

FRONSAC REAL ESTATE INVESTMENT TRUST RELEASES INTERIM FINANCIAL STATEMENTS

TSX VENTURE EXCHANGE: GAZ.UN

FOR IMMEDIATE RELEASE

MONTREAL, QUEBEC – AUGUST 21, 2012 – Fronsac real estate investment trust (“Fronsac REIT”) today released its unaudited consolidated financial statements for the second quarter ended June 30, 2012.

The net loss of the second quarter was \$(8,833) or \$(0.000) per unit [2011: net income of \$9,579 or \$0.001 per share]. The net loss of this quarter is largely attributable to expenses calculated on the variation of the quoted price of the units. These expenses, in the amount of \$65,500, are non-cash expenses. For the quarter of June 30, 2011, the operations were conducted under the name of Fronsac Capital Inc..

SUMMARY OF INCOME STATEMENT INFORMATION

Income	June 30, 2012	June 30, 2011
Revenue	\$162,259	\$131,859
Net Income (loss)	\$(8,833)	\$9,579
Per unit – basic and diluted	\$(0.000)	\$0.001
Weighted average units outstanding – basic and diluted	20,514,000	13,790,000

SUMMARY OF CASH FLOWS INFORMATION

Cash Flows	June 30, 2012	June 30, 2011
Cash from operating activities	\$61,596	\$(26,448)
Cash from investing activities	\$(2,229,485)	\$17,000
Cash from financing activities	\$1,843,251	\$(47,794)
Increase (decrease) in cash	\$(324,638)	\$(57,242)
Cash – beginning of period	\$304,641	\$833,315
Cash – end of period	\$(19,997)	\$776,073

SUMMARY OF FINANCIAL POSITION INFORMATION

Financial Position	June 30, 2012	December 31, 2011
Cash	\$(19,997)	\$1,985,720
Investment Properties	\$9,091,304	\$7,111,919
Total Assets	\$9,529,555	\$9,335,868
Total Liabilities	\$4,586,472	\$4,527,216
Total Equity	\$4,943,083	\$4,808,652
Book value per unit	\$0.24	\$0.23

The Trust's June 30, 2012 financial statements may be viewed on SEDAR at www.sedar.com

For further information please contact Michel Lassonde, President at (450) 536-5328.

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