

TSX Symbol: SQP

For Immediate Release

Strongco Announces Completion of its Sale of Chadwick-BaRoss, Inc.

Mississauga, Ontario – October 3, 2016 – Strongco Corporation today announced that on September 30, 2016 it completed the sale of 100% of the shares of Chadwick-BaRoss, Inc. for US\$12.4 million to Chadwick BaRoss Canada Inc. (the “**Purchaser**”), an affiliate of ISH Capital Inc.

The transaction, initially announced on August 4, 2016, was effected by way of the Purchaser purchasing from Strongco of all of the outstanding shares of Strongco’s wholly-owned U.S. subsidiary, Strongco USA, Inc. The proceeds from the transaction will be used by Strongco to reduce its indebtedness under its credit facility, pay trade payables and fund its operations.

Given Strongco’s financial position, Management and the Board determined that an injection of additional new cash is essential and the sale of Chadwick-BaRoss was the best means to provide additional financial resources in the shorter term until market conditions improve. The sale of Chadwick-BaRoss allows Strongco to generate liquidity, reduce finance expenses and improve its reputation with both suppliers and customers.

“I remain optimistic that the goal of getting our Canadian operations back on stable footings for the future is within reach,” commented Robert Beutel, Executive Chairman of Strongco. “The disposition of Chadwick-BaRoss provides us the funds to assist our recovery.”

About Strongco

Strongco Corporation is a major multiline mobile equipment dealer with operations across Canada. Strongco sells, rents and services equipment used in diverse sectors such as construction, infrastructure, mining, oil and gas, utilities, municipalities, waste management and forestry. The Company has approximately 560 employees serving customers from 27 branches in Canada. Strongco represents leading equipment manufacturers with globally recognized brands, including Volvo Construction Equipment, Case Construction, Manitowoc Crane, including National and Grove, Terex Cedarapids, Terex Trucks, Fassi, Sennebogen, Konecranes and SDLG Strongco is listed on the Toronto Stock Exchange under the symbol SQP.

Forward-Looking Statements

This news release contains "forward-looking" statements within the meaning of applicable securities legislation which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Strongco or industry results, to be materially different from any future results, events, expectations, performance or achievements expressed or implied by such forward-looking statements.

All such forward-looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation. Forward-looking statements typically contain words or phrases such as "may", "outlook", "objective", "intend", "estimate", "anticipate", "should", "could", "would", "will", "expect", "believe", "plan" and other similar terminology suggesting future outcomes or events.

Forward-looking statements involve numerous assumptions and should not be read as guarantees of future performance or results. Such statements will not necessarily be accurate indications of whether or not such future performance or results will be achieved. You should not unduly rely on forward-looking statements as a number of factors, many of which are beyond the control of Strongco, could cause actual events or results to differ materially from the events or results discussed in the forward-looking statements, including, non-compliance with any conditions set out in the finalized purchase and sale agreement including the failure of a party to the agreement to comply with any conditions under the agreement, and the anticipated impact of the transaction on Strongco’s liquidity and its ability to reduce its finance expenses and improve its reputation with suppliers and customers. Although the forward-looking

statements contained in this news release are based upon what management of Strongco believes are reasonable assumptions, Strongco cannot assure investors that actual performance or results will be consistent with these forward-looking statements. These statements reflect current expectations regarding future events and operating performance and are based on information currently available to Strongco's management. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. All forward-looking statements in this news release are qualified by these cautionary statements.

These forward-looking statements and outlook are made as of the date of this news release and, except as required by applicable law, Strongco assumes no obligation to update or revise them to reflect new events or circumstances.

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