

# SECURITIES AND EXCHANGE COMMISSION

## FORM FWP

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### SUBJECT COMPANY

#### FRANCO NEVADA Corp

CIK:[1456346](#) | IRS No.: **000000000** | State of Incorporation: **XX**  
Type: **FWP** | Act: **34** | File No.: **333-191835** | Film No.: **141038988**  
SIC: **1040** Gold and silver ores

#### Mailing Address

*EXCHANGE TOWER  
130 KING ST W, SUITE 740  
TORONTO XX M5X 1E4*

#### Business Address

*EXCHANGE TOWER  
130 KING ST W, SUITE 740  
TORONTO XX M5X 1E4  
416-306-6306*

### FILED BY

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BOUGHT DEAL TREASURY OFFERING OF COMMON SHARES

**Term Sheet**

**August 13, 2014**

*A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. Copies of the base shelf prospectus, and any applicable shelf prospectus supplement, may be obtained from RBC Capital Markets for which contact details are provided above.*

*This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

**Terms and Conditions**

- Issuer:** Franco-Nevada Corporation (“Franco-Nevada” or the “Company”)
- Issue:** Treasury offering of 8,375,000 common shares of the Company (the “Common Shares”).
- Issue Price:** US\$59.75 per Common Share
- Issue Amount:** US\$500,406,250
- Over-Allotment Option:** The Company has granted the Underwriters an option, exercisable at the Issue Price for a period of 30 days following the closing of the Issue, to purchase up to an additional 15% of the Issue to cover over-allotments, if any.
- Use of Proceeds:** The Company plans to use the net proceeds from the offering to fund additional royalty and stream acquisitions and other general corporate purposes.
- Cash Dividends:** The Company currently pays a quarterly dividend of US\$0.20 per common share. The first dividend which purchasers under this Offering are expected to be eligible to receive is the dividend payable on September 25, 2014 to shareholders of record on September 11, 2014.
- Form of Offering:** Bought deal by way of a shelf prospectus and prospectus supplement in all provinces and territories of Canada and pursuant to the multijurisdictional disclosure system in the United States.
- Listing:** Application will be made to list the Common Shares on the Toronto Stock Exchange (the “TSX”) and on the New York Stock Exchange (the “NYSE”). The existing common shares of the Company are listed on the TSX and the NYSE under the symbol “FNV”.
- Eligibility:** Eligible for RRSPs, RRIFs, RESPs, TFSAs, RDSPs and DPSPs.

**Bookrunners:** RBC Capital Markets, CIBC and BMO Capital Markets

**Commission:** 4.0%

**Closing:** On or about August 21, 2014

*The issuer has filed a registration statement (including a prospectus) with the United States Securities and Exchange Commission (“SEC”) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration*

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*statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this issue. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the issue will arrange to send you the prospectus or you may request it in Canada from RBC Capital Markets, Attention: Distribution Centre, 277 Front St. W., 5th Floor, Toronto, Ontario M5V 2X4 (fax: 416-313-6066) and in the United States from RBC Capital Markets, LLC, Attention: Prospectus Department, Three World Financial Center, 200 Vesey Street, 8th floor, New York, New York 10281-8098 (telephone: 877-822-4089, fax: 212-428-6260), BMO Capital Markets, Mississauga Distribution Centre C/O The Data Group of Companies, 80 Ambassador Drive, Mississauga, Ontario, L5T 2Y9 (Email: [pgardner@datagroup.ca](mailto:pgardner@datagroup.ca) or Telephone: 905-696-8884 ext. 4120 or Fax: 905-696-8457) and in the United States by contacting BMO Capital Markets Corp. at 3 Times Square, 27th Floor, New York, NY 10036 (Attn. Equity Syndicate), or toll-free at 800-414-3627 or by email at [bmoprospectus@bmo.com](mailto:bmoprospectus@bmo.com); or CIBC at [useprospectus@us.cibc.com](mailto:useprospectus@us.cibc.com) or fax to (212) 667-6303 Canada: [michelene.dougherty@cibc.ca](mailto:michelene.dougherty@cibc.ca)*

