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NEWS RELEASE

TSX: FRU

Freehold Royalties Announces Third Quarter 2026 Results and Expansion into the Duvernay, West-Central Alberta

CALGARY, ALBERTA, (GLOBE NEWSWIRE – November 10, 2026) – Freehold Royalties Ltd. (Freehold or the Company) (TSX:FRU) announces results for the three and nine months ended September 30, 2026.

Third Quarter Highlights

- Total production of 15,758 boe/d[(1)] including crude oil and natural gas liquids production of 10,275 bbls/d, representing a 65% liquids weighting in the quarter;
- Royalty and other revenue of $100 million, with over 91% from crude oil and natural gas liquids;
- Funds from operations of $80 million ($0.49/share) [(2)(4)], a 37% increase from Q3-2025;
- Reduced long-term debt by $34 million and net debt[(5)] by $17 million, ending the quarter at $249 million and $234 million, respectively;
- Returned $44 million ($0.27/share)[(3)] to shareholders through monthly dividends, representing a payout ratio[(4)] of 55%;
- Invested $17 million in acquisitions and related expenditures, focused on strategic, inventory-rich undeveloped mineral title and royalty lands in the Permian Basin;
- Continued an active leasing program with 63 new leases signed contributing $3.1 million of bonus consideration and lease rental revenue; and
- Net wells totaled 4.2 in Q3-2026, 8% higher than the 3.9 net wells drilled in Q3-2025, as operators increased activity in a stronger year-over-year oil price environment.

President's Message

Freehold delivered a strong third quarter highlighted by stable royalty production, increased drilling activity levels across the portfolio and robust revenue and funds from operations supported by a constructive commodity price environment.

Production averaged 15,758 boe/d[(1)] with a 65% liquids weighting, representing a modest increase from last quarter's production levels. Canadian production held consistent quarter-over-quarter, highlighted by strong production in the Clearwater that reached nearly 7% of our Canadian production in Q3-2026, supported by active drilling and waterflood implementation. U.S. production showed modest growth for the third consecutive quarter, largely driven by increased Permian Basin production.

Strong realized pricing together with $3.1 million of bonus consideration and lease rental revenue contributed to funds from operations of $80 million, or $0.49 per share, representing a 37% increase from Q3-2025.

Freehold continued to benefit from increased operator activity on our lands, highlighting the depth of development opportunities within our asset base. Net drilling increased 56% from Q2-2026 and 8% from Q3-2025, as operators continue to target oil-focused plays in Canada and the U.S.

We have entered into an agreement today to acquire a 3% gross overriding royalty interest in the West Duvernay on lands operated by Refraction Energy Corp (the "Transaction"). Upon closing, the Transaction adds a high-quality, liquids-rich asset that supports our Canadian growth ambitions. We look forward to working with our partner to grow the asset to its full potential over the next several years.

Looking ahead, Freehold is well positioned. Our asset base is exposed to the most economic oil-weighted developments in North America, supported by a well-financed operator base and a strong balance sheet. We expect this combination to continue supporting our dividend, funding growth opportunities and delivering attractive long-term value to our shareholders.

David M. Spyker, President and Chief Executive Officer

Duvernay Transaction Announcement

On November 10, 2026, Freehold entered into an agreement to acquire a gross overriding royalty interest of 3% across a contiguous, undeveloped land base of over 179 sections of prospective Duvernay lands located in West Central Alberta with Refraction Energy Corp. as the operator. The total cash consideration of up to $65 million is to be paid in staged tranches that coincide with various stages of development on the lands over the next several years. Freehold's initial investment of $20 million will be payable on closing of the Transaction, with the remaining tranches expected to be phased over 2027 and 2028. The total consideration includes a $5 million performance payment tied to certain production milestones expected to be met in 2028. Closing of the Transaction is subject to the satisfaction of customary closing conditions and is expected to occur in the fourth quarter of 2026.

