

**PRESS RELEASE**  
**REDISHRED CAPITAL CORP.**  
Mississauga, Ontario  
April 29, 2011

**REDISHRED CAPITAL CORP. POSTS FOURTH QUARTER EBITDA OF \$126,500, ANNOUNCES  
2010 FOURTH QUARTER AND YEAR END RESULTS**

**Fourth Quarter and Annual Highlights:**

- Redishred generated \$126,500 in earnings before interest, taxes, depreciation and amortization (“EBITDA”) in the fourth quarter of 2010.
- Operating income was \$21,000 in the fourth quarter of 2010.
- System sales<sup>(1)</sup> in our **PROSHRED®** system were \$12.9 million in 2010, an increase of 34% over 2009:
  - System sales during the fourth quarter of 2010 were \$3.2 million *USD* growing 21% over the fourth quarter of 2009.
  - Additionally, scheduled (recurring) system sales for the fourth quarter were a record high of \$1.6 million *USD*.
- Royalty revenue for the fourth quarter of 2010 was \$221,000 CDN. Royalty and service revenues are generated by franchises of the **PROSHRED®** franchise system and are originally denominated in US dollars.
- On November 15, 2010, Redishred announced that it has entered into an agreement with Averda International FZ-LLC (“Averda”) to operate the **PROSHRED®** and **REDISHRED** business platform in 15 countries and four territories throughout the Middle East.
- Redishred’s two corporate locations in Syracuse, New York and Albany, New York, generated \$713,700 in revenue and \$127,800 in corporate location income for the eight months ended December 31, 2010.
- On December 31, 2010, Redishred acquired the Proshred Milwaukee business from an existing franchisee. This marks the third corporately owned location under the **PROSHRED®** banner.

<sup>(1)</sup> System sales are revenues generated from the franchise system and corporate owned locations. Redishred Capital Corp. derives its royalty and service fee revenues based on a percentage of system sales.

**Financial Highlights:**

For the three months ended,	<u>December 31, 2010</u>	<u>December 31, 2009</u>
	\$	\$
<b>Franchising and licensing:</b>		
Royalty and service fee revenues	220,895	212,767
Franchise/license fees	246,249	-
<b>Total franchise revenues</b>	<b>467,144</b>	<b>212,767</b>
<b>Corporate operations:</b>		
Service and recycling revenue	288,135	-
<b>Income from corporate locations</b>	<b>20,705</b>	<b>-</b>
<b>Operating income (loss)</b>	<b>21,081</b>	<b>(310,615)</b>
<b>Net income (loss)</b>	<b>(456,990)</b>	<b>(537,686)</b>
<b>Income (loss) per share</b>	<b>(0.01)</b>	<b>(0.03)</b>
<b>Weighted average number of common shares</b>	<b>28,884,658</b>	<b>22,884,614</b>

For the twelve months ended,	<u>December 31, 2010</u>	<u>December 31, 2009</u>
	\$	\$
<b>Franchising and licensing:</b>		
Royalty and service fee revenues	934,639	828,944
Franchise Fees	355,413	139,883
<b>Total franchise revenues</b>	<b>1,290,052</b>	<b>968,827</b>
<b>Corporate operations:</b>		
Service and recycling revenue	713,711	-
<b>Income from corporate locations</b>	<b>127,754</b>	<b>-</b>
<b>Operating income (loss)</b>	<b>(413,986)</b>	<b>(1,391,518)</b>
<b>Net income (loss)</b>	<b>(1,217,490)</b>	<b>(2,003,043)</b>
<b>Income (loss) per share</b>	<b>(0.04)</b>	<b>(0.09)</b>
<b>Weighted average number of common shares</b>	<b>28,884,658</b>	<b>23,016,122</b>

### **Management's Comments on the Industry**

The North American shredding industry has continued to grow, as there is increasing awareness with respect to the following demand drivers:

- regulatory requirements and enforcement continue to be increased with respect to document destruction, including the federally enacted Health Information Technology for Economic and Clinical Health Act;
- consumers and businesses have heightened awareness of their responsibility towards safeguarding the environment;
- corporate initiatives to outsource "non-core" business services; and
- an increasing need to destroy and recycle other media such as hard-drives.

Additionally, prices for recycled paper have continued to show upward momentum as a result of increased demand from overseas markets, resulting in stronger recycling system sales.

Given these strong fundamentals, the company continues to be optimistic about its short, intermediate and long-term development plans.

