

## RUM Reports Q2 2015 Results

EDMONTON, August 26, 2015 – Rocky Mountain Liquor Inc. (TSX-V: **RUM**) (the “Company” or “Rocky Mountain”), listed on the TSX Venture Exchange (the “Exchange”), today reported its financial results for the period ending June 30, 2015.

### KEY OPERATING AND FINANCIAL METRICS

Key Operational and Financial Highlights, year over year 3 month comparison:

- Net income increased to \$307,469 (2014 - \$174,675)
- Sales decreased to \$13.7M (2014 - \$15.2M)
- Gross margin percentage increased to 25.7% (2014 – 23.3%)
- Contribution margin decreased to \$3.50M (2014 - \$3.53M)
- Operating margin decreased to \$842,684 (2014 - \$854,757)
- EBITDA decreased to \$844,737 (2014 - \$849,648)

Key Operational and Financial Highlights, year over year 6 month comparison:

- Net loss reduced to \$12,807 (2014 - \$308,324)
- Sales decreased to \$24.1M (2014 - \$26.9M)
- Gross margin percentage increased to 25.7% (2014 – 22.7%)
- Contribution margin increased to \$6.2M (2014 - \$6.1M)
- Operating margin increased to \$846,208 (2014 - \$752,186)
- EBITDA increased to \$850,961 (2014 – \$737,287)

Total sales for the three month period ended June 30, 2015 were \$13.7 million and \$24.1 million for the six month period. Sales are lower than the same three and six month periods in 2014 due to a decrease in commercial liquor service sales as a result of management’s decision to reduce the number of accounts it services in Q3 2014 as well as increased competition in a few key markets.

Gross margins have increased to 25.7% for both the three and six month periods ended June 30, 2015. The increase in gross margins as compared to the same periods in 2014 is mainly due to a change in the marketing and promotional strategy at stores resulting in higher margins as well from the inventory purchased in Q1 2015 prior to the mark-up on liquor as per the Government of Alberta Budget 2015 and sold during Q2. The increase is also partially due to an increase in the ratio of retail sales to licensee sales, as retail sales have higher margins.

### RECENT DEVELOPMENTS SINCE PERIOD ENDED JUNE 30, 2015

- Subsequent to June 30, 2015 the Company entered into agreements to sell four of its liquor stores. The store sales are scheduled to conclude by September 30, 2015.

Detailed information in the form of the Company’s interim unaudited consolidated financial statements and Management Discussion and Analysis for the three month period ended June 30, 2015 are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and also on the Company’s website at [www.ruminvestor.com](http://www.ruminvestor.com). After accessing the website, please choose the “Investor Relations” tab to view Quarterly Reports.

## **About Rocky Mountain**

Rocky Mountain owns 100% of Andersons Liquor Inc. ("Andersons"), headquartered in Edmonton Alberta, which now own and operate 45 private liquor stores in that province, up from 18 stores since the Common Shares began trading in December 2008. It is listed on the TSX Venture Exchange (TSX-V:RUM).

## **Forward-Looking Statements**

This news release may contain "forward-looking statements" within the meaning of applicable securities laws relating to the future growth of the Company, and the ability to execute its business strategy. Readers are cautioned not to place undue reliance on forward-looking statements, and in particular results achieved in 2015 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.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **For further information:**

**Peter J. Byrne**

**Chief Executive Officer**

**(780) 686-7383**

**Sarah Stelmack**

**Chief Financial Officer**

**(780) 863-2326**