

Rifco Updates Management-initiated and Voluntary Internal Review of GST/HST Remittances

Red Deer, Alberta, August 10, 2017: Rifco Inc. (TSXV-RFC) (the “Company”) has updated its findings from the Company’s internally initiated, voluntary review (the “Review”) of the Company's GST/HST remittances.

The continuing Review has determined that certain previously unclaimed input tax credits (the “ITC’s”) will largely or completely offset the unremitted tax liability reported in the Company’s July 25th, 2017 press release. As such, the Review currently indicates that Company has little or no liability for net unremitted GST/HST.

The reporting of GST/HST collected and remitted on repossessed vehicle auction sale proceeds with certain auction agents continues to be incorrect. However, these reporting errors do not appear to have resulted in any material under-remittance of GST/HST to the Canada Revenue Agency (the “CRA”).

The Company will continue with its Review and the CRA’s Voluntary Disclosure Process to correct any reporting errors. While we expect that such corrections will not result in any material liability for the Company, there is no assurance that the conclusions reached by the Company, with the assistance of its advisors, will be agreed to by the CRA.

Retrospective Corrections to Historically Reported Results

The Company is in consultation with its Auditors. While the Review is not yet completed, the Company does not believe that it will be required to refile or restate previous financial statements nor make retrospective corrections as current estimates of any net obligation are not material.

Trading Blackout

In conjunction with the preparation of the Company’s Q1 Filings (defined below) and as a result of the Review, Rifco established a blackout on trading by directors, officers and other insiders of the Company, and intends to continue the blackout until the Q1 Filings.

Filing Requirements

Under National Instrument 51-102 of the Canadian Securities Administrators, the Company's unaudited interim financial statements for the three-month periods ended June 30, 2017 and the related MD&A and management certifications (the "Q1 Filings") are to be filed no later than August 29, 2017.

About Rifco

Rifco Inc. operates through its wholly owned subsidiary Rifco National Auto Finance Corporation in order to provide automobile loans through its dealership network across Canada. Rifco National Auto Finance provides consumers with financing options on new and used vehicles. Rifco specializes in building long-term partnerships with dealers by investing time in personalized services through dedicated account representatives. Rifco’s quick credit decisions, common sense lending, and expedited funding processes give its dealers better financing options and more closed deals. Rifco’s most successful partnerships result in Fast Forward 500 Club status for its loyal dealerships.

Rifco is committed to continuing growth. Key strategies for achieving this growth include the expansion of its automobile dealer base and excellence in credit and collections processes.

The common shares of Rifco Inc. are traded on the TSX Venture Exchange under the symbol "RFC". There are 21.60 million shares outstanding and 22.91 million (fully diluted) shares.



It's about time.

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Forward-Looking Statements

Certain statements contained in this document constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of the "safe harbour" provisions of applicable securities legislation. Forward-looking statements are typically identified by words suggesting future events or future performance. In particular, this document contains forward-looking statements pertaining to, without limitation, the following: the scope of the impact of the preliminary findings, our belief that the preliminary findings from the review to date could change as the review continues; our belief that no restatement is required; our intention to provide further comment when the review is completed; and our intention to continue the blackout on directors, officers and other insiders until the Q1 Filings have been filed.

With respect to forward-looking statements contained in this document, we have made assumptions regarding, among other things: the nature and magnitude of the possible remittance errors that will need to be remedied in; that the final results of the internal review will not be substantially different than the preliminary results of the review. In addition, many of the forward-looking statements contained in this document are located proximate to assumptions that are specific to those forward-looking statements, and such assumptions should be taken into account when reading such forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements contained in this document, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause our actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements.

The forward-looking statements contained in this document speak only as of the date of this document. Except as expressly required by applicable securities laws, we do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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.



It's about time.