

# RUM Reports Q1 2015 Results

EDMONTON, May 12, 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 March 31, 2015.

## KEY OPERATING AND FINANCIAL METRICS

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

- Sales decreased to \$10.4M (2014 - \$11.7M)
- Gross margin percentage increased to 25.6% (2014 – 22.0%)
- Operating margin increased to \$3,524 (2014 - loss \$102,571)
- EBITDA increased to \$6,224 (2014 - loss \$112,361)
- Net loss reduced to \$320,276 (2014 - \$482,999)

Margins have increased from 22.06% to 25.62% as compared to this quarter last year. This is mainly due a change in the marketing and promotional strategy at stores resulting in higher margins. The increase is also partially due to an increase in the ratio of retail sales to licensee sales, as retail sales have higher margins.

Sales are lower than the same quarter 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, closure of one store in Northern Alberta in Q2 2014 and increased competition in some markets.

## RECENT DEVELOPMENTS SINCE PERIOD ENDED MARCH 31, 2015

- On April 6, 2015 the Company’s \$4.5 million SWAP expired. As a result of a more favorable interest rate with bankers acceptances through its loan with a Canadian Chartered Bank, Management moved the \$4.5 million to a three month bankers acceptance on April 7, 2015 at 3.75%, fixed.
- On May 4, 2015 Company closed an underperforming store in Central Alberta.

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 March 31, 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.*

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