

PFIC Annual Information Statement

- (1) This Information Statement applies to the taxable year of Freehold Royalty Trust beginning on January 1, 2005 and ending on December 31, 2005.
- (2) The unitholders' pro-rata share (per unit) of the ordinary earnings and net capital gain of Freehold Royalty Trust for the taxable year of Freehold Royalty Trust specified in paragraph (1):

(A)

Month	Per Unit	
	US \$	
	Ordinary Income	Capital Gain
January	\$0.20	0.00
February	\$0.20	0.00
March	\$0.20	0.00
April	\$0.20	0.00
May	\$0.20	0.00
June	\$0.13	0.00
July	\$0.13	0.00
August	\$0.13	0.00
September	\$0.13	0.00
October	\$0.13	0.00
November	\$0.13	0.00
December	\$0.13	0.00
Total	\$1.91	0.00

- (3) The amount of cash and fair market value of other property distributed or deemed distributed by Freehold Royalty Trust to unitholders during the taxable year specified in paragraph (1) is as follows:

(B)

Month	Per Unit	
	US \$	
	Cash	FMV of Property
January	\$0.10	0.00
February	\$0.10	0.00
March	\$0.14	0.00
April	\$0.10	0.00
May	\$0.10	0.00
June	\$0.14	0.00
July	\$0.10	0.00
August	\$0.10	0.00
September	\$0.17	0.00
October	\$0.12	0.00
November	\$0.12	0.00
December	\$0.21	0.00
Total	\$1.50	0.00

(4) Freehold Royalty Trust will permit the unitholder to inspect and copy Freehold Royalty Trust's permanent books of account, records, and such other documents as may be maintained by Freehold Royalty Trust that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in section 1293(e) of the Code, are computed in accordance with U.S. income tax principles.

Freehold Royalty Trust

Date: March 8, 2006

By: "signed"
David J. Sandmeyer

Title: President & C.E.O.