

FREEHOLD ROYALTY TRUST

NEWS RELEASE

TSE: FRU.UN

Freehold Royalty Trust Completes Southeast Saskatchewan Acquisition

CALGARY, Alberta/April 30, 2001/CCN/ - Freehold Royalty Trust is pleased to announce that it has closed the previously announced acquisition of producing and undeveloped mineral title and gross overriding royalty properties in southeast Saskatchewan for \$27.6 million. The properties acquired are the subject of a larger prior purchase and sale transaction between the vendor and Rife Resources Ltd. ("Rife"), owner of Rife Resources Management Ltd., Manager of Freehold. Freehold acquired from Rife all of the producing royalty interests contained in the package and a portion of the undeveloped mineral title and gross overriding lands. Rife has also sold to a third party industry partner a portion of the working interest properties and undeveloped lands acquired by Rife in the prior transaction.

The adjustment date for revenue and cost adjustment purposes for the acquisition is January 1, 2001. The purchase price, net of closing adjustments, is \$25.7 million, and will be financed initially through Freehold's existing credit facility. The acquisition of these properties represents an accretive transaction for the Unitholders of Freehold in 2001.

Based on an independent reserve report prepared by Sproule Associates Limited, established reserves (proven plus half probable) at January 1, 2001, are 1.5 million barrels of oil equivalent (Boe at 10:1). The reserve life index is 8.2 years, with an economic life of more than 20 years.

Beginning May 1, 2001, the properties acquired will contribute approximately 500 barrels per day of medium to light oil royalty production (average 30° API) to Freehold's production base. As there are no operating and capital costs or third party royalties associated with royalty production, this high quality oil receives very high netbacks. The acquisition of these diverse royalty properties includes 137,000 gross acres of undeveloped lands, mainly mineral title lands.

Freehold is unique among oil and gas royalty trusts as a majority of Freehold's distributable income is generated from royalties (mineral title rights and gross overriding royalties). Freehold's Trust Units trade on The Toronto Stock Exchange under the symbol "FRU.UN". Additional information is available on the Trust's Web site www.freeholdtrust.com.

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