We believe production from the Transaction will have the potential to become 5-10% of our total Canadian production over the next decade. As part of the Transaction, Freehold will have the option to invest alongside the operator to acquire additional lands in the surrounding area, providing an opportunity to further expand our royalty footprint.

Dividend Announcement

The Board of Directors of Freehold has declared a monthly dividend of $0.09 per share to be paid on December 15, 2026, to shareholders of record on November 30, 2026. The dividend is designated as an eligible dividend for Canadian income tax purposes.

Third Quarter Operating and Financial Highlights

	Three Months Ended		
FINANCIAL ($ millions, except as noted)	**Q3-2026**	Q2-2026	Q3-2025
Royalty and other revenue	**100.3**	100.3	74.4
Funds from operations	**80.4**	77.8	58.9
Funds from operations per share, basic ($) [(2)(4)]	**0.49**	0.47	0.36
Dividends paid per share ($) [(3)]	**0.27**	0.27	0.27
Dividend payout ratio (%) [(4)]	**55%**	57%	75%
Long-term debt	**248.8**	283.2	283.6
Net debt [(5)]	**234.0**	251.1	263.3
Net debt to funds from operations for the trailing 12 months (times) [(5)]	**0.9x**	1.0x	1.1x
OPERATING			
Total production (boe/d) [(1)]	**15,758**	15,622	16,054
Canadian production (boe/d)[(1)]	**8,445**	8,510	8,680
U.S. production (boe/d)[(1)]	**7,313**	7,112	7,374
Liquids weighting (%)	**65%**	66%	65%
Petroleum and natural gas realized price ($/boe) [(1)]	**66.83**	69.11	48.92
Cash costs ($/boe) [(1)(4)]	**5.31**	6.55	5.58
Netback ($/boe) [(1) (4)]	**61.85**	61.71	42.82
BENCHMARK PRICES			
West Texas Intermediate (US$/bbl)	**85.79**	92.79	64.93
NYMEX natural gas (US$/Mcf)	**3.06**	3.01	3.18
AECO 5A Monthly Index (Cdn$/Mcf)	**1.57**	1.63	0.63
ROYALTY INTEREST DRILLING (gross / net)			
Canada	**120 / 3.4**	74 / 1.8	83 / 3.2
U.S.	**292 / 0.8**	226 / 0.9	199 / 0.7

(1) See Conversion of Natural Gas to Barrels of Oil Equivalent (boe)
(2) Calculated based on the basic weighted average number of shares outstanding during the period
(3) Based on the number of shares issued and outstanding at each record date
(4) See Non-GAAP and Other Financial Measures
(5) Net debt and net debt to trailing funds from operations are capital management measures; see Non-GAAP and Other Financial Measures

Drilling and Leasing Activity

Third-party drilling activity on Freehold's royalty lands resulted in a total of 412 gross wells (4.2 net) drilled in the third quarter, an increase of 37% (56% on a net basis) compared to the previous quarter.

	Three Months Ended					
	Q3-2026		Q2-2026		Q3-2025	
	Gross	**Net [1]**	Gross	Net [1]	Gross	Net [1]
Canada	**120**	**3.4**	74	1.8	83	3.2
United States	**292**	**0.8**	226	0.9	199	0.7
Total	**412**	**4.2**	300	2.7	282	3.9

(1) Equivalent net wells are the aggregate of the numbers obtained by multiplying each gross well by our royalty interest percentage; U.S. wells on Freehold's lands generally come on production at approximately 10 times the volume that of an average Canadian well in our portfolio.

Canada

Drilling activity ramped up through the quarter with the focus primarily on oil weighted plays. Activity in southeast Saskatchewan continues to increase, with smaller operators actively drilling recently issued leases, adding 42 gross wells in the quarter, while Mannville Heavy Oil saw 14 gross wells across Freehold lands. Operators continue to deploy open-hole multilaterals across both plays.

