

FRONSAC REAL ESTATE INVESTMENT TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE

August 18, 2016

FRONSAC REIT ANNOUNCES THE CLOSING OF TWO RECENTLY ANNOUNCED ACQUISITIONS AND ANOTHER ACQUISITION

Montreal (Québec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“**Fronsac REIT**” or “**Fronsac**”) is pleased to announce the closing of two (2) recently announced acquisitions, located in Trois-Rivières, Quebec. One of the properties is a freestanding Mike’s restaurant located in the heart of the Trois-Rivières commercial retail sector on Boulevard Des Forges. The second property is strategically located right off the Rue Des Prairies exit of the Highway 40 and is operated as a service station under the Eko fuel banner as well as a Subway Restaurant. Total consideration paid for these properties was \$1,025,000 and \$3,225,000 respectively and was settled in cash. The properties will generate in aggregate approximately \$290,000 in net operating income on an annual basis. Both properties were purchased from third parties with no previous ties to Fronsac.

Fronsac also announces yet another acquisition, located in Richelieu, Quebec. The property is located along Highway 10 and is operated as a service station under the Petro Canada banner as well as a Subway Restaurant. Total consideration to be paid for this property is \$3,512,000 and will be settled in cash. The property will generate approximately \$240,000 in net operating income on an annual basis.

The property is being purchased from a third party with no previous ties to Fronsac. The expected closing date of the transaction is scheduled to occur in the coming weeks and is subject to customary conditions and the approval of different competent authorities on the subject, including the approval of the TSX Venture Exchange, where required.

About Fronsac - Fronsac Real Estate Investment Trust is an open-ended trust that acquires and owns high quality commercial real estate properties situated along highways or frequently travelled routes, rented to exclusively to tenants operating fast food chains, convenience stores and gas stations.

Forward-Looking Statements - This press release contains forward-looking statements and information as defined by applicable securities laws. Fronsac warns the reader that actual events may differ materially from current expectations due to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated in such statements. Among these include the risks related to economic conditions, the risks associated with the local real estate market, the dependence to the financial condition of tenants, the uncertainties related to real estate activities, the changes in interest rates, the availability of financing in the form of debt or equity, the effects related to the adoption of new standards, as well as other risks and factors described from time to time in the documents filed by Fronsac with securities regulators, including the management report. Fronsac does not intend or undertake to update or modify its forward-looking statements even if future events occur or for any other reason, unless required by law or any regulatory authority.

Neither the TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the Policy of the TSX Venture Exchange) accepts any responsibility for the adequacy or accuracy of this release.

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