

Management

David Spyker, President & CEO
Shaina Morihira, CFO
Susan Nagy, VP, Bus. Development Commercial
Colin Strem, VP Bus. Development Technical
Lisa Farstad, VP, Corporate Services

<https://freeholdroyalties.com>

EPG Commentary by Dan Steffens

Freehold Royalties Ltd. (FRU.TO and FRHLF) is a Canadian-based mineral royalty company with a rapidly expanding U.S. footprint. **I recently added Freehold Royalties to our High Yield Income Portfolio.** It is best described as an Aggressive Growth Minerals Company, given the pace of its U.S. expansion over the last four years.

Over that period, Freehold has completed several large, accretive acquisitions in the United States, funded through a combination of equity issuance and debt. I do not like growth that is funded entirely with debt. I like the fact that Freehold has been disciplined in maintaining balance-sheet flexibility while materially increasing its scale, drilling inventory, and cash-flow base. As of the date of this report, the company's balance sheet is in good condition.

Freehold reported solid third-quarter results, supported by strong royalty production growth, improved well productivity, and continued leasing activity across its core U.S. basins. Current production is approximately 16,500 boe/d, with a favorable 65% liquids weighting, and management continues to guide to 8%–10% organic annual production growth without assuming incremental M&A.

The Company's asset base provides multiple decades of high-quality drilling inventory, with particularly attractive "Running Room" in the Permian Basin, where operator activity remains among the most economic in North America. Freehold's royalty model allows it to benefit from this activity without bearing capital cost inflation or operating risk, which is a key differentiator for royalty companies versus traditional E&P companies. *On the slide below, note that Freehold's current dividend of \$0.09Cdn per month is sustainable as long as the WTI oil price is over \$50US/bbl.*

Freehold Provides Compelling Dividend Income

- **~6% dividend yield** in an established, high margin business
- **Payable down to US\$50/bbl** WTI oil price
- Backstopped by **multi decade drilling inventory** and quality operators

TSX Composite Index - Dividend Yields



Freehold pays monthly dividends of \$0.09 Cdn, or \$1.08 Cdn annually, which equates to a compelling yield at current prices. I am a big fan of monthly dividends, particularly when they are supported by free cash flow rather than leverage. *I now expect WTI to remain over \$70US/bbl after the war in Iran ends. If the war extends through April 2026, there will oil supply shortages through at least Q3 2026.* Check the EPG Forum for oil market updates.

If oil prices stay over \$70US/bbl, Freehold's dividends should increase. The current dividends are sustainable as long as WTI oil prices remain above approximately \$50 US/bbl. Importantly, Freehold's royalty structure provides strong downside protection relative to normal upstream operating companies, as capital spending is borne by operators rather than Freehold itself.

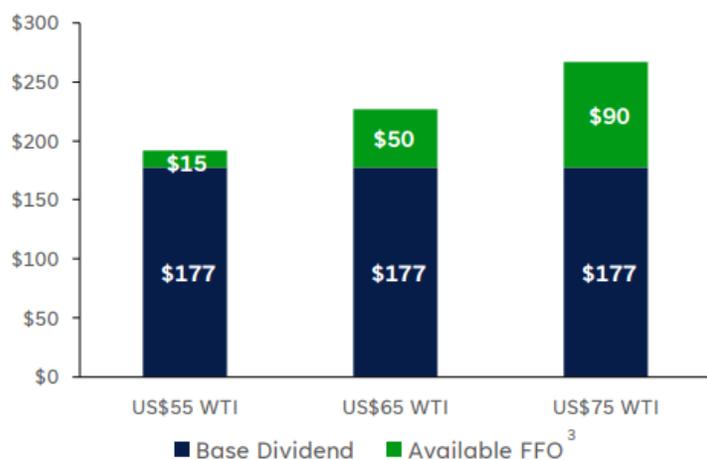
While the Company does have meaningful exposure to oil prices, I expect crude prices to stabilize above \$70 US/bbl in the second half of 2026, which should support both dividend stability and incremental free cash flow. In addition, there is material upside leverage to Western Canadian natural gas prices, and I see meaningful upside if AECO prices can move above \$3.00/MMBtu Cdn. *< As LNG Canada's exports increase, I believe that AECO natural gas prices will firm up, but natural gas prices in the US have more near-term upside.*

The share price has increased 14.6% YTD. At the time of writing, Freehold has a market capitalization of approximately \$2.9 billion Cdn, with shares trading around \$17.58 Cdn.

Capital Allocation Priorities

Generating Significant Funds from Operations¹

(\$ millions)



Capital Allocation Priorities

Base Dividend

- Annual dividend of \$1.08 per share fully funded at low commodity prices
- Target 60% long term payout ratio

Strategic Acquisitions

- Generate greater than mid-teens returns

Debt Repayment

- Net debt at ~1.1x trailing 12 months funds from operations²
- Current borrowing rate ~5.00%

Share Buybacks

- NCIB in place since May 2025
- Enhance returns through strategic and opportunistic share repurchases

According to TipRanks, the stock is rated a “Moderate Buy”, based on six Wall Street analysts. The average 12-month price target is \$13.14 US with targets ranging from \$10.85 to \$15.19 US. Notably, two of the six analysts have raised their price targets since Freehold announced Q4 2025 results.

