

**FORM 51-102F3
AMENDED MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Freehold Royalties Ltd. ("**Freehold**")
400, 144 - 4th Avenue S.W.
Calgary, Alberta T2P 3N4

2. **Date of Material Change**

February 9, 2012

3. **News Release**

A news release disclosing in detail the information summarized in this material change report was issued by Freehold on February 9, 2012 and disseminated through the facilities of a recognized news service and would have been received by the securities commissions where Freehold is a reporting issuer in the normal course of its dissemination.

4. **Summary of Material Change**

On February 9, 2012 Freehold announced that it had entered into an agreement with a syndicate of underwriters led by CIBC to sell, on a bought deal basis, 3,000,000 common shares ("**Common Shares**") at a price of \$20.50 per Common Share for gross proceeds of \$61.5 million. Freehold has also granted the underwriters an option (the "**Over-Allotment Option**") to purchase up to an additional 15% of the Common Shares at the same offering price, exercisable in whole or in part for a period of 30 days following closing. If the Over-Allotment Option is fully exercised, the total gross proceeds to Freehold from the sale of Common Shares will be \$70.725 million.

5. **Full Description of Material Change**

5.1 **Full Description of Material Change**

On February 9, 2012 Freehold announced that it had entered into an agreement with a syndicate of underwriters led by CIBC to sell, on a bought deal basis, 3,000,000 Common Shares at a price of \$20.50 per Common Share for gross proceeds of \$61.5 million. Freehold has also granted the underwriters the Over-Allotment Option to purchase up to an additional 15% of the Common Shares at the same offering price, exercisable in whole or in part for a period of 30 days following closing. If the Over-Allotment Option is fully exercised, the total gross proceeds to Freehold from the sale of Common Shares will be \$70.725 million. Closing is expected to occur on or about February 29, 2012.

Freehold will use the net proceeds of this financing to repay outstanding indebtedness and for general corporate purposes.

The Common Shares will be issued by way of a short form prospectus to be filed with the securities regulatory authorities in each of the provinces of Canada (excluding Quebec). The offering is subject to the receipt of all necessary regulatory and stock exchange approvals and other customary conditions.

The Common Shares offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This material change shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information, contact Karen Taylor, Manager, Investor Relations and Corporate Secretary, by telephone at (403) 221-0891 or Toll Free: 1-888-257-1873.

9. Date of Report

February 13, 2012

Forward-Looking Statements

This material change report contains forward looking statements. More particularly, this material change report contains statements concerning the anticipated closing date of the offering and the anticipated use of the net proceeds of the offering. Although Freehold believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Freehold can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The closing of the offering could be delayed if Freehold is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the offering will not be completed within the anticipated time or at all. The intended use of the net proceeds of the offering by Freehold might change if the board of directors of Freehold determines that it would be in the best interests of Freehold to deploy the proceeds for some other purpose, such as an acquisition. The forward looking statements contained in this material change report are made as of the date hereof and Freehold undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.