*A copy of the prospectus included in the registration statement filed with the SEC may be found in such registration statement at the link below:*

*<http://www.sec.gov/Archives/edgar/data/1456346/000104746913010051/a2217108zf-10a.htm>*

**NEWS RELEASE**



**FRANCO-NEVADA ANNOUNCES US\$500 MILLION BOUGHT DEAL FINANCING**

**TORONTO, August 13, 2014** - Franco-Nevada Corporation (the “Company”) (TSX/NYSE: FNV) is pleased to announce that it has entered into an agreement with a syndicate of underwriters, led by RBC Capital Markets, CIBC and BMO Capital Markets which have agreed to purchase, on a bought deal basis, 8,375,000 common shares of the Company at a price of US\$59.75 per share, for aggregate gross proceeds of approximately US\$500 million (the “Offering”). The underwriters will also have the option, exercisable in whole or in part at any time for a period of 30 days following the closing of the Offering, to purchase up to an additional 1,256,250 common shares to cover over-allotments, if any. In the event that the option is exercised in its entirety, the aggregate gross proceeds of the offering will be approximately US\$575 million.

The Company plans to use the net proceeds from the offering to fund additional royalty and stream acquisitions and other general corporate purposes. The Company expects to fund all of its existing royalty and stream commitments from existing cash and a portion of future cash flows.

This offering is scheduled to close on or about August 21, 2014 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange, the New York Stock Exchange and the securities regulatory authorities.

The Company intends to file a preliminary prospectus supplement to its existing base shelf prospectus on or about August 13, 2014 and intends to file a final prospectus supplement to its existing base shelf prospectus on or about August 14, 2014, in each case with the securities regulatory authorities in each of the provinces and territories in Canada and the U.S. Securities and Exchange Commission.

## **Corporate Summary**

Franco-Nevada is a gold-focused royalty and stream company. The Company has a diversified portfolio of cash-flow producing assets and interests in some of the largest development projects in the world. Its business model provides investors with exploration optionality while limiting exposure to operating and capital cost risks. Franco-Nevada has no debt and is generating cash flow from its portfolio that is being used to expand its portfolio and pay dividends. Franco-Nevada's common shares trade under the symbol FNV on both the Toronto and New York stock exchanges.

**For more information, please go to our website at [www.franco-nevada.com](http://www.franco-nevada.com) or contact:**

Sandip Rana  
CFO  
416-306-6303

Stefan Axell  
Director, Corporate Affairs  
416-306-6328  
[info@franco-nevada.com](mailto:info@franco-nevada.com)

## **Forward Looking Statements**

This press release contains "forward looking information" and "forward looking statements" within the meaning of applicable Canadian securities laws and the U.S. 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, requirements for additional capital, mineral reserve and mineral resource estimates, production estimates, production costs and revenue,

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future demand for and prices of commodities, expected mining sequences, business prospects and opportunities. In addition, statements (including data in tables) relating to reserves and resources and gold equivalent ounces are forward looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates 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", "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: 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; regulations and 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 Corporation is determined to have PFIC status; 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; rate and timing of production differences from resource estimates; 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 or civil unrest; 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 Corporation's ongoing income and assets relating to determination of its PFIC status; 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 and investors are cautioned that forward looking statements are not guarantees of future performance. 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 additional information with respect to risks, uncertainties and assumptions, please refer to the "Risk Factors" section of Franco-Nevada's most recent Annual Information Form as well as Franco-Nevada's most recent annual Management's Discussion and Analysis filed with the Canadian securities regulatory authorities on [www.sedar.com](http://www.sedar.com) and Franco-Nevada's most recent Annual Report filed on Form 40-F filed with the SEC on [www.sec.gov](http://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.

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