



News Release

For Immediate Release

Liquidation World Announces New \$20 Million Credit Facility

BRANTFORD, ON, October 20, 2008 - Liquidation World Inc. (LQW – TSX) today announces that it has finalized the arrangement of a \$20 million dollar asset-based lending facility with Royal Bank of Canada, with an option to increase this to \$25 million with the bank's consent.

The new long-term credit facility, which will be available for three years, replaces the current \$20 million demand facility. Under the new arrangement, the benefits to Liquidation World will include a lower interest rate and flexible use of funds.

Jonathan Hill, President & CEO commented:

"We are pleased to have this new credit facility in place. We especially appreciate the support of Royal Bank and the effort they have made over the past several months to thoroughly study and understand our evolving business model. Since May, we have taken steps to reduce expenses, increase cash, and have significantly changed the mandate and structure of our buying team. With these changes, we are seeing evidence that our business has stabilized and we expect to see improvements to our business in the future. I believe this new credit arrangement highlights a growing level of confidence in our business and the quality of our assets, and its consummation is an important milestone on our road to improved performance."

About Liquidation World

Liquidation World liquidates consumer merchandise through 99 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 and maintains a number of regional buying offices in Canada and the United States. 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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