

PRESS RELEASE

FOR IMMEDIATE RELEASE

May 7, 2021

FRONSAC REIT ANNOUNCES CHANGES TO ITS UNIT COMPENSATION PLAN AND A DEFERRED TRUST UNIT PLAN

Montreal (Québec) - (TSX-V: FRO.UN) Fronsac Real Estate Investment Trust (“Fronsac” or the “Trust”) announces amendments to its unit compensation plan (the “Unit Compensation Plan”) and a new deferred trust unit plan (the “DTU Plan”) that further aligns executive management and unitholder interests.

At the annual and special meeting of unitholders to be held on May 21st, 2021, unitholders will be asked, among other matters, to consider, and if deemed appropriate, to pass resolutions approving amendments to the Unit Compensation Plan as outlined below (the “Amendments to the Compensation Plan”) and to pass a resolution approving the DTU Plan of the Trust (the “DTU Plan”). The Amendments to the Compensation Plan and DTU Plan remain subject to the approval of the TSX Venture Exchange and disinterested unitholder approval.

AMENDMENTS TO THE UNIT COMPENSATION PLAN

Maximum Units – Assuming the approbation of the Compensation Plan by the disinterested unitholders, a maximum of 123,900 units will be authorized for issuance under the compensation plan (previously 120,600 units).

Number of units to be delivered to eligible individuals - The number of units granted to a participant under the Unit Compensation Plan, for any one fiscal year of the Fronsac REIT, shall be the following, unless determined otherwise by the Board:

- 1,000 units for each trustee who attended 75% or more of the meetings of the Board for a particular fiscal year, in addition to any unit granted to a participant as Chairman of all committees of the Trust.
- 1,500 units for the Chairman of the Board of Trustees.
- 1,200 units for the Chairman of the Audit Committee.
- 400 units for the Chairman of the Governance and Compensation Committee.
- 400 units for the Chairman of the Investment Committee.
- A minimum of 10,000 units up to a maximum of 22,000 units for the President and Chief Executive Officer of the Trust as a performance bonus. The Governance and Compensation Committee shall be responsible of setting the bonus, which is based on multiple qualitative and quantitative performance metrics determined by the Governance and Compensation Committee.
- A minimum of 5,000 units up to a maximum of 10,000 units for the Chief Financial Officer of the Trust as a performance bonus. The Governance and Compensation Committee shall be responsible of setting the bonus, which is based on multiple qualitative and quantitative performance metrics determined by the Governance and Compensation Committee.
- Up to a maximum of 10,000 units for any other employee of the Trust as determined by the Governance and Compensation Committee, as a performance bonus. The Governance and

Compensation Committee shall be responsible of setting the bonus, which is based on multiple qualitative and quantitative performance metrics determined by the Governance and Compensation Committee.

DTU PLAN OF THE TRUST

Each participant under the DTU Plan is entitled to receive deferred units (“Deferred Units”) each such Deferred Unit being equivalent in value to a unit of the Trust. The DTU Plan is administered by the Board or the Governance and Compensation Committee. The purpose of the DTU Plan is to promote a greater alignment of interests between the trustees, officers and employees of the Trust who participate in the DTU Plan and the unitholders of the Trust, to foster the growth and success of the Trust and to assist the Trust in attracting and retaining qualified individuals.

Trustees, directors, officers and employees of the Trust or of any subsidiary of the Trust are eligible to participate in the DTU Plan. Each eligible person is given the right to elect to be a participant of the DTU Plan. A person who elects to be a participant under the DTU Plan will receive up to 100% of the units of the Trust payable to him or her under the Unit Compensation Plan in the form of Deferred Units (“Elected DUs”).

The maximum number of units of the Trust reserved for issuance under the DTU Plan is 123,900, including the units issuable under the Unit Compensation Plan. Any unit issued under the DTU Plan or under the Unit Compensation Plan will reduce the number of units reserved for issuance under the DTU Plan accordingly. Deferred Units are not considered units of the Trust and do not entitle a participant to any unitholder rights.

For more details regarding the Unit Compensation Plan and the DTU Plan, please refer to the Management Information Circular for the year ended December 31, 2020 and available on Fronsac’s website or on SEDAR.

About Fronsac – Fronsac Real Estate Investment Trust is an open-ended trust that acquires and owns high quality triple net and management-free commercial real estate properties.

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.

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