

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

## Part I Reporting Issuer

1 Issuer's name <b>Freehold Royalties Ltd.</b>		2 Issuer's employer identification number (EIN) <b>Foreign Co</b>	
3 Name of contact for additional information <b>David Hendry</b>	4 Telephone No. of contact <b>403.221.0800</b>	5 Email address of contact	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>1000, 517 10 Avenue SW</b>		7 City, town, or post office, state, and ZIP code of contact <b>Calgary, AB, Canada T2R 0A8</b>	
8 Date of action <b>January 1, 2020 to December 31, 2020</b>		9 Classification and description <b>Common Shares</b>	
10 CUSIP number <b>35600108</b>	11 Serial number(s)	12 Ticker symbol <b>FRU</b>	13 Account number(s)

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Distributions made in 2020 may affect the basis of common shares.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ 100% of each distribution will be a return of capital and reduce the shareholder's basis in their common stock.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ An earnings and profits calculation was used to determine the return of capital of 2020 distributions.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► \_\_\_\_\_  
S. 301(c), S.312, S.316, S.1012

**18** Can any resulting loss be recognized? ► Not applicable

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► Reportable tax year in 2020

**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ► "Signed" David Hendry Date ► April 1, 2021

Print your name ► David Hendry Title ► VP Finance & CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►				Firm's EIN ►
	Firm's address ►				Phone no.