

PRESS RELEASE

REDISHRED CAPITAL CORP.

Mississauga, Ontario

August 3, 2021

REDISHRED CAPITAL CORP. ANNOUNCES THE ACQUISITION OF PROSHRED ATLANTA

Redishred Capital Corp (“Redishred” or “Company”) (TSXV: KUT) announces the completion of the acquisition of the Proshred Atlanta business from its franchisee located in Atlanta, Georgia, effective end of day, July 30, 2021. The Atlanta location earned approximately \$1.3M USD in revenue during the fiscal year 2020 and currently operates 5 trucks in the Atlanta market.

The purchase price of the acquisition has a target payout of between \$2M and \$2.9M USD based on the performance of the operation over the following three years from the closing date. Cash consideration was \$2M USD. The remaining consideration was in the form of earn-out provisions tied to attainment of financial metrics.

The acquisition includes on-site paper and hard drive shredding trucks, containers, client relationships and other assets used in the shredding business. Redishred views this acquisition as accretive to its cash flows and earnings on a per share basis.

The company financed this acquisition by way of cash reserves and from accessing \$854,000 CAD from its acquisition loan facility.

The Atlanta market has the size, scope, and growth profile for this to be an attractive market moving forward. The Atlanta Metropolitan Statistical Area (“MSA”) has a population of over 6 million people and ranks inside the top ten MSAs in the United States. In the last decade the population of the Atlanta MSA has grown by 15%.

About Redishred

Redishred Capital Corp. is the owner of the **PROSHRED®** trademarks and intellectual property in the United States and Internationally. **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 9001:2015 certification. It is **PROSHRED®**'s vision to be the ‘system of choice’ and provide shredding and recycling services on a global basis. **PROSHRED®** currently services over 40 markets in the United States. 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 fourteen corporate shredding businesses directly as of August 1, 2021. 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:

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Note: The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

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 2020 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) An increase to Redishred's cash flow and earnings per share, which may be impacted by the level of costs, industry growth levels, the demand for recycled paper products, changes in local and federal regulations, and the economic situation in the United States; and*
- (ii) Growth in the Atlanta market.*

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.