PRESS RELEASE

RIFCO Reports Annual Net Income of $309K

Red Deer, Alberta, June 30, 2010: RIFCO Inc. (TSX.V-RFC) today announced its annual results and filed it's audited consolidated financial statements for the year ended March 31, 2010, and the related management's discussion and analysis have been filed with Canadian securities authorities. Copies can be obtained on SEDAR at www.sedar.com

Annual Results

RIFCO is reporting a fourth consecutive year of profitability.

In the fiscal year ending March 31, 2010, net income of $308,962 and earnings per share of $0.02 were achieved.

Loan originations decreased to $28.79M from $38.32M in the prior year, a 24.9% decrease. Total managed assets increased to $56.38M from $50.57M in the prior year, an 11.5% increase. RIFCO's revenue decreased 17.0% to $11.29M from $13.59M in the prior year. Net income decreased to $308,962 from the prior year's $1,416,092, a 78.2% decrease. Net financial income before operating expenses decreased to $3,025,681 from $4,748,032 in the prior year a decrease of 36.3%. Operating expenses increased to $2,627,219 from $2,583,940 an increase of only 1.7%.

RIFCO achieved EPS of $0.02 down from $0.07 in the prior year. The Company is reporting a decrease in ROE to 3.52% from 18.12% in the prior year. Book value per share has increased to $0.46 from $0.44.

While the Canadian economy has been deteriorating for some time, RIFCO's credit performance remained within our published targets. RIFCO's frequency of defaults has moved up marginally to 8.90% from 8.04% in the prior year. Loan delinquency started the year at 5.04% and finished the year down 0.49% at 4.55%. Midyear, delinquencies peaked at 5.76%.

The Company is reporting an average loan loss rate for the year of only 5.90% up from 5.12% in the prior year. The Company is pleased that the loss ratio was kept below the midpoint of the year's target loss range of 5.5-6.5%. Over the last year RIFCO staff and management redoubled their efforts in both the credit adjudication and payment collections functions in order to maintain these credit results in light of the challenging economic circumstances.

Over the past few years, there has been a reduction in the number of auto lending competitors in Canada. RIFCO has been able to incrementally improve its risk adjusted loan pricing. This has resulted in increasing the average portfolio yield on all managed finance receivables in the year to 19.86% from 19.31% in the prior year. RIFCO's pricing changes do impact its loan volumes, closing rates, credit quality, and efficiency. We continue to carefully weigh our desired loan originations volumes in light of cost of funds in order to optimize profitability.

Key metrics that affected the Company's reported results during the year include:

The Company saw a decrease in revenue on decreased levels of loan originations and loan securitizations.

Securitization levels decreased to 96% of loan originations from 100% in the prior year. This resulted in an increased level of on-book finance receivables.

The Company saw a substantial increase in relative (rate over benchmark) and absolute securitization pricing in the first half of the year. The impact on absolute pricing was partially reduced as benchmark Government of Canada rates decreased. The Company enjoyed improving pricing in the second half of the year.

Loan delinquency has decreased to 4.55% from 5.04% over the year but peaked at the midpoint at 5.76%.

Loan losses increased to 5.90% from 5.12% in the prior year. Loan losses increased in concert with the Canadian recession and unemployment levels over the year. We believe that loan losses will reduce in coming quarters.

As loan losses increased, the Company experienced an elevated prepayment loss rate on securitized loans. The prepayment losses on securitized loans in the year totaled $3.67M up from $1.88M in the prior year.

The operating expense ratio demonstrated progress as it reduced to 4.88% from 6.14% a year ago. We are very pleased to report to shareholders a managed finance receivable increase of $5.8M with only a $43K increase in operating expenses.

RIFCO has been granting non-traditional loans in the automotive sector since 2002 and has granted over $144M in loans. The Company had predicted that its underwriting and operational systems would hold up throughout economic cycles. The economic environment over the past 24 months has acted as a real life “stress test” for these credit assumptions. While granting and collecting loans in this year has been more challenging than prior years, the credit model has proved to be sound.

During the year, RIFCO completed a number of important funding initiatives that will continue to contribute positively to results in the future fiscal quarters:

During the year, RIFCO has had no interruptions in funding.

In August 2009, the Company renewed its existing $30M securitization facility with Securcor Trust. The Company has had continuous facilities with Securcor Trust since March of 2005.

In September 2009, the Company received an additional $30M securitization facility with a schedule 1 Canadian Chartered Bank. This brought securitization facilities available to $60M.

In October 2009, the Company received a $2.0M increase with its annual renewal of its senior credit facility with BMO bringing the limit to $9.5M. The terms, rates, limits and security were similar to those of the prior year’s facility.

RIFCO is well positioned to embrace a period of high growth. The Company is now seeing improved funding costs, improved access to capital, and improving credit performance from existing loans. This is being combined with a marketplace that has seen half of the direct competitors cease operations over the past few years. The result is a unique growth opportunity for RIFCO.

Aggressive loan origination growth rates of 50 to 100% are targeted for the coming years. The Company has just completed doubling its sales force in order to respond to requests, by dealers, for RIFCO financing. RIFCO’s employees in all departments will be required to continue their exceptional performance in order to support the rapid growth in assets under management. Recruitment and training of new staff and premise renovations are currently underway.

As RIFCO grows its loan origination volumes and servicing capabilities, the intrinsic value of the Company’s lending platform is being magnified. We believe that the value of the lending platform will be unlocked as increasing amounts of reasonably priced capital is deployed to generate high yielding auto loans with very predictable performance.

