



News Release

For Immediate Release

LIQUIDATION WORLD ANNOUNCES CLOSING OF NEW \$1.5 MILLION UNIT OFFERING AND COVENANT AMENDMENTS

Brantford, ON, June 7, 2010 – Liquidation World Inc. (LQW-TSX) today announces the closing of a non-brokered private placement of an aggregate of 2,205,883 units of the Company (the “Units”) at a price of \$0.68 per Unit, for aggregate proceeds of approximately \$1.5 million. Each Unit consisted of one common share of the Company and one-half of one share purchase warrant. The proceeds of the offering will be used for general corporate and working capital purposes.

“We are extremely pleased that the institutional investors who participated in this financing have noticed LQW’s continued positive performance. These additional funds will allow the company to accelerate its strategy”, commented Jeffrey Mandel, Chairman of the Special Committee created to facilitate financings.

“We are excited to participate in the transformation of Liquidation World as they roll out the new LW Store format across the country. The tremendous expertise and unique background that management brings from their prior successes gives us confidence in the strong profit growth to come at LQW”, commented James Hodgins, Chief Investment Officer of CHS Asset Management, one of the investors in this private placement.

Details of the Private Placement

The issuance of the Units resulted in the issuance of 2,205,883 common shares of Liquidation World priced at \$0.68 per common share and 1,102,941 warrants (the “Warrants”) which entitles the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.85 per share for a period of three years; provided however, that if, at any time during the term of the Warrants, the common shares of the Company trade at a price of \$1.70 or greater per share for a period of 20 consecutive trading days, then the Company has the option to accelerate the expiry date of the Warrants to the date which is 10 days following the date upon which the Company provides notice to the holders thereof of such accelerated expiry date.

LQW Successfully Negotiates Covenant Amendments

The Company today also announces that LQW and its senior lender have agreed to amend certain of its ongoing financial covenants in the Company’s asset-based lending facility to reflect the most current business plan prepared by the Company which includes the effect of the two recent private placements aggregating \$3.5 million. The capital infusion facilitates the Company’s ability to more aggressively pursue opportunistic inventory purchases and to generally allow for the expansion of the breadth of inventory in the Company’s stores.

Seth Marks, the Company's President and Chief Executive Officer, stated that "We are pleased to have both the additional capital and the additional flexibility with our senior lender that the financing and covenant amendments bring".

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 does not directly correlate to an increase in net earnings.

About Liquidation World

Liquidation World liquidates consumer merchandise through 89 stores in Canada and 1 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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