Disclosure Policy

No. 5

Statement

Freehold Royalties Ltd. ("**Freehold**") is committed to providing timely, orderly, consistent and credible information, in compliance with securities law governing corporate disclosure and confidentiality, and the rules of The Toronto Stock Exchange including its Policy Statement on Timely Disclosure, which expands on the requirements of securities law.

This disclosure policy (the "**Policy**") confirms in writing Freehold's existing policies and practices. Its goal is to develop and maintain realistic investor expectations with respect to Freehold's prospects for future performance by making all required disclosures on a broadly disseminated basis. It is imperative that all parties within the investment community have fair and equal access to this information during both good times and bad. Freehold also wishes to ensure that the media are provided with factual and accurate information.

The consistent execution of this Policy will help to ensure compliance with the rules and regulations applicable to public companies and will help reduce volatility, improve market valuation, increase liquidity, maintain Freehold's credibility and enhance shareholder value.

In conjunction with this Policy, Freehold is committed to ensuring that trading by insiders and other Representatives (as defined below) is consistent with its policy on insider trading.

Scope

This Policy applies to all directors, officers, employees and consultants of Freehold and of any affiliates and subsidiaries of Freehold (collectively, the "**Representatives**"). It covers all of Freehold's public communications, whether written or oral and whether made in person, by phone, in print, via the internet or other electronic means.

Disclosure Committee

The Disclosure Committee (the "**Committee**") is responsible for overseeing the process for public disclosure and plays a key role in providing effective and reliable disclosure, enhancing consistency of disclosure, and mitigating external disclosure risks.

The Committee consists of the President and Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**"), the Manager, Investor Relations and, if appointed, the Corporate Secretary.

The Committee is responsible for employee education, assessing the materiality of information and determining the appropriateness and timing for public release of information. It will establish disclosure controls and procedures, including upward internal communication of potentially material information necessary to effect CEO and CFO certifications. The Committee will maintain disclosure records and systematically review Freehold's prior disclosures, filings with securities commissions, and other public information to determine whether any updating or correcting is appropriate.

The mandate of the Committee, which has been approved by the board of directors (the "**Board**") of Freehold, is attached to this Policy as Appendix A.

Application

1. The CEO is designated as the primary Freehold spokesperson and is responsible for making major announcements regarding Freehold's activities and operations and policies that have been adopted by the Board, and responding to questions about policies and activities. The Manager, Investor Relations is designated as the primary Freehold contact for inquiries by the investing public and the media. There will be no contact between Representatives and the media without the consultation or involvement of the CEO or the Manager, Investor Relations. The CEO may from time to time designate others within Freehold to respond to specific inquiries as necessary or appropriate.

2. It is essential that the Committee and spokespersons continue to be fully apprised of Freehold developments in order that they be in a position to evaluate and discuss those events that may impact the disclosure process (for example, a change in dividend policy, special dividend, potential acquisition, the status of any merger activities, material operational developments, extraordinary transactions, senior management changes). After public dissemination, all of Freehold's disclosure will be monitored by the Committee to ensure accurate reporting and to take corrective measures, if and when necessary.

3. Representatives who are not authorized spokespersons will continue to be instructed to refer all calls from the financial community, shareholders, and media to the Manager, Investor Relations.

4. Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If Freehold intends to announce material information at an analyst or shareholder meeting or during a news conference or conference call, the announcement must be preceded by a news release.

5. Freehold recognizes that meetings with analysts and significant investors are important investor relations activities. Freehold will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Policy. Freehold will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. Freehold will not alter the materiality of information by breaking down the information into smaller, non-material components. Freehold will, upon request, provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors.

6. Where practicable, Freehold spokespersons will keep notes of telephone conversations with analysts and investors and more than one Representative will be present at individual and group meetings. A debriefing will be held after such meetings and if such debriefing uncovers selective disclosure of previously undisclosed material information, Freehold will immediately disclose such information broadly via news release.

7. From time to time, Freehold may participate in industry conferences or host luncheons or group meetings with the investment community. A copy of Freehold's presentation at any such events will be posted to the website for a reasonable period of time.

