

**LIQUOR STORES N.A. LTD. ANNOUNCES \$67.5 MILLION BOUGHT DEAL OFFERING OF
5.85% CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES**

April 2, 2012

Edmonton (Alberta) – Liquor Stores N.A. Ltd. (“Liquor Stores” or the “Company”) (TSX: LIQ) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by RBC Capital Markets under which the underwriters have agreed to purchase C\$67,500,000 aggregate principal amount of convertible unsecured subordinated debentures due April 30, 2018 (the “Debentures”) at a price of \$1,000 per Debenture (the “Offering”). The Offering is expected to close on or about April 23, 2012.

The Debentures will be subordinated, unsecured obligations of Liquor Stores and will bear interest at a rate of 5.85% per annum, payable semi-annually in arrears on April 30 and October 31 of each year, commencing October 31, 2012. The Debentures will be convertible at any time at the option of the holders into common shares of the Company (“Common Shares”) at a conversion price (the “Conversion Price”) of C\$24.90 per share, based on a conversion premium of approximately 40%. The Debentures will mature on April 30, 2018.

The Debentures will not be redeemable prior to April 30, 2015. On and after April 30, 2015 and prior to April 30, 2017, the Debentures may be redeemed by the Corporation, in whole or in part from time to time, on not more than 60 days and not less than 30 days prior notice at a redemption price equal to their principal amount plus accrued and unpaid interest, if any, up to but excluding the date set for redemption, provided that the volume-weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending five trading days prior to the date on which notice of redemption is provided is at least 125% of the Conversion Price. On or after April 30, 2017 and prior to the maturity date, the Corporation may, at its option, redeem the Debentures, in whole or in part, from time to time at par plus accrued and unpaid interest.

Liquor Stores intends to use the net proceeds of the Offering to redeem its outstanding 6.75% convertible unsecured subordinated debentures due December 31, 2012 (the “2007 Debentures”) and for general corporate purposes. The Corporation intends to provide the requisite notice of redemption to the holders of the 2007 Debentures and the trustee of the 2007 Debentures immediately following closing of the Offering.

A preliminary short-form prospectus qualifying the distribution of the Debentures will be filed with securities regulatory authorities in all of the provinces of Canada. The Offering is subject to customary regulatory and stock exchange approvals, with closing expected to occur on or about April 23, 2012.

The securities to be offered have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction.

Certain directors of Liquor Stores have also agreed to sell to a syndicate of underwriters led by RBC Capital Markets an aggregate of 315,000 common shares of the Company at a price of \$17.70 per share. Following the sale, such directors will continue to own or control, directly or indirectly, an aggregate of 429,495 common shares.

Liquor Stores N.A. Ltd. is a publicly traded corporation that indirectly operates 240 retail liquor stores in Alberta, British Columbia, Alaska, and Kentucky. Liquor Stores N.A. Ltd. trades on the Toronto Stock Exchange under the symbol LIQ. For additional information about Liquor Stores N.A. Ltd., visit www.sedar.com and the Company's website at www.liquorstoresna.ca.

For further information, please contact:

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Notice on Forward Looking Statements:

Certain statements contained herein constitute "forward-looking statements", including statements pertaining to closing of the Offering and the anticipated timing thereof and the anticipated use of proceeds of the Offering. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, the failure or delay in satisfying any of the conditions to the completion of the Offering. Additional information on these and other factors that could affect Liquor Stores' operations, financial results or dividend payments are included in Liquor Stores' annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com or through Liquor Stores' website at www.liquorstoresgp.ca. Liquor Stores assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason, other than as required by applicable securities laws. In the event Liquor Stores does update any forward-looking statement, no inference should be made that it will make additional updates with respect to that statement, related matters, or any other forward-looking statement.