



VIRIDIS ENERGY INC.

Viridis Energy Reports First Quarter 2015 Financial Results *Company's sales increases by 55% over previous year first quarter*

Vancouver, BC – May 27, 2015 – Viridis Energy Inc. ("Viridis" or the "Company") (TSXV:VRD) (OTC:VRDSF), today reported its financial results for its first quarter ended March 31, 2015. Revenues increased to \$8.8 million during the three-month period ended March 31, 2015, an increase of \$3.1 million or 55% from \$5.6 million for the comparable period in 2014. The Company's first quarter 2015 revenue also represents the fifth quarter of sequential growth, increasing approximately \$450,000 or 5% over the fourth quarter 2014.

The increase in revenue during the first quarter of the current year over the prior year period is primarily attributable to an increase of \$3.1 million in recorded sales from Viridis Merchants, which includes intercompany sales of \$1.1 million from Okanagan Pellet Company ("OPC"). Viridis Merchants has experienced growth in its sales to the US northeast market. Scotia Atlantic Biomass ("Scotia") also experienced an increase in sales of \$1.2 million or 57% over the comparable quarter in 2014.

"Five sequential quarters of revenue growth, supported by an appreciable increase in Viridis Merchants business, is confirmation of our aggregation strategy implemented a year ago," said Christopher Robertson, chief executive officer. "Clearly, the growth in demand for wood pellets in the residential heating market, coupled with the quality of our premium pellets, are positioning Viridis to benefit from this fast developing trend."

The Company's gross profit improved to \$6,000 for the three month period ended March 31, 2015 from a loss of \$237,000 for the comparable period in 2014. The improvement in gross margin is primarily the result of the increased contribution from Viridis Merchants, the strengthening of the US dollar and increased production at the Scotia facility.

EBITDA was a loss of \$514,000 for the period ended March 31, 2015, compared to an EBITDA loss of \$1.1 million the same period last year.

Operating expenses were virtually flat at \$1.1 million for the three month period ended March 31, 2015 and \$1.1 million for the comparable period last year. Operating expenses as a percentage of revenues decreased to 12.9% for the first quarter of 2015 from 19.8% for the comparable period last year.

The Company incurred a net loss attributable to the shareholders of \$(1.3) million or \$(0.07) per basic share for the quarter ended March 31, 2015. This compares to a net loss of \$(1.6 million) or \$(0.14) per basic share for the comparable quarter last year.

"Scotia's losses continued to have a significant impact on the Company's results during the current year first quarter, prior to the implementation of the right-sizing strategy previously announced. As part of this plan, we have analyzed the fiber availability by region and have determined that there is adequately priced fiber to operate the plant profitably at this reduced level, said Christopher Robertson. "We will continue to analyze fiber costs and make

adjustments to production as needed, during the second half of 2015, to ensure that we achieve sufficient margins to generate cash flow.” he added.

At March 31, 2015, the Company had cash and cash equivalents of \$849,000, a decrease of \$1.0 million from the December 31, 2014 balance. The Company’s accounts receivable were \$2.3 million, representing a DSO of 24 days. Accounts payable and accrued liabilities increased by \$481,000 to \$4.3 million at March 31, 2015 from \$3.8 million for the year ended December 31, 2014. Subsequent to the quarter, the OPC operating line from Royal Bank of Canada was increased to \$1.0 million to fund the inventory build during residential off-season.

Consistent with the prior fourth quarter 2015, Viridis’ common shares outstanding on March 31, 2015 totaled 13,845,190 shares. The Company’s fully diluted share totaled 14,312,690; inclusive of all options with an average exercise price of \$1.69 and warrants with an average exercise price \$3.50.

Conference Call Details:

Date/Time:	Wednesday, May 27, 2015 – 5:00 p.m. (ET)
Telephone Number:	1-888-347-6492
International Dial-In Number:	1-412-902-4288
Canada Dial-In Number:	1-855-669-9657

It is recommended that participants phone-in at least 10 minutes before the call is scheduled to begin. A replay of the conference call in its entirety will be available approximately one hour after its completion via the Internet Access link above.

Company Contact:

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About Viridis Energy Inc.