8. It is Freehold's policy to review, upon request, analysts' financial models or drafts of research reports for factual content only (not soft information). When analysts inquire with respect to their earnings estimates, Freehold's policy is to: acknowledge what the range of estimates is; refer the analysts to Freehold's published guidance; and give guidance when assumptions have been made on the basis of errors in historical fact or incorrect data that result in unrealistic conclusions. Freehold will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates. This review process will be conducted orally with the analyst. It is imperative that the control of this process continues to be centralized through the Committee. As a rule, Freehold does not provide analysts' research reports to the public, but may publish a list of analysts on its website.

9. Should Freehold determine that earnings will likely be out of the range of the estimates for the current quarter (particularly if earnings will likely be below the range), Freehold may consider issuing a broadly disseminated news release, followed by, at management's discretion, individual or group calls to analysts and significant investors to further explain the reason or reasons why. This would be done to avoid surprises to the extent possible.

10. Freehold will observe a quiet period two weeks prior to normal quarterly announcements, during which time there will be no comment on analysts' models or estimates.

11. So long as it is clear that Freehold is not the source of the market rumour, it will be the policy of Freehold to respond consistently to market rumours in the following manner: "It is our policy not to comment on market rumours or speculation." Should the Canadian Investment Regulatory Organization ("**CIRO**") request Freehold to make a more definitive statement, the determination to do so will be made by the Committee.

12. It is Freehold's policy to provide limited forward-looking information to enable the investment community to better evaluate Freehold and its prospects, provided the Committee has a reasonable basis for providing such information. This information, if deemed material, will be broadly disseminated via news release, in accordance with this Policy. Freehold will ensure that such statements are identified as forward-looking, and all forward-looking statements will be accompanied by meaningful cautionary language that provides the assumptions used and identifies important factors that could cause actual results to differ materially from those projected. Freehold's policy for updating forward-looking statements is to update key operating assumptions in quarterly management's discussion and analysis ("**MD&A**"), regularly assess whether previous statements of forward-looking information should be updated, and ensure that past disclosure of forward-looking information is accurately reflected in the current MD&A. If subsequent events give rise to new material information, Freehold will promptly disclose that new information under its basic disclosure obligation.

13. The Board will be kept aware of all significant information disseminated to the public. Moreover, in order to avoid premature or selective disclosure or inadvertent insider trading, Board members and other insiders will be apprised of all pending material developments.

    Material information is information about an issuer that significantly affects, or would reasonably be expected to have a significant effect, on the market price or value of the issuer's securities. Disclosure rules state that an issuer must disclose material information to the public immediately.

14. Initial disclosure of material information to the public must be broadly disseminated via a news release. Posting information on Freehold's website or disseminating it through social media networks does not constitute adequate disclosure of information that is considered material non-public information.

15. Freehold has developed and intends to maintain a routine procedure for all corporate communications. The procedure consists of drafting a news release, circulating it for review to the members of the Committee, the Board (with respect to material announcements), and other officers as appropriate, alerting the appropriate stock exchanges and disseminating the news release through a national wire service and other distribution channels so as to effect broad dissemination to the investing public.

16. News Release General Guidelines:

    a. avoid Friday afternoon releases;

    b. be sure there is a news value to the story;

    c. be very clear and specific with assumptions and numbers; and

    d. do not hide negative facts.

17. Prior to dissemination, a copy of the news release must be provided to CIRO for its review and to enable a trading halt, if deemed necessary. For news that is issued outside of IIROC business hours (8:00 a.m. to 5:00 p.m. EST) a copy of the news release must nevertheless be provided to CIRO.

18. Freehold may hold conference calls for quarterly earnings and major developments. Such calls will be preceded by a news release containing all relevant material information and will be conducted in an open manner that allows any interested party to listen either by telephone and/or through a webcast over the internet. Freehold will endeavour to provide advance notice of a conference call by issuing a news release announcing the date and time of the call and providing access instructions. In addition, Freehold may send invitations to analysts, institutional investors, the media and others invited to participate.

19. If non-material supplemental information is to be provided to the investment community, it is also to be posted on Freehold's website for others to view. Following a conference call, a play-back recording and/or an archived audio webcast on the internet will be made available to interested parties for a reasonable period of time.