On March 12, 2026 Aaron Bilkoski at TD Cowen (Rated 5-Star by TipRanks) rated FRHLF a BUY with a price target to \$15.25 US. TipRanks AI Analyst had the following comments:

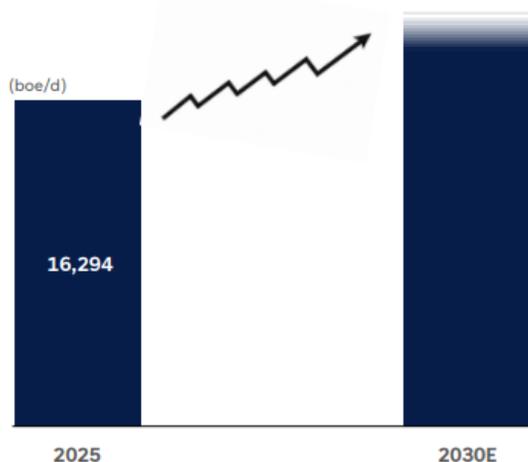
Dividend Policy And Shareholder Returns: Analysts notes the company returned cash via its base dividend and maintains a high payout approach, supporting a stable and growing dividend that appeals to income-oriented investors.

Financial Strength And Margins: Analyst highlights the company's high margins and low leverage, which offer a lower-risk way to gain exposure to the North American oil and gas sector and can support valuation resilience.

U.S. Expansion, Leasing And Operational Gains: Analyst points to focused leasing in the Permian, accretive acquisitions, and improvements in well productivity as factors likely to boost cash flow and help offset slower activity across basins

Industry Innovation Continues to Deepen Portfolio

Pathway to Growth



Exceptional Opportunity Set in the Permian Basin

- Resource expansion through operator growth plans, emerging and exciting Barnett & Woodford formation development, well optimization from surfactants, frac design and enhanced oil recovery initiatives

Gas Optionality Across Portfolio

- Montney and Deep Basin with significant upside to improved AECO pricing
- Pipeline expansions getting more gas to premium priced sales points in the US

Deep Inventory of Canadian Oil Opportunities

- Ongoing development of Clearwater and Mannville Stack heavy oil and rollout of waterflood and other enhanced recovery schemes in these core operating areas
- Extensive positioning in light oil areas that continue to attract innovation in drilling and completion approaches

Eagle Ford Optimization In The Heart of the Oil Window

- Longer laterals, additional reservoir bench development, refracs in the most resource rich parts of the play

Reinvestment Across a North American Opportunity Set

- Continue to see compelling reinvestment opportunities across North America

My Fair Value Estimate for FRU.TO is \$19.00Cdn

Translates to \$13.87US for FRHLF

Disclosure: I do not have a position in FRHLF. I do not intend on buying or selling any shares in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

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Company Overview

Freehold Royalties Ltd. (FRU.TO and FRHLF) is a Canadian-based mineral royalty company that owns oil and natural gas mineral interests across North America. The Company generates revenue by collecting royalties from third-party operators and does not participate in drilling or operating activities, which allows it to avoid capital cost inflation and operating risk while maintaining direct exposure to commodity prices.

Over the past four years, Freehold has pursued an aggressive growth strategy focused on expanding its U.S. royalty portfolio, particularly in high-quality basins such as the Permian. These acquisitions have significantly increased production, drilling inventory, and long-term cash-flow visibility. With multiple decades of remaining inventory and a capital-light business model, Freehold is well positioned to deliver stable monthly dividends while maintaining long-term upside through organic growth and disciplined acquisitions. *< Keep in mind that my #1 criteria for selecting companies for our High Yield Income Portfolio is sustainable dividends, which is followed closely by a clear path to increasing free cash flow. Freehold has a strong balance sheet and lots of high-quality "Running Room". Plus, I love companies that pay monthly dividends.*

Business Overview

- North American Energy Royalty Company in business **since 1996**
- Portfolio of both crude oil and natural gas assets **in premier basins**
- **\$2.4 billion in dividends** returned to shareholders to date
- **Financial discipline** – 1.1 times net debt to trailing funds from operations¹



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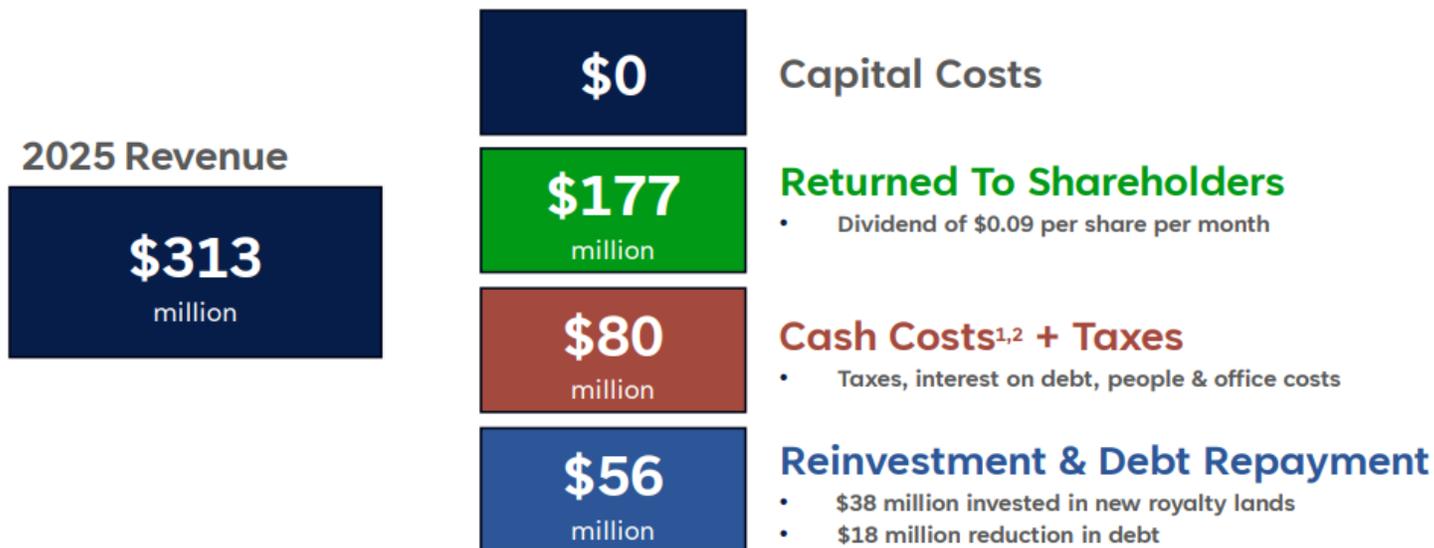
Fourth Quarter 2025 Highlights