In the Clearwater, operators drilled 18 gross wells in the quarter. Waterflood activity continues to expand across Freehold's Clearwater position, with several projects underway at our core Nipisi and Figure Lake assets. Two Belly River wells were also drilled, as the play continues to attract capital alongside growing operator interest in liquids-rich opportunities across the broader Cardium fairway.

Freehold entered into 52 new leases with 10 counterparties during the quarter, driven largely by continued leasing activity in southeast and southwest Saskatchewan.

U.S.

Gross drilling on Freehold lands reached a record high in Q3-2026, driven primarily by the Permian, which accounted for 82% of gross wells drilled in the U.S. during the quarter. The use of surfactants, lightweight proppants and other drilling and completion techniques, continue to improve well productivity. Longer laterals are also contributing to stronger well results, with average lateral lengths on Freehold's Permian lands approaching three miles, up 10% year-over-year. While net royalty interests are typically lower in the Permian, Freehold's extensive land position provided royalty exposure to one in every three wells drilled in the Midland Basin during the quarter.

Approximately 44 gross wells were drilled on Freehold's Eagle Ford lands in Q3-2026, where there was also an increase in permitting activity near the end of the quarter. This ramp-up in permitting is expected to support drilling and production contributions through next year.

Freehold entered into 11 new leases in the U.S. during the quarter, where operators continue to focus on the deeper rights which include the Barnett formation in the Permian Basin.

Credit Facility Renewal

On November 10, 2026, Freehold amended and restated its revolving facility and operating facility, (collectively, the "Credit Facilities") with its existing syndicate of Canadian banks, extending the maturity date from November 2028 to November 2030. The Credit Facilities provide total available borrowing capacity of $500 million and includes an accordion feature that permits the Company to increase its borrowing capacity by up to an additional $100 million, subject to lender(s)' consent.

Conference Call Details

A webcast to discuss financial and operational results for the period ended September 30, 2026, will be held for the investment community on Tuesday, November 10, 2026, beginning at 4:30 PM Alberta Time (5:30 PM Eastern Time).

The live audio webcast will be accessible through the link below and on Freehold's website under *"Events & Presentations"* at www.freeholdroyalties.com. To participate in the live webcast in listen-only mode, you can register using the following link:
https://edge.media-server.com/mmc/p/43aoaeu5

For sell-side analysts intending to ask questions on the webcast, please register in advance at:
https://register-conf.media-server.com/register/BId337730ef5e746efbe979a65ff16283a

Once registered, you will receive a unique PIN to access the call.

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Select Quarterly Information