Viridis Energy Inc. (TSXV:VRD) (OTC:VRDSF) is a publicly traded, "Cleantech" manufacturer and distributor of renewable energy providing wood pellet biomass to global residential and industrial markets. Located in Vancouver, B.C., Viridis Energy Inc. operates Okanagan Pellet Company Ltd. (BC), Scotia Atlantic Biomass Company Limited (Nova Scotia) and Viridis Merchants Inc. (Delaware), with over 300,000 tons of trading and manufactured capacity on both coasts of North America. For more information on Viridis Energy Inc. please refer to the company website at www.viridisenergy.ca.

Forward-looking Statements

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company's future operations. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a continued downturn in general economic conditions in North America and internationally, (2) the inherent uncertainties associated with the demand for biomass in Europe and Asia, (3) the risk that the Company does not execute its business plan, and the inability for the Company to complete the implementation of the Scotia Atlantic three step plan (4) inability to finance operations and growth (5) inability to retain key management and employees, (6) an increase in the number of competitors with larger resources, and (7) other factors beyond the Company's control. These forward-looking statements are made as of the date of this news release and the Company intends to update such forward looking information in the Company's MD&A in the event that actual results differ materially from such forward-looking statements contained herein. Additional information about these and other assumptions, risks and uncertainties are set out in the "Risks and Uncertainties" section in the Company's MD&A filed with Canadian securities regulators.

Neither the 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.

***** Financial Statements Follow *****

Viridis Energy Inc.

Condensed interim consolidated statements of financial position

(Expressed in Canadian dollars)

As at March 31, 2015 and December 31, 2014

(Unaudited)

	March 31, 2015	December 31, 2014
ASSETS		
Cash and cash equivalents	\$ 849,472	\$ 1,868,014
Restricted cash	190,720	190,320
Accounts receivable	2,298,805	1,400,077
Inventory	2,729,042	1,910,772
Prepaid expenses	470,048	379,263
	<u>6,538,087</u>	<u>5,748,446</u>
Property, plant and equipment	<u>9,177,570</u>	<u>9,334,553</u>
	<u>\$ 15,715,657</u>	<u>\$ 15,082,999</u>
LIABILITIES and SHAREHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 4,311,591	\$ 3,830,403
Deferred income	97,344	123,422
Current portion of loans payable	975,707	942,293
	<u>5,384,642</u>	<u>4,896,118</u>
Loans payable	<u>8,530,809</u>	<u>7,038,017</u>
	<u>13,915,451</u>	<u>11,934,135</u>
Shareholders' equity		
Share capital	\$ 31,550,008	\$ 31,550,008
Contributed surplus	4,141,665	4,141,665
Accumulated deficit	(32,975,797)	(31,962,485)
Accumulated other comprehensive loss	(40,363)	(7,664)
Equity attributable to equity holders of the Company	<u>2,675,513</u>	<u>3,721,524</u>
Non-controlling interest	<u>(875,307)</u>	<u>(572,660)</u>
	<u>1,800,206</u>	<u>3,148,864</u>
	<u>\$ 15,715,657</u>	<u>\$ 15,082,999</u>

Viridis Energy Inc.
Condensed interim consolidated statements of loss
(Expressed in Canadian dollars, except number of shares and per share amounts)
For the three months ended March 31, 2015 and 2014
(Unaudited)

	Three months ended March 31	
	2015	2014
Sales	\$ 8,765,134	\$ 5,641,727
Costs of sales	(8,758,856)	(5,878,607)
Gross profit	6,278	(236,880)
Operating expenses		
Selling and marketing	(210,062)	(124,510)
General and administrative	(920,582)	(991,759)
	(1,130,644)	(1,116,269)
Loss before other items	(1,124,366)	(1,353,149)
Other items		
Foreign exchange gain (loss)	60,218	(4,867)
Loss on disposal of property plant and equipment	(5,994)	-
Finance expense	(229,838)	(177,295)
Accretion expense	(15,979)	(41,683)
	(191,593)	(223,845)
Loss before income tax	(1,315,959)	(1,576,994)
Income tax	-	-
Net loss	\$ (1,315,959)	\$(1,576,994)
Net loss attributed to:		
Shareholders of the company	\$ (1,013,312)	\$(1,576,994)
Non-controlling interest	\$ (302,647)	-
Net loss	\$ (1,315,959)	\$ (1,576,994)
Net loss per share		
Basic and diluted	\$ (0.07)	\$ (0.14)
Weighted average number of common shares outstanding		
Basic and diluted	13,845,190	11,457,666