

## NEWS RELEASE

FRU.UN

### **Freehold Royalty Trust Announces Closing of Previously Announced Equity Offering**

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CALGARY, Alberta - December 10, 2009 (TSX:FRU.UN)

Freehold Royalty Trust (“Freehold”) is pleased to announce that it has closed the previously announced equity offering. At closing today, a total of 7,618,750 trust units were issued at a price of \$15.15 per trust unit for gross proceeds of approximately \$115.4 million. This includes 993,750 trust units issued pursuant to the exercise by the underwriters of the full amount of the over-allotment option. CN Pension Trust Funds participated in the offering, including the over-allotment option, in order to maintain their existing ownership percentage of 23% of the outstanding trust units. The syndicate of underwriters was led by CIBC and included RBC Capital Markets, TD Securities Inc., BMO Capital Markets, National Bank Financial Inc. and Scotia Capital Inc.

The net proceeds from the equity offering will be used initially to reduce bank indebtedness and thereafter for capital expenditures, for potential acquisitions and for general corporate purposes.

Freehold’s primary focus is on acquiring and managing oil and gas royalties. The majority of Freehold’s production comes from royalty assets (mineral title and gross overriding royalties). The trust units trade on the Toronto Stock Exchange in Canada under the symbol FRU.UN.

Freehold is managed by Rife Resources Ltd. ([www.rife.com](http://www.rife.com)), a Calgary-based oil and gas company. Rife also manages Canpar Holdings Ltd. Combined daily production under management is approximately 22,000 barrels of oil equivalent. Rife and Canpar are 100% owned by the CN Pension Trust Funds (Montreal).

#### **Forward-Looking Statements**

Certain information set forth in this document contains forward-looking statements, including with respect to the expected use of the net proceeds of the offering. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Freehold’s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, taxation, regulation, stock market volatility and ability to access sufficient capital from internal and external sources. Readers 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. Freehold’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements. No assurance can be given that any of the events anticipated will transpire or occur.

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