

# Freehold

ROYALTIES LTD.

## US CURRENCY PAYMENT PLAN

### Features of the Plan include the following:

- Shareholders may elect to obtain their cash dividends from Common shares of Freehold Royalties Ltd. (the "Corporation") in US currency.
- US currency dividends will be made by the Transfer Agent of the Corporation, Computershare Trust Company of Canada (the "Transfer Agent").
- Participants do not pay any costs associated with the Plan.

### Purpose

The US Currency Payment Plan allows holders of Common shares of the Corporation who maintain US currency accounts to obtain convenient payments in US currency.

### Participation

A registered holder of Common shares of Freehold Royalties Ltd. is eligible to join the Plan at any time by completing an authorization form and forwarding it to the Transfer Agent. Beneficial owners of Freehold Royalties Ltd. Common shares whose Common shares are not registered in their own names may participate in the Plan after having their Common shares transferred into their own names. An owner whose Common shares are held in a specific segregated registered account, such as a numbered account with a bank, trust company or broker, may direct that company to enroll that account in the Plan with respect to those Common shares. Once a holder of Common shares has enrolled in the Plan, participation continues automatically unless terminated in accordance with the terms of the Plan.

Due to the administrative costs of maintaining the Plan on behalf of each participant, only Shareholders who hold a minimum of 100 Common shares will be permitted to participate in the Plan.

A registered holder shall become a participant in the Plan in regard to the payment of US currency dividends as of the first dividend record date following receipt by the Transfer Agent of a properly completed authorization form. If an authorization form is received by the Transfer Agent after the record date for a particular cash dividend, the cash dividend will be paid to the holder of the Common shares in the usual manner and participation in the Plan with regard to cash dividends will commence within the next cash dividend record date. Cash dividend record dates for the Common shares are the end of each month. The Cash dividend payment dates are, at the discretion of the board of directors of Freehold Royalties Ltd., on or about the 15<sup>th</sup> day of each month.

### Conversion

The Transfer Agent will exchange the Canadian dollar amount of the dividends for US currency at the exchange rate obtained by calling the Primary Banker of the Corporation on, or about, noon Calgary time on the Record Date for the dividend.

### Costs

There is no charge to participants in the Plan. The Transfer Agent's fees for handling the exchange of dividends will be paid by the Corporation.

## **Termination of Participation**

Participation in the Plan may be terminated by written notice to the Transfer Agent, signed by the registered holder or his or her agent. If such notice is not signed by the registered holder, sufficient evidence of another's authority to act on behalf of the registered holder must be supplied. Notice should be received by the Transfer Agent at least fifteen business days prior to the record date.

After termination of participation in the Plan, all cash dividends will be paid to the holder of the Common shares in Canadian dollars.

## **Responsibilities of the Corporation and the Transfer Agent**

Neither the Corporation nor the Transfer Agent shall be liable for any act undertaken or omitted in good faith, or have any duties, responsibilities or liabilities except as are expressly set forth in the Plan or are required by law. In particular, the Corporation and the Transfer Agent must comply with all applicable laws now or hereafter in force which may impose a duty to permit any properly authorized party to have access to and examine and make copies of any records relating to the Plan.

Participants should recognize that neither the Corporation nor the Transfer Agent can assure a profit or protect against a loss on currency transactions made through the operations of the Plan.

## **Amendment, Suspension or Termination of the Plan**

The Corporation reserves the right to amend, suspend or terminate the Plan at any time, but such action shall have no retroactive effect which would prejudice the interests of the participants. Participants will be sent written notice of any such amendment, modification, suspension or termination.

## **Notices**

All notices required to be given to a participant in the Plan will be mailed to the participant at the most recent address shown on the records of the Corporation.

All communications to the Transfer Agent and requests for forms or information regarding the Plan, should be directed to:

### **COMPUTERSHARE TRUST COMPANY OF CANADA**

Stock Transfer Department  
600, 530 - 8th Avenue S.W.  
Calgary, Alberta, Canada T2P 3S8  
Telephone: (403) 267-6800  
Facsimile: (403) 267-6529  
North America Toll Free: (800) 564-6253  
Other locations: (514) 982-7555

## **Effective Date**

The effective date of this Plan is January 1, 2011.