

October 17, 2005

Liquor Stores Income Fund Appoints Tom Thorvaldson Interim CFO

Edmonton, Alberta, October 17, 2005 – Liquor Stores Income Fund (the “Fund”) (TSX:”LIQ.UN”) announced today that Chief Financial Officer, Mr. Tom Orysiuk, will be leaving the Fund effective December 31st, 2005 to assume a position with a private company in Edmonton, with December being a transition month into his new position.

“Tom joined the Fund in June, 2004 as CFO to assist us in the completion of our IPO and did a tremendous job for us in implementing our governance, reporting & disclosure policies, as well as organizing the finance and accounting department. The development of our strong organization by Tom will assure a smooth transition. We are sorry to see Tom leave and wish him continued success in his new position”, said Mr. Kipnes, CEO of the company.

Mr. Tom Thorvaldson, C.A., retired partner of Meyers Norris Penny will assume the position of interim CFO while we engage in a search for a permanent replacement for Mr. Orysiuk. Mr. Thorvaldson has extensive knowledge of the operations of the Fund, having acted as a consultant to the Fund, Liquor Depot Corporation and Liquor World Group during the IPO process. In addition, while at Meyers Norris Penny, Mr. Thorvaldson was Liquor Depot Corporation’s main accounting consultant.

About “Liquor Stores Income Fund”

The Fund is a publicly traded Canadian Income Fund that participates in the retail liquor industry in Alberta and British Columbia through its 59.70% interest in Liquor Stores Limited Partnership. Liquor Stores Income Fund is Canada’s only publicly traded entity with interests exclusively in the retailing of liquor products.

The Fund is the largest liquor retailer in Alberta by number of stores. The Fund currently operates 69 stores, 5 of which are located in British Columbia.

The Fund’s Units trade on the Toronto Stock Exchange under the symbol LIQ.UN.

Additional information about Liquor Stores Income Fund is available at www.sedar.com and the Fund’s website at www.liquorstoresincomefund.ca.

Disclaimer

Certain statements in this news release are “forward-looking statements”, which reflect management’s expectations regarding the future growth, proposed acquisitions, results of operations, performance, business prospects, opportunities and the amount and timing of distributions of the Fund. All statements other than statements of historical fact contained in this news release are forward-looking statements. Such forward looking statements involve risks and uncertainties, as they reflect management’s current beliefs and are based on information currently available to management. Actual results may differ materially from those anticipated

in the statements that have been made. The forward-looking statements are made as of the date of this news release and the Fund assumes no obligation to update or revise them to reflect new events or circumstances. Further information regarding the uncertainties and risks can be found in the disclosure documents filed by the Fund with the securities regulatory authorities, available at www.sedar.com.

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