

RUM Reports Q1 2017 Consolidated Financial Results

EDMONTON, May 23, 2017 – 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 3 month period ending March 31, 2017.

KEY OPERATING AND FINANCIAL METRICS

Key operational and financial highlights, year over year 3 month comparison:

- Gross margin percentage increased to 24.5% (2016 – 24.1%)
- Sales decreased to \$8.8M (2016 - \$9.5M)
- EBITDA decreased to a loss of \$377,065 (2016 – loss \$272,079)
- Net loss is \$953,432 (2016 - \$625,324)

Total sales for the three month period ended March 31, 2017 were \$8.8 million. Sales are lower than the same quarter in 2016 partially due to the closure of one store in 2017 and the closure of one store in the prior year. As well, there has also been a slowdown in the economy in Alberta which has affected sales in certain rural markets where energy is the dominant industry.

Margins have increased from 24.1% to 24.5% as compared to this quarter last year as the Company has taken advantage of lower cost products and promotions from suppliers.

As part of our re-branding strategy, five locations have been completed, and began operations under the Great Canadian Liquor brand in April 2017. We have renovated the locations, increased the product assortment, reduced prices, and launched a new website and digital advertising platform to support the introduction of the brand, www.greatcanadianliquor.com. We are planning to transition up to five additional locations during this fiscal year.

Management plans to continue to sell stores in markets that are not compatible with our current business plans, ensuring the most effective use of our capital. Proceeds from any sales will be applied to reduce debt.

Detailed information in the form of the Company’s audited consolidated financial statements and Management Discussion and Analysis are available under the Company’s profile on SEDAR at www.sedar.com and also on the Company’s website at 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 41 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 2016 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. 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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