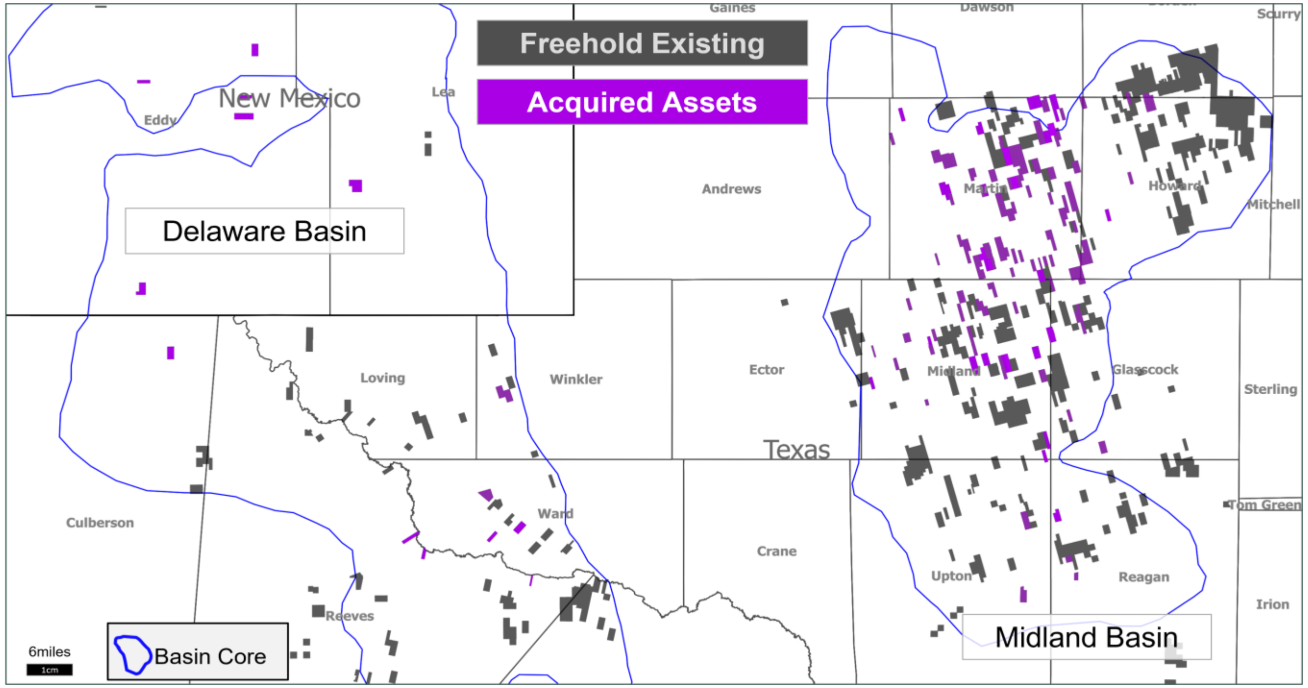
US Acquired Assets

Quality Assets • **Sustainable** Dividends

Freehold
ROYALTIES LTD.

Acquisitions Summary

- Announced agreements to acquire **US Midland and Delaware Basin Assets** (the "Acquired Assets") for CAD$112 million (the "Acquisition")
- Adds **~123,000 gross acres concentrated in the core of the Permian basin**, positioning Freehold to capture the highest quality drilling activity
- Adds ~2,000 inventory locations, **increasing Freehold proforma US inventory by 25%**
- Proforma, **one in every seven wells** drilled in the Midland basin of the Permian will have occurred on Freehold's lands
- Top tier operators (**Exxon/Pioneer, Marathon, Endeavor, Diamondback**) are ~75% of net development associated with the Acquisition
- Proforma, Exxon/Pioneer become a **top 5 payor** for Freehold
- Acquired Assets are forecasted to average 2024 production of **600 boe/d,** generating funds from operations of approximately **$15 million** (strip pricing)
- Acquired Assets funded through existing credit line



