

Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name	Freehold Royalties Ltd.					
Reporting Year	From	2020-01-01	To:	2020-12-31	Date submitted	2021-05-31
Reporting Entity ESTMA Identification Number	E687669		<input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report			
Other Subsidiaries Included (optional field)	Freehold Royalties (USA) Inc					
For Consolidated Reports - Subsidiary Reporting Entities Included in Report:	Freehold Royalties Partnership (E935389)					
Not Substituted						
Attestation by Reporting Entity						
<p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p>						
Full Name of Director or Officer of Reporting Entity	David Hendry				Date	2021-05-31
Position Title	Vice-President, Finance and Chief Financial Officer					

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Reporting Entity ESTMA Identification Number	E687669										
Subsidiary Reporting Entities (if necessary)	Freehold Royalties Partnership (E935389)										
Payments by Payee											
Country	Payee Name	Departments, Agency, etc... within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada - Alberta	Government of Alberta		4,730,000	580,000	100,000	-	-	-	-	5,410,000	Alberta Energy Regulator, Alberta Petroleum Marketing Commission ⁽¹⁾ , Alberta Tax and Revenue Administration, Alberta Forestry, Lands & Wildlife
Canada - Saskatchewan	Government of Saskatchewan	Ministry of Energy and Resources	-	590,000	20,000	-	-	-	-	610,000	Mineral Rights Tax, Oil and Gas Royalty Tax & Licensee Liability Rating Deposits
Canada	Federal Government of Canada	Receiver General for Canada	9,980,000	-	-	-	-	-	-	9,980,000	Income Tax Reassessments
United States of America	State of North Dakota	Office of the State Tax Commissioner	50,000	210,000	-	-	-	-	-	260,000	Income Taxes and Extraction Taxes withheld and remitted by licensees ⁽²⁾
Additional Notes:		(1) Alberta royalties paid in-kind to the Alberta Petroleum Marketing Commission total \$20,000 as valued at spot commodity pricing at the time of the transactions. (2) Payments made in United States dollars have been converted to Canadian dollars using the December 31, 2020 exchange rate of 1.2732									

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Payments by Project ⁽¹⁾

Country	Project Name	Taxes ⁽⁴⁾	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Canada	Canada	-	1,170,000	120,000	-	-	-	-	1,290,000	Freehold Mineral Tax, Licence Liability Rating Deposits & Crown Royalty Payments ⁽²⁾
United States of America	United States of America	-	210,000	-	-	-	-	-	210,000	Extraction Taxes withheld and remitted by licensees ⁽³⁾

Additional Notes:

- (1) Freehold currently has royalty interests in more than 12,000 producing wells and 350 unit wells in Canada and the United States. As a result of the breadth of these interests, "Payments by Project" was evaluated at the geographic level.
- (2) Alberta royalties paid in-kind total \$20,000 as valued at spot commodity pricing at the time of the transactions.
- (3) Payments made in United States dollars have been converted to Canadian dollars using the December 31, 2020 exchange rate of 1.2732
- (4) Corporate income taxes or reassessments are not reported by project.