

**Extendicare Completes \$110 million Offering of
5.00% Convertible Debentures**

NOT FOR DISTRIBUTION IN THE UNITED STATES OR OVER UNITED STATES WIRE SERVICES

MARKHAM, ONTARIO, April 17, 2018 – Extendicare Inc. (“Extendicare” or the “Company”) (TSX: EXE) announced today the closing of its previously announced public offering (the “Offering”) of \$110 million aggregate principal amount of 5.00% convertible unsecured subordinated debentures due April 30, 2025 (the “Debentures”), which are convertible, at the option of the holder, into common shares of the Company at a conversion price of \$12.25 per common share, on a bought deal basis with a syndicate of underwriters. The Debentures will commence trading today on the Toronto Stock Exchange (the “TSX”) under the symbol “EXE.DB.C”. Extendicare has granted the underwriters an over-allotment option, exercisable at any time up to 30 days following today's closing, to acquire up to an additional \$16.5 million aggregate principal amount of Debentures for the purposes of covering the underwriters’ “over-allocation position”. The syndicate of underwriters led by RBC Capital Markets, includes BMO Capital Markets, CIBC World Markets Inc., TD Securities, National Bank Financial Inc., Scotiabank, and Echelon Wealth Partners Inc.

As previously announced, the net proceeds from the Offering will be used to partially fund the redemption of the Company’s outstanding 6.00% convertible unsecured subordinated debentures due September 30, 2019 (the “2019 Debentures”) trading on the TSX under the trading symbol “EXE.DB.B”. The 2019 Debentures will be redeemed on April 30, 2018 (the “Redemption Date”), for an aggregate redemption price equal to the sum of the outstanding aggregate principal amount of the 2019 Debentures (\$126,500,000) and all accrued and unpaid interest thereon up to, but excluding, the Redemption Date, for a total of \$1,004.93 for each \$1,000 principal amount of 2019 Debentures. The balance of the funds required for the redemption of the 2019 Debentures will be funded by the Company from cash on hand.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been and will not be registered under the U.S. Securities Act of 1933 as amended and may not be offered or sold in the United States absent registration or pursuant to applicable exemption from registration.

About Extendicare

Extendicare is a leading provider of care and services for seniors throughout Canada. Through our network of 117 operated senior care and living centres (67 owned/50 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 23,700 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 “anticipate”, “believe”, “estimate”, “expect”, “intend”, “objective”, “plan”, “project”, “will” 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 and on Extendicare's website at www.extendicare.com.

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