

PRESS RELEASE

FOR IMMEDIATE RELEASE

November 25, 2020

FRONSAC ANNOUNCES THE CLOSING OF ITS FULLY-SUBSCRIBED PUBLIC OFFERING OF UNITS AND THE EXERCISE BY THE AGENTS OF THE OVER-ALLOTMENT OPTION IN FULL

Not for Distribution to United States Newswire Services or for Dissemination in the United States

Montreal (Québec) - (TSX-V: FRO.UN) Fronsac Real Estate Investment Trust (the “REIT” or “Fronsac”) is pleased to announce that it has closed its previously-announced public offering (the “Offering”) of units of Fronsac (the “Units”).

Under the Offering, an aggregate of 2,653,846 Units were issued and sold, including the exercise in full by the Agents (as defined below) of their over-allotment option to purchase up to 346,154 additional Units. The Units were issued and sold at a price of \$6.50 per Unit for aggregate gross proceeds of \$17,249,999. The Offering was made through a syndicate of agents co-led by Paradigm Capital Inc. and Canaccord Genuity Corp., acting as joint bookrunners, and including Desjardins Securities Inc., Laurentian Bank Securities Inc., Industrial Alliance Securities Inc. and Echelon Wealth Partners Inc. (collectively, the “Agents”).

With the Offering and the previously announced closing of the private placement of unsecured convertible debentures of the REIT, Fronsac has raised total gross proceeds of \$23.25 million.

The Units were offered by way of a short form prospectus filed with the securities commissions and other similar regulatory authorities in each of the provinces of Canada.

The net proceeds from the Offering will be used as stated in Fronsac’s press release dated November 10, 2020.

Insiders of Fronsac have subscribed to an aggregate of 164,610 Units under the Offering, for aggregate gross proceeds of \$1,069,965 to Fronsac. Such insiders’ participation in the Offering (the “Insider Participation”) is considered to be a “related party transaction” within the meaning of TSX Venture Exchange Policy 5.9 and *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* (“Regulation 61-101”). Pursuant to subsections 5.5(a) and 5.7(1)(a) of Regulation 61-101, Fronsac is exempt from obtaining a formal valuation and minority approval of its unitholders with respect to the Insider Participation as the fair market value of the gross proceeds of the Offering (including the Insider Participation) is below 25% of Fronsac’s market capitalization as determined in accordance with Regulation 61-101. Fronsac did not file a material change report 21 days prior to the closing of the Offering as the details of the Insider Participation had not been confirmed at that time. The Offering has been unanimously approved by the board of trustees of Fronsac.

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 apply the net proceeds of the Offering differently than as stated herein depending on future circumstances, 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 described in the final short form prospectus of Fronsac dated November 19, 2020 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.

For further information please contact Jason Parravano at (450) 536-5328.