

RUM Reports 2017 Annual Consolidated Financial Results

EDMONTON, April 25, 2018 – 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 year ending December 31, 2017.

KEY OPERATING AND FINANCIAL METRICS

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

- Operating margin increased to \$79,666 (2016 - \$75,976)
- EBITDA increased to \$80,459 (2016 - \$53,898)
- Gross margin percentage decreased to 22.4% (2016 – 23.9%)
- Sales decreased to \$10.7M (2016 - \$11.0M)
- Net loss has been reduced to \$566,528 (2016 - \$4.5M)

Key operational and financial highlights, year over year 12 month comparison:

- Gross margin percentage decreased to 23.2% (2016 – 24.2%)
- Sales decreased to \$43.6M (2016 - \$45.3M)
- Operating margin decreased to \$198,749 (2016 – \$681,325)
- EBITDA decreased to \$197,238 (2016 – \$719,392)
- Net loss has been reduced to \$1.9M (2016 – \$4.5M)

As part of our re-branding strategy, 11 locations have moved to the new concept and began operations under the Great Canadian Liquor (“GCL”) brand between May 2017 and March 2018. 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.

Total sales for the three month period ended December 31, 2017 decreased by \$258,756 when compared to the same period in 2016. Sales are lower due to the sale of three stores this quarter. Sales for the year ended 2017 are lower than 2016 by \$1.7M. The reduction to sales is due to the closure of two stores and the sale of five stores during the year, as well as the closure of the convenience store. This reduction was largely offset by the success of the GCL stores, where each transitioned store experienced an increase in revenue.

Margins have decreased to 22.4% for the three month period and 23.2% for the 12 month period. The Company has altered its marketing, pricing and promotional strategies to maintain market share through its rebranding strategy. The GCL brand provides customers with lower pricing on all product offerings, resulting in a reduction in margin when compared to the same quarter in prior 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 Annual Reports.

About Rocky Mountain

Rocky Mountain owns 100% of Andersons Liquor Inc. ("Andersons"), headquartered in Edmonton Alberta, which now own and operate 33 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 2017 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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