

PRESS RELEASE
REDISHRED CAPITAL CORP.
Mississauga, Ontario
January 5th, 2012

REDISHRED CAPITAL CORP. ANNOUNCES ACQUISITION OF PROSHRED NEW YORK CITY

Redishred Capital Corp (“Redishred” or “Company”) (TSXV: KUT) is pleased to announce that it has completed the acquisition of the Proshred New York City business from an existing franchisee for an aggregate purchase price of \$2,569,000. With this acquisition, Redishred will operate its fourth corporately owned location under the **PROSHRED**[®] banner.

Redishred has drawn from its line of credit facility and has obtained vendor financing related to the purchase of the New York City assets.

In conjunction with the purchase of the business, the exiting franchisee will withdraw from the legal complaint that they and three other franchisees filed against Redishred’s subsidiary in June 2010.

The Proshred New York City business has 7 trucks in operation and services over 500 scheduled customers in the 5 boroughs of New York as well as Long Island and the Northern Suburbs of Westchester, Rockland, Putnam and Dutchess.

Mr. Jeffrey Hasham, CEO of Redishred noted that “we are very pleased to have acquired the New York City franchise, as the New York City market is the largest in the United States, and we believe there is tremendous opportunity to grow our presence in that market.” Mr. Hasham further noted that “With this acquisition, we now operate three corporate locations in New York State, servicing Syracuse, Albany, and now New York City. It is our intent to maximize the marketing and operational synergies that exist in these markets.”

Redishred is also pleased to announce that Mr. Tim Denman has joined the **PROSHRED**[®] team as the General Manager for the New York City Region. Mr. Denman brings a wealth of experience to our management team in the areas of operations, route management and general management. Most recently, Mr. Denman was the Product Services Manager at Allied Building Products Corp. and has over 10 years of leadership experience in project management across multiple industries including defense, education, and distribution. With his first-rate analytical ability as a trained engineer coupled with the leadership skills of a military officer and the financial knowledge of an MBA, Mr. Denman will be a great asset to the Company.

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.

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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 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 growth in NY markets, which may be impacted by negative economic circumstances, industry growth levels and commodity paper prices which will vary with market conditions; and*
- (ii) The attainment of marketing and operational synergies in New York State which is subject to the successful integration of the New York City location and the identification of clients that require regional service in those New York State markets that are economically feasible to service in those geographies.*

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.