- 16,294 boe/d of total production, a 6% increase from the fourth quarter of 2024;
- 10,765 bbls/d of total crude oil and natural gas liquids production, a 9% increase from the fourth quarter of 2024;
- Fourth quarter production includes approximately 400 boe/d related to adjustments on the U.S. assets acquired in late 2024. These adjustments were recognized once Freehold was acknowledged by the operator, revenues were paid and remaining estimates updated;
- U.S. production of 7,700 boe/d, a 31% increase from the fourth quarter of 2024 reflecting the impact of the U.S. acquisitions completed in December 2024;
- \$51 million in adjusted cash flow from operations (\$0.31/share) a decrease of 17% primarily reflecting the 16% weaker WTI benchmark pricing; and
- Gross drilling of 235 wells, comprised of 71 wells in Canada and 164 in the U.S., with operators pacing activity levels in the current commodity price environment. *< I expect drilling activity on Freehold's minerals to increase in 2H 2026 due to much higher oil prices.*

Full-Year 2025 Highlights

- Achieved record annual production of 16,295 boe/d, a 9% increase from 2024;
- Total annual crude oil and natural gas liquids production of 10,730 boe/d, a 12% increase from 2024;
- Generated total revenue of \$313 million;
- Bonus and leasing revenue contributed \$8 million, an increase from \$3 million in 2024;
- Delivered \$235 million in funds from operations (\$1.43/share), a 2% increase from 2024;
- Returned \$177 million (\$1.08/share) to shareholders through monthly dividends during the year, reflecting a dividend payout ratio of 75%;
- Reduced long-term debt by \$18 million, ending 2025 at \$283 million;
- Well productivity improvements of 35% in Canada and 10% in the U.S. compared to the average type curves in 2024 as industry innovations continue to deepen our portfolio;
- Proved and probable reserves in the United States increased from 2024, with a reserve replacement ratio of 103%; and
- Corporate proved and probable reserves totaled 63 MMboe, a 3% decrease from 2024 reflecting continued weakness in Canadian natural gas prices and lower Canadian drilling activity.

Lower Risk, High Margin Business



Management Commentary

“In 2025, Freehold delivered our fifth consecutive year of annual production growth at 16,294 boe/d, representing a 9% increase from 2024, led by a 33% increase in U.S. production. The Company’s 2024 U.S. acquisitions, combined with continued development across our U.S. portfolio contributed to the higher production and the increase in our liquids weighting to 66% from 64% in 2024. Our liquids portfolio, comprised of crude oil and natural gas liquids, accounted for 90% of our revenue in 2025. Natural gas contributed 7%, while potash and lease bonuses made up the remaining 3%. In Canada, heavy oil production increased by 13% compared to 2024, partially offsetting the impact of reduced natural gas directed drilling activity in Canada during this multi-year period of weakness in natural gas prices.

Annual funds from operations of \$235 million is an increase of 2% from 2024 primarily due to a 12% increase in crude oil and natural gas liquids production, offset by a 14% decrease in WTI benchmark pricing. We continue to benefit from productivity improvements on wells drilled on our lands. In Canada, average well performance improved by approximately 35% due to operators targeting premium acreage and optimizing well design. In the U.S., productivity increased by 10% as operators pursue longer lateral well lengths alongside continued improvements in well placement and well completion designs across our operating areas. Activity levels, particularly in the second half of 2025, were impacted by lower commodity prices, and generally cautious capital deployment as broader macroeconomic headwinds and uncertainty in outcomes of ongoing geopolitical tensions led some operators to scale back their capital programs. In the U.S., drilling activity declined by 20% from the first to the second half of 2025, and Canadian drilling activity decreased by 25% in the fourth quarter of 2025, compared to the same

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periods in 2024. Accordingly, we expect production to moderate through the first half of 2026 and return to growth in the second half of the year. During 2025, we integrated the assets acquired in the late 2024 U.S. acquisition. These assets are primarily located within the core of the Midland basin and exhibit both higher natural gas production and higher natural gas liquids yields. Fourth quarter production includes approximately 400 boe/d related to adjustments on these late 2024 U.S. acquisitions. These adjustments relate to the higher natural gas and natural gas liquids yields and were recognized once Freehold was acknowledged by the operator and revenues were received. All remaining estimates were updated to reflect this new data.

Lower drilling activity in the second half of 2025 is expected to impact production in the first half of 2026. As a result, we expect production to average between 15,500 and 16,300 boe/d in 2026, premised on annual average commodity price assumptions of US\$65.00/bbl WTI, \$3.50/mcf NYMEX and \$2.00/mcf AECO. This range is supported by our current inventory of drilling licenses, permits and drilled, uncompleted wells, which provides a solid foundation in our portfolio while acknowledging the potential for weaker commodity prices. In 2025, Freehold declared and paid \$177 million in dividends to our shareholders, reflecting a payout ratio of 75%. Remaining funds from operations were used to acquire \$38 million of additional crude oil-focused royalty interests comprised of mineral title lands in undeveloped drilling areas in the core of the Permian basin and gross overriding royalty interests in Canada. These lands are in the early stages of development and continue to build on the depth of drilling inventory we have in our portfolio.