20. The Committee will hold a debriefing meeting immediately after a conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, Freehold will immediately disclose such information broadly via news release.

21. Freehold will maintain strict, consistent confidentiality about proposed transactions from the earliest stages, so that leaks do not force premature disclosure. Freehold's policy regarding confidentiality is as follows:

    a. the confidential information will not be disclosed to anyone, except in the necessary course of business;

b. if the confidential information has been disclosed in the necessary course of business, it will be identified as such so that everyone understands that it is to be kept confidential; and

c. there will be no selective disclosure of material confidential information to third parties. In the event that selective disclosure of such information inadvertently occurs, Freehold will take immediate steps to disclose the information publicly by issuing a news release.

22. The Committee is responsible for monitoring all information placed on the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws. The website will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the website, including text and audio-visual material, will be dated. Any material changes in information will be updated immediately and archived information will be clearly identified as such.

23. The Committee must approve links from Freehold's website to a third-party website. Any such links will open in a new browser window to provide reinforcement that the user is leaving Freehold's website and that Freehold is not responsible for the contents of the other site.

24. The Freehold website will provide an e-mail link so users can communicate directly with a Representative. The Manager, Investor Relations will be responsible for responses to such electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this Policy will be utilized in responding to electronic inquiries.

25. Representatives are prohibited from participating in internet or social media discussions or blogging on matters pertaining to Freehold's activities or its securities. Representatives who encounter a discussion pertaining to Freehold in such forums should advise the Manager, Investor Relations immediately, so the discussion may be monitored.

26. Insiders with access to material, non-public information are prohibited from trading until the information has been fully disclosed and a reasonable period of time has passed for the information to be disseminated. In the event that insiders are uncertain as to trading restrictions, they should discuss their intentions with the CEO or CFO prior to trading.

27. Representatives will be required to comply with Freehold's Insider Trading Policy. In addition to other obligations under Freehold's Insider Trading Policy, Representatives will be prohibited from trading from the period commencing five business days following the end of a financial quarter and ending one business day following the issuance of a news release disclosing quarterly or annual financial results and may be subject to additional blackout periods as prescribed from time to time in accordance with such policy.

28. This Policy will be reviewed annually by the Committee or as the need arises. New Representatives will be provided with a copy of this Policy and will be educated about its importance. This Policy will be circulated to all Representatives annually and whenever changes are made.

29. Any Representative who violates this Policy may face disciplinary action up to and including termination of his or her employment without notice. The violation of this Policy may also violate certain securities laws. If it appears that a Representative may have violated such securities laws, the matter may be referred to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

APPENDIX A

DISCLOSURE COMMITTEE MANDATE

Role and Objective

The Disclosure Committee (the "**Committee**") is a management committee appointed by the board of directors (the "**Board**") of Freehold Royalties Ltd. ("**Freehold**") to assist the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") in designing, implementing and periodically evaluating Freehold's disclosure controls and procedures. Unless otherwise defined herein, other terms used herein shall have the meaning ascribed to such term in Freehold's Disclosure Policy.

The Committee plays a key role in providing effective and reliable disclosure, enhancing consistency of disclosure, and mitigating external disclosure risks.

The Committee is responsible for overseeing the process for public disclosure, including keeping itself apprised of all pending material developments, determining what is material in the context of Freehold, and the timing and content of all disclosure documents, as well as oral presentations that are made public and website content. The Committee is responsible for reviewing all public disclosures of Freehold, including but not limited to, annual reports, quarterly reports, proxy circulars and news releases.

The objectives of the Committee are to ensure that information required to be disclosed by Freehold is:

1. Made known to the Committee by others within Freehold; and
2. Recorded, processed, summarized and reported within the time periods specified by applicable securities regulations.

Membership of Committee

1. The Committee will consist of the CEO, the CFO, the Manager, Investor Relations and, if appointed, the Corporate Secretary.
2. The CEO will act as Committee Chair and a member of the Disclosure Committee or another appropriate individual will be designated to act as secretary of the meeting and maintain a record of discussion and decisions.