Pro Forma

	Acquired Assets	FRU US Pro Forma
Gross Acres	123,000	1,050,000
Net Royalty Acres	2,670	46,000
Inventory (gross/net)	2,000/4.6	10,400 / 47.9
% Core & Tier 1	81	70
# of Rigs	7	29

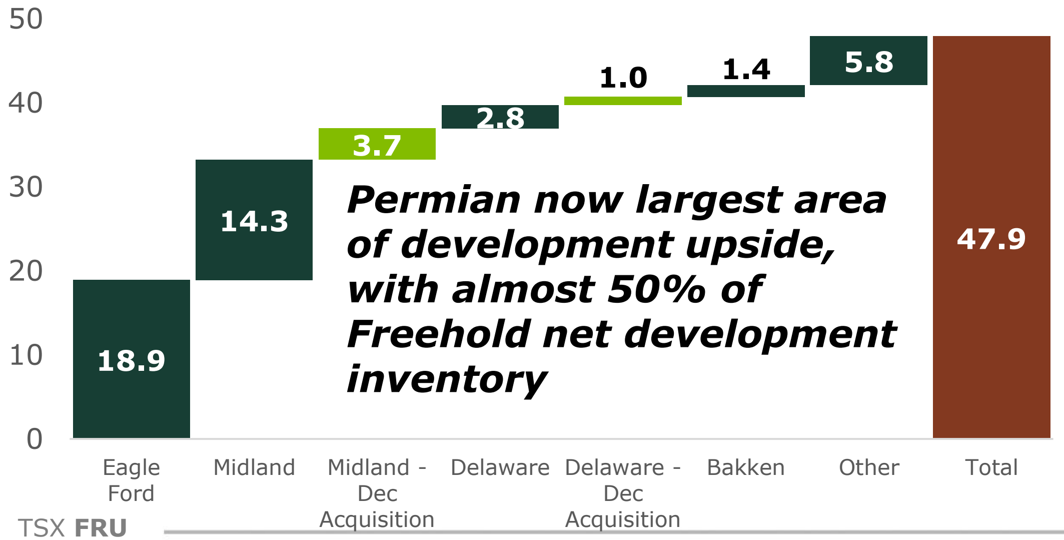
Source | Company Reports

Complementing US Asset Base

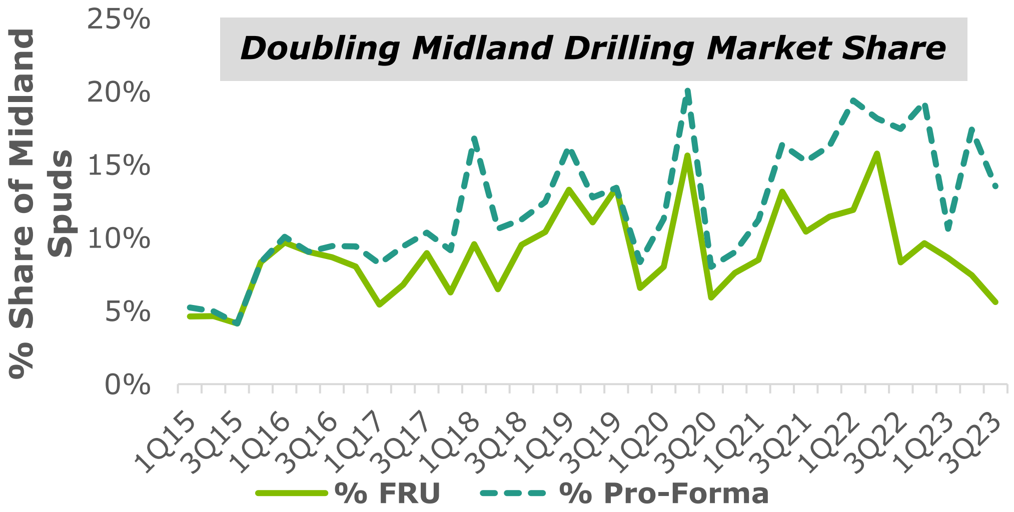
Acquisition Highlights

- Increases total US production by **600 boe/d (>10%) and increases Freehold's Permian production by 30%**
- Acquired Assets have a **significant weighting to undeveloped units**, which is expected to maximize future production rates and recoveries
- Accretive to forecast **2024 funds flow per share, payor quality, and liquids weighting** providing meaningful uplift to Freehold's average realized price
- Over **17 years** of future development inventory