Statements of Income For the year ended March 31	**2010**	**2009**
Revenue		
Loan Interest	1,405,677	1,941,885
Income from Securitized assets	9,649,684	11,416,542
Administration and other fees	230,005	233,162
Total Revenue	**11,285,366**	**13,591,589**
Financing fees & insurance	988,437	1,328,578
Interest	654,684	557,930
Net financing Income	**9,642,245**	**11,705,081**
Provision for Credit & Prepayment Losses	6,371,750	6,807,152
Repossession & recovery costs	244,814	149,897
Net financing income after provision for losses	**3,025,681**	**4,748,032**
Operating Expense		
Wages & Benefits	1,789,720	1,720,704
Professional Fees	163,683	118,576
Office & General	571,129	569,970
Stock-based compensation	68,358	135,044
Amortization	34,329	39,646
Total Operating Expenses	**2,627,219**	**2,583,940**
Income before taxes	398,462	2,164,092
Income Tax (expense) recovery - current	147,500	(1,142,000)
Income Tax (expense) recovery - future	(237,000)	394,000
Net Income (loss)	**308,962**	**1,416,092**
Earnings per share Basic/Diluted	**0.02**	**0.07**
Issued and Outstanding Shares	19,229,598	19,229,598
Fully Diluted Basis	20,811,060	20,975,320

Quarterly Results:

Revenues in Q4 were $1,977K compared to $2,558K for the same period in the prior year, a decrease of 22.7%. Interest revenue in the quarter decreased 8.7% on reduced average on-book assets in the quarter.

Revenues were reduced by 46.1% from the prior quarters $3,667K due to a 53.0% decrease in loans securitized. This reduction in loans securitized resulted in decreased taxable income in the fiscal year. This also resulted in “on-book” finance receivables increasing by $2.4M in the quarter. These finance receivables could be securitized in future quarters. The Company had surplus cash on hand at the end of Q3 which was deployed to accommodate the lower securitization level. In the prior year, the Company had reduced revenues in Q4 in order to decrease taxable income. Last year the Company had borrowed $1M in short term funds in order to meet cash requirements. No short term borrowing was required this year.

In Q4, loan originations reached $6.86M a decrease of 13.3% from $7.91M in the prior year. The Company has a proportionally high number of Alberta dealers where used vehicle sales were slow to recover as the recession was ending. In the quarter, the Company received 2,958 loan applications a 4.6% increase over the previous quarter.

RIFCO is reporting a Q4 net loss of $237K, compared to net loss of $195K in the prior year. EPS was a loss of $0.01 compared to a $0.01 loss in the prior year.

Expenses for Q4 were reduced to $651K compared to $671K for the same period of the prior year.

Interest expense in Q4 increased from $116K to $184K in the current year. This is a result of higher unsecured debenture borrowing levels in the quarter. Average cost of borrowing in the quarter decreased to 7.64% from 7.75% in the same quarter of the prior year as an increased amount of the senior credit facility was used.

Actual loans written off during the quarter totaled $791K compared to $670K in the prior year. With the addition of collection expenses this corresponds to an annualized quarterly loss rate of 5.91% and approximated our year end average loss rate of 5.90%.

Actual prepayment losses during the quarter totaled $940K compared to $790K in the prior year. The prepayment losses during the quarter were negatively impacted by increased credit losses on securitized loans. Prepayment losses increase in periods of rising delinquency and losses and will stabilize when these items level off or start to recede.

Loan loss provisioning for existing securitized loans was increased by an additional $54,000 and the prepayment provision was increased by an additional $277,000 in Q4. Both are non-cash items and without these additions totaling $331,000 the quarter would have been near breakeven.

Statements of Income **For the three months ended March 31**	**2010**	**2009**
Revenue		
Loan interest	338,357	370,437
Income from securitized assets	1,583,193	2,133,485
Administration and other fees	55,666	54,466
Total Revenue	**1,977,216**	**2,558,388**
Financing fees & insurance	241,528	272,076
Interest	183,770	115,838
Net financing income before provision for losses	**1,551,918**	**2,170,474**
Provision for credit & prepayment losses	1,205,201	1,698,530
Repossession & recovery costs	55,026	44,411
Net financing income before operating expense	**291,691**	**427,533**
Operating Expense		
Wages & benefits	445,382	456,810
Professional fees	56,446	53,746
Office & general	127,022	128,972
Stock-based compensation	13,728	21,180
Amortization	8,711	10,089

Total Operating Expenses	**651,289**	**670,797**
Losses before taxes	(359,598)	(243,264)
Income tax recovery	122,121	48,000
Net Loss	**(237,477)**	**(195,264)**
Earnings per share Basic/Diluted	**(0.01)**	**(0.01)**

RIFCO's Annual Shareholders meeting will be held on September 9, 2010 at 3:00PM at the Red Deer Lodge, 4311 - 49th Avenue, Red Deer, Alberta. We look forward to meeting with our shareholders and interested parties to share our vision for the future.

About RIFCO Inc.

RIFCO is one of Canada's fastest-growing automotive finance companies. Non-traditional auto loans are indirectly originated through a growing network of selected new and used vehicle dealers operating in all provinces except Saskatchewan and Quebec.

The common shares of RIFCO INC. are traded on the TSX Venture Exchange under the symbol "RFC". There are 19.23 million shares (basic) outstanding and 20.63 million (fully diluted) shares.

CONTACT:
RIFCO INC.
Lance A. Kadatz
Vice President and Chief Financial Officer
Telephone: 1-403-314-1214 Ext 111
Fax: 1-403-314-1132
Email: kadatz@rifco.net
Website: www.rifco.net