



[FOR IMMEDIATE RELEASE]

U.S. DISTRICT COURT RULES KENTUCKY LIQUOR LAWS UNCONSTITUTIONAL

EDMONTON, ALBERTA, August 14, 2012 – Liquor Stores N.A. Ltd (the “Company”) (TSX: LIQ), North America’s largest publicly-traded liquor retailer (based upon number of stores and revenue) today reported that the United States District Court, Western District of Kentucky (the “Court”) issued an order in which the Court held that the challenged state statute and regulation which prohibits the sale of wine and distilled spirits within grocery stores and gas stations violates the “equal protection clause” of the United States Constitution and the Commonwealth of Kentucky Constitution. Presently, grocery stores and gas stations are only permitted to sell beer within store premises. The Court noted that the order was not yet final as the Court considers yet-undisclosed corollary issues. The Company is not a party to the legal proceeding.

The Company owns and operates eleven (11) stores in Kentucky under the Liquor Barn tradename. Management believes the Liquor Barn chain is the largest liquor store chain in the state (based on revenue). Rick Crook, President & Chief Executive Officer, commented, “As the District Court has not yet issued a final order, the ultimate effect of the order on the current liquor licensing regime cannot be assessed and it is business as usual. We, like other liquor retailers in Kentucky, will continue to monitor the issue and will determine appropriate next steps once the trial court issues a final order.”

About Liquor Stores N.A. Ltd.

The Company currently operates 242 retail liquor stores in Alberta, British Columbia, Alaska and Kentucky. The Company’s common shares and convertible subordinated debentures trade on the Toronto Stock Exchange under the symbols “LIQ” and “LIQ.DB.A”, respectively.

Additional information about Liquor Stores N.A. Ltd. is available at www.sedar.com and the Company’s website at www.liquorstoresna.com.

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