

Viridis Energy Reports Third Quarter and Nine Month Financial Results

Company Generates Positive Cash Flow from Operations

Vancouver, BC – November 14, 2014 – Viridis Energy Inc. ("Viridis" or the "Company") (TSXV:VRD) (OTC:VRDSF), today reported financial results for its third quarter and nine month period ended September 30, 2014.

Revenues increased to \$7.6 million for the quarter ended September 30, 2014, an increase of \$4.6 million or 151% from \$3.0 million for the comparative quarter last year. For the nine months ended September 30, 2014 revenues were \$19.9 million, an increase of \$12.1 million or 155% compared to \$7.8 million for the same nine-month period last year.

Third quarter 2014 revenues also represents sequential quarterly growth of approximately \$1 million or 14% over the second quarter 2014.

The increase in revenues for the three and nine-months ended September 30, 2014 is primarily attributable to sales from the Scotia Atlantic facility, which only operated one month of the comparative periods last year. This represented additional revenue of \$2.7 million and \$8.4 million for the quarter and nine-months ended September 30, 2014, respectively. In addition, Viridis Merchants, the Company's alternative energy aggregation and trading service, recognized an increase in revenue of \$1.3 million and \$2.8 million for the quarter and nine-month periods ended September 30, 2014.

The Company generated a gross profit of \$0.02 million during the three month period and \$1.2 million for the nine month period ended September 30, 2014. This compares to gross profit of \$0.6 million and \$1.4 million, respectively, for the comparable periods last year. The decrease in gross profit for the 2014 periods is primarily attributable to an inventory adjustment of \$0.6 million recorded at Scotia Atlantic. Additionally, we conducted an extended summer maintenance period during which extensive winterization and other enhancements were implemented, to improve margins in future periods. This maintenance period temporarily impeded production, where fixed costs represent a significant portion of the cost of sales.

Gross profit generated by Okanagan Pellet Company and Viridis Merchants were consistent during the three and nine month periods in 2014, generating gross profit percentages of approximately 19% and 9%, respectively. On a non-IFRS basis, excluding depreciation, gross profit was \$0.3 million for the period ended September 30, 2014, compared to \$0.7 million to the same period last year. For the nine month period ended September 30, 2014, gross profit excluding depreciation was \$2.1 million compared to \$1.8 million for the same period in 2013.

The Company incurred a net loss attributable to the shareholders of the Company of \$(1.6) million or \$(0.11) per basic share for the quarter ended September 30, 2014 compared to a net loss of \$(0.7 million) or \$(0.06) per basic share for the comparative quarter last year. For the nine months ended September 30, 2014, the Company incurred a net loss attributable to shareholders

of the Company of \$(4.1) million or \$(0.32) per basic share compared to \$(2.0) million or \$(0.21) for the same nine-month period last year.

Operating expenses were \$1.7 million for the quarter ended September 30, 2014, an increase of \$0.5 million or 41% from \$1.2 million for the comparative quarter last year. For the nine month period ended September 30, 2014, operating expenses were \$5.0 million, an increase of \$2.1 million or 71% from \$2.9 million for the same period last year. The increase in operating expenses in 2014 is due to the additional expenses of full Scotia Atlantic operations in 2014 compared to only one month of operating in the comparative period of 2013, and freight expenses incurred by Scotia Atlantic for product export.

Operating expenses as a percentage of revenues decreased to 22% from 40% for the quarter ended September 30, 2014 from the same quarter last year and to 25% from 37% for the nine month period ended September 30, 2014 compared to the comparative period last year.

At September 30, 2014, the Company reported cash and cash equivalents of \$1.4 million, an increase of \$0.4 million from the June 30, 2014 balance. The Company's accounts receivable were \$1.5 million, representing days sales outstanding (DSO) of 18 days. Accounts payable and accrued liabilities decreased by \$0.7 million to \$3.8 million for the quarter ended September 30, 2014 from \$4.5 million from June 30, 2014.

Consistent with the prior second quarter 2014, Viridis common shares outstanding on September 30, 2014 totaled 13,845,190 shares. The Company's fully diluted share count totals 14,297,690, inclusive of all options (average exercise price of \$2.64) and warrants (average exercise price \$3.90).

“Clearly the decisions we made at Scotia in regards to inventory adjustments and the summer maintenance period had an adverse effect on the current quarter, but were necessary to ensure positive results in subsequent quarters. Despite these non-recurring items, we have seen some positive trends emerge. I am very pleased that the company has achieved positive operating cash flow for the first time,” commented Christopher Robertson, Viridis' CEO. “We have a very strong sales backlog for fourth quarter, over \$10 million, and we are on track to finish the year at between \$28 million and \$30 million in revenue in 2014.”

