

Form 62-103F3
REQUIRED DISCLOSURE BY AN ELIGIBLE INSTITUTIONAL INVESTOR
UNDER PART 4

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

This report dated December 1, 2022 amends the report dated October 7, 2021, to update certain information contained therein.

Item 1 - Security and Reporting Issuer

1.1. State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to common shares (“**Shares**”) of Freehold Royalties Ltd. (the “**Issuer**”)

The address of the head office of the Issuer is:
1000, 517 - 10 Avenue SW
Calgary, AB T2R 0A8

1.2. State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Toronto Stock Exchange

Item 2 - Identity of the Eligible Institutional Investor

2.1. State the name and address of the eligible institutional investor.

Canadian National Railway Company, as administrator of the CN Pension Trust Funds
5, Place Ville Marie, Suite 1100
Montréal (Québec) H3C 4T2

(Collectively, together with other entities managed or controlled by them, and their joint actors, the “**Investor**”.)

2.2. State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On November 11, 2022, the Investor sold 2,200,000 Shares of the Issuer on the public market. Since filing its last report with respect to the Issuer, the Investor indirectly, with Rife Resources Ltd. as the registered holder, has from time to time received quarterly management fees in the form of Shares from the Issuer on a regular basis increasing the number of Shares held, and there has been a disposition of 2,791,667 Shares in January 2022 by Rife Resources Ltd., in addition to the November 11, 2022 sale, decreasing the number of Shares held.

As a combined result of the foregoing transactions, on November 11, 2022, the Investor's percentage holding of Shares was reduced from the last reported percentage holding of 19.92% to approximately 16.64% of the total issued and outstanding Shares.

2.3. State the name of any joint actors.

Rife Resources Ltd., is a wholly owned subsidiary of the CN Pension Trust Funds and Rife Resources Management Ltd., is a wholly owned subsidiary of Rife Resources Ltd. and an indirect subsidiary of CN Pension Trust Funds.

2.4. State that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer.

Canadian National Railway Company, as administrator of the CN Pension Trust Funds, is eligible to file reports under Part 4 of National Instrument 62-103. Canadian National Railway Company, as administrator of the CN Pension Trust Funds does not presently intend to:

- 1) Make a formal take-over bid for securities of the reporting issuer, or
- 2) Propose a reorganization, amalgamation, merger arrangement or similar business combination with the reporting issuer that if completed would reasonably be expected to result in the Investor, either alone or together with any joint actors, possessing effective control over the reporting issuer or a successor to all or part of the business of such entity.

Item 3 - Interest in Securities of the Reporting Issuer

3.1. State the designation and the net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements.

In the last report filed by the Investor under Part 4 of National Instrument 62-103 for the month ending September, 2021, the Investor reported holding 29,991,631 Shares of the Issuer, representing approximately 19.92% of the total issued and outstanding shares as at the end of the month. As of the end of November 2022, the Investor held 25,068,714 Shares, representing approximately 16.64% of the total issued and outstanding Shares, a decrease of 4,922,917 Shares since the Investor's last report.

3.2. State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made.

As of the end of November 2022, the Investor held 25,068,714 Shares, representing approximately 16.64% of the total issued and outstanding Shares of the Issuer.

3.3. If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4. State the designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities to which this report relates and over which:

- (a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control,**

The Investor has direct ownership and control of 18,626,307 Shares and indirect ownership and control of 6,442,407 Shares, reflecting the aggregate holding of 25,068,714 Shares referred to in paragraph 3.2 above.

- (b) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor, and**

None.

- (c) the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

None.

- 3.5. If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.**

Not applicable.

- 3.6. If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.7. If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 - Purpose of the Transaction

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the issuer;
- (b) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (c) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (d) a material change in the present capitalization or dividend policy of the reporting issuer;
- (e) a material change in the reporting issuer's business or corporate structure;
- (f) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;
- (g) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (h) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (i) a solicitation of proxies from securityholders;
- (j) an action similar to any of those enumerated above.

The Investor regularly acquires Shares for investment purposes through quarterly management fees paid in Shares by the Issuer to Rife Resources Management Ltd. (“**Rife**”), a wholly owned indirect subsidiary of CN Pension Trust Funds, pursuant to a management agreement dated November 9, 2015 between Rife, Rife Resources Ltd., the Issuer, 1872348 Alberta Ltd. in its capacity as Trustee of Freehold Holdings Trust, and Freehold Royalties Partnership (the “**Management Agreement**”). The Investor expects to continue to acquire Shares in the future in connection with the Management Agreement. The Investor may also participate in public offerings or private placements made by the Issuer and may purchase Shares in the open market from time to time, in order to maintain or increase its pro rata equity interest in the Issuer. In addition, depending on market and other conditions, or as further circumstances may dictate from time to time, the Investor may increase or decrease its holdings of Shares through market transactions, private agreements, treasury issuances, options, other convertible securities or otherwise. The Investor currently has no other plans or intentions that relate to, or would result in, the matters listed in clauses (a) to (j), above, although the Investor may develop such plans or intentions in the future.

Item 5 - Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or

withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Copies of the Management Agreement and a governance agreement dated December 31, 2010, between the Issuer and Rife have been filed by the Issuer pursuant to applicable securities laws and are publicly available for review at www.sedar.com.

Item 6 - Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 7 - Certification

Certificate

I, as the eligible institutional investor, certify, or I, as the agent filing the report on behalf of the eligible institutional investor, certify to the best of my knowledge, information, and belief, that the statements made in this report are true and complete in every respect.

DATED this 1st day of December, 2022.

**CANADIAN NATIONAL RAILWAY COMPANY, AS
ADMINISTRATOR OF THE CN PENSION TRUST FUNDS**

By: "Marlene Puffer"

Marlene Puffer

President and Chief Executive Officer, CN Investment Division