

NEWS RELEASE

Freehold Royalty Trust Announces Cash Distribution for February 15, 2004

CALGARY, Alberta, January 14, 2004 /CCN/ - Freehold Royalty Trust ("Freehold") (TSX: FRU.UN) announces that the regular monthly cash distribution in the amount of Cdn \$0.10 (ten cents) per Trust Unit will be paid on February 15, 2004 to Unitholders of record on January 31, 2004 (ex-distribution date January 28, 2004). Including the February 15, 2004 payment, the twelve-month trailing cash distributions total Cdn \$1.70 per Trust Unit.

For Canadian tax purposes, Freehold estimates that cash distributions paid to Unitholders during the 2003 taxation year will be approximately 75% taxable ("other income") and the remainder, approximately 25%, will be tax deferred ("return of capital"). Freehold will confirm 2003 taxability once we have completed our 2003 year-end (mid February 2004). At this time, 2004 cash distributions are also estimated to be approximately 75% taxable to Unitholders. Freehold will update this estimate on a quarterly basis throughout the year.

Freehold is an oil and gas royalty trust that provides monthly cash distributions to Unitholders. Monthly distributions are supplemented by quarterly top-ups when excess funds are available. More than 85% of distributable income comes from mineral title and gross overriding royalties, the majority of which Freehold owns in perpetuity. Freehold currently receives royalty income from over 15,000 producing wells in western Canada. The Trust Units trade on the Toronto Stock Exchange in Canada under the symbol FRU.UN.

Forward-Looking Statements – Certain information set forth in this document, including management's assessment of Freehold's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Freehold's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Freehold's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Freehold will derive therefrom. Freehold disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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