Conference Call Details:

| | |
|--------------------------------------|---|
| Date/Time: | Friday, November 14, 2014 – 2:00 p.m. (ET) |
| Telephone Number: | 1-877-870-4263 |
| International Dial-In Number: | 1-412-317-0790 |
| Canada Dial-In Number: | 1-855-669-9657 |

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|-------------------------|--|
| Internet Access: | http://www.videonewswire.com/event.asp?id=100989 |
| | or |
| | www.viridisenergy.ca |

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.

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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 waste biomass fuel to global residential and industrial markets. Located in Vancouver, B.C., Viridis Energy Inc. operates Viridis Merchants (Canada) Ltd., Okanagan Pellet Company Ltd., Scotia Atlantic Biomass Company Limited and Viridis Merchants Inc., thus providing the company with vertical integration for distribution and manufacturing as well as coast to coast national presence. 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 biofuels, (3) the risk that the Company does not execute its business 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 September 30, 2014 and December 31, 2013

| | September 30, 2014 (Unaudited) | December 31, 2013 |
|--|--------------------------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 1,378,834 | \$ 1,594,246 |
| Accounts receivable | 1,461,684 | 1,275,959 |
| Inventory | 1,659,895 | 926,933 |
| Prepaid expenses | 455,838 | 546,917 |
| | <u>4,956,251</u> | <u>4,344,055</u> |
| Property, plant and equipment | <u>9,330,669</u> | <u>9,045,376</u> |
| | <u>\$ 14,286,920</u> | <u>\$ 13,389,431</u> |
| LIABILITIES and SHAREHOLDERS' EQUITY | | |
| Accounts payable and accrued liabilities | \$ 3,799,372 | \$ 3,329,868 |
| Deferred income | 288,423 | 196,595 |
| Due to related parties | - | 44,373 |
| Current portion of loans payable | 1,002,949 | 113,529 |
| | <u>5,090,744</u> | <u>3,684,365</u> |
| Loans payable | <u>5,770,199</u> | <u>6,198,921</u> |
| | <u>10,660,943</u> | <u>9,883,286</u> |
| Shareholders' equity | | |
| Share capital | \$ 31,550,008 | \$ 27,322,578 |
| Contributed surplus | 3,797,423 | 3,446,376 |
| Accumulated deficit | (31,395,900) | (27,262,809) |
| Equity attributable to equity holders of the corporation | <u>3,951,531</u> | <u>3,506,145</u> |
| Non-controlling interest | (325,554) | - |
| | <u>3,625,977</u> | <u>3,506,145</u> |
| | <u>\$ 14,286,920</u> | <u>\$ 13,389,431</u> |

Viridis Energy Inc.

Condensed interim consolidated statements of loss and total comprehensive loss (Expressed in Canadian dollars, except number of shares and per share amounts)

For the nine months ended September 30, 2014 and 2013

(Unaudited)

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|--------------|------------------------------------|----------------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | \$ 7,601,786 | \$ 3,022,581 | \$ 19,892,788 | \$ 7,815,729 |
| Costs of sales | 7,583,686 | 2,427,404 | 18,674,665 | 6,419,587 |
| Gross profit | 18,100 | 595,177 | 1,218,123 | 1,396,142 |
| Operating expenses | | | | |
| Selling and marketing | 90,543 | 57,892 | 325,456 | 143,134 |
| Freight-out | 574,206 | 45,609 | 1,767,992 | 58,254 |
| General and administrative | 1,028,290 | 1,093,800 | 2,899,684 | 2,772,051 |
| | 1,693,039 | 1,197,301 | 4,993,132 | 2,923,439 |
| Loss before other items | (1,674,939) | (602,124) | (3,775,009) | (1,527,297) |
| Other items | | | | |
| Foreign exchange gain/(loss) | 2,783 | 5,890 | (15,720) | (798) |
| Disposal of property plant and equipment | - | - | - | 2,821 |
| Finance expense | (177,422) | (77,898) | (538,817) | (332,981) |
| Accretion expense | (21,932) | (37,637) | (84,495) | (97,312) |
| | (196,571) | (109,645) | (639,032) | (428,270) |
| Loss before income taxes recovery | (1,871,510) | (711,769) | (4,414,041) | (1,955,567) |
| Income tax recovered | - | - | - | - |
| Net loss and total comprehensive loss | \$(1,871,510) | \$ (711,769) | \$ (4,414,041) | \$ (1,955,567) |
| Net loss and total comprehensive loss attributed to: | | | | |
| Shareholders of the corporation | \$(1,590,560) | \$ (711,769) | \$ (4,133,091) | \$ (1,955,567) |
| Non-controlling interest | \$(280,950) | - | \$ (280,950) | - |
| Net loss and total comprehensive loss | \$(1,871,510) | \$ (711,769) | \$ (4,414,041) | \$ (1,955,567) |
| Net loss per share | | | | |
| Basic and diluted | \$ (0.11) | \$ (0.06) | \$ (0.32) | \$ (0.21) |
| Weighted average number of common shares outstanding | | | | |
| Basic and diluted | 13,845,190 | 11,429,888 | 13,058,716 | 9,198,753 |