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## **PRESS RELEASE**

### **REDISHRED CAPITAL CORP.**

Mississauga, Ontario  
December 7, 2016

### **REDISHRED CAPITAL CORP. ANNOUNCES NON-BROKERED PRIVATE PLACEMENTS AND DEBT CONVERSION**

RediShred Capital Corp. (TSXV: KUT) (the "Company") announced today that it intends to raise an aggregate of up to \$6 million by way of two non-brokered private placements, including up to \$4 million being offered to all eligible existing shareholders (the "Existing Shareholder Offering") and up to \$2 million in an additional offering (the "Additional Offering"). Both private placement transactions will offer units of the Company (the "Units") at a price of \$0.30 per Unit. Each Unit will be comprised of one common share in the capital of the Company (a "Common Share") and 0.15 of a Common Share purchase warrant (each whole such warrant, a "Warrant"). Each Warrant shall be exercisable into one Common Share at a price of \$0.36 per Common Share for a period of five years from the closing date of the offerings. No commissions or finders fees are expected to be paid in connection with the offerings.

The proposed principal use of proceeds of the offerings is to fund acquisitions that the Company is seeking. The actual allocation of net proceeds may vary depending on future operations or unforeseen events or opportunities.

In addition, the Company intends to convert \$654,550 of debt held by insiders of the Company into equity at a price of \$0.30 per Common Share.

The private placements and debt conversion are all subject to regulatory approval, including approval of the TSX Venture Exchange ("TSXV").

#### Existing Shareholder Offering

Up to 13,333,333 Units for aggregate gross proceeds of up to \$4 million is being offered to existing shareholders of the Company under the Existing Shareholder Offering in accordance with the provisions of the existing shareholder exemption (the "Existing Shareholder Exemption") contained in Multilateral CSA Notice 45-313 and the various corresponding blanket orders and rules of participating jurisdictions, as well as the amendments to Rule 45-501-Ontario Prospectus and Registration Exemptions. In addition to conducting the Existing Shareholder Offering pursuant to the Existing Shareholder Exemption, it may also be conducted pursuant to the "Accredited Investor" and other available prospectus exemptions.

The Company has set December 6, 2016 as the record date (the "Record Date") for the purpose of determining existing shareholders entitled to purchase the Units pursuant to the Existing Shareholder Offering. Subscribers using the Existing Shareholder Exemption will need to complete a subscription agreement and represent in writing that they meet the requirements of the Existing Shareholder Exemption, including that the subscriber must: (a) be a shareholder of the Company on the Record Date and will continue to be a shareholder of the Company until the closing of the Existing Shareholder Offering, (b) be purchasing the Units as a principal and for their own account and not for any other party, and (c) not subscribe to more than \$15,000 of securities from the Company in any 12 month period unless they have received the advice

described below. In the event that a subscriber wants to subscribe for more than the \$15,000 of securities, then the subscriber may do so provided they have first received 'suitability advice' from a registered investment dealer.

The Common Shares and any Warrants to be issued under the Existing Shareholder Offering, as well as the Additional Offering and the Debt Conversion, will be subject to a statutory hold period expiring on the date that is four months and one day after the applicable closing.

The Existing Shareholder Offering is not subject to any minimum aggregate subscription. If subscriptions received for the Existing Shareholder Offering based on all available exemptions exceed the maximum Existing Shareholder Offering amount of \$4 million, Units will be allocated pro-rata amongst all subscribers qualifying under all available exemptions in proportion to the number of Common Shares owned by each subscriber on the Record Date.

Shareholders of the Company who wish to participate in the Existing Shareholder Offering must provide an expression of interest which must be received by the Company by the close of business on December 31, 2016. The expression of interest must include the maximum amount such shareholder is prepared to invest in the Existing Shareholder Offering. Following December 31, 2016, the Company will notify each shareholder who has provided an expression of interest with their allocation and instructions on the timing and completion of subscription documents and delivery of funds.

**If you are an existing shareholder of the Company who held Common Shares as of the Record Date and are interested in participating in the Existing Shareholder Offering, you must contact the Company by email at [privateplacement@redishred.com](mailto:privateplacement@redishred.com) on or before December 31, 2016 in order to participate.** Any person who becomes a shareholder of the Company after the Record Date shall not be entitled to participate in the Existing Shareholder Offering. Officers and directors of the Company have expressed an intention to subscribe for an aggregate of \$450,000 of the Existing Shareholder Offering, being less than their collective pro rata allocation. In addition, another shareholder insider has indicated an intention to participate in the Existing Shareholder Offering for at least its pro rata allocation.

#### Additional Offering

The Company has received an expressions of interest from two investors to subscribe for up to an aggregate of \$2 million in Units under the Additional Offering, including a shareholder insider that intends to subscribe for \$1 million of the Additional Offering. The shareholder insider has also expressed an intention to participate in the Existing Shareholder Offering. Subject to regulatory approval, the Company plans to complete the Additional Offering.

#### Debt Conversion

The Company also wishes to announce that it intends to settle an aggregate of \$654,550 of non-convertible debt owed to certain insiders of the Company in consideration for the issuance of 2,181,833 Common Shares of the Company at a deemed price of \$0.30 per Common Share. The disinterested director of the Company approved the debt conversions with the respective insiders and their associates and affiliates. Closing of the debt conversions will occur immediately following approval from TSXV.

#### About the Company

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:**

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*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.*

*None of the securities issued in connection with the financing will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.*

*This news release contains forward looking statements that reflect the current expectations of management of Redishred and Redishred's future financing, prospects and opportunities, including statements relating to intentions to undertake a private placement financing, the anticipated timing, use of proceeds and expectations of completing acquisitions. 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 including: (i) adverse market conditions; (ii) the inability of Redishred to complete the private placement at all or on the terms announced; (iii) the TSX Venture Exchange not approving the private placement, (iv) the ability to find and negotiate acceptable terms for any acquisitions, as well as those discussed in the 2016 management discussion and analysis under "Risk Factors", could cause actual financing, 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.*