We significantly enhanced our business in 2025 with the integration of the \$378 million in U.S. acquisitions that were completed in 2024, the restructuring and streamlining of the business alongside the termination of the long-standing management agreement. We continue to expect that our liquids-weighted North American asset base will generate meaningful cash flows through evolving commodity markets and broader macroeconomic conditions, supporting the Company's ability to sustain its dividends and deliver robust, long-term shareholder returns."

– David M. Spyker, President and Chief Executive Officer.

Fourth Quarter 2025 Operating and Financial Results

Freehold's production averaged 16,294 boe/d during both current reporting periods, increases of 6% and 9% over the same periods in 2024. These increases reflect growth in Freehold's U.S. portfolio from third party drilling and completion activity and an expansion of the Company's U.S. asset base through acquisitions. Higher netback crude oil and NGL production was the primary driver of growth, representing 66% of total production in 2025, an increase from 64% in 2024.

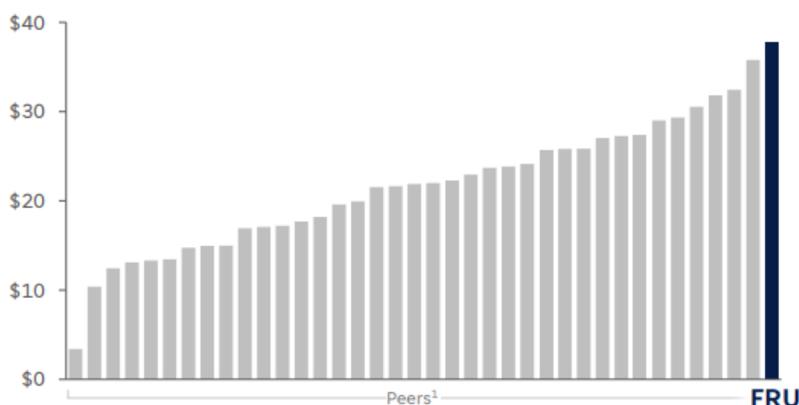
Financial (\$millions, except as noted)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Royalty and other revenue	69.8	74.4	78.3	91.1	76.9	73.9	84.5	74.3
Net income (loss)	14.1	34.2	6.2	37.3	51.1	25.0	39.3	34.0
Per share, basic (\$) ⁽¹⁾	0.09	0.21	0.04	0.23	0.33	0.17	0.26	0.23
Cash flows from operations	55.0	60.0	57.4	62.9	59.1	64.1	47.6	52.5
Funds from operations	51.1	58.9	56.6	68.1	61.3	55.7	59.6	54.4
Per share, basic (\$) ⁽¹⁾⁽²⁾	0.31	0.36	0.35	0.42	0.40	0.37	0.40	0.36
Acquisitions & related expenditures	9.3	5.8	15.2	13.9	277.0	1.8	11.5	121.5
Dividends paid	44.3	44.3	44.3	44.3	40.7	40.7	40.7	40.7
Per share (\$) ⁽²⁾	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27
Dividends declared	44.3	44.3	44.3	44.3	41.9	40.7	40.7	40.7
Per share (\$) ⁽²⁾	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27
Dividend payout ratio (%) ⁽²⁾	87%	75%	78%	65%	66%	73%	68%	75%
Long-term debt	282.9	283.6	292.6	294.3	300.9	205.8	228.0	223.6
Net debt ⁽³⁾	268.3	263.3	270.6	272.2	282.3	187.1	199.1	210.5
Shares outstanding, period end (000s)	164.0	164.0	164.0	164.0	164.0	150.7	150.7	150.7
Average shares outstanding, basic (000s) ⁽⁴⁾	164.0	164.0	164.0	164.0	153.4	150.7	150.7	150.7

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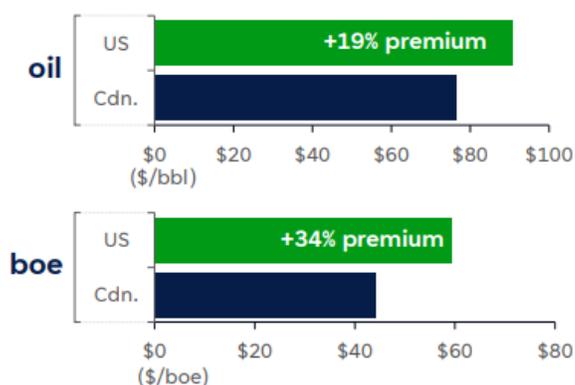
Operating								
Light and medium crude oil (bbl/d)	6,456	6,661	6,940	6,880	6,296	6,080	6,551	6,094
Heavy crude oil (bbl/d)	1,619	1,481	1,557	1,552	1,516	1,315	1,348	1,300
NGL (bbl/d)	2,690	2,335	2,550	2,203	2,066	1,972	1,902	1,884
Total liquids (bbl/d)	10,765	10,477	11,047	10,635	9,878	9,367	9,801	9,278
Natural gas (Mcf/d)	33,180	33,459	33,220	33,678	32,564	31,447	32,524	32,617
Total production (boe/d) ⁽⁴⁾	16,294	16,054	16,584	16,248	15,306	14,608	15,221	14,714
Crude oil and NGL (%)	66%	65%	67%	65%	65%	64%	64%	63%
Petroleum & natural gas realized price (\$/boe) ⁽⁴⁾	45.88	48.92	50.36	59.29	53.80	54.36	59.74	54.81
Cash costs (\$/boe) ⁽³⁾⁽⁴⁾	7.26	5.58	7.38	7.00	5.93	5.42	9.80	7.19
Netback (\$/boe) ⁽³⁾⁽⁴⁾	37.42	42.82	42.68	53.01	47.25	47.78	49.44	46.62

