



News Release

For Immediate Release

Liquidation World Provides Update on Private Placement for \$10,000,250.

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BRANTFORD, Ontario, July 29, 2010 - Liquidation World Inc. (LQW – TSX) (the "**Company**" or "**Liquidation World**") is pleased to announce that it is progressing well in respect of its "best efforts" brokered private placement of up to 11,765,000 common shares at an Offering price of \$0.85 per share for gross proceeds to the Company of up to \$10,000,250 (the "**Offering**") and continues to expect that the closing of the Offering will occur on or about August 5, 2010. The issuance of all 11,765,000 common shares would result in the issuance of approximately 65.2% of the Company's currently issued and outstanding common shares, calculated on a non-diluted basis. The net proceeds from the Offering will be used to fund the Company's general corporate and working capital purposes. The Offering will be conditional upon, among other things, the receipt of all necessary regulatory approvals, including the shareholder approval as described in the paragraph below. All securities issued pursuant to this private placement are subject to a four month hold period from closing.

Applicable TSX rules provide that security holder approval will be required in those instances where the number of securities issuable in a private placement exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, and such securities are issued at a price per security that is less than the market price. Security holder approval is to be obtained from a majority of holders of voting securities at a duly called meeting of security holders. In certain circumstances in which TSX requires security holder approval of a transaction, the listed issuer may be in a position to provide TSX with written evidence that holders of more than 50% of the voting securities of the listed issuer (other than those securities excluded as required by TSX) are familiar with the terms of the proposed transaction and are in favour of it. The Company intends to rely upon the written evidence provision under section 604(d) of the TSX Company Manual in connection with the Offering and expects to receive the written support of the requisite percentage of shareholders in advance of the closing of the Offering.

Cormark Securities Inc. as lead agent together with BayFront Capital Partners Ltd. and Canaccord Genuity Corp. (collectively, the "**Agents**") are acting as agents for the Offering. As compensation for acting as agents of the Offering, the Agents shall receive an amount equal to 7.5% of the gross proceeds of the Offering and the Company shall issue to the Agents that number of broker warrants (the "**Broker Warrants**") equal to 7.5% of the aggregate number of Common Shares sold pursuant to the Offering, which may result in the issuance of up to 882,375 Broker Warrants. Each Broker Warrant shall be exercisable for one common share at a price of \$0.95 for a period of twenty four (24) months following the closing date of the Offering and will contain standard anti-dilution provisions.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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. Due to fluctuations in gross margins and expenses, an increase in revenue and improvement in performance does not directly correlate to an increase in net earnings.

About Liquidation World

Liquidation World liquidates consumer merchandise through 90 stores in Canada and one in 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 1,500 employees, is Canada's largest liquidator.

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