



## **Franco-Nevada Completes IPO and Acquisition of Royalty Portfolio**

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

Toronto, CANADA, December 20, 2007 – Franco-Nevada Corporation (TSX:FNV) announced today the closing of its initial public offering, the start of official trading on the Toronto Stock Exchange and the purchase of the royalty portfolio and certain other interests from Newmont Mining Corporation for a purchase price of US\$1.2 billion.

The initial public offering of 72 million common shares was underwritten by a syndicate led by BMO Capital Markets and UBS Securities. On closing of the offering, the underwriters also exercised 7.8 million shares of the over-allotment option at the issue price of C\$15.20 per share. The gross proceeds to Franco-Nevada including the initial exercise of overallotment option is US\$1.2 billion. The underwriters have up to 30 days from closing of the offering to exercise the remaining portion of the over-allotment option.

“We are delighted by the support of investors in North America and Europe for our business model,” said David Harquail, Chief Executive Officer of the Company. “Franco-Nevada is now publicly-traded with a unique portfolio of approximately 290 investments in resource royalties and exciting development and exploration opportunities.” Pierre Lassonde, Chairman, added: “With a pipeline of 15 royalties in all development phases, management intends to focus its efforts on development opportunities that it believes are immediately available to continue our growth.”

As a result of the completion of the initial public offering and related transactions, the Company has 85.8 million shares outstanding of which management and directors own 7.0%.

Franco-Nevada has in place a US\$150 million revolving secured credit facility that has been provided by a syndicate of banks led by BMO Capital Markets and UBS Securities LLC and including CIBC World Markets, HSBC Bank USA, Royal Bank of Canada, Scotia Capital and National Bank of Canada. The Company expects to have approximately US\$33 million drawn under the Facility after the completion of the offering (including the initial exercise of the over-allotment option), the acquisition of assets and the payment of expenses. The balance of the revolver is available to fund future investments. The Company also has a long-term investment in securities with an approximate market value of US\$43 million.

### About Franco-Nevada

Franco-Nevada Corporation (FNV) is a TSX listed resource sector royalty and investment company. The Company owns a diversified portfolio of precious and base metal royalties, oil and natural gas royalties and other interests. The portfolio includes assets in production, under development or in the exploration phase mostly located in geopolitically secure countries. Franco-Nevada intends to use its free cash flow to further expand its portfolio in the resource sector and to pay dividends.

Further information on the Company is provided on its website [www.franco-nevada.com](http://www.franco-nevada.com), or please contact:

David Harquail  
Chief Executive Officer  
(416) 480-6480

Philip Koven  
(416) 447-4740 Ext. 235

The securities referenced by this news release have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent applicable exemption from registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy common shares of Franco-Nevada Corporation in any jurisdiction.

### Forward-Looking Statements

This news release contains forward-looking statements, including “forward-looking statements” within the meaning of applicable Canadian and United States securities laws. Such forward-looking statements include, without limitation, statements regarding the timing, terms and conditions and anticipated consequences of the possible transaction. Where statements by Franco-Nevada express or imply an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements all as may be set out under the headings “Forward Looking Statements” and “Risk Factors” in the prospectus pursuant to which the common shares of the Company have been issued and elsewhere in the Company’s documents filed from time to time with the Toronto Stock Exchange and Canadian securities regulators. Franco-Nevada expressly disclaims any obligation to release publicly revisions to any forward-looking statement to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Additionally, Franco-Nevada expressly disclaims any obligation to comment on expectations of, or comments made by, third parties in respect of the possible transaction.