High Margin Barrels – Best in the Business

2026E Cash Flow per boe¹
(\$/boe)

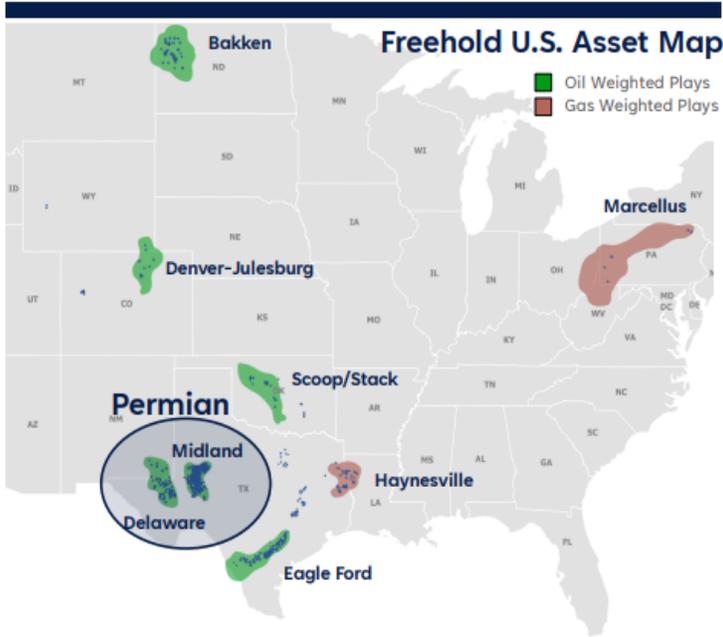


Freehold Realized Pricing in 2025



U.S. has delivered a ~10% increase in liquids mix, with a 34% uplift in pricing due to premium light oil volumes and lower transportation costs to Gulf Coast market

U.S. Portfolio Overview – Targeted Growth

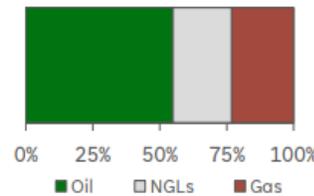


Over 30 years of development inventory in U.S.

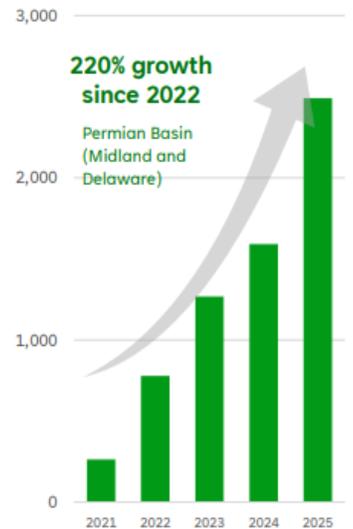
Summary 2025 (boe/d)

Midland	3,900
Eagle Ford	2,500
Delaware	500
Other	500
Total	~7,400

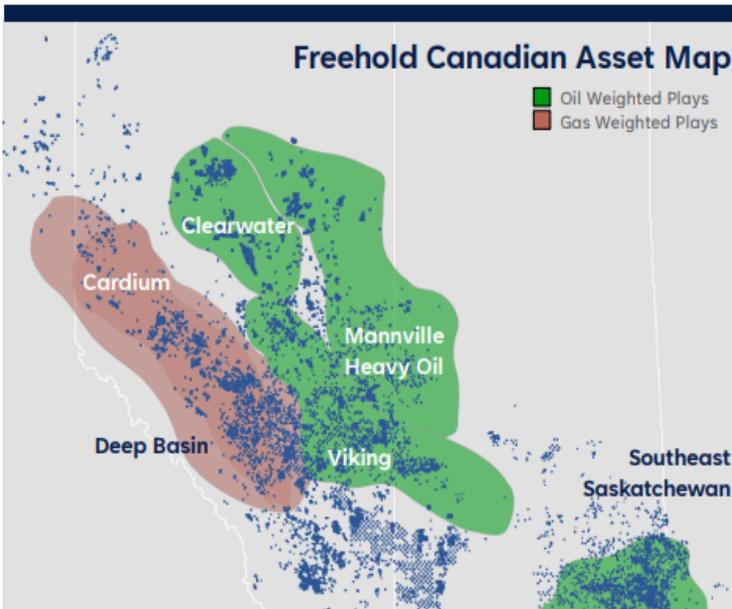
Production Summary (2025)



Oil Growth in Permian (boe/d)



Canadian Portfolio Overview – Well Established

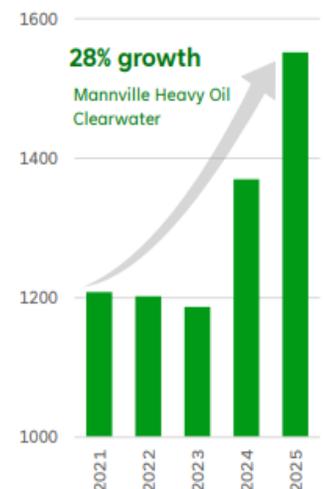


Over 40 years of development inventory in Canada

Summary 2025 (boe/d)

~80% Oil	SE Sask	1,200
	Viking	1,000
	Mannville H. Oil	1,000
	Clearwater	500
~80% Gas	Deep Basin	2,500
	Cardium	900
	Mannville	800
	Other	1,000
Total	~8,900	

