



LIQUOR STORES INCOME FUND

INSTRUMENT OF PROXY FOR HOLDERS OF TRUST UNITS OF LIQUOR STORES INCOME FUND
FOR THE SPECIAL MEETING OF LIQUOR STORES INCOME FUND
TO BE HELD ON DECEMBER 14, 2010

The undersigned holder ("Fund Unitholder") of trust units ("Fund Units") of Liquor Stores Income Fund hereby appoints Rick Crook, President and Chief Executive Officer of Liquor Stores GP Inc. ("GP") (the administrator of Liquor Stores Income Fund) of the City of Edmonton, in the Province of Alberta, or, failing him, Craig Corbett, Vice President, Legal and General Counsel of GP, of the City of Edmonton, in the Province of Alberta, or instead of either of the foregoing, \_\_\_\_\_, as proxyholder of the undersigned, with full power of substitution, to attend, act and vote for and on behalf of the undersigned at the special meeting (the "Meeting") of holders of Fund Units and holders of exchangeable limited partner units and Series 1 exchangeable LP units of Liquor Stores Limited Partnership to be held on December 14, 2010 at 4:00 p.m. (Edmonton time) at the Union Bank Inn, 10053 Jasper Avenue, Edmonton, Alberta and at any adjournment thereof, and on every ballot that may take place in consequence thereof to the same extent and with the same powers as if the undersigned were personally present at the Meeting with authority to vote at the said proxyholder's discretion, except as otherwise specified below.

Without limiting the general powers hereby conferred, the undersigned hereby directs the said proxyholder to vote the Fund Units represented by this Instrument of Proxy in the following manner (check (✓) the appropriate box):

- 1. FOR [ ] or AGAINST [ ] (and if no specification is made, FOR) a special resolution, the full text of which is set forth in Schedule A to the accompanying management information circular of the Fund dated November 17, 2010 (the "Information Circular"), to approve a plan of arrangement under Section 192 of the Canada Business Corporations Act and related matters, which will result in the reorganization of the Fund into a corporation, all as more particularly described in the Information Circular; and
2. At the discretion of the said proxyholder, upon any amendment or variation of the above matters or any other matter that may be properly brought before the Meeting or any adjournment thereof in such manner as such proxy, in such proxyholder's sole judgment, may determine.

This Instrument of Proxy is solicited on behalf of the management of GP. The Fund Units represented by this Instrument of Proxy will be voted and, where the Fund Unitholder has specified a choice with respect to the above matters will be voted as directed above or, if no direction is given, will be voted FOR the above matters.

Each Fund Unitholder has the right to appoint a proxyholder other than the persons designated above, who need not be a Fund Unitholder, to attend and to act for and on the behalf of such Fund Unitholder at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Fund Unitholder's appointee(s) should be legibly printed in the blank space provided.

THE UNDERSIGNED HEREBY REVOKES ANY PROXIES HERETOFORE GIVEN.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2010.

(Signature of Fund Unitholder)

(Name of Fund Unitholder - Please Print)

## VOTING OPTIONS AND INSTRUCTIONS FOR REGISTERED FUND UNITHOLDERS

In addition to voting by mail, your voting instructions can also be conveyed over the telephone or the internet, as described below.

### Vote by Mail

1. In order to vote by mail, this Instrument of Proxy must be dated and signed by the Fund Unitholder, or by his or her attorney authorized in writing, and the signature hereon should be exactly the same as the name in which the Fund Units are registered. If this Instrument of Proxy is not dated in the above space, it is deemed to bear the date on which it is mailed by the person making the solicitation. If the Fund Unitholder is a corporation, its corporate seal must be affixed or it must be signed by an officer or attorney thereof duly authorized.
2. You may send your completed and signed Instrument of Proxy in the envelope provided.
3. The name of the Fund Unitholder must appear exactly as it is shown on the affixed label. If Fund Units are held jointly, any one of the joint owners may sign.
4. If Fund Units are registered in the name of an executor, administrator, trustee or similar holder, such holder must set out his or her full title and sign this Instrument of

Proxy exactly as registered. If Fund Units are registered in the name of a deceased or other Fund Unitholder, the Fund Unitholder's name must be printed in the space provided, this Instrument of Proxy must be signed by the legal representative with his or her name printed below their signature and evidence of authority to sign on behalf of the Fund Unitholder must be attached to this Instrument of Proxy.

5. An Instrument of Proxy will not be valid and will not be acted upon unless it is completed as specified herein and received by CIBC Mellon Trust Company by mail or delivery at Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, by facsimile at 1-416-368-2502 or toll free at 1-866-781-3111 (Canada & U.S. only) not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof.
6. For further information, see "General Proxy Matters - Solicitation of Proxies" in the Information Circular.