Net Development Locations (Total FRU US)



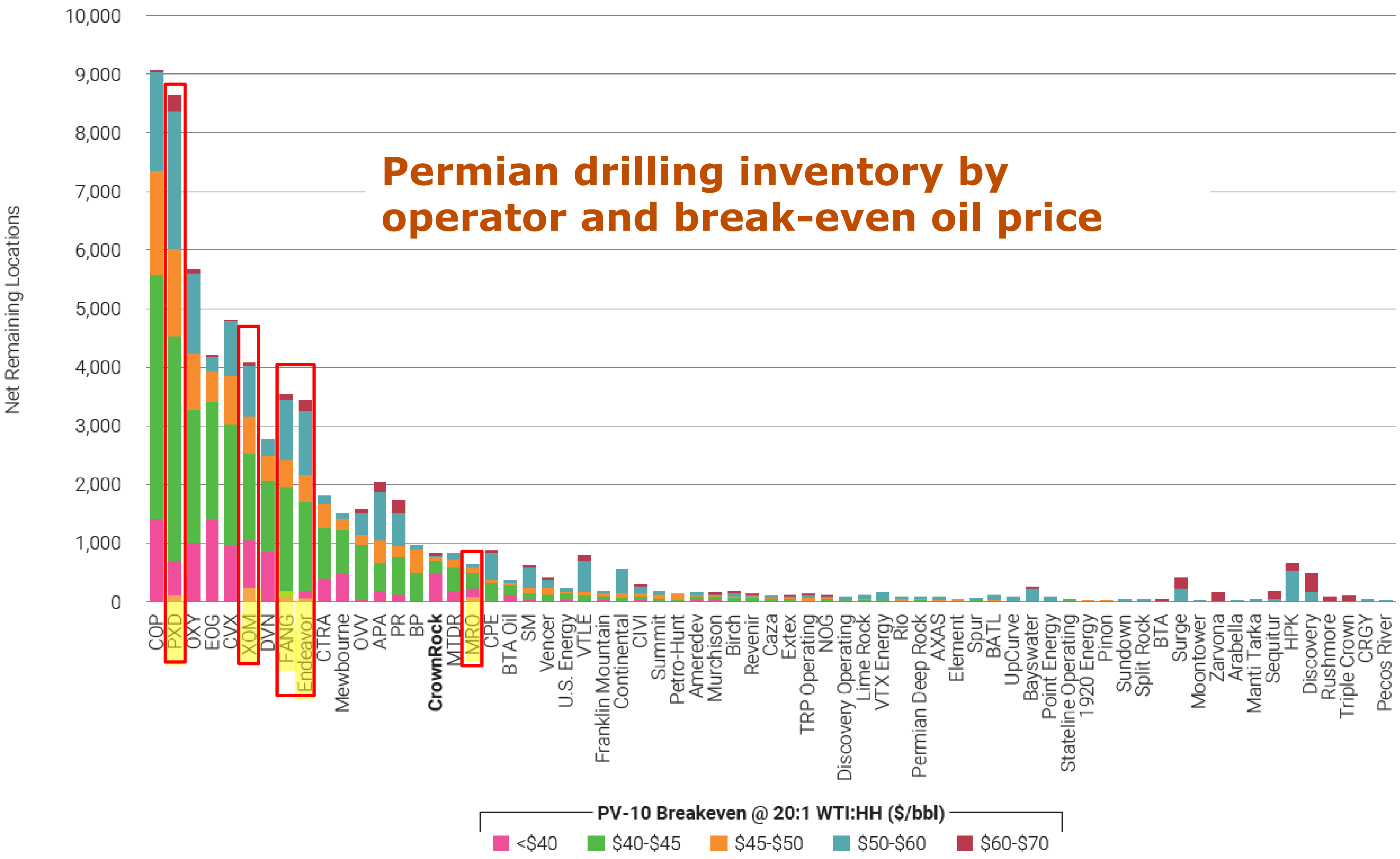
% Midland Drilling Activity



Source | Company Reports

Positioning Portfolio Amongst The Best

- **75% of Acquired Assets net locations** are under the highlighted companies
- Expands Freehold's inventory of drilling prospects with **breakeven pricing below US$50/bbl WTI**
- **Positioning Freehold's royalty business for strength** through all commodity cycles ensures increased consistency of returns



Source | Enverus Intelligence Research, Enverus Placed Well Analytics, November 2023

Advisories

Forward-Looking Statements

This presentation offers our assessment of Freehold's future plans and operations as at November 8, 2023 and contains forward-looking information including, without limitation, Freehold's business plan; dividend yield, annualized dividend and operating forecasts; the expectations regarding increases to Canadian volumes; targeted areas for prospective wells; expected 2023 funds from operations; the expectation that all returns in an increasing commodity environment are to the benefit of shareholders; anticipated growth stemming from untouched units in the Permian feeds; estimated IP 365 volumes; estimated values of Freehold's funds from operations and free funds above the dividend for the next 5 years and the uses of such excess funds; the expectation that Freehold will be able to add to its royalty assets and grow production without major commitment to G&A or cash costs; estimated 2023 royalty production values; expected 2023 payout ratio; that Freehold will continue to look for opportunities that enhance the resiliency and durability of its portfolio; Freehold's 2023 guidance; and similar statements.

This forward-looking information is provided to allow readers to better understand our business and prospects and may not be suitable for other purposes. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond our control, including: volatility in market prices for crude oil, NGLs and natural gas; our believe that payors developing Freehold's assets provide enhanced sustainability to future returns for our investors the impacts of the Israeli-Hamas and Russian-Ukraine conflicts and associated sanctions on the global economy and commodity prices; geopolitical instability; political instability; inflationary pressures; future capital expenditure by Freehold; future capital expenditure levels by other royalty payor; future production levels; future exchange rates; future tax rates; future legislation; the cost of