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FREEHOLD ROYALTY TRUST

NEWS RELEASE

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Freehold Royalty Trust Announces Filing of Final Prospectus for the Issue of Trust Units

CALGARY, Alberta/May 9, 2001/CCN/ - Freehold Royalty Trust (“the Trust”) announced today the filing of a final short form prospectus in all provinces of Canada relating to the previously announced issue of 3,300,000 Trust Units at a price of \$9.65 per Trust Unit for gross proceeds of \$31,845,000. The offering was made through a syndicate of Underwriters led by RBC Dominion Securities Inc. and including BMO Nesbitt Burns Inc. and CIBC World Markets Inc. The net proceeds from the issue of approximately \$30.5 million will be applied to the Trust’s credit facilities, \$22 million of which debt was incurred to complete a recent acquisition of royalty properties in southeast Saskatchewan (see news release dated April 30, 2001), and a portion of which debt was incurred to finance the Trust’s 2001 capital expenditure program of \$2.4 million.

The Trust Units offered will not be, and have not been, registered under the *United States Securities Act of 1933* and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirement.

Not for distribution in the United States or over U.S. Wire Services. Any failure to comply with this restriction may constitute a violation of U.S. Securities Laws.

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