

FRONSAC REAL ESTATE INVESTMENT TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE

July 26, 2016

FRONSAC REIT ANNOUNCES TWO ACQUISITIONS

Montreal (Québec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“**Fronsac REIT**” or “**Fronsac**”) is pleased to announce the acquisition of two (2) real estate investment properties located in Trois-Rivières, Quebec. One of the properties is a freestanding Mike’s restaurant located in the heart of the Trois-Rivières commercial retail sector on Boulevard Des Forges. The second property is strategically located right off the Rue Des Prairies exit of the Highway 40 and is operated as a service station under the Eko fuel banner as well as a Subway Restaurant. Total consideration to be paid for these properties will be \$1,025,000 and \$3,225,000 respectively and settled in cash. The properties will generate in aggregate approximately \$290,000 in net operating income on an annual basis.

Both properties are being purchased from third parties with no previous ties to Fronsac. Expected closing dates of both transactions is scheduled to occur in the coming weeks and is subject to customary conditions and the approval of different competent authorities on the subject, including the approval of the TSX Venture Exchange, where required.

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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