		2026			2025			2024
Financial ($millions, except as noted)	**Q3**	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Royalty and other revenue	**100.3**	100.3	77.8	69.8	74.4	78.3	91.1	76.9
Net income (loss)	**46.5**	57.0	35.1	14.1	34.2	6.2	37.3	51.1
Per share, basic ($) [1]	**0.28**	0.35	0.21	0.09	0.21	0.04	0.23	0.33
Cash flows from operations	**95.8**	71.6	46.2	55.0	60.0	57.4	62.9	59.1
Funds from operations	**80.4**	77.8	59.0	51.1	58.9	56.6	68.1	61.3
Per share, basic ($) [1][3]	**0.49**	0.47	0.36	0.31	0.36	0.35	0.42	0.40
Acquisitions & related expenditures	**16.9**	8.8	20.0	9.3	5.8	15.2	13.9	277.0
Dividends paid	**44.3**	44.3	44.3	44.3	44.3	44.3	44.3	40.7
Per share ($) [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	44.3	44.3	44.3	41.9
Per share ($) [2]	**0.27**	0.27	0.27	0.27	0.27	0.27	0.27	0.27
Dividend payout ratio (%) [3]	**55%**	57%	75%	87%	75%	78%	65%	66%
Long-term debt	**248.8**	283.2	301.4	282.9	283.6	292.6	294.3	300.9
Net debt [4]	**234.0**	251.1	275.3	268.3	263.3	270.6	272.2	282.3
Net debt to trailing funds from operations [4]	**0.9**	1.0	1.2	1.1	1.1	1.1	1.1	1.2
Average shares outstanding, basic (millions) [5]	**164.0**	164.0	164.0	164.0	164.0	164.0	164.0	153.4
Operating								
Light and medium crude oil (bbl/d)	**6,115**	6,384	6,432	6,456	6,661	6,940	6,880	6,296
Heavy crude oil (bbl/d)	**1,540**	1,475	1,459	1,619	1,481	1,557	1,552	1,516
NGL (bbl/d)	**2,620**	2,418	2,245	2,690	2,335	2,550	2,203	2,066
Total liquids (bbl/d)	**10,275**	10,277	10,136	10,765	10,477	11,047	10,635	9,878
Natural gas (Mcf/d)	**32,899**	32,070	32,392	33,180	33,459	33,220	33,678	32,564
Total production (boe/d) [6]	**15,758**	15,622	15,533	16,294	16,054	16,584	16,248	15,306
Crude oil and NGL (%)	**65%**	66%	65%	66%	65%	67%	65%	65%
Petroleum and natural gas realized price ($/boe)[6]	**66.83**	69.11	54.97	45.88	48.92	50.36	59.29	53.80
Cash costs ($/boe) [3][6]	**5.31**	6.55	7.02	7.26	5.58	7.38	7.00	5.93
Netback ($/boe) [3][6]	**61.85**	61.71	46.66	37.42	42.82	42.68	53.01	47.25
Benchmark Prices								
West Texas Intermediate crude oil (US$/bbl)	**85.79**	92.79	71.93	59.14	64.93	63.74	71.42	70.27
Exchange rate (Cdn$/US$)	**1.38**	1.38	1.37	1.39	1.38	1.38	1.43	1.40
Edmonton Light Sweet crude oil (Cdn$/bbl)	**119.12**	131.74	93.49	76.57	86.39	84.25	95.32	94.90
Western Canadian Select crude oil (Cdn$/bbl)	**100.56**	107.97	79.22	66.89	75.10	73.96	84.30	80.75
NYMEX natural gas (US$/Mcf)	**3.06**	3.01	5.23	3.68	3.18	3.57	3.79	2.86
AECO 5A Monthly Index (Cdn$/Mcf)	**1.57**	1.63	2.01	2.23	0.63	1.69	2.17	1.48

(1) Calculated based on the basic weighted average number of shares outstanding during the period
(2) Based on the number of shares issued and outstanding at each record date
(3) See Non-GAAP and Other Financial Measures
(4) Net debt and net debt to trailing funds from operations are capital management measures; see Non-GAAP and Other Financial Measures
(5) Weighted average number of shares outstanding during the period, basic
(6) See Conversion of Natural Gas to Barrels of Oil Equivalent (boe)

Forward-Looking Statements

This news release offers our assessment of Freehold's future plans and operations as of November 10, 2026, and contains forward-looking statements that we believe allow readers to better understand our business and prospects. These forward-looking statements include our expectations for the following:

