

**Governance, Nominating and Compensation Committee****No. 3****Role and Objective**

The Governance, Nominating and Compensation 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 respect of the development and monitoring of Freehold's approach to corporate governance, the nomination of directors for appointment to the Board, the appointment of directors to committees of the Board, and to which the Board has delegated certain responsibilities relating to Board compensation; compensation of Rife Resources Management Ltd. (the "**Manager**"); review of compensation of the Manager's Chief Executive Officer ("**CEO**") and executive officers and employees; review and recommend to the Board the granting of long-term incentive awards to executive officers and employees under Freehold's Share Unit Award Plan; review Freehold's participation in the incentive compensation programs for employees of the Manager; and the other matters described below.

**Membership of Committee**

1. The Committee will be comprised of at least three directors, all of whom are "independent" (as such term is used in National Instrument 58-101 – Corporate Governance Practices ("**NI 58-101**")).
2. The Board will have the power to appoint the Committee Chair.

**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 twice per year. Minutes of all meetings of the Committee will be taken.
4. Joint meetings of the Committee and the Rife Resources Ltd. ("**Rife**") Board of Directors (or any delegated committee thereof) should be scheduled to take place at least twice per year. Minutes of all joint meetings will be taken.
5. The Committee will forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
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 of Committee**

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

Governance matters:

1. Develop for approval by the Board and periodically review Freehold's approach to corporate governance matters;
2. Review and recommend to the Board for approval disclosure and reports concerning Freehold's corporate governance practices as required by regulatory authorities;

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3. Make recommendations to the Board as to which directors should be classified as independent directors pursuant to any such report;
4. Act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a Board meeting, including the performance of the Manager or the performance of the Board or individual directors. The Chair of the Committee will be responsible for developing a response to any such concerns;
5. Develop and recommend to the Board for approval and periodically review structures and procedures designed to ensure that the Board can function independently of management;
6. Consider, subject to the Articles or By-Laws of Freehold and the governance agreement dated December 31, 2010 (the "**Governance Agreement**") between the Manager and Freehold, and from time to time make recommendations to the Board as to the appropriate size of the Board;
7. Develop for approval by the Board and periodically review orientation programs for new directors and ongoing education programs for all directors;
8. Develop for approval by the Board and periodically review evaluation procedures for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director. Based on the evaluation procedures approved by the Board, assess the performance and effectiveness of the Board as a whole, the Board committees and the individual directors;
9. Review annually and recommend to the Board the appointments to each committee of the Board;
10. Review, and report to the Board on matters relating to the nomination of directors, other than nominees of the Manager;
11. Develop for approval by the Board and periodically review evaluation procedures for assessing the performance and effectiveness of the Manager. Based on the evaluation procedures approved by the Board, assess the performance and effectiveness of the Manager;
12. Maintain, through outside counsel, a summary of the duties and liabilities of directors and periodically update and provide such summary to the directors;
13. Review periodically and monitor Freehold's disclosure policy with a view to determining whether Freehold is communicating effectively with shareholders, other stakeholders, the investment community and the public generally;
14. Receive reports and regular updates from management's environmental, social and governance committee;
15. Review disclosure and reports concerning environmental, social and governance matters relating to Freehold; and
16. Review such other matters of a corporate governance nature as may be directed by the Board from time to time.

Compensation matters:

1. Review annually and recommend to the Board for approval the remuneration of the directors (including remuneration for chairing or serving on a committee of the Board) and any other arrangements pursuant to which monies are payable to a director or a party related to a director;

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2. Review the adequacy and form of directors' compensation, including compensation of the Chair and Committee Chairs, to ensure that it is competitive with companies that are similarly situated and realistically reflects the responsibilities and risks involved in being a director. Directors who are employees of the Manager will not be compensated for their services as directors;
3. Propose the terms and awards of equity compensation for directors;
4. Review the management fee (when applicable) under the amended and restated management agreement dated November 9, 2015 (the "**Management Agreement**") between the Manager and Freehold, and review the Manager's stated compensation strategy periodically to ensure that management is compensated appropriately and that the Manager's executive compensation program is related to Freehold's financial performance and returns, as well as the performance of the individual executives;
5. Together with the Board of Directors of Rife (or any delegated committee thereof), assess the performance and effectiveness of the CEO;
6. Review and recommend to the Board for approval the granting of long-term incentive awards to executive officers and employees under Freehold's Share Unit Award Plan;
7. Review and recommend to the Board for approval Freehold's annual commitment and funding contribution to the Manager's incentive compensation programs;
8. Take reasonable steps to ensure that compensation plans and employee benefit programs of the Manager are administered in accordance with applicable laws, stock exchange policies and stated compensation objectives;
9. In accordance with the terms of the Management Agreement, cooperate with the Board of Directors of Rife (or any delegated committee thereof) in the development of all policies and programs relating to the review and approval of compensation for the employees of the Manager and Rife that work on the business of Freehold or its subsidiaries;
10. In addition, in accordance with the terms of the Management Agreement, cooperate with the Board of Directors of Rife (or any delegated committee thereof) in the development and review of all key human resources matters, including succession planning, with respect to the CEO and the other executive officers of Freehold;
11. Consider the implications of the risks associated with Freehold's and Rife's compensation policies and practices, including the Management Agreement, and take any steps it determines appropriate to identify, assess and mitigate such risks; and
12. Review and approve, prior to publication, the CD&A (compensation discussion and analysis) in Freehold's annual management information circular.

General matters:

1. Review the Committee mandate annually and recommend changes when necessary;
2. Review board guidelines and position descriptions (Chair of the Board, Director, Committee Chairs, and the CEO) annually and recommend changes when necessary;
3. Review and consider the engagement, at the expense of Freehold, of professional and other advisors to an individual director(s) when so requested by such director(s); and
4. 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.