developing and expanding our assets; the impacts of inflation and supply chain shortages on the operations of our industry partners and royalty payors; our ability and the ability of our industry partners and royalty payors to obtain equipment in a timely manner to carry out development activities; our ability to market our product successfully to current and new customers; our expectation for the consumption of crude oil, NGLs and natural gas; our expectation for industry drilling levels on our royalty lands; the impact of competition; our ability to obtain financing on acceptable terms; our ability to add production and reserves through our development and acquisitions activities; lack of pipeline capacity; currency fluctuations; changes in income tax laws or changes in tax laws, regulations, royalties, or incentive programs relating to the oil and gas industry; reliance on royalty payors to drill and produce on our lands and their ability to pay their obligations; uncertainties or imprecision associated with estimating oil and gas reserves; stock market volatility; our ability to access sufficient capital from internal and external sources; a significant or prolonged downturn in general economic conditions or industry activity; incorrect assessments of the value of acquisitions; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; geological, technical, drilling, and processing problems; unanticipated litigation; and environmental risks and liabilities inherent in oil and gas operations. Risks are described in more detail in Freehold's annual information form for the year ended December 31, 2022 which is available under Freehold's profile on SEDAR+ at www.sedarplus.ca. In addition, in respect of the 5 year outlook:

- such outlook is not based on a budget or capital expenditures plan approved by the Board of Directors of Freehold and is not intended to present a forecast of future performance;
- such outlook does not represent management's expectations of Freehold's future performance but rather is intended to present readers insight into management's view of Freehold's assets and financial condition as used by management for planning and strategy purposes based on the commodity pricing and other assumptions;
- there is no certainty that cash will be available by the Board of Directors for distribution to shareholders even if all assumptions are met; and
- management and the Board of Directors of Freehold may determine to utilize cash for other purposes if determined in the best interests of Freehold to do so.

