

# RUM Reports Solid Q2 Growth

EDMONTON, August 20, 2010 – Rocky Mountain Liquor Inc (TSX-V: **RUM**) ("Rocky Mountain Liquor" or the "Company"), listed on the TSX Venture Exchange (the "Exchange"), today reported its financial results for the three and six-month period ended June 30, 2010.

Key operational results, year over year Second Quarter comparison:

- Net income after adjusting for the one time inventory margin gain in Q2 2009 of \$379,759 increased from \$52,460 to \$192,176;
- Sales increased 57% from \$13,505,536 to \$21,253,807;
- Operating margin after adjusting for the one time inventory margin gain in Q2 2009 of \$379,759 increased 101% from \$595,184 to \$1,196,460;
- Operating and Administrative Expenses as a percentage of sales reduced from 17.09% to 15.51%;
- Operating Margin after adjusting for the one time inventory margin gain in Q2 2009 percentage increased from 4.41% to 5.63%;
- Average Revenue per store grew 31% from \$540,221 to \$708,460

During the three-month period ended June 30, 2010, the Company completed the development a new store in Lac La Biche. Andersons operated 30 stores at the end of the Second Quarter.

Two new stores were opened in Lethbridge subsequent to the quarter end. One store was a greenfield development and the other store was acquired, resulting 32 stores in operation. As previously announced the Company intends to develop additional stores. The Company will potentially operate 34 stores in Alberta if these projects are successfully completed.

"The one-time gain on inventory in Q2 last year provided our team with a hurdle to overcome this year. I am extremely pleased with this quarter's results in the face of this one time comparative event," said Peter Byrne, Rocky Mountain Liquor CEO. "Once again our growth metrics are the key to our continued success. The increased in consumer transactions and market share combined with reductions in operating expense percentage highlight the excellence of our team and their commitment to this enterprise." Mr. Byrne added.

The Company's unaudited consolidated financial statements and Management Discussion and Analysis ("MD&A) for the three and six-month period ended June 30, 2010 are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **About Rocky Mountain Liquor:**

Rocky Mountain Liquor owns 100% of Andersons Liquor Inc. ("Andersons") headquartered in Edmonton Alberta, which owns and operates 32 private liquor stores in that province.

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.

This news release contains "forward-looking statements" within the meaning of applicable securities laws relating to the future growth and priorities for the Company, and the ability to execute the business strategy. Readers are cautioned not to place undue reliance on forward-looking statements, and should not rely on past performance when evaluating this acquisition, and in particular results achieved in 2009 and previous periods. Past results might not be a certain indication of future performance, which is subject to other risks, including but not limited to changes in operational policies, changes in management, changes in strategic focus, market conditions and customer preferences. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that these events may not materialize as well as those additional factors discussed in the section entitled "Risk Factors" in RUM's Management Discussion and Analysis, which can be obtained at [www.sedar.com](http://www.sedar.com). If they do materialize, there remains a risk of non-execution for any reason (including but not limited to the inability to locate suitable acquisitions or new store development

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