

PRESS RELEASE
REDISHRED CAPITAL CORP.

Mississauga, Ontario
November 29, 2016

**REDISHRED CAPITAL CORP. (“REDISHRED”) ANNOUNCES Q3-2016 RESULTS,
HIGHLIGHTING RECORD RECURRING SYSTEM SALES**

Third Quarter Highlights:

- Total system sales⁽¹⁾ in the **PROSHRED**[®] system were \$7.5 million *USD* in the third quarter of 2016, growing 16% over the comparative period in 2015.
 - Scheduled (recurring) system sales for the third quarter reached a record of \$3.61 million *USD*, growing 14% over the third quarter of 2015;
 - Unscheduled system sales for the second quarter were \$2.6 million *USD*, growing 16% over the third quarter of 2015 and;
 - Recycling system sales for the third quarter were \$1.3 million *USD*, growing 19% over the third quarter of 2015.
 - The **PROSHRED**[®] system shred and recycled 9,900 tons of paper during the third quarter of 2016, an increase of 9% over the third quarter of 2015.
- Total operating income for the third quarter of \$580,000 was 10% higher than the third quarter of 2015 as a result of increased royalty revenue, franchise fee awards and consistent corporate store performance.
- Franchise and license revenue for the third quarter of 2016 was \$547,000 *CDN*, growing 30% over the third quarter of 2015. This category of revenue is generated by franchisees and licensees of the **PROSHRED**[®] system, originally denominated in US dollars.
- Redishred's new franchise locations in St. Louis, MO and Orlando, FL commenced operations in August, 2016.

Management's Comments on the Third Quarter of 2016

Jeffrey Hasham, the Company's CEO, had the following comments, "**PROSHRED**[®] continued to achieve record system sales results in the third quarter of 2016. This was driven by strong increases in our recurring scheduled service, which is the category that creates stable and predictable cash flows for our franchisees and corporate locations. We have continued to focus our sales and marketing energy on providing on-site destruction services to small and medium sized enterprises. Our clients have real risks related to information breach and compliance with an ever increasing number of laws related to information security and destruction. Our on-site service provides them with the peace of mind that they have taken reasonable measures in this area." Mr. Hasham further noted that "it is exciting to see our foot print move to over 30 metropolitan markets serviced as both St. Louis and Orlando commenced operations in the third quarter. In both new markets we have deployed dual purpose shredding equipment capable of shredding paper and hard drives. The Company's plan is to continue to invest in new trucks and human resources to further drive results into 2017 and beyond."

(1) System sales are revenues generated from franchisees, licensees and corporate owned locations. Redishred Capital Corp. derives its royalty and service fee revenues based on a percentage of system sales from franchisees and licensees. Redishred Capital Corp. derives revenues from corporate location system sales.

Financial Highlights:

	3 months ended September 30			9 months ended September 30		
	2016	2015	% change	2016	2015	% change
System sales (USD)	7,511,789	6,497,246	16%	21,957,104	18,637,513	18%
Total Revenue	2,418,386	1,974,509	22%	7,242,056	5,572,043	30%
Corporate location data:						
Corporate location revenue	1,870,736	1,554,557	20%	5,605,453	4,372,002	28%
Corporate location operating costs	(1,162,739)	(908,449)	(28)%	(3,512,800)	(2,471,505)	(42)%
Corporate location EBITDA	707,997	646,108	10%	2,092,653	1,900,497	10%
Depreciation – equipment	(160,070)	(120,789)	(33)%	(443,110)	(360,985)	(23)%
Operating income from corporate locations	547,927	525,319	4%	1,649,543	1,539,512	7%
Franchise and license data:						
Franchise and license fees	67,611	4,120	1541%	245,253	33,229	638%
Royalties and service fees	480,039	415,832	15%	1,391,350	1,166,812	19%
Franchise and license revenue	547,650	419,952	30%	1,636,603	1,200,041	36%
Total operating costs	(514,899)	(417,321)	(23)%	(1,618,548)	(1,276,347)	(27)%
Operating income ⁽¹⁾	580,678	527,950	10%	1,667,598	1,463,206	14%
Total Company EBITDA ⁽²⁾	740,748	648,739	14%	2,110,708	1,821,190	16%
Net income	75,589	363,260	(79)%	191,274	1,004,810	(81)%
Income per share	0.003	0.013	(77)%	0.004	0.035	(89)%

(1) Operating income is determined as operating income from corporate locations plus franchise and license revenue less total operating costs.

