

FRONSAC REAL ESTATE INVESTMENT TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE

August 21, 2017

FRONSAC REIT ANNOUNCES AN ACQUISITION

Montreal (Québec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“**Fronsac REIT**” or “**Fronsac**”) is pleased to announce the acquisition of a property located in Waterloo, Quebec. The property is a service station under the Ultramar banner with a Beau-Soir convenience store. The property is located at the crossing of Du Nord street and Foster street, a highly trafficked artery in the city of Waterloo. It was acquired from a company owned by Odacité, with who Fronsac has a partnership, for a total consideration of \$2,000,000 and was settled in cash.

In order to complete the initial purchase of this property, Odacité received a loan from B&C Immo Inc. This company is controlled by Jacques Beaudry, a trustee of Fronsac. In exchange for the loan, B&C Immo Inc. will receive a financial compensation in the form of interest payments. Under the legislation, this transaction does not constitute a related party transaction but had to be disclosed since a trustee had an interest in the transaction. Prior to closing the transaction, Fronsac informed the TSX Venture exchange of all the material information contained in this press release. An independent valuation firm was contracted to provide a valuation, which was used to determine a purchase price.

For more information regarding related party transactions, please refer to Regulation 61-101.

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.

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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