### **Management's Comments on the Fourth Quarter and fiscal year 2010**

**System Sales** – Redishred's management team continued to focus its efforts through its franchisees and its corporate locations on (1) building recurring service revenues and (2) optimizing routing and logistical efficiencies. System sales in all three major categories continued to grow during the fourth quarter of 2010.

- Scheduled system sales were up 14% over the fourth quarter of 2009.
- Unscheduled system sales grew by 9% over the fourth quarter of 2009.
- Recycling system sales grew by 54% over the fourth quarter of 2009.
- In addition, the number of tons of paper recycled by the **PROSHRED®** system was up 5% over the fourth quarter of 2009.

These strong results are driven by Redishred's sales and marketing programs that are aimed at educating clients on the legislative requirements to destroy confidential information using a secure on-site solution. Additionally, a larger 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.

**Franchise and license development** – On July 26, 2010, Todd Hoover and Bill and Desiree Chiles were awarded the San Diego, CA **PROSHRED®** franchise. On October 25, 2010, the San Diego franchise commenced operations marking the 18<sup>th</sup> operating location in the **PROSHRED®** system.

On November 15, 2010 the Company announced that it had entered into an agreement with Averda International FZ-LLC ("Averda") to operate the "Proshred" and "Redishred" business platform in 15 countries and four territories throughout the Middle East region.

**Acquisitions and Corporate Operations** – Since April 30, 2010, Redishred has completed three acquisitions in Syracuse, Albany, and Milwaukee. The New York locations are managed from the Syracuse regional office. The Wisconsin location is corporately operated as of January 1, 2011. The acquisitions have been accretive to Redishred’s cash flows, generating the following results on a year to date and quarterly basis:

<i>(in CDN)</i>	<b>3 months ended December 31</b>		<b>8 months ended December 31</b>	
	<b>2010 \$</b>	<b>% of revenue</b>	<b>2010 \$</b>	<b>% of revenue</b>
<b>Revenue:</b>				
Shredding service	<b>218,401</b>	76%	<b>544,373</b>	76%
Recycling	<b>69,734</b>	24%	<b>169,338</b>	24%
<b>Total revenue</b>	<b>288,135</b>	100%	<b>713,711</b>	100%
Operating costs	<b>201,907</b>	70%	<b>438,580</b>	61%
<b>Operating income</b>	<b>86,228</b>	30%	<b>275,131</b>	39%
Depreciation	<b>33,000</b>	11%	<b>74,295</b>	10%
Interest expense	<b>32,523</b>	11%	<b>73,082</b>	10%
<b>Corporate store income</b>	<b>20,705</b>	7%	<b>127,754</b>	18%

**Community and Social Commitment** – Our locations under the **PROSHRED®** banner conducted 137 community shredding events throughout 2010. 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. 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](http://www.proshred.com). During 2010, the **PROSHRED®** system, through its recycling program, saved 306,000 trees.

Jeffrey Hasham, the Company’s CEO, had the following comments on the fourth quarter and 2010 annual results, “First and foremost we are very pleased to have posted an operating profit during the fourth quarter of 2010, this is a good result and we know that we can take this momentum into 2011 and improve on this success.” Mr. Hasham also noted that “almost every one of our locations, franchise and corporate, has improved their annual sales results over 2009, these improvements in sales are a result of our franchise owners and corporate general managers getting involved in their communities by way of charitable activities and by way of educating clients on the dangers of identity theft. I would like to congratulate our entire system for their successes in 2010.”

## Financial Statements

Redishred's December 31, 2010 Financial Statements, Notes and Management's Discussion and Analysis will be available at [www.sedar.com](http://www.sedar.com) and [www.redishred.com](http://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. In addition to the ISO certification, all of our franchise and corporate locations are NAID certified. It is **PROSHRED®**'s vision to be the 'system of choice' and provide shredding and recycling services on a global basis.

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*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 2009 and 2010 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.*

*In particular, certain statements in this document discuss Redishred's anticipated outlook of future events. These statements include, but are not limited to:*

- (i) the commencement of a new franchise and license operation may be delayed by the inability of the franchisee or licensee to comply with their agreement terms and conditions post execution;*
- (ii) anticipated system sales and royalty revenue which may be impacted by industry growth levels which to date have been driven by favorable legislation and favorable media coverage on the impacts of identity theft.*

*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.*