

PRESS RELEASE

FOR IMMEDIATE RELEASE

November 23, 2020

FRONSAC ANNOUNCES THE CLOSING OF ITS PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURES

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Montreal (Québec) - (TSX-V: FRO.UN) Fronsac Real Estate Investment Trust (the “REIT” or “Fronsac”) is pleased to announce the closing of its previously announced non-brokered private placement (the “Private Placement”) of unsecured convertible debentures of Fronsac (the “Convertible Debentures”).

Under the Private Placement, the REIT issued \$6.0 million in principal amount of Convertible Debentures. The Convertible Debentures will mature on November 23, 2025, bear an annual interest rate of 6.0% payable semi-annually, and are convertible into units of Fronsac (the “Units”) at a conversion price of \$8.13 per Unit (the “Conversion Price”). Fronsac will have the right to redeem the Convertible Debentures on or after November 23, 2023 if the closing price of the Units on the TSX Venture Exchange (the “TSX-V”) is greater than \$8.78 for a period of forty-five (45) consecutive trading days. At any time upon giving 10 days’ advance written notice to the holders of the Convertible Debentures, the REIT may force the conversion of the principal amount of the then outstanding Convertible Debentures into Units at the Conversion Price if the closing price of the Units on the TSX-V is greater than \$8.78 for any forty-five (45) consecutive trading days.

The Private Placement remains subject to receipt of all regulatory approvals, namely final approval of the TSX-V. The Convertible Debentures and the Units issuable upon conversion of the Convertible Debentures will be subject to a four-month hold period under applicable Canadian securities laws.

The net proceeds from the Private Placement will be used as stated in Fronsac’s press release dated November 10, 2020. In connection with the Private Placement, Fronsac is paying an aggregate of \$16,500.00 in finder’s fees in accordance with applicable laws.

The securities described herein have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release 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.

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. Such risks, uncertainties and other factors include the risk that Fronsac may not be able to obtain all necessary regulatory and stock exchange approvals, including final approval of the TSX-V, the risks related to economic conditions, including the risks related to the impacts of the current Covid-19 pandemic on the REIT's tenants and the real estate market, the risks associated with the local real estate market and real estate activities generally, the risks related to the dependence on the financial condition of tenants, the changes in interest rates, the availability of financing in the form of debt or equity and the effects related to the adoption of new accounting standards, as well as other risks, uncertainties and factors to be described in the preliminary short form prospectus of Fronsac and described from time to time in the documents filed by Fronsac with the securities commissions and similar regulatory authorities, including Fronsac's annual information form and management's discussions and analysis. 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 policies of the TSX Venture Exchange) accepts any responsibility for the adequacy or accuracy of this release.

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