

Freehold

R O Y A L T Y T R U S T

US CURRENCY PAYMENT PLAN

Features of the Plan include the following:

- Unitholders may elect to obtain their cash distributions from Trust Units of Freehold Royalty Trust (the “Trust”) in US currency.
- US currency distributions will be made by the Trustee of the Trust, Computershare Trust Company of Canada (the “Trustee”).
- Participants do not pay any costs associated with the Plan.
- Due to the structure of the Plan, participants shall not be permitted to coincidentally participate in the Distribution Reinvestment Plan (the “DRIP”).

Purpose

The US Currency Payment Plan allows holders of Trust Units of the Trust who maintain US currency accounts to obtain convenient payments in US currency.

Participation

A registered holder of Trust Units of Freehold Royalty Trust is eligible to join the Plan at any time by completing an authorization form and forwarding it to the Trustee. Beneficial owners of Freehold Royalty Trust Trust Units whose Trust Units are not registered in their own names may participate in the Plan after having their Trust Units transferred into their own names. An owner whose Trust Units are held in a specific segregated registered account, such as a numbered account with a bank, trust company or broker, may direct that company to enroll that account in the Plan with respect to those Trust Units. Once a holder of Trust Units has enrolled in the Plan, participation continues automatically unless terminated in accordance with the terms of the Plan.

Due to the administrative costs of maintaining the Plan on behalf of each participant, only Unitholders who hold a minimum of 100 Trust Units will be permitted to participate in the Plan.

A registered holder shall become a participant in the Plan in regard to the payment of US currency distributions as of the first distribution record date following receipt by the Trustee of a properly completed authorization form. If an authorization form is received by the Trustee after the record date for a particular cash distribution, the cash distribution will be paid to the holder of the Trust Units in the usual manner and participation in the Plan with regard to cash distributions will commence within the next cash distribution record date. Cash distribution record dates for the Trust Units are the end of each month. The Cash distribution payment dates are, at the discretion of the board of directors of Freehold Resources Ltd., the 15th day of each month.

Conversion

The Trustee will exchange the Canadian dollar amount of the distributions for US currency at the exchange rate obtained by calling the Primary Banker of the Trust on, or about, noon Calgary time on the Record Date for the distribution.

Costs

There is no charge to participants in the Plan. The Trustee's fees for handling the exchange of distributions will be paid by the Trust.

Termination of Participation

Participation in the Plan may be terminated by written notice to the Trustee, signed by the registered holder or his or her agent. If such notice is not signed by the registered holder, sufficient evidence of another's authority to act on behalf of the registered holder must be supplied. Notice should be received by the Trustee at least fifteen business days prior to the record date.

After termination of participation in the Plan, all cash distributions will be paid to the holder of the Trust Units in Canadian dollars.

Responsibilities of the Trust and the Trustee

Neither the Trust nor the Trustee shall be liable for any act undertaken or omitted in good faith, or have any duties, responsibilities or liabilities except as are expressly set forth in the Plan or are required by law. In particular, the Trust and the Trustee must comply with all applicable laws now or hereafter in force which may impose a duty to permit any properly authorized party to have access to and examine and make copies of any records relating to the Plan.

Participants should recognize that neither the Trust nor the Trustee can assure a profit or protect against a loss on currency transactions made through the operations of the Plan.

Amendment, Suspension or Termination of the Plan

The Trust reserves the right to amend, suspend or terminate the Plan at any time, but such action shall have no retroactive effect which would prejudice the interests of the participants. Participants will be sent written notice of any such amendment, modification, suspension or termination.

Notices

All notices required to be given to a participant in the Plan will be mailed to the participant at the most recent address shown on the records of the Trust.

All communications to the Trustee and requests for forms or information regarding the Plan, should be directed to:

COMPUTERSHARE TRUST COMPANY OF CANADA

Corporate Trust Department

600, 530 - 8th Avenue S.W.

Calgary, Alberta, Canada T2P 3S8

Telephone: (403) 267-6555

Facsimile: (403) 267-6592

Effective Date

The effective date of this Plan is November 10, 1998.