Role and Objective

The Reserves Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Freehold Royalties Ltd. ("**Freehold**"), which has been constituted to assist the Board in discharging its responsibilities with respect to reporting on petroleum and natural gas activities, including compliance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("**NI 51-101**"). The duties of the Committee include reviewing assessment(s) of Freehold's petroleum and natural gas reserves, prepared annually by independent evaluator(s), to ensure compliance with regulatory disclosure requirements and making recommendations to the Board.

Membership of Committee

1. The Committee will be comprised of at least three directors, none of whom are members of management of Freehold and a majority of whom are independent (as such term is used in NI 51-101).
2. The Board will have the power to appoint the Committee Chair, who must be an independent director.

Meetings

1. At all meetings of the Committee, every question will be decided by a majority of the votes cast. In case of an equality of votes, the Committee Chair is not entitled to a second or deciding vote.
2. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least two times per year. Minutes of all meetings of the Committee will be taken. The Chief Executive Officer ("**CEO**") will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Committee Chair.
4. The Committee will forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
5. The Committee will meet with the external reserves evaluators (the "**Evaluators**") at least once per year, in connection with the preparation of the year-end reserves evaluation, and at such other times as the Evaluators and the Committee consider appropriate.
6. The Committee will hold an in-camera session, without members of management or management directors, at each meeting. The Committee may invite other directors, members of management, and advisors to attend all or part of any in-camera session, as it deems advisable.

Mandate and Responsibilities

The mandate and responsibilities of the Committee will be as set forth below:

1. Review petroleum and natural gas reserve assessment report(s), prepared annually by Freehold's independent evaluator(s), to ensure compliance with regulatory disclosure requirements and make recommendations to the Board for consideration and approval. The process should include but not be limited to:

   (a) ensuring that management and the Evaluators' processes for estimating and reporting reserves are conducted in compliance with NI 51-101;

- (b) reviewing management's reporting on internal reserves standards and practices, including the procedures for assembling and reporting other information associated with petroleum and natural gas activities;
- (c) reviewing management's procedures for providing information to the Evaluators;
- (d) meeting with management and the Evaluators to review the reserves data and the report of the Evaluator, including the reserves estimates methodology, available tax pools and future price/cost assumptions utilized in the analysis, and the reconciliation of changes in reserves and future net revenue;
- (e) meeting independently with the Evaluators to determine the ability of the Evaluators to report, without reservation, on the reserves of Freehold;
- (f) recommending to the Board the filing of the Evaluators' reports;
- (g) obtaining a signed report and NI 51-101 certificate from the Evaluators and a certificate of compliance from management; and
- (h) reviewing public disclosure of reserves.

2. Recommend to the Board the annual appointment of the Evaluators and in so doing:
   - (a) annually review the performance and independence of the Evaluators;
   - (b) review the terms of engagement of the Evaluators, including the appropriateness and reasonableness of the Evaluators' fees; and
   - (c) when there is to be a change in Evaluators, review the reasons for the proposed change and whether there have been disputes between the Evaluators and management.
3. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling their responsibilities at the expense of Freehold without any further approval of the Board.