Heavy Oil Growth in Canada (boe/d)



Dividend Announcement

The board of directors of Freehold has declared a monthly dividend of \$0.09 per share to be paid on April 15, 2026, to shareholders of record on March 31, 2026. The dividend is designated as an eligible dividend for Canadian income tax purposes. Our dividend remains supported down to US\$50.00/bbl WTI. < *Dividends should increase in 2H 2026.*

Drilling and Leasing Activity

During 2025, a total of 1,110 gross wells (13.3 net wells) were drilled on Freehold's royalty lands compared to 1,140 gross wells (20.0 net) in 2024. The decrease reflects the pullback in oil directed drilling activity as WTI benchmark prices decreased 17% from the first quarter of 2025 to the fourth quarter and Canadian natural gas prices (AECO 5A Monthly Index) remained below \$1.70/mcf for the second year in a row.

On a gross basis, approximately 26% of new wells were drilled in Canada and 74% were in the U.S., primarily targeting crude oil production.

In 2025, there was an estimated \$11.3 billion in gross third-party capital spent on Freehold's royalty lands compared to \$10.1 billion in 2024. Spending was comprised of US\$7.7 billion on U.S. lands and \$630 million on Canadian royalty lands.

	Three Months Ended				Twelve Months Ended			
	Q4 2025		Q3 2025		2025		2024	
	Gross	Net ⁽¹⁾	Gross	Net ⁽¹⁾	Gross	Net ⁽¹⁾	Gross	Net ⁽¹⁾
Canada	71	2.3	83	3.2	291	10.5	403	17.0
United States	164	0.7	199	0.7	819	2.8	737	3.0
Total	235	3.0	282	3.9	1,110	13.3	1,140	20.0

Canada

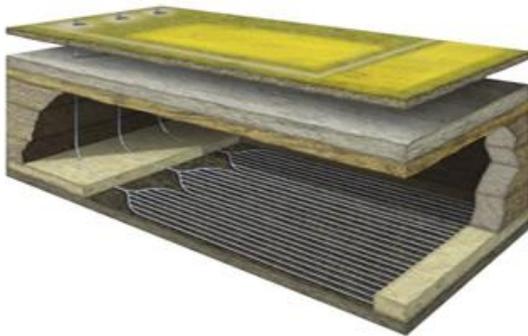
- In Canada, 291 gross locations (10.5 on a net basis) were drilled on Freehold's lands during the year. Drilling was focused on our crude oil weighted plays including southeast Saskatchewan (62 gross wells), Viking (52 gross wells), Mannville heavy oil (48 gross wells), and Clearwater (25 gross wells). In the fourth quarter, Canadian drilling was down compared to the previous quarter due to weaker AECO benchmark prices curtailing natural gas drilling activity levels. During the year, 13 gross Montney and Duvernay wells were drilled, with an additional 16 wells licensed.

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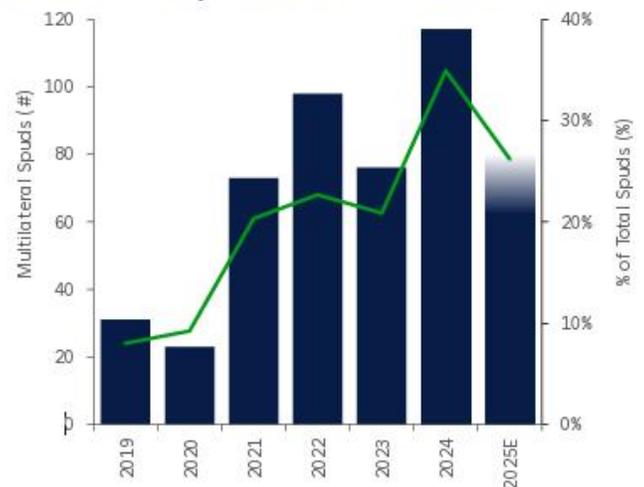
- Freehold entered into 91 new leases with numerous counterparties during 2025, totaling approximately \$2.4 million in bonus and lease rental revenue for the year. The majority of the new leasing was in southeast Saskatchewan.

What Freehold is Excited About Multilateral Adoption in Canada

- New technology continues to unlock substantial resource** that may have been marginal under previous drilling techniques
- Exposure via the **Clearwater and Mannville heavy oil fairway** with ~0.8 million gross acres
- Multilaterals revitalizing **Southeast Saskatchewan light oil plays** where Freehold has 0.5 million gross acres (including 0.3 million mineral title acres)



Multilateral Spuds on Freehold Lands



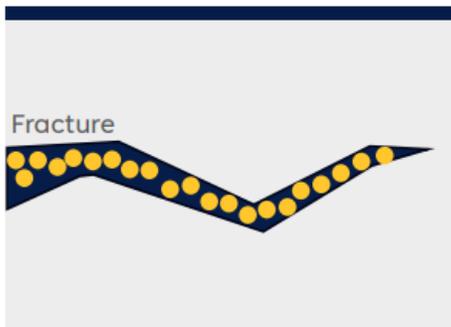
U.S.

- A total of 819 gross locations (2.8 net wells) were drilled on Freehold’s U.S. lands in 2025, a 12% increase from 2024. Drilling activity was focused on crude oil locations with approximately 87% of drilling in the Permian basin and 9% in the Eagle Ford basin.
- In the fourth quarter of 2025, 164 gross (0.7 net) wells were drilled on Freehold’s lands, slightly down from the third quarter of 2025 on a gross basis, however drilling remained flat on a net basis (0.7 net).
- During 2025, Freehold entered into 25 new leases in the U.S., totaling approximately \$5.6 million in bonus and lease rental revenue over the year. Notably, 15 of the new leases contained deeper rights, including the Barnett and Woodford formations. Leasing activity was primarily in the Permian basin.
- Freehold’s most significant U.S. payors include ConocoPhillips, ExxonMobil, Occidental Petroleum and Diamondback Energy and all remain active with their ongoing drilling programs.