(2) Total company EBITDA is determined as corporate location EBITDA plus franchise and license revenue less total operating costs.

Stronger System Sales driving both Royalty and Corporate Location Revenue

Redishred achieved 16% growth in total system sales, and 15% on a same location basis during the third quarter of 2016 versus the same quarter in 2015. This drove royalty revenues up by 15% for the same comparative periods (calculated in USD). System sales were driven upwards due to the Company's continued focus on providing recurring scheduled service to small and medium sized enterprise clients.

Our corporate store location revenues grew by 20% during the third quarter of 2016 versus the same quarter in 2015 (calculated in USD). The growth included \$163,220 in acquired revenue, which when adjusted for yielded a growth rate of 10%.

Franchise Activity contributes to Short Term and Long Term Franchise Revenue Growth

In 2016, new franchise awards have significantly increased over both 2015 and 2014. New franchise fees to date in 2016 have equated to just under \$237,000 versus \$25,000 in 2015. The new locations have contributed to short term revenue growth by way of new franchise fees and will lead to future growth in royalty revenue and also enhance the Company's footprint in the United States. New franchisees have been attracted to the Company's improved financial position both at a franchisor level and at the unit franchisee level.

Corporate location Operating Income growth continues to build

Corporate location revenue has grown 28% on a year to date basis versus the same period in 2015, while Corporate location operating income on a year to date basis has grown 7% over the same period in 2015. The slower growth in operating income has been impacted by one time transition costs related to the Record Shred acquisition; increased costs related to truck repairs and refurbishment; and increased costs related to management of the corporate locations. Senior management believes that the investment in human resources, trucks and acquisitions will have positive impacts to both top line and bottom line growth for the remainder of 2016 and into 2017.

Debt Reduction and Improving Balance Sheet

Over the last twenty-four months, the Company has used a significant portion of its excess cash flow to reduce the amount owing on its line of credit. During the nine months ended September 30, 2016 the Company has paid down its line of credit by \$500,000 (nine-months ended September 30, 2015 - \$245,000) and over the last twenty-four months by almost one million dollars. With improving Operating Income, the Company's rolling twelve-month debt service coverage has improved by 27% since December 31, 2015 and working capital has improved to over \$450,000 in September 2016. Management will continue to balance investment in human resources, trucks and technology with continued reduction to its debt balances.

Investing now for Long-Term Sustainability

To date in 2016, the Company's senior management has:

1. Invested in attracting and retaining higher calibre managers and operations personnel for its corporate locations with a view to strengthening client service, truck capacity and route density in the medium to long term.
2. Invested in attracting and retaining stronger senior management and in particular sales and marketing resources with a view to supporting higher growth in all locations in the short and medium term.
3. Invested in centralizing replicable processes such as inside sales and the accounts receivables functions with the view to gaining economies of scale and cost savings in the medium to long term.
4. Continued to invest in modernizing its corporate location truck fleet with a view to maximizing client service standards and reducing costly repairs and downtime.

The investments have been funded primarily through current operating cash flows while simultaneously reducing the Company's most expensive debt class. The Company's senior management believes all these activities and investments will yield stronger cash generation in 2017 and beyond.

Corporate Operations

During the nine months ended September 30, 2016, Redishred directly operated six shredding locations in Syracuse, NY, Albany, NY, Milwaukee, WI, New York City, NY, Charlotte, NC and Miami, FL.

During the three months ended September 30, 2016, the corporate location revenue grew by 20% over the same comparative prior year period. The Company also increased EBITDA by 10% and operating income by 4% over the three months ended September 30, 2015. During the nine months ended September 30, 2016, the corporate location revenues grew by 28% over the same comparative prior year period. The Company also increased EBITDA by 10% and operating income by 7% over the nine months ended September 30, 2015.

All Corporate Locations Results:

	3 months ended September 30				9 months ended September 30			
	2016	% of revenue	2015	% of revenue	2016	% of revenue	2015	% of revenue
	\$		\$		\$		\$	
Revenue:								
Shredding service	1,586,024	85%	1,309,120	84%	4,816,664	86%	3,644,651	83%
Recycling	284,712	15%	245,437	16%	788,789	14%	727,351	17%
Total revenue	1,870,736	100%	1,554,557	100%	5,605,453	100%	4,372,002	100%
Operating costs	1,162,739	62%	908,449	58%	3,512,800	63%	2,471,505	57%
EBITDA	707,997	38%	646,108	42%	2,092,653	37%	1,900,497	44%
Depreciation - equipment	160,070	9%	120,789	8%	443,110	8%	360,985	8%
Corporate operating income	547,927	29%	525,319	34%	1,649,543	29%	1,539,512	35%

