,860,715	\$ 1,790,068	\$ 1,513,503

(1) Royalty Revenue is defined by the Company as cash received or receivable from operating royalty assets earned during the period.

(2) Includes changes in fair value of derivative assets.

(3) Free Cash Flow is defined by the Company as operating income excluding any changes in fair value of derivative assets, plus depletion and depreciation, non-cash charges and any impairment of investments and royalty interests.

(4) Adjusted Net Income is defined by the Company as net income excluding impairment charges related to royalties, working interests and investments; fair value changes for royalties accounted for as derivative assets; foreign currency gains; and the impact of taxes on all these items.

Revenues

Key aspects of the Company's revenue for the quarter are as follows:

- Royalty Revenue was \$36.4 million in the third quarter of 2009, an increase of 11% from \$32.9 million in the second quarter of 2009 and a decrease of 9% from \$39.9 million in the third quarter of 2008.
 - Q3 2009 vs. Q2 2009: The increase in Royalty Revenue was attributable primarily to higher receipts from Palmarejo as it continues to ramp up production, higher oil and gas revenues due to higher commodity prices and revenue from development ore at Hollister.
 - Q3 2009 vs. Q3 2008: The decrease in Royalty Revenue was attributable largely to lower oil and gas and PGM commodity prices and lower production from the Company's Goldstrike NPI royalty offset by revenue from the newly acquired Gold Quarry and Palmarejo royalty interests.
- Gold Royalty Revenue of \$25.5 million was a new record for the Company.
- Royalty Revenue was earned 77% from precious metals (70% gold and 7% platinum group metals), 22% from oil and gas (18% oil and 4% gas) and 1% base metals and other.
- 75% of Royalty Revenue was earned in the US and Canada.
- The Company recorded \$4.5 million in fair value gains associated with the Palmarejo Gold Royalty Stream and another small royalty interest due to an increase in forward gold prices. It is anticipated that fluctuations in the fair value of the minimum royalty associated with these royalty interests will become a recurring item on the Company's statement of operations. These gains are excluded from Royalty Revenue.

Costs, Expenses, Taxes and Capital

An advantage of Franco-Nevada's royalty portfolio is that it requires relatively limited capital and incurs only minor direct operating costs.

Costs of operations were \$1.5 million in Q3 2009, a decrease of 33% from the Q3 2008 level of \$2.2 million. The reduction was driven primarily by lower oil and gas production taxes and lower operating costs on working interests. General and administrative costs in the quarter were \$2.3 million and business development costs were an additional \$0.3 million, which were in line with Q3 2008 levels.

Net Income

Net income for Q3 2009 of \$12.3 million, or \$0.11 per share, included \$4.5 million in fair value gains on the Company's royalty interests classified as derivative assets. Adjusted Net Income⁽⁴⁾ for the quarter was \$7.3 million, or \$0.07 per share.

The Company believes the best measures of its business are Royalty Revenue and Free Cash Flow. Free Cash Flow for the quarter was \$32.5 million (\$0.29 per share) representing a margin of 89% of Royalty Revenue. Free Cash Flow decreased from the Q3 2008 level of \$35.4 million, due to substantially lower prices for oil and gas and lower revenues from Goldstrike. Our definitions of these non-GAAP financial measures and a reconciliation to GAAP measures can be found in the Company's interim Management's Discussion and Analysis.

Balance Sheet and Capital Structure

At September 30, 2009, Franco-Nevada had a strong financial position with no debt or hedges, working capital of \$559.0 million, and marketable securities valued at \$59.4 million. In addition, the Company has available an undrawn \$150 million revolving term credit facility. The marketable securities are held in highly liquid investments.

As at November 9, 2009, Franco-Nevada has 112.1 million common shares, 11.5 million warrants, 2.63 million options and 0.32 million special warrants outstanding.

Dividend Declaration

The Board of Directors of Franco-Nevada today declared a semi-annual dividend of Cdn\$0.14 per share. The dividend is a 16.7% increase from the Cdn\$0.12 per share dividend declared for the same period in 2008. The dividend will be paid on December 18, 2009 to shareholders of record on December 4, 2009.

