

LIQUOR STORES INCOME FUND

NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

TO: THE UNITHOLDERS OF LIQUOR STORES INCOME FUND

TAKE NOTICE that an Annual and Special Meeting (the "**Meeting**") of the holders ("**Unitholders**") of trust units and special voting units of Liquor Stores Income Fund (the "**Fund**") will be held in the Wedgewood Room of The Fairmont Hotel Macdonald, 10065 – 100th Street, Edmonton, Alberta, on Thursday, May 8, 2008, at 4:30 p.m. (Edmonton time) for the following purposes:

1. to receive and consider the consolidated financial statements of the Fund for the year ended December 31, 2007, and the auditors' report thereon;
2. to elect the trustees of the Fund;
3. to appoint the auditors of the Fund and to authorize the trustees to fix their remuneration as such;
4. to consider and, if deemed advisable, to pass, with or without variation, a special resolution approving certain amendments to the Fund's Declaration of Trust and replacement of the Fund's Administration Agreement to provide for the appointment of a corporate trustee of the Fund, as more particularly described in the Information Circular of the Fund dated March 27, 2008 (the "Information Circular");
5. to consider and, if deemed advisable, to pass, with or without variation, a resolution approving and confirming the Unit Award Incentive Plan described in the Information Circular; and
6. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying and forming part of this Notice.

Unitholders who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and to mail it to or deposit it with Proxy Dept., CIBC Mellon Trust Company, PO Box 721, Agincourt, Ontario, M1S 0A1 (or by facsimile to 416-368-2502). In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the aforesaid address not less than 48 hours before the time set for the holding of the Meeting or any adjournment thereof.

The record date for the Meeting is the close of business on April 8, 2008 (the "**Record Date**"). Unitholders of record will be entitled to vote those trust units and special voting units included in the list of Unitholders prepared as at the Record Date at the Meeting. No Unitholder who becomes a Unitholder after the Record Date shall be entitled to vote at the Meeting.

DATED this 27th day of March, 2008.

BY ORDER OF THE TRUSTEES OF LIQUOR STORES INCOME FUND

(Signed) "*Jim Dinning*"
Chairman, The Board of Trustees
Liquor Stores Income Fund