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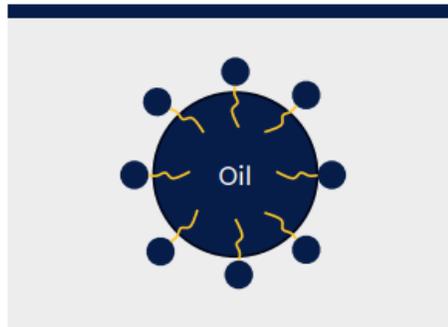
Improved Recovery Techniques in the Permian are a Catalyst in U.S. Portfolio

Lightweight Proppants



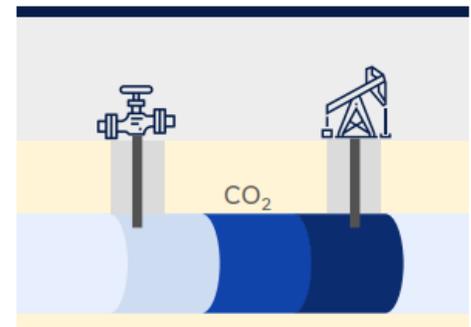
ExxonMobil's lightweight proppant has improved recoveries by up to **20%**

Surfactants



Chevron has found chemical surfactant treatments that have led to a **10% EUR uplift**

Enhanced Oil Recovery



Occidental's unconventional CO₂ EOR pilots have generated a **45%+ oil uplift** in the Permian

Credit Facility Increase

On November 13, 2025, Freehold renewed and amended its credit facilities with its existing syndicate of four Canadian banks. The amended credit facilities have been increased from \$450 million to \$500 million, including an increase to the committed facility to \$480 million and an operating facility of \$20 million. The agreement also carries an option to increase the revolving facility by an additional \$100 million subject to the consent of the lenders. The credit facilities mature November 13, 2028

Guidance Update

Overall production is expected to average between **15,500 and 16,300 boe/d for 2026**, weighted approximately 66% crude oil and natural gas liquids (42% light and medium crude oil, 9% heavy oil (an increase from 8% in 2025) and 15% natural gas liquids) and approximately 34% natural gas. This guidance range is based on annual average commodity price assumptions of **US\$65.00/bbl WTI, \$3.50/mcf NYMEX and \$2.00/mcf AECO**. This guidance range reflects ongoing weakness in Canadian natural gas pricing into 2026, production downtime associated with the late January winter storm that impacted much of the southern U.S., and a muted commodity price outlook exiting 2025. As a result, the guidance range of between 15,500 and 16,300 boe/d represents lower production volumes in the first half of 2026 followed by a ramp up in the second half supported by existing well licenses and permits, active current drilling programs, and an inventory of drilled but uncompleted wells. Military operations in the Middle East could influence crude oil and natural gas prices during 2026. The guidance range does not reflect any pricing premiums related to these risks, and we have not assumed any changes in capital allocation decisions by affiliated operators. *< The attached forecast is based on 2026 production of 16,300 Boepd and WTI oil price averaging \$70US/bbl. Increased drilling activity in 2H 2026 should push production up to 17,500 Boepd in 2027.*

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2026 Sensitivities and Guidance Range

Sensitivities of Annualized Funds from Operations



2026E Range
15,500 – 16,300 boe/d

Pricing Assumptions

- US\$65.00/bbl WTI
- C\$2.00/mcf AECO
- US\$3.50/mcf NYMEX
- 0.73 US\$/Cdn\$ Exchange Rate
- Sensitivities represent full year expected outcomes based on the mid-point of 2026 guidance

