



**FOR IMMEDIATE RELEASE**

**LIQUOR STORES INCOME FUND ENTERS INTO SUPPORT AGREEMENT WITH  
ADDITIONAL FOUNDER TO SUPPORT ITS OFFER TO ACQUIRE ALL OF THE  
OUTSTANDING TRUST UNITS OF LIQUOR BARN INCOME FUND**

EDMONTON, June 7, 2007 – Liquor Stores Income Fund (TSX:LIQ.UN) announced today that it has entered into a support agreement with 67th Street Liquor Store Ltd., a founder of Liquor Barn Income Fund (TSX:LBN.UN).

Under the support agreement, 67th Street Liquor Store Ltd. will vote all of its 256,581 Liquor Barn Special Voting Units in favour of any resolutions relating to the offer by Liquor Stores to acquire all of the outstanding trust units of Liquor Barn. As previously disclosed, Liquor Stores is offering Liquor Barn unitholders 0.57 of a trust unit of Liquor Stores in exchange for each Liquor Barn trust unit. The offer expires at midnight (Vancouver time) tonight.

This new support agreement and previously disclosed support agreements between Liquor Stores and other Liquor Barn founders involve a total of 2,068,257 Liquor Barn voting units.

Notwithstanding any information or statement contained herein, the issuance of this news release is not an admission that an entity named in this news release owns or controls any securities described herein or is a joint actor with another entity named herein.

**United States Considerations**

The Offer is made for the securities of a Canadian trust. The Offer is subject to Canadian disclosure requirements that are different from those of the United States. Financial statements included in the takeover bid circular, or incorporated by reference therein, as well as financial statements of Liquor Barn, have been prepared in accordance with Canadian accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for Liquor Barn Unitholders in the U.S. to enforce their rights and any claim they may have arising under the U.S. federal securities laws, since Liquor Stores is located in a foreign country, and some or all of its officers (if any) and trustees and the officers and directors of Liquor Stores GP Inc. may be residents of a foreign country. Liquor Barn Unitholders in the U.S. may not be able to sue a foreign trust or its officers (if any) or trustees, or the officers or directors of Liquor Stores GP Inc., in a foreign court for violations of U.S. securities laws. It may be difficult to compel a foreign trust and its affiliates, including its officers (if any) and trustees and the officers and directors of Liquor Stores GP Inc. to subject themselves to a U.S. court's judgment.

Liquor Barn Unitholders in the U.S. should be aware that Liquor Stores may purchase Liquor Barn Units otherwise than under the Offer, such as in open market or privately negotiated purchases.

**About Liquor Stores Income Fund**

Liquor Stores is a publicly traded Canadian income trust that participates in the retail liquor industry in Alberta and British Columbia through its 75.6% interest in Liquor Stores Limited Partnership, which operates the largest number of private liquor stores in Canada by number of stores (currently 107 stores). Liquor Stores trades on the Toronto Stock Exchange under the symbol LIQ.UN. For additional information about Liquor Stores, visit [www.sedar.com](http://www.sedar.com) and Liquor Stores' website at [www.liquorstoresincomefund.ca](http://www.liquorstoresincomefund.ca).

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