

RUM Reports Q3 2018 Consolidated Financial Results

EDMONTON, November 27, 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 three month and nine month periods ending September 30, 2018.

Throughout the three month period ending September 30, 2018 the Company operated 32 stores, resulting in average sales per store of \$377,003. This is an increase of over 22% in average sales per store when compared to the same period in 2017, where we had 40 stores and an average of \$308,139 sales per store. This is a further significant increase in the over 20% rise in average sales per store we reported last quarter.

In the first nine months of 2018 we have continued with cost reduction strategies that have resulted in a decrease in operating and administrative expense of over \$1 million, a reduction to 20.1% from 23.1% as a percentage of sales.

To date, the Company has rebranded 15 stores to its Great Canadian Liquor “GCL” brand. Three locations in the first quarter, two locations in the second quarter, and a further two stores in the third quarter of 2018. The GCL brand provides customers with lower pricing on all product offerings, resulting in a reduction in margin when compared to the same period in the prior year. The Company has altered its marketing, pricing and promotional strategies to grow market share through its rebranding strategy.

Since September 30, 2017, the Company has sold six stores and closed one store. As a result of the success of the GCL stores, where each transitioned store has experienced an increase in revenue, and through Management’s strategy to sell or close underperforming stores, the Company has increased its operating margin (EBITDA) by \$529,055, or 444% over the same nine month period from 2017.

Management continues to focus on its competitive pricing strategies, the balancing of costs and customer experience, and providing a consistent brand message that appeals to both existing and new customers.

KEY OPERATING AND FINANCIAL METRICS

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

- Sales are \$12.1M (2017 - \$12.3M) with 32 stores operating this period, versus 40 in 2017
- EBITDA increased to \$442,580 (2017 – \$356,793)
- Net loss reduced to \$43,069 (2017 - \$156,784)
- Gross margin percentage is 21.7% (2017 – 23.1%)

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

- Sales are \$32.7M (2017 - \$32.9M) with 32 stores operating this period, versus 40 in 2017
- EBITDA increased to \$650,248 (2017 – \$116,779)
- Net loss decreased to \$939,836 (2017 – \$1,350,913)
- Gross margin percentage is 22.1% (2017 – 23.5%)

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 30 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 Annual 2017 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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