- our expectations with respect to the Transaction, including that it will be completed in the fourth quarter of 2026 on the anticipated terms, that the initial $20 million tranche will be paid on closing, that the remaining tranches will be phased over 2027 and 2028, that the production milestones associated with the $5 million performance payment will be met in 2028, that the Transaction will add a high-quality, liquids-rich asset that will support the Company's Canadian growth ambitions, that the asset will be developed over the next several years, that production from the Transaction has the potential to grow to become 5-10% of the Company's total Canadian production over the next decade, and that the option to invest alongside the operator to acquire additional lands in the surrounding area will provide opportunities to further expand the Company's royalty footprint;
- our belief that, looking ahead, Freehold is well-positioned as a result of, among other things, the exposure of our asset base to the most economic oil-weighted developments in North America, supported by a well-financed operator base, and Freehold's strong balance sheet;
- our expectations that with respect to continued advances in drilling and completion strategies, including the continued deployment of open-hole multilaterals by operators;
- our expectation that we will be in a position to continue supporting our dividend, funding growth opportunities and delivering attractive long-term value to our shareholders;
- the expectation that U.S. wells on Freehold's lands will generally come on production at approximately 10 times the volume of an average Canadian well in our portfolio;
- the expectation that the ramp-up in permitting activity on Freehold's Eagle Ford lands will support drilling and production contributions through next year; and
- other similar statements.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond our control, including general economic conditions, volatility in market prices for crude oil, NGL and natural gas, risks and impacts of tariffs (or other retaliatory trade measures) imposed by Canada or the U.S. (or other countries) on exports and/or imports into and out of such countries, the risks that, following the July 1, 2026 joint review of the United States-Mexico-Canada Agreement ("USMCA"), the parties are unable to agree on future amendments to or an extension of USMCA, a party ultimately withdraws from USMCA, or USMCA is renegotiated and renewed on terms that are less favourable to Canada and the impacts of any of the foregoing on the Canadian economy and the Company's business, inflation and supply chain issues, the impacts of the ongoing conflict involving the U.S., Israel and Iran (and

other Middle-East conflicts), the Russia-Ukraine war (and any associated sanctions) and actions taken by OPEC+ on the global economy and commodity prices, geopolitical instability, political instability, industry conditions, volatility of commodity prices, future production levels, future capital expenditure levels, currency fluctuations, imprecision of reserve estimates, royalties, environmental risks, taxation, regulation, changes in tax or other legislation, competition from other industry participants, inaccurate assumptions on supply and demand factors affecting the consumption of crude oil, NGLs and natural gas, inaccurate expectations for industry drilling levels on our royalty lands, the failure to complete acquisitions, including the Transaction, on the timing and terms expected or at all, the failure to satisfy conditions of closing for any acquisitions, the failure of the operator of the Duvernay lands to achieve the development and production milestones contemplated by the Transaction on the timing expected or at all, the lack of availability of qualified personnel or management, stock market volatility, our inability to come to agreement with third parties on prospective opportunities and the results of any such agreement and our ability to access sufficient capital from internal and external sources. Risks are described in more detail in our Annual Information Form for the year-ended December 31, 2025, available at www.sedarplus.ca.

With respect to forward-looking statements contained in this news release, we have made assumptions regarding, among other things, future commodity prices, future capital expenditure levels, future production levels, future exchange rates, future tax rates, future legislation, the cost of developing and producing our assets, the quality of our counterparties and the plans thereof, the satisfaction of the conditions to closing of the Transaction, the ability of the operator of the Duvernay lands to achieve the applicable development and production milestones, our ability and the ability of our lessees to obtain equipment in a timely manner to carry out development activities, our ability to market our crude oil and natural gas successfully to current and new customers, the performance of current wells and future wells drilled by our royalty payors, our expectation for the consumption of crude oil and natural gas, our expectation for industry drilling levels, our expectation for completion of wells drilled, our ability to obtain financing on acceptable terms, shut-in production, production additions from our audit function, our ability to execute on prospective opportunities and our ability to add production and reserves through development and acquisition activities.

You are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Our actual results, performance, or achievement could differ materially from those expressed in, or implied by, these forward-looking statements. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits we will derive from them. The forward-looking information contained in this document is expressly qualified by this cautionary statement. To the extent any guidance or forward-looking statements herein constitute a financial outlook, they are included herein to provide readers with an understanding of management's plans and assumptions for budgeting purposes and readers are cautioned that the information may not be appropriate for other purposes. Our policy for updating forward-looking statements is to update our key operating assumptions quarterly and, except as required by law, we do not undertake to update any other forward-looking statements.