Net Income and Cash Flow Forecast Model

Freehold Royalties Ltd. (FRU.TO and FRHLF) Net Income and Cash Flow FYE 2023 - 2027 (last updated 3/26/2026) \$Cdn All in \$Thousands except for per share data													
	Actual 2023	Actual 2024	Actual Qtr1 2025	Actual Qtr2 2025	Actual Qtr3 2025	Actual Qtr4 2025	Actual 2025	Forecast Qtr1 2026	Forecast Qtr2 2026	Forecast Qtr3 2026	Forecast Qtr4 2026	Forecast 2026	Forecast 2027
REVENUES:													
Royalties and other revenues	\$309,596	\$304,934	\$86,696	\$75,993	\$72,247	\$68,776	\$303,712	\$77,576	\$81,557	\$84,728	\$91,588	\$335,449	\$396,582
Potash	1,648	1,469	421	390	405	503	1,719	500	400	400	500	1,800	2,000
Bonus and lease rentals	3,331	3,077	3,948	1,889	1,712	480	8,029	3,000	2,000	2,000	2,000	9,000	10,000
GROSS REVENUES	314,575	309,480	91,065	78,272	74,364	69,759	313,460	81,076	83,957	87,128	94,088	346,249	408,582
													< Tipranks 2026 Revenue forecast is \$318,670
OPERATING EXPENSES:													
G&A	15,720	16,339	4,991	4,208	3,703	6,217	19,119	5,000	4,500	4,500	6,500	20,500	22,000
Production and ad valorem taxes	8,488	9,013	3,337	2,730	2,874	2,786	11,727	3,103	3,262	3,389	3,664	13,418	15,863
Operating	1,010	1,062	183	198	159	114	654	125	125	125	125	500	800
Interest and financing	10,280	15,416	5,050	4,664	4,594	4,069	18,377	4,500	4,500	4,500	4,500	18,000	1,400
Share based compensations	3,052	2,928	1,330	670	2,191	2,727	6,918	1,500	1,000	2,000	2,000	6,500	7,500
DD&A	96,624	101,409	27,206	27,291	26,894	27,112	108,503	26,773	26,572	27,284	27,952	108,580	116,572
													< \$18.25/boe
TOTAL EXPENSES	135,174	146,167	42,097	39,761	40,415	43,025	165,298	41,001	39,959	41,798	44,741	167,498	164,135
OPERATING EARNING	179,401	163,313	48,968	38,511	33,949	26,734	148,162	40,076	43,997	45,330	49,348	178,750	244,447
OTHER INCOME (EXPENSES)													
Foreign exchange gain (loss)	(6,657)	28,347	(446)	(26,171)	10,125	(8,334)	(24,826)	0	0	0	0	0	0
Management fee	(308)	(303)	(70)	(21)	0	0	(91)	0	0	0	0	0	0
													< Non-cash item does not impact valuation < Mgmt fee agreement terminated April 2025
INCOME BEFORE INCOME TAXES	172,436	191,357	48,452	12,319	44,074	18,400	123,245	40,076	43,997	45,330	49,348	178,750	244,447
INCOME TAXES													
Current	35,465	30,182	9,180	7,379	3,686	4,581	24,826	7,614	8,359	8,613	9,376	33,963	46,445
Deferred	5,067	11,729	1,961	(1,296)	6,235	97	6,997	1,603	1,760	1,813	1,974	7,150	9,778
													< 19% < 04%
NET INCOME to common stockholders	\$131,904	\$149,446	\$37,311	\$6,236	\$34,153	\$13,722	\$91,422	\$30,858	\$33,878	\$34,904	\$37,998	\$137,638	\$188,224
Common Shares Outstanding	150,676	151,378	163,960	163,960	163,960	163,960	163,960	164,000	164,000	164,000	164,000	164,000	165,000
													< Common Stock outstanding at end of each Qtr
Earnings per share	\$0.88	\$0.99	\$0.23	\$0.04	\$0.21	\$0.08	\$0.56	\$0.19	\$0.21	\$0.21	\$0.23	\$0.84	\$1.14
NOTE: Current First Call Estimated EPS													
													< TipRanks' Adjusted Net Income per share Estimates
Cash flow from operations (\$thousands)	\$239,665	\$230,975	\$68,050	\$56,600	\$58,854	\$51,068	\$234,572	\$59,734	\$62,210	\$64,001	\$65,924	\$251,868	\$302,074
Cashflow per share (before CapEx)	\$1.59	\$1.53	\$0.42	\$0.35	\$0.36	\$0.31	\$1.43	\$0.36	\$0.38	\$0.39	\$0.40	\$1.54	\$1.83
													< Fair Value s/b 12 2025 to 2027 CFPS = \$19.00 \$13.87 First Call's Price Target > \$18.14
PRODUCTION													
Natural Gas (mcf/d)	33,167	32,287	33,678	33,220	33,459	33,180	33,384	33,252	32,640	33,150	33,962	33,251	35,700
Light and Medium Oil (bbls/d)	6,203	6,255	6,880	6,940	6,661	6,455	6,734	6,846	6,720	6,825	6,992	6,846	7,350
Heavy Oil (bbls/d)	1,187	1,370	1,552	1,557	1,481	1,619	1,552	1,467	1,440	1,463	1,498	1,467	1,575
NGLs (bbls/d)	1,796	1,956	2,203	2,550	2,335	2,690	2,445	2,445	2,400	2,438	2,497	2,445	2,625
													< 2026 Mix < 34% < 42% < 09% < 15%
boepd	14,714	14,962	16,248	16,584	16,054	16,294	16,295	16,300	16,000	16,250	16,648	16,300	17,500
													< 2026 Production Guidance is 15,500 to 16,300 boepd
PRODUCT PRICES													
Natural Gas (\$/mcf)	\$ 2.41	\$ 1.25	\$ 2.29	\$ 1.79	\$ 1.19	\$ 1.84	\$ 1.78	\$ 2.50	\$ 2.25	\$ 2.50	\$ 2.75	\$2.50	\$ 3.00
Light and Medium Oil (bbls/d)	\$ 96.14	\$ 96.31	\$ 96.62	\$ 82.99	\$ 85.10	\$ 80.66	\$86.34	\$ 88.04	\$ 94.89	\$ 94.89	\$ 101.74	\$94.89	\$ 101.74
Heavy Oil (bbls/d)	\$ 85.54	\$ 84.75	\$ 85.00	\$ 71.00	\$ 72.00	\$ 67.00	\$73.75	\$ 75.04	\$ 81.89	\$ 81.89	\$ 88.74	\$81.89	\$ 88.74
NGLs (\$/bbl)	\$ 39.19	\$ 37.96	\$ 40.63	\$ 34.95	\$ 30.83	\$ 27.52	\$33.48	\$ 27.00	\$ 28.00	\$ 29.00	\$ 32.00	\$29.00	\$ 35.00
													< With U.S. production increasing rapidly, the company's average realized natural gas price should be higher. < \$13/bbl discount to row 55
Gross Revenue check (prod * ave price)	309,596	304,934	86,696	75,993	72,247	68,776	305,537	77,576	81,557	84,728	91,588	337,172	396,582
													< Dividends of \$0.09Cdn/share are paid monthly

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