Committee Operations

1. The Committee must react quickly to material developments and make disclosure recommendations to the CEO and will meet as conditions dictate. In addition, meetings of the Committee will be scheduled to take place quarterly, in association with the preparation of interim filings.
2. The Committee may designate two or more members to approve disclosure documents, other than those requiring Board approval, when time does not permit the full Committee to convene.

3. In the course of fulfilling its responsibilities under this mandate, the Committee has the authority to independently retain special legal, accounting, or other consultants to advise it.

4. The Committee may request any Representative, Freehold's independent legal counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

5. Minutes of all meetings of the Committee will be taken to document the exercise of business judgment.

Mandate and Responsibilities

The Committee has the following responsibilities:

1. Review, on an ongoing basis, the Disclosure Policy (the "**Policy**") to ensure that it addresses Freehold's principal business risks, changes in operations or structure, and facilitates compliance with applicable legislative and regulatory reporting requirements.

2. Design a set of disclosure controls and procedures, including upward internal communication of potentially material information, to provide reasonable assurance that:

   a. the Policy is effectively implemented across all business units and corporate functions; and

   b. information of a material nature is accumulated and communicated to the Committee, to allow timely decisions on required disclosures and certification.

3. Review prior to issuance or submission to the Audit Committee or other appropriate committee, or the Board:

   a. annual and interim filings including financial statements and management's discussion and analysis, management information circulars, material change reports, annual information forms, offering documents and any other information to be filed with securities regulators;

   b. news releases containing financial information, earnings guidance, information about material acquisitions or dispositions, dividend announcements, or other information material to investors;

   c. presentations and reports containing financial information broadly disseminated to analysts and investors, including financial information displayed on Freehold's website; and

   d. oral disclosures requiring review pursuant to the Policy.

4. Assess, on an ongoing basis, the materiality of information and determine the appropriateness and timing for public release of information.

5. Resolve any questions regarding the materiality of a development or other information relating to Freehold, in compliance with the disclosure requirements under the applicable securities laws and listing standards.

6. Direct and supervise an annual evaluation of the effectiveness of Freehold's disclosure controls and procedures.

7. Monitor compliance with the Policy.

8. Educate Representatives about disclosure issues and the Policy.

9. Develop and implement appropriate orientation and training sessions for Freehold's personnel, including speaker training for Freehold's spokespersons.

10. Monitor the disclosure on Freehold's website, including approving links from Freehold's website to third party websites.

11. Bring to the attention of the Audit, Finance and Risk Committee (the "**Audit Committee**") of the Board, or other appropriate committee, all relevant information with respect to the Committee's activities, the annual or interim filings, and the evaluation of the effectiveness of Freehold's disclosure controls and procedures.

Disclosure Controls and Procedures

1. The Committee is responsible for establishing specific procedures and timetables to prepare all disclosure documents, review these documents by such personnel, auditors and external legal counsel as the Committee may determine, and disseminate these documents in compliance with the Policy.

2. The Committee may employ questionnaires to directors and officers, formal or informal due diligence sessions, sub-certifications of officers and involvement of experts. At any time, the Committee may elect to adopt disclosure controls and procedures that are different from those which have been previously established, provided that such controls and procedures are, in the opinion of the Committee, satisfactory to ensure that disclosure documents are disclosed in compliance with this Policy.

3. The disclosure controls and procedures will involve the following:

   a. identifying applicable continuous disclosure requirements under securities laws, rules and policies;

   b. identifying the individuals responsible for preparing reportable information and individuals, whether internal or external, responsible for reviewing reports or portions of reports to verify any disclosure made with respect to their areas of responsibility or expertise;

   c. establishing timetables for the preparation and adequate review of reportable information;

   d. establishing procedures for obtaining 'sign-off' on disclosure of reportable information and receipt of written consents from all experts whose reports are included or referred to in any disclosure;

   e. establishing procedures for the identification and timely reporting to the Committee of information that may constitute material information or a material change to previously disclosed material information;

f. establishing procedures for identifying and reporting to the Audit Committee any fraud, or potential fraud, whether or not material, that involves management or other Representatives who have a significant role in Freehold's internal controls;

g. documenting the procedures followed with respect to the release of each disclosure made in writing and for the review of any disclosure made orally; and

h. evaluating Freehold's disclosure controls and procedures regularly.