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Element Lifestyle Retirement Files Second Quarter Fiscal 2017 Financial Results

Vancouver, BC (January 27, 2017) – Element Lifestyle Retirement Inc. (the “Company” or “Element”) (TSX.V: ELM) announces that the Company’s unaudited consolidated interim financial results for the second quarter fiscal 2017 ended November 30, 2016 have been filed on SEDAR. The full version of the Financial Statements and Management’s Discussion & Analysis can be viewed on SEDAR at www.sedar.com.

Financial and Business Highlights for the Quarter Ended November 30, 2016

- For the quarter, net loss of \$0.12 million (\$0.002 per share) compared to a net loss of \$0.55 million (\$0.01 per share) for the same period last year;
- Year-to-date net loss was \$0.66 million (\$0.01 per share) compared to a net loss of \$0.93 million (\$0.04 per share) compared to last year;
- Cash and cash equivalents was \$3.07 million at November 30, 2016 compared to \$3.74 million since May 31, 2016, down \$0.67 million primarily due to the payment of regular operating expenses and one-time office expansion costs;
- Working capital decreased slightly to \$3.03 million at November 30, 2016, compared to \$3.14 million last year, a drop of \$0.11 million; and
- Revenue of \$0.50 million from development consulting fees regarding the Opal Project materialized during the quarter, compared to \$0.04 million for the same period last year.

Michael Diao, President, states, “2017 will be an exceptionally exciting year for the company as the Opal project is expected to commence construction within the next 45 days and the Oasis Project is anticipated to receive 3rd reading in the rezoning process within this calendar year. Furthermore, we are proud that we have built a solid management team that has significant experience developing and operating retirement communities and our focus will be to escalate the momentum as we transition to a prosperous and well-respected organization for the long-term.”

Business Highlights

Consulting Fees

Fees generated from development activities were \$0.50 million during the quarter. Development fees will vary depending on the development stage milestones that are achieved by the Company. Revenues from ongoing

management fees will materialize once contracts have been solidified with the completion of managed development projects.

Building the Element Team

The Company continues to strengthen its strong management team with the recent hiring of Mr. Conan Graham, Vice President of Corporate Development. Mr. Graham will be responsible for creating and executing Element's business development strategy, ensuring complete alignment with the Company's corporate vision, philosophy and core values. In addition, Mr. Ed Duda has been appointed CFO, an experienced financial and operations professional, who will play a key role as Element moves to its next stage of corporate development. The Company has assembled a highly experienced, cohesive and professional group of retirement home specialists and now has the foundation of an operating team that will roll out Element's management and development strategy both in the domestic and foreign markets. The management team will continue to concentrate its efforts on development, operational activities and future business opportunities.

Future Business Opportunities

The management team has been exploring numerous business opportunities both domestically and in foreign jurisdictions. The Company has made a significant investment in its people and strongly believes that this is a key asset when building the corporate brand and engaging with prospective future business partners. The Company believes that it is critically important to have a strong operational team to properly investigate future business opportunities but also to ensure that development designs meet operational needs when projects are transitioned to long-term management contracts.

Cost Management

- Cost minimization, cash preservation and prudent management continue to be the cornerstone of the organization.

Tax Pool

- As of November 30, 2016, the Company has approximately \$4.63 million of carry forward losses that can be applied directly to the Company's taxable income to offset future tax liabilities.

Corporate

- On December 2, 2016, 558,152 warrants which were originally granted and issued on December 2, 2015 expired.

Strategic Priorities

Element anticipates this to be a significant year of milestone achievements on existing projects, as well as growth with new projects.

- The Company's key strategic priority is to begin construction late February/early March of this year regarding the OPAL Project, in the core of Vancouver's vibrant Cambie Village.

- Additional priorities involve taking the Company's award-winning 17-acre master-planned project, OASIS in Langley, through to third reading anticipated within this calendar year and adding at least one additional significant property this year in BC to the Company's management portfolio, to be developed and operated under its intergenerational aging-in-place model. The Company, presently, does not envision owning a significant stake in any of the real estate assets as it moves forward. The Company's management contracts will encompass services from property search, land identification, acquisition through to rezoning, design, development, financing, construction, marketing and finally the specialized management services regarding the on-going operations and administration of the long-term retirement facilities and communities. Investment dollars will be raised to support the growth.

The Company's directors and management strongly believe that the priorities will provide a solid foundation for Element Lifestyle Retirement Inc., and its shareholders, as it continues working towards building a prosperous, well-respected and long-term seniors retirement development and management services organization.

About Element Lifestyle Retirement Inc.

Element was established in June 2013 in Vancouver, British Columbia and is in the business of providing specialized development expertise and flexible, innovative management services for senior retirement communities. The core business of Element is the development and management of third party assets in the "senior retirement community" space. The organization aspires to be one of the most respected senior living specialists in North America, emphasizing the "Continuum-of-Lifestyles" model, which encompasses a smooth, seamless transition for seniors from independence to assisted living to complex care. The management team of Element has several decades of experience developing and operating retirement communities.

ON BEHALF OF THE BOARD OF DIRECTORS ELEMENT LIFESTYLE RETIREMENT INC.

"Michael Diao"

Chief Executive Officer and Director

For further information, please visit www.elementlifestyleretirement.com or contact Investor Relations at (604) 676-1418.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statement Caution

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to development of Element's business, including statements regarding future revenues, assessing opportunities and advancing the Company's plans. Although the Company believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks associated with Element's business as disclosed in the Company's most recently filed MD&A. The statements in this news release are made as of the date of this release. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.