

PRESS RELEASE
REDISHRED CAPITAL CORP.
Mississauga, Ontario
April 29, 2016

REDISHRED CAPITAL CORP. ("REDISHRED") ANNOUNCES RECORD FOURTH QUARTER AND YEAR-END 2015 RESULTS

Annual Highlights:

- Total annual *PROSHRED*⁽¹⁾ system sales were \$24.9 million *USD* in 2015, growing 21% over 2014.
 - Scheduled (recurring) system sales were \$12.1 million *USD*, growing 21% over 2014;
 - Unscheduled system sales were \$8.5 million *USD*, growing 22% over 2014 and;
 - Recycling system sales were \$4.3 million *USD*, growing 18% over 2014.
- The Company recognized \$145,000 *CDN* in franchise fees as a result of awarding the Minneapolis, MN *PROSHRED*[®] franchise in October of 2015. The new franchise location commenced operations in the first quarter of 2016.
- On December 31, 2015 the Company acquired the assets of Recordshred, a mobile shredding company in South Florida. The value of the transaction was CAD \$553,600.
- The Company's corporate locations produced \$5.9 million *CDN* in revenues during 2015, growing 20% over 2014, and generated \$2.5 million *CDN* in EBITDA during 2015, an increase of 18% over 2014.

Fourth Quarter Highlights:

- Total system sales ⁽¹⁾ in the *PROSHRED*[®] system were \$6.3 million *USD* in the fourth quarter of 2015, growing 15% over the comparative period in 2014.
 - Scheduled (recurring) system sales for the fourth quarter reached a record of \$3.2 million *USD*, growing 20% over the fourth quarter of 2014;
 - Unscheduled system sales for the fourth quarter reached \$2.1 million *USD*, growing 18% over the fourth quarter in 2014 and;
 - Recycling system sales for the fourth quarter were \$944,000 *USD*, declining 3% over the fourth quarter of 2014.
 - The *PROSHRED*[®] system shred and recycled 11% more paper during the fourth quarter of 2015 than during the fourth quarter of 2014.
- Royalty and license revenue for the fourth quarter of 2015 was \$557,000 *CDN*. This category of revenue is generated by franchisees and licensees of the *PROSHRED*[®] system, originally denominated in US dollars.
- The Company's six directly operated corporate locations in Syracuse, Albany, Milwaukee, New York City, Charlotte and Miami produced \$1.55M *CDN* in revenues during the three months ended December 31, 2015. The Company's six directly operated corporate locations generated \$627,000 *CDN* in earnings before interest, taxes, depreciation and amortization ("EBITDA") during the fourth quarter of 2015.

(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 December 31			12 months ended December 31		
	2015	2014	% change	2015	2014	% change
	\$	\$		\$	\$	
System sales (USD)	6,246,162	5,420,366	15%	24,883,674	20,637,010	21%
Total Revenue	2,105,982	1,570,967	34%	7,678,025	6,174,783	24%
Corporate location data:						
Corporate location revenue	1,549,379	1,257,312	23%	5,921,381	4,925,509	20%
Corporate location operating costs	(922,668)	(723,584)	(28)%	(3,394,173)	(2,779,541)	(22)%
Corporate location EBITDA	626,711	533,728	17%	2,527,208	2,145,968	18%
Depreciation – equipment	(137,570)	(109,688)	(25)%	(498,555)	(396,371)	(26)%
Operating income from corporate locations	489,141	424,040	15%	2,028,653	1,749,597	16%
Franchise and license data:						
Franchise and license fees	122,533	1,484	8100%	150,762	104,880	44%
Royalties and service fees	434,070	312,171	40%	1,600,882	1,144,394	40%
Franchise and license revenue	556,603	313,655	78%	1,756,644	1,249,274	41%
Total operating costs	(738,760)	(454,635)	(62)%	(2,015,107)	(1,686,756)	(19)%
Operating income	306,984	283,060	9%	1,770,190	1,312,115	35%
Net income	(112,571)	109,435	(107)%	892,239	242,795	267%
Income per share	0.00	(0.00)		0.03	0.01	

System Sales

Redishred's management team continued to focus its efforts through its franchisees and its corporate locations on (1) building recurring service revenues, (2) maximizing route density and logistical efficiencies and (3) implementing dedicated hard drive destruction trucks/equipment throughout the system. The strong service system sales results are driven by Redishred's sales and marketing programs that are aimed at educating clients on their requirements to destroy confidential information using a secure on-site solution. Additionally, an increasing number of clients are requiring their facilities to recycle all products, including office paper and, by using our service, clients are assured that documents are securely destroyed and the materials are recycled. Proshred also offers hard drive destruction services in almost all of its locations, and has been deploying high speed on-site hard drive destruction trucks. Currently twelve franchised locations have deployed high-speed on-site hard drive destruction trucks.

