



## **News Release**

For Immediate Release

### **Liquidation World Negotiates Amendment to its Credit Facility**

Brantford, ON, August 19, 2009 – Liquidation World Inc. (LQW-TSX) today announces that it has reached an agreement with its lender to amend its existing loan agreement. The amendment includes a modification to certain financial covenants. With the amendments now in place, the Company becomes compliant with all of the new financial covenants on a current and retrospective basis. Management anticipates, based on latest forecasts, that the Company will be in compliance with the new terms of the lending agreement through fiscal 2010.

Seth Marks, President & CEO commented, “We view our lender’s willingness to amend the terms of the agreement as support and an endorsement of the turn-around strategy we commenced executing in the middle of the second quarter of fiscal 2009. Maintaining loan covenant compliance is a key factor in our vendor relationships and our ability to respond quickly to inventory purchase opportunities”.

Amendments to the lending facility include: i) an increase in interest charged on amounts drawn to prime plus 5%, ii) a reduction in the minimum tangible net worth covenant, iii) a delay in the requirement for the Company to comply with a fixed charge covenant ratio to June 30, 2010, and iv) the addition of a minimum quarterly EBITDA requirement.

### **About Liquidation World**

Liquidation World liquidates consumer merchandise through 92 stores in Canada and the United States. The Company solves asset recovery problems in a professional manner for the financial services industry, insurance companies, manufacturers, wholesalers and other organizations. Liquidation World is based in Brantford, Ontario.

The Company opened its first store in Calgary, Alberta in 1986 and today, with more than 1,400 employees, is Canada’s largest liquidator.

### **Forward-Looking Statements**

This release includes forward-looking statements and potential future circumstances and developments. Forward-looking statements regarding future performance are subject to risks and uncertainties, and actual results may differ materially.

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