

## RUM Reports Q2 2019 Consolidated Financial Results

EDMONTON, August 27, 2019 – 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 three month and six month periods ending June 30, 2019.

The Company has continued to succeed at its objective to grow market share through its rebranding strategy. For the six month period ending June 30, 2019, the Company operated 29 stores with average sales per store of \$726,972. This is an increase of 13% in average sales per store when compared to the same period in 2018 where we ended the period with 32 stores and an average of \$645,031 sales per store.

The Company began transitioning to the Great Canadian Liquor brand (“GCL”) two years ago in Q2, 2017. Since that time, we have rebranded 15 locations, lowering prices, improving promotions and social media interaction, increasing selection and focusing on providing an exceptional customer experience. GCL has continuously exhibited growth in revenue each quarter, and the Company remains focused on delivering efficiency and process improvements while managing operating costs. The Company will continue its focus on providing customers an exceptional shopping experience.

### KEY OPERATING AND FINANCIAL METRICS

Financial highlights, year over year 3 month comparison:

- Sales increased to \$12.0M (2018 - \$11.9M) with 29 stores operating this period, versus 32 in 2018
- EBITDA increased to \$947,479 (2018 – \$338,055) after retrospective application of IFRS 16 in 2019
- Net loss reduced to \$23,224 (2018 - \$316,270)
- Gross margin percentage increased to 22.2% (2018 – 21.2%)

Financial highlights, year over year 6 month comparison:

- Sales increased to \$21.1M (2018 - \$20.6M) with 29 stores operating this period, versus 32 in 2018
- EBITDA increased to \$1,210,488 (2018 – \$207,671) after retrospective application of IFRS 16 in 2019
- Net loss decreased to \$722,721 (2018 – \$896,764)
- Gross margin percentage is 21.8% (2018 – 22.3%)

Detailed information in the form of the Company’s interim consolidated financial statements and Management Discussion and Analysis 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 29 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 2019 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 Annual 2018 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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