Key operating assumptions with respect to the forward-looking statements contained in this presentation are provided throughout this presentation. In addition, with respect to forward-looking statements contained in this presentation, we have made assumptions regarding, among other things, future commodity prices, future capital expenditure levels, future production levels, future exchange rates, future tax rates, future legislation, the cost of developing and producing our assets, our ability and the ability of our lessees to obtain equipment in a timely manner to carry out development activities, our ability to market our oil and gas successfully to current and new customers, our expectation for the consumption of crude oil and natural gas, our expectation for industry drilling levels, assumptions as to expected performance of current and future wells drilled by our royalty payors, our ability to obtain financing on acceptable terms, shut-in production, production additions from our audit function and our ability to add production and reserves through development and acquisition activities. You are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward looking information. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits we will derive from them. The forward-looking information contained herein is expressly qualified by this cautionary statement. To the extent any guidance or forward-looking statements herein constitute a financial outlook, they are included herein to provide readers with an understanding of management's plans and assumptions for budgeting purposes and readers are cautioned that the information may not be appropriate for other purposes. Our policy for updating forward-looking statements is to update our key operating assumptions quarterly and, except as required by law, we do not undertake to update any other forward-looking statements.You are further cautioned that the preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates may change, having either a positive or negative effect on net income, as further information becomes available and as the economic environment changes.

Advisories continued

Disclosure of Crude Oil and Natural Gas Information

This presentation contains metrics commonly used in the crude oil and natural gas industry. These metrics do not have standardized meanings and may not be comparable to similar metrics disclosed by other issuers. See "Non-GAAP Financial Measures and Ratios and Other Financial Measures" in this presentation and the definitions of Reserves Replacement, Reserve Life Index (or RLI) and Implied Development Years below. Management uses these metrics for its own performance measurements and to provide shareholders with measures to compare Freehold's performance over time; however, such measures are not reliable indicators of Freehold's future performance and future performance may not compare to the performance in previous periods. Reserve Life Index is calculated by taking net reserves from the Trimble Report and Ryder Scott Report and dividing them by the aggregate projected 2023 production as estimated in the Trimble Report and Ryder Scott Report. Reserves replacement is calculated by dividing the reserves additions for the year (either proved or proved plus probable) by the production for such year. Implied Development Years is calculating by dividing the estimated gross undeveloped drilling locations divided by the number of wells drilling in 2022.

Production

Except as otherwise indicated, all production disclosed herein is considered net production for the purposes of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*, which includes Freehold's working interest (operating and non-operating) share after deduction of royalty obligations, plus our royalty interests. Since Freehold has minimal working interest production, net production is substantially equivalent to Freehold's royalty interest production. In Q3 2023, Freehold's net production of 14,605 boe/d consisted of 43% of light oil, 8% of heavy oil, 11% of natural gas liquids and 38% of natural gas. In 2022, Freehold's net production of 14,101 boe/d consisted of 5,758 bbls/d of light oil, 1,202 bbls/d of heavy oil, 1,715 bbls/d of natural gas liquids and 32,563 mcf/d of natural gas. For the full year of 2021, Freehold's net production of 11,884 boe/d consisted of 4,342 bbls/d of light oil, 1,184 bbls/d of heavy oil, 1,217 bbls/d of natural gas liquids and 30,608 mcf/d of natural gas.

