

NEWS RELEASE

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**Freehold Royalty Trust Reports Outcome of
2006 Annual and Special Meeting of Unitholders**

CALGARY, Alberta, May 12, 2006 /CCN/ - Freehold Royalty Trust reports that Unitholders approved all of the motions described in the Information Circular – Management Proxy Statement dated March 23, 2006, at the Annual and Special Meeting held on May 10, 2006.

REPORT OF VOTING RESULTS

National Instrument 51-102 – Continuous Disclosure Obligations (Section 11.3)

The Scrutineers reported that there were 20 registered Unitholders and proxyholders voting in person, holding 13,200 Trust Units and that there were 92 Unitholders represented by management proxies holding 20,146,453 Trust Units. The total number of Trust Units represented in person and by proxy at the meeting was 20,159,653. This number represents 41.11% of the total number of Trust Units outstanding.

Business of the Meeting

Outcome of Vote

The following matters were put to a vote by a show of hands:

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| 1. | Fix the number of directors of Freehold Resources Ltd. to be elected at the meeting at seven (7) members. | The resolution was approved. |
| 2. | The election of the following nominees as directors of Freehold Resources Ltd. for the ensuing year or until their successors are elected or appointed:
D. Nolan Blades
Harry S. Campbell, Q.C.
Tullio Cedraschi
Peter T. Harrison
Dr. P. Michael Maher
David J. Sandmeyer
William W. Siebens | All nominees proposed by management were elected. |
| 3. | The appointment of KPMG LLP, Chartered Accountants, as auditors of the Trust and Freehold Resources Ltd. to hold office until the next annual meeting or until their successors are appointed. | KPMG LLP was appointed as auditors. |

The following matters were put to a vote by ballot:

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| 4. | The special resolution approving amendments to the Trust Indenture. | The special resolution was approved by ballot with 97.48% votes cast for the motion and 2.52% votes cast against the motion. |
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| 5. | The special resolution approving the Deferred Trust Unit Plan, approving the reservation and issuance of up to 200,000 Trust Units to be issued to the directors of Freehold Resources pursuant to the Deferred Trust Unit Plan, and approving the termination of the current Trust Unit Option Plan of the Trust. | The special resolution was approved by ballot with 97.80% votes cast for the motion and 2.20% votes cast against the motion. |
| 6. | Approving the reservation and issuance of up to 800,000 Trust Units to Rife Resources Management Ltd., when and as earned, as payment of the quarterly management fee payable to the Manager in Trust Units. | The resolution was approved by ballot with 95.50% votes cast for the motion and 4.50% votes cast against the motion. |

For further information, contact:

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