



## P R E S S   R E L E A S E

### **Lifeco Split Corporation Inc.**

### **Announces Minimum Share Condition for Reorganization Has Been Satisfied**

Toronto, July 2, 2010

**Attention: Business / Financial Editors**

Lifeco Split Corporation Inc. (“Lifeco” or the “Company”) announced today that the final condition required to extend the term of the Company for an additional two years to July 31, 2012 has been met as holders of 82.3% of Capital Shares elected to extend.

Under the Special Retraction Right, 128,636 Capital Shares were tendered to the Company for retraction on June 29, 2010. Holders of these shares will receive, on July 30, 2010, a retraction price equal to the amount if any, by which the Unit Value exceeds \$51.19.

In addition, under the Special Retraction Right, 132,830 Preferred Shares were tendered to the Company for retraction on June 29, 2010. Holders of these shares will receive, on July 30, 2010, a cash price for every Preferred Share equal to the lesser of \$51.19 and the Unit Value (currently \$76.43 per Unit).

In conjunction with the reorganization and as disclosed in the Company’s information circular, the Company will adjust the level of downside protection on the Preferred Shares to approximately 39% by calling additional Preferred Shares for redemption, issuing additional preferred shares, or leaving the number of Preferred Shares unchanged, depending on the downside protection at the time of adjustment. “Downside protection” refers to the percentage by which the Unit Value can decline and still cover the redemption price of the Preferred Shares. The Company will also adjust the number of remaining outstanding Preferred Shares by way of sub-division in order to maintain the ratio of Capital Shares to Preferred Shares of two-to-one. The Company will announce any changes to the Preferred Shares on or about July 16, 2010.

Capital Shares and Preferred Shares of Lifeco are listed for trading on The Toronto Stock Exchange under the symbols LSC and LSC.PR.C respectively.

For more information, please contact

Investor Relations

Lifeco Split Corporation Inc.

(416) 945-4166

E-mail: [mc\\_lifeco@scotiacapital.com](mailto:mc_lifeco@scotiacapital.com)

Website: [www.scotiamanagedcompanies.com](http://www.scotiamanagedcompanies.com)

26th Floor, 40 King Street West, Toronto, Ontario M5W 2X6 Tel : ( 416) 945-4166 Fax : ( 416) 863-7425