Drilling Locations

This Presentation discloses anticipated future drilling or development locations associated with Freehold assets. Certain locations have been identified as booked locations as proved and/or probable reserves have been attributed to such locations in the Trimble Report or Ryder Scott Report. The remaining locations are currently considered unbooked locations. Unbooked locations are generated by internal estimates of Freehold management based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Unbooked locations have been identified by management as an estimation of the multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, historic drilling, production, commodity price assumptions and reserves information. There is no certainty that all unbooked drilling locations will be drilled and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. Freehold has no control on whether any wells will be actually drilled in respect of such unbooked locations. The drilling locations on which wells are actually drilled will ultimately depend upon the capital allocation decisions of royalty payors who have working interests in respect of such drilling locations and a number of other factors including, without limitation, availability of capital, regulatory approvals, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production

Conversion of Natural Gas to Barrels of Oil Equivalent (BOE)

The 6:1 boe ratio is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures, it does not accurately reflect individual product values and might be misleading, particularly if used insolation. As well, given the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

Advisories continued

Non-GAAP Financial Measures and Ratios and Other Financial Measures

Within this presentation, references are made to terms commonly used as key performance indicators in the oil and gas industry. We believe that netback, dividend payout ratio and cash costs are useful supplemental measures for management and investors to analyze operating performance, financial leverage, and liquidity, and we use these terms to facilitate the understanding and comparability of our results of operations and financial position. However, these terms do not have any standardized meanings prescribed by generally accepted accounting principles ("**GAAP**") and therefore may not be comparable with the calculations of similar measures for other entities. Netback, which is calculated on a boe basis as average realized price less production and ad valoreum taxes, operating expenses, general and administrative and cash interest charges, represents the per unit cash flow amount allowing the Company to benchmark how changes in commodity pricing, net of production and ad valoreum taxes, and our cash-based cost structure compare against prior periods.

Dividend payout ratios are often used for dividend paying companies in the oil and gas industry to identify dividend levels in relation to funds from operations that are also used to finance debt repayments and/or acquisition opportunities. Dividend payout ratio is calculated as dividends paid as a percentage of funds from operations.

Cash costs, which is also calculated on a boe basis, is comprised of recurring cash based costs, excluding taxes, reported on the statements of operations. For Freehold, cash costs are identified as operating expense, general and administrative expense and cash-based interest and financing charges and share-based pay outs. Cash costs allow Freehold to benchmark how changes in its manageable cash-based cost structure compare against prior periods.

For further information related to these non-GAAP terms, including details of how these ratios are calculated, see our most recent management's discussion and analysis, which is available on SEDAR+ at www.sedarplus.com and is incorporated herein.

This presentation also contains the capital management measures of working capital, net debt, capitalization and net debt to funds from operations as defined in Note 15 to the December 31, 2022 consolidated financial statements.

Operating margin is a supplementary financial measure and is defined as realized price minus operating costs, ad valorem costs and interest expense.

Initial Production Rates and Type Curves

Any references in this presentation to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for Freehold. Freehold has presented certain type curves and expected production rates (including IP 365) for certain areas where Freehold has an interest. The type curves and expected production rates presented are based on historical production in the area. Such type curves and expected production rates are useful in understanding management's assumptions of well performance in making investment decisions; however, such type curves and expected production rates are not necessarily determinative of the production rates and performance of existing and future wells and such type curves do not necessary reflect the type curves used by our independent qualified reserves evaluators in estimating our reserves volumes.

Net Royalty Acres

The term net royalty acres is a term commonly used by US oil and gas companies in describing royalty interests in land. The net royalty acre calculation is a means of normalizing the royalty lands to assume that all lands are leased at a 1/8th (or 12.5%) lease royalty rate. For further context, if Freehold holds 10 net mineral acres in section 1 with a 1/8th (12.5%) royalty rate and another 10 net mineral acres in section 2 with a 1/4th (25%) royalty rate, the net royalty acres for section 1 would be 10 versus 20 for section 2. From a royalty owner's perspective, Freehold would view the section leased with the 1/4th (25%) royalty rate as more valuable and so the net royalty calculation is another way of demonstrating that additional value.

2023

INVESTOR PRESENTATION

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