You are further cautioned that the preparation of financial statements in accordance with International Financial Reporting Standards (IFRS), which are the Canadian generally accepted accounting principles (GAAP) for publicly accountable enterprises, requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates

may change, having either a positive or negative effect on net income, as further information becomes available and as the economic environment changes.

Conversion of Natural Gas to Barrels of Oil Equivalent (boe)

To provide a single unit of production for analytical purposes, natural gas production and reserves volumes are converted mathematically to equivalent barrels of oil (boe). We use the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). The 6:1 boe ratio is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

Non-GAAP and Other Financial Measures

Within this news release, references are made to terms commonly used as key performance indicators in the oil and gas industry, which do not have any standardized meanings prescribed by Canadian GAAP. We believe that **netback and cash costs** are useful non-GAAP financial ratios, and **dividend payout ratio and funds from operations per share** are useful supplementary financial measures, for management and investors to analyze operating performance, financial leverage, and liquidity, and we use these terms to facilitate the understanding and comparability of our results of operations. However, as these terms do not have any standardized meanings prescribed by GAAP, such terms may not be comparable with the calculations of similar measures for other entities. This news release also contains the capital management measures net debt and net debt to funds from operations for the trailing 12 months, as defined in note 12 to the unaudited interim condensed consolidated financial statements as at and for the three and nine months ended September 30, 2026.

Net Revenue, which is calculated on a boe basis, is comprised of royalty and other revenue less ad valorem and production taxes (as incurred in the U.S. at the state level, largely Texas, which do not charge corporate income taxes but do assess flat tax rates on commodity revenues in addition to property tax assessments) and details the net amount Freehold receives from its royalty payors, largely after state withholdings.

Netback, which is calculated on a boe basis, is comprised of royalty and other revenue less production and ad valorem taxes, operating expenses, general and administrative expense, cash-based management fees, cash-based interest charges and share-based payouts, represents the per boe netback amount which allows us to benchmark how changes in commodity pricing, net of production and ad valorem taxes, and our cash-based cost structure compare against prior periods.

Cash costs, which is calculated on a boe basis, is comprised of the recurring cash-based costs, excluding taxes, reported on the statements of operations. For Freehold, cash costs are identified as operating expense, general and administrative expense, cash-based interest charges, cash-based management fees and share-based compensation payouts. Cash costs allow Freehold to benchmark how changes in its manageable cash-based cost structure compare against prior periods.

The following table presents the computation of **Net Revenue, Cash costs** and **Netback** for the periods indicated:

/boe	Q3-2026	Q2-2026	Q3-2025
Royalty and other revenue	**$69.18**	$70.52	$50.35
Production and ad valorem taxes	**(2.02)**	(2.26)	(1.95)
Net revenue	**$67.16**	$68.26	$48.40
Less:			
General and administrative expense	**(2.67)**	(2.44)	(2.51)
Operating expense	**(0.10)**	(0.11)	(0.11)
Interest and financing cash expense	**(2.54)**	(2.86)	(2.96)
Cash payout on share-based compensation	**-**	(1.14)	-
Cash costs	**(5.31)**	(6.55)	(5.58)
Netback	**$61.85**	$61.71	$42.82

Dividend payout ratios are often used for dividend paying companies in the oil and gas industry to identify dividend levels in relation to funds from operations that are also used to finance debt repayments and/or acquisition opportunities. Dividend payout ratio is a supplementary financial measure and is calculated as dividends paid as a percentage of funds from operations. The following table shows the calculation of dividend payout ratio for the periods indicated:

($000s, except as noted)	Q3-2026	Q2-2026	Q3-2025
Dividends paid	**$44,269**	$44,270	$44,269
Funds from operations	**$80,370**	$77,841	$58,854
Dividend payout ratio (%)	**55%**	57%	75%

Funds from operations per share, which is calculated as funds from operations divided by the weighted average shares outstanding during the period, provides direction if changes in commodity prices, cash costs, and/or acquisitions were accretive on a per share basis. Funds from operations per share is a supplementary financial measure.