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## Liquor Stores N.A. Ltd.

[FOR IMMEDIATE RELEASE]

### Liquor Stores N.A. Ltd. Announces Amendments to its Credit Facility

**EDMONTON, ALBERTA, AUGUST 31, 2016** – Liquor Stores N.A. Ltd. (the "Corporation" or "Liquor Stores") (TSX:"LIQ") announced today that the Corporation and its syndicated group of lenders have agreed to renew and amend the existing credit facility<sup>1</sup>.

There were no changes to the pricing grid under which fees and interest fluctuate based on the Corporation's funded debt to EBITDA ratio<sup>2</sup>. Amendments to the existing credit facility include:

- The extension of the maturity date from September 30, 2017 to September 30, 2019;
- An increase in the total size of the credit facility to \$CAD 165 million plus \$USD 15 million (previously \$CAD 170 million plus \$USD 5 million);
- The addition to the syndicated group of lenders of HSBC Bank USA, N.A., which will facilitate a more efficient cash management and borrowing structure for our U.S. operations; and
- An increase in the fixed charge coverage ratio<sup>2</sup> covenant of greater than or equal to 1.05:1.00 commencing April 1, 2017 (from 1.00:1.00). The remaining financial covenants were unchanged.

The additional borrowing capacity in the U.S. will be used to fund new store construction and renovations.

#### **ABOUT LIQUOR STORES N.A. LTD.**

The Corporation operates 253 retail liquor stores in Alberta, British Columbia, Alaska, Kentucky and New Jersey. Liquor Stores' retail brands include: Liquor Depot, Liquor Barn, and Wine and Beyond in Alberta (180 stores); Liquor Depot and Liquor Barn in British Columbia (34 stores); Brown Jug in Alaska (22 stores); Liquor Barn "The Ultimate Party Source" and Liquor Barn Express in Kentucky (15 stores); and Joe Canal's Discount Liquor Outlet in New Jersey (two stores). The Company's common shares and convertible subordinated debentures trade on the Toronto Stock Exchange under the symbols "LIQ" and "LIQ.DB.A", respectively.

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<sup>1</sup> The existing credit facility is defined as the third amended and restated credit agreement dated June 30, 2015.

<sup>2</sup> Funded debt to EBITDA ratio and fixed charge coverage ratio are non-IFRS measures that do not have any standardized meaning prescribed by IFRS. For more information on these non-IFRS measures, see the 'Non-IFRS Financial Measures' in our Management Discussion and Analysis ("MD&A") for the three and six months ended June 30 2016, which is available on the Company's website ([www.liquorstoresna.ca](http://www.liquorstoresna.ca)) and on the SEDAR website ([www.sedar.com](http://www.sedar.com)).

Additional information about Liquor Stores N.A. Ltd. is available at [www.sedar.com](http://www.sedar.com) and the Corporation's website at [www.liquorstoresna.com](http://www.liquorstoresna.com).

## **FORWARD-LOOKING STATEMENTS**

Certain statements contained in this document constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of the "safe harbour" provisions of applicable securities legislation. Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "budget", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "objective", "aim", "potential", "target", "pursue" and similar words suggesting future events or future performance. All statements and information other than statements of historical fact contained in this release are forward-looking statements.

Forward-looking statements reflect the Corporation's current plans, intentions, and expectations, which are based on Management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Corporation's plans, intentions, and expectations are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. There is no assurance that the plans, intentions, or expectations upon which these forward-looking statements are based will occur and such forward-looking statements included in this release should not be unduly relied upon.

Some of the additional risks and other factors that could cause actual results to differ materially from those expressed in the forward-looking statements contained herein are described under "Risk Factors" in the Corporation's annual information form and in other filings made by the Corporation with Canadian securities regulatory authorities and available on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this release and Liquor Stores assumes no obligation to update or revise them to reflect new events or circumstances except as expressly required by applicable securities law.

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