Recent Royalty Portfolio Highlights

- **Palmarejo** - Ramp up of production continues with Franco-Nevada realizing Royalty Revenue of \$7.5 million in the third quarter, which exceeded the minimum royalty requirement. The Palmarejo royalty stream was acquired in January 2009 and the operation poured its first dore in March 2009. Coeur d'Alene Mines Corporation recently announced a 40% increase in their gold reserves at Palmarejo, which now stand at more than one million ounces.
- **Gold Quarry** - Franco-Nevada has realized \$6.1 million from this royalty in the first nine months and expects a significant increase in Royalty Revenue to be realized in the fourth quarter to reach the annual minimum payment requirement.
- **Goldstrike** - A decrease in revenue from the previous quarter was largely due to a decline in production and an increase in operating costs, impacting the Company's NPI royalty. Barrick announced that mining at the open pit transitioned into a waste stripping phase at the end of the quarter, which is expected to continue through to the end of the year. Barrick expects to produce 1.2 million ounces annually at Goldstrike for the near future.
- **Holloway-Hislop** - St Andrew Goldfields recently announced its first gold pour at the Holloway mine where the company is restarting production and where Franco-Nevada has a 5% royalty at current gold prices. In addition, Franco-Nevada acquired a 4% royalty on the nearby Hislop deposit in the second quarter and St Andrew expects to supplement Holloway production with Hislop ore in early 2010.
- **Tasiast** - In September, Red Back Mining announced a 33% increase in reserves and resources at Tasiast and continues an aggressive exploration program. Test work continues on the processing of oxide ore through heap leach processing techniques, which may allow for production to increase to 400,000 ounces annually. Franco-Nevada's 2% NSR royalty on Tasiast will begin after 600,000 oz of gold has been produced from the property, which is expected to become payable in late 2010 or early 2011.
- **Detour Lake** - Detour Gold announced a positive pre-feasibility study in September 2009, outlining an annual average production rate of 560,000 oz of gold. The feasibility study is expected in the first half of 2010 with production targeted for the end of 2012. In October, Detour Gold announced a C\$250 million equity financing. Franco-Nevada holds a 2% NSR interest on Detour Lake.
- **Hollister** - Great Basin recently announced ongoing positive exploration results at the Hatter Graben, which falls on 5% NSR royalty ground.
- **Mt. Keith** - On October 29, 2009, Franco-Nevada acquired for A\$20 million a 0.375% gross royalty on nickel production over two tenement packages that cover over 200 square kilometres of greenstone belt in Western Australia including the operating Mt. Keith nickel mine operated by BHP Billiton Nickel West Pty Ltd.

Shareholder Information

The complete Financial Statements and Management's Discussion and Analysis can be found today on Franco-Nevada's website at www.franco-nevada.com and by tomorrow on www.sedar.com. Management will host a conference call on November 10, 2009, at 10:00am ET to review the results. Analysts and interested investors are invited to participate as follows:

- Conference Call: Local: 416-646-3095; Toll-Free: 1-877-974-0445; Conference call title: Franco-Nevada Corporation Q3 '09 Financial Results.
- Conference Call Replay: A recording of the conference call will be available until November 11, 2009 at the following numbers: Local: 416-640-1917; Toll-Free: 877-289-8525; Pass code: 4177440#.
- Website: A live audio webcast of the conference call will be accessible on Franco-Nevada's website at www.franco-nevada.com along with a presentation to accompany the call.

Corporate Summary

Franco-Nevada Corporation (TSX: FNV) is a gold-focused royalty company with additional interests in platinum group metals, oil & gas and other assets. It is the leading gold royalty company as measured by gold revenues, number of gold royalties and Free Cash Flow margins. Its portfolio of high-margin cash flow producing assets is located principally in the United States, Canada and Australia. The Company also holds a pipeline of potential future cash flowing assets that are being developed, permitted or explored.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain information contained in this Press Release, including any information as to future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "estimate", "expect", "expects", "expected" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Franco-Nevada to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to: fluctuations in the prices of the primary commodities that drive the Company's royalty revenue (gold, platinum group metals, copper, nickel, oil and gas); fluctuations in the value of the Canadian and Australian dollar, and any other currency in which the Company generates revenue, relative to the US dollar; changes in national and local government legislation, including taxation policies; regulations and political or economic developments in any of the countries where the Company holds interests in mineral and oil and gas properties; influence of macroeconomic developments; business opportunities that become available to, or are pursued by us; reduced access to debt and equity capital; litigation; title disputes related to our interests or any of the properties; operating or technical difficulties on any of the properties; risks and hazards associated with the business of development and mining on any of the properties, including, but not limited to unusual or unexpected geological formations, cave-ins, flooding and other natural disasters or civil unrest. 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 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, and any other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements because of the inherent uncertainty. For additional information with respect to risks, uncertainties and assumptions, please also refer to the "Risk Factors" section of our most recent Annual Information Form filed with the Canadian securities regulatory authorities on www.sedar.com, as well as our annual and interim MD&A. 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. Royalty Revenue, Free Cash-Flow, EBITDA and Adjusted Net Income are intended to provide additional information only and do not have any standardized meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently. For a reconciliation of these measures to various GAAP measures, please see the Company's current and historical annual and interim MD&A disclosure found on the Company's website and on SEDAR.

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

David Harquail
President & CEO
416-306-6300

Alex Morrison
Chief Financial Officer
720-622-8603