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Liquor Stores Income Fund Completes \$43 Million IPO

EDMONTON, Alberta, September 28, 2004 – Liquor Stores Income Fund (the "Fund") announced today the successful completion of its initial public offering of trust units ("Units") of the Fund. The Fund issued 4,300,000 Units at \$10.00 per Unit for gross proceeds of \$43 million. The Fund used the proceeds of the offering to acquire a 50.6% interest in Liquor Stores Limited Partnership ("Liquor Stores LP"). Liquor Stores LP subsequently used these proceeds and borrowings under its credit facility to acquire 50 liquor stores from The Liquor Depot Corporation ("Liquor Depot") and Liquor World Group Inc. ("Liquor World"). The remaining 49.4% interest in Liquor Stores LP is held by Liquor Depot, Liquor World and associated entities.

Alberta's Largest Liquor Store Retailer

The Fund is now Alberta's largest liquor store retailer with 50 stores. The Fund intends to make monthly distributions of its distributable cash, estimated at \$1.00 per Unit annually. The first distribution to unitholders is expected to be made on November 15, 2004, for the period from September 28 to October 31, 2004, and is estimated to be \$0.0916 per Unit. The Units commenced trading on The Toronto Stock Exchange at the opening on September 28, 2004 under the symbol "LIQ.UN".

Additional information about Liquor Stores Income Fund and this transaction is available at www.sedar.com.

The underwriting syndicate for the offering was led by RBC Capital Markets and included TD Securities Inc., Canaccord Capital Corporation, HSBC Securities (Canada) Inc. and Raymond James Ltd.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or any applicable exemption from the registration requirement of such Act. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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