



News Release

Talon Merchant Capital Invests CDN\$7.6 million in Liquidation World

Liquidation World Acquires Talon's North American Wholesale Business

Seth Marks Appointed President and CEO

Brantford, Ontario and Chicago, Illinois (February 4, 2009) – Liquidation World Inc. (TSX: LQW), Canada's largest liquidator of consumer merchandise, today announced the completion of the private placement and acquisition transactions with Talon Merchant Capital, LLC ("Talon") and its affiliate, TCP Co-Investment Partners, LLC ("TCP"), both of which were previously announced on January 27, 2009, following satisfaction of the conditions to closing, including the approval of the Toronto Stock Exchange.

Collectively, Talon and TCP have invested CDN\$4,750,000 in cash in Liquidation World as consideration for the issuance to Talon and TCP of an aggregate of 4,750,000 common shares of Liquidation World and Liquidation World has acquired Talon's U.S. wholesale business valued at approximately CDN\$2.85 million, such purchase price satisfied by the issuance to Talon of an additional 2,850,000 common shares of Liquidation World, also valued at CDN\$1.00 per share.

"The liquidation business is a thriving market and we believe Liquidation World's established presence in Canada coupled with the new management's financial and industry experience in the U.S. well positions us to meet the needs of consumer products companies throughout North America" said Seth Marks, the new President and CEO of Liquidation World.

Changes in Liquidation World Management and Board of Directors

Seth Marks has been appointed President and Chief Executive Officer of Liquidation World effective immediately. He replaces Craig Graham, who has been serving as Interim President and CEO since the beginning of January. Mr. Graham will continue to serve as Chairman of the Board of Directors of Liquidation World. Charles Howze, has been appointed Chief Operating Officer. Ken Wightman will continue as Chief Financial Officer.

In conjunction with the closing of the transactions, Eric Beutel has resigned from the Liquidation World Board of Directors. William Wolf, the Chairman of

Talon, and Seth Marks have been appointed to the Board effective immediately. The Board now consists of Messrs. Craig Graham, Jeffrey Mandel, Seth Marks, Robert Wiens and William Wolf.

Craig Graham, Chairman of the Board, commented, "We are excited to have Seth and his team join Liquidation World. They have an unparalleled mix of industry experience and we believe their experience will enable us to expand Liquidation World's footprint beyond the Canadian marketplace."

About Liquidation World

Liquidation World liquidates consumer merchandise through 98 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 1,200 employees, is Canada's largest liquidator. For more information visit www.liquidationworld.com.

About Talon Merchant Capital

Talon Merchant Capital is a leading provider of capital to middle-market consumer products companies during periods of growth, restructuring and change. The company is an affiliate of Talon Asset Management, a premier \$1.0 billion investment firm based in Chicago, IL. For more information visit www.talonmc.com.

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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