

FRONSAC REAL ESTATE INVESTMENT TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE

June 13, 2016

FRONSAC REIT ANNOUNCES A FINANCING

Montreal (Québec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“Fronsac REIT” or “Fronsac”) is pleased to announce its intention to undertake a prospectus-exempt private placement of units of Fronsac for a maximum amount of \$5,000,000 (the “Offering”). The Units will be offered at a price of \$0.39 each.

The proceeds of the Offering will be used for acquisitions and for working capital purposes.

Insiders of Fronsac have indicated their intention to subscribe to units under the terms of the Offering. These subscriptions will benefit from the exemptions of the formal valuation and of the approval of the minority shareholders of sections 5.5 a) and 5.7 a) of Regulation 61-101 Respecting Protection of Minority Security Holders in Special Transactions, the amount to be subscribed by the insiders being less than 25 % of Fronsac’s market capitalization. The private placement is subject to compliance with applicable securities legislation and to the approval of the TSX Venture Exchange.

All units issued under the Offering will be subject to a four-month plus one-day hold period from the closing date, pursuant to securities legislation and to the policies of the TSX Venture Exchange. A finder’s fee may be payable to qualified finders in accordance with applicable regulations. The units have not been nor will they be registered under the United States Securities Act of 1933, as amended, or state securities laws, and may not be offered or sold in the United States or to an account for the benefit of US persons, absent such registration or an exemption from registration. The Offering is expected to close on or about July 13, 2016.

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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