

RUM Reports Q3 2019 Consolidated Financial Results

EDMONTON, November 26, 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 nine month periods ending September 30, 2019.

The Company has continued to succeed at its objective to grow market share through its rebranding strategy. For the nine month period ending September 30, 2019, the Company operated 29 stores with average sales per store of \$1,133,351. This is an increase of 7.4% in average sales per store when compared to the same period in 2018 where we ended the period with 31 stores and an average of \$1,055,004 sales per store.

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

- Net income increased to \$3,392,208 (2018 net loss - \$43,069) including non-recurring gain
- Gross margin percentage increased to 22.0% (2018 – 21.7%)
- EBITDA increased to \$909,433 (2018 – \$442,580) after retrospective application of IFRS 16
- Sales are \$11.8M (2018 - \$12.1M) with 29 stores operating this period versus 31 in 2018

Key operational and financial highlights, year over year 9 month comparison:

- Net income increased to \$2,669,487 (2018 net loss – \$939,836) including non-recurring gain
- Sales increased to \$32.9M (2018 - \$32.7M) with 29 stores operating this period versus 31 in 2018
- EBITDA increased to \$2,119,921 (2018 – \$650,248) after retrospective application of IFRS 16
- Gross margin percentage is 21.9% (2018 – 22.1%)

Net income for both the three and nine month periods includes a non-recurring gain, net of tax impact of \$3,268,925 as a result of the redemption of the Company’s \$6,850,000 convertible debenture into common shares. This transaction took place on July 3, 2019 and was previously disclosed.

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 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 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. 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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