

**Extendicare Normal Course Issuer Bid Approved by TSX**

MARKHAM, ONTARIO – January 10, 2017 – Extendicare Inc. (“Extendicare” or the “Company”) (TSX: EXE) today announced that it has received the approval of the Toronto Stock Exchange (the “TSX”) to make a normal course issuer bid (the “Bid”) for up to 8,800,000 of its common shares (the “Common Shares”) through the facilities of the TSX, and on alternative Canadian trading systems.

As at January 6, 2017, there were 88,684,485 Common Shares issued and outstanding. The Company’s Bid for up to 8,800,000 Common Shares represents approximately 10% of the public float on January 6, 2017, calculated in accordance with the rules of the TSX.

Purchases under the Bid may commence on January 13, 2017 and will terminate on January 12, 2018, or on such earlier date as the Bid is complete. The actual number of Common Shares purchased under the Bid and the timing of any such purchases will be at the Company’s discretion. Purchases of Common Shares will be made through the facilities of the TSX, and on alternative Canadian trading systems, in accordance with the TSX rules. Subject to the TSX’s block purchase exception, on any trading day, purchases under the Bid will not exceed 70,940 Common Shares. The price that Extendicare will pay for any Common Shares purchased under the Bid will be the prevailing market price at the time of purchase and any Common Shares purchased by the Company will be cancelled.

The Company’s board of directors has authorized the Bid because it believes that it is an appropriate use of the Company’s available funds to purchase Common Shares when the market price of the Common Shares does not fully reflect their underlying value. Any Common Shares purchased under the Bid will increase the proportionate equity interest of, and may be advantageous to, all remaining shareholders. The Company did not purchase any Common Shares under its previous outstanding normal course issuer bid that expired on January 4, 2017.

**ABOUT EXTENDICARE**

Extendicare is a leading provider of care and services for seniors throughout Canada. Through our network of 119 operated senior care centres (64 owned/55 managed), as well as our home health care operations, we are committed to delivering care throughout the health care continuum to meet the needs of a growing seniors’ population in Canada. Our qualified and highly trained workforce of 23,800 individuals is dedicated to helping people live better through a commitment to quality service and a passion for what we do.

**Forward-looking Statements**

*Information provided by Extendicare from time to time, including this release, contains or may contain forward-looking statements concerning anticipated financial events, results, circumstances, economic performance or expectations with respect to Extendicare and its subsidiaries, including, without limitation, statements regarding its business operations, business strategy, and financial condition. Forward-looking statements can be identified because they generally contain the words “expect”, “intend”, “anticipate”, “believe”, “estimate”, “project”, “plan” or “objective” or other similar expressions or the negative thereof. Forward-looking statements reflect management’s beliefs and assumptions and are based on information currently available, and Extendicare assumes no obligation to update or revise any forward-looking statement, except as required by applicable securities laws. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Extendicare to differ materially from those expressed or implied in the statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on Extendicare’s forward-looking statements. Further information can be found in the disclosure documents filed by Extendicare with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com) and on Extendicare’s website at [www.extendicare.com](http://www.extendicare.com).*

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