Corporate Locations Trend:

	2016			2015			2014
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Corporate location revenue (\$)	1,870,736	1,842,693	1,892,024	1,549,379	1,554,557	1,443,384	1,374,062
Quarter over quarter % change	1%	(3)%	22%	(1)%	7%	5%	9%
Corporate location EBITDA (\$)	707,997	688,142	696,514	626,711	646,108	678,855	575,535
Quarter over quarter % change	3%	(1)%	11%	(3)%	(5)%	18%	8%

Community and Social Commitment

Our locations under the **PROSHRED**[®] banner conducted numerous community shredding events during the nine months ending September 30, 2016. These events provide an opportunity for our clients, clients' employees, local businesses and local residents to ensure their personal and confidential materials are securely destroyed. In addition to helping to reduce identity theft, several of these events allow for donations to various not-for-profit organizations. **PROSHRED**[®] is also proud that 100% of the shredded material is recycled, as our continued goal is to foster the use of fewer trees in the production of all paper products. Future community shredding event locations can be found at our website, www.proshred.com.

On June 4, 2016, **PROSHRED**[®] held its' 3rd annual Shred Cancer event at most of its locations, raising money for the American Institute for Cancer Research ("AICR"). It is our goal as a Company to support the AICR in their endeavor to conduct research to prevent and possibly cure this disease. Mr. Hasham commented that "all of us at **PROSHRED**[®] are committed to working with AICR on their goal to reduce the instances of cancer by preventing it. The research they do is crucial in the battle against this disease. I want to thank every **PROSHRED**[®] owner and all our collective employees for the time and effort put forth to these events." Please visit www.proshred.com/aicr for more information on this effort.

Recycling system sales increased by 19% during the three months ended September 30, 2016 in comparison to the same period in 2015. During the three months ended September 30, 2016, the **PROSHRED**[®] system shred and recycled 9,900 tons of paper, which equates to approximately 149,000 trees saved.

Financial Statements

Redishred's September 30, 2016 Financial Statements, Notes and Management's Discussion and Analysis will be available at www.sedar.com and www.redishred.com.

Services

Redishred Capital Corp. is the owner of the **PROSHRED®** trademarks and intellectual property in the United States. **PROSHRED®** shreds and recycles confidential documents and proprietary materials for thousands of customers in the United States in all industry sectors. **PROSHRED®** is a pioneer in the mobile document destruction and recycling industry and has the ISO 9001:2008 certification. It is **PROSHRED®**'s vision to be the 'system of choice' and provide shredding and recycling services on a global basis. Redishred Capital Corp. grants **PROSHRED®** franchise businesses in the United States and by way of license arrangement in the Middle East. Redishred Capital Corp. also operates six corporate shredding businesses directly. The Company's plan is to grow its business by way of both franchising and the acquisition and operation of document destruction businesses that generate stable and recurring cash flow through a scheduled client base, continuous paper recycling and concurrent unscheduled shredding service.

FOR FURTHER INFORMATION PLEASE CONTACT:

Redishred Capital Corp. (TSX.V – KUT)
Jeffrey Hasham, MBA, CPA, CA
Chief Executive Officer
Jeffrey.hasham@redishred.com
www.redishred.com
Phone: (416) 849-3469 Fax: (905) 812-9448

or,

Redishred Capital Corp. (TSX.V – KUT)
Kasia Pawluk, CPA, CA
Chief Financial Officer
Kasia.pawluk@redishred.com
www.redishred.com
Phone: (416) 204-0076 Fax: (905) 812-9448

Note: Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward looking statements that reflect the current expectations of management of Redishred and Redishred's future results, performance, achievements, prospects and opportunities. Wherever possible, words such as "may", "will", "estimate", "believe", "expect", "intend" and similar expressions have been used to identify these forward looking statements. These statements reflect current beliefs and are based on information currently available to management of Redishred. Forward looking statements necessarily involve known and unknown risks and uncertainties. A number of factors, including those discussed in the 2015 management discussion and analysis under "Risk Factors", could cause actual results, performance, achievements, prospects or opportunities to differ materially from the results discussed or implied in the forward looking statements. These factors should be considered carefully and a reader should not place undue reliance on the forward looking statements. There can be no assurance that the expectations of management of Redishred will prove to be correct. Readers are cautioned that such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from these statements. Redishred can give no assurance that actual results will be consistent with these forward-looking statements.