These factors led to 15% growth in service sales in the fourth quarter of 2015 over the same quarter in 2014.

Recycling system sales declined by 3% for the three months ended December 31, 2015 in comparison to the same period in 2014 due to the global decline in commodity prices. During the year ended December 31, 2015, the **PROSHRED®** system shred and recycled 36,000 tons of paper, which equates to 545,000 trees saved.

Corporate Operations

During the year ended December 31, 2015, Redishred directly operated six shredding locations in Syracuse, NY, Albany, NY, Milwaukee, WI, New York City, NY, Charlotte, NC and Miami, FL.

During the year ended December 31, 2015, the corporate location revenues grew by 20% over the same comparative prior year period. The Company has also increased EBITDA by 18% over the year ended December 31, 2014.

All Corporate Locations Results:

	3 months ended December 31				12 months ended December 31			
	2015	% of revenue	2014	% of revenue	2015	% of revenue	2014	% of revenue
	\$		\$		\$		\$	
Revenue:								
Shredding service	<u>1,335,132</u>	86%	<u>1,051,235</u>	84%	<u>4,979,783</u>	84%	<u>4,071,379</u>	83%
Recycling	<u>214,247</u>	14%	<u>206,077</u>	16%	<u>941,598</u>	16%	<u>854,130</u>	17%
Total revenue	<u>1,549,379</u>	100%	<u>1,257,312</u>	100%	<u>5,921,381</u>	100%	<u>4,925,509</u>	100%
Operating costs	<u>922,668</u>	60%	<u>723,584</u>	58%	<u>3,394,173</u>	57%	<u>2,779,541</u>	56%
EBITDA	<u>626,711</u>	40%	<u>533,728</u>	42%	<u>2,527,208</u>	43%	<u>2,145,968</u>	44%
Depreciation - equipment	<u>137,570</u>	9%	<u>109,688</u>	9%	<u>498,555</u>	8%	<u>396,371</u>	8%
Corporate operating income	<u>489,141</u>	31%	<u>424,040</u>	33%	<u>2,028,653</u>	35%	<u>1,749,597</u>	36%

Management's Comments on the Fourth Quarter of 2015

Jeffrey Hasham, the Company's CEO, had the following comments on the fourth quarter and annual results, "The management team's goal for 2015 was to demonstrate growth in our system and growth in our profitability. These goals were accomplished, almost every location in our system grew over 2014. With a solid base of 27 Proshred locations serving 30 markets in the United States; it is our goal for 2016 to focus on educating existing and potential clients on the continued need for our on-site information destruction service. We will continue to see investments both in our corporate locations and in our franchised locations in the area of destruction trucks (paper and hard drive) and in people. With such investments we can continue to deliver the highest level of client service and ensure continued growth of the top and bottom lines. We thank our franchisees and employees for the fantastic work they do day in and day out; it is that work that has led to the positive results of 2015. We also thank our Board of Directors and shareholders for their continued support of the Company."

Community and Social Commitment

Our locations under the **PROSHRED®** banner conducted 201 community shredding events in 2015. 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 6, 2015, **PROSHRED®** held its' 2nd annual Shred Cancer event at most of its locations, raising over \$50,000 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. Please visit www.proshred.com/aicr for more information on this effort.

Financial Statements

Redishred's December 31, 2015 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, hard drives, electronic media and proprietary materials for thousands of customers in the United States and the Middle East 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)
Jack Pulkinen, CPA, CA
Chief Financial Officer
jack.pulkinen@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 2014 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.

Forward looking statements in this release include those relating to investments both in corporate and franchised locations in the area of destruction trucks (paper and hard drive) and in people, which may be impacted by the level of cash flows generated and negative economic circumstances. and continued growth of the top and bottom lines which may be impacted by industry growth levels and negative economic circumstances.

Readers are cautioned that such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially