



VIRIDIS ENERGY INC.

Viridis Energy Reports Full Year and Fourth Quarter 2014 Financial Results *Company's sales increases by 103% year over year*

Vancouver, BC – March 31, 2015 – Viridis Energy Inc. ("Viridis" or the "Company") (TSXV:VRD) (OTC:VRDSF), today reported full year and fourth quarter financial results for the year ended December 31, 2014.

Revenues increased to \$8.3 million during the three month period ended December 31, 2014, an increase of \$2.2 million or 36% from \$6.1 million for the comparable period in 2013. For the year ended December 31, 2014 revenues increased to \$28.2 million, an increase of \$14.3 million or 103% over 2013. The Company's Q4 2014 revenue also represents the fourth sequential quarter of growth, increasing approximately \$0.7 million or 9% over the third quarter 2014.

The increase in revenues in 2014 is primarily attributable to sales from the Company's subsidiary, Scotia Atlantic Biomass Ltd. ("Scotia"), which operated for only four months in 2013. Scotia generated \$9.3 million of additional revenue in 2014. In addition, Viridis Merchants realized an increase in revenue of \$5.1 million in 2014, primarily due to increased sales to the US Northeast, compared to 2013.

"Our efforts to create a solid foundation for growth materialized in 2014 with a doubling of revenue. Our fourth quarter continued to pick up this speed, setting the foundation for the year ahead. We achieved a consolidated gross margin of 19%, excluding depreciation, and expect this growth momentum to continue improving our margins. Another significant milestone for Viridis was reaching break-even EBITDA on a run rate basis by year end 2014," commented Christopher Robertson, Viridis' CEO.

Gross profit increased by \$0.59 million to \$1.2 million for the three month period ended December 31, 2014 from \$0.6 million for the comparable period in 2013. Gross profit increased by \$0.4 million to \$2.4 million in 2014 from \$2.0 million in 2013. Gross profit as a percentage of revenues ("gross margin") decreased to 8.6% in 2014 from 14.4% in 2013. The decrease in gross margin in 2014 is primarily attributable to lower production than anticipated from the Scotia facility as a significant amount of fixed costs, sufficient to support higher production levels, are included in cost of sales. The Okanagan Pellet Company and Viridis Merchants (Canada) Ltd. experienced relatively consistent gross profit percentages of 21% and 9%, respectively, in 2014 compared to the previous year.

Excluding depreciation in cost of sales, gross profit was \$1.5 million for the fourth quarter 2014, generating a 19% gross margin, compared to \$0.6 million or 10% gross margin in the fourth quarter 2013. On the same basis, gross profit was \$3.6 million, generating a 13% gross margin in 2014, compared to \$2.7 million or 20% gross margin in 2013.

Operating expenses were \$1.8 million for the quarter ended December 31, 2014, virtually flat with the comparable quarter last year. For the year ended December 31, 2014, operating expenses were \$6.8 million, an increase of \$2.1 million or 45% from the prior year level of \$4.7 million. General and administrative expenses as a percentage of revenue were 13% in 2014, down from 25% in the previous year. During the fourth quarter of 2014, general and

administrative expenses were 9% of total sales, a significant improvement compared to 14% during the third quarter of 2014. General and administrative expenses increased by only 5% despite the inclusion of a full year of Scotia operations in 2014 versus four months in 2013.

Freight-out expenses increased by \$2.0 million to \$2.4 million in 2014 from \$0.4 million in 2013, primarily as a result of a full year of Scotia operations.

Corporate cost, which include legal and investor relations costs, were reduced to \$0.4 million in 2014 from \$0.7 million in 2013, a reduction of \$0.3 million or 43%.

The Company incurred a net loss attributable to the shareholders of the Company of \$(0.6) million or \$(0.04) per basic share for the quarter ended December 31, 2014 compared to a net loss of \$(1.3 million) or \$(0.14) per basic share for the comparable quarter last year. For the year ended December 31, 2014, the Company incurred a net loss of \$(4.7) million or \$(0.35) per basic share compared to \$(3.3) million or \$(0.30) in 2013.

“The losses reported in 2014 were clearly the result of production challenges at our Scotia operation, as the rest of the businesses performed well. We have addressed these challenges and are implementing our plan for improvements in the second quarter of 2015. This will result in positive cash flow at Scotia during the second half of 2015,” added Mr. Robertson.

At December 31, 2014, the Company had cash and cash equivalents of \$2.1 million, an increase of \$0.5 million from the December 31, 2013 balance. The Company’s accounts receivable were \$1.4 million, representing a DSO of 18 days. Accounts payable and accrued liabilities increased by \$0.5 million to \$3.8 million at year end 2014 from \$3.3 million in 2013.

Consistent with the prior third quarter 2014, Viridis’ common shares outstanding on December 31, 2014 totaled 13,845,190 shares. The Company’s fully diluted share totaled 14,312,690; inclusive of all options (average exercise price of \$2.03) and warrants (average exercise price \$3.50).

“Our strategy to expand and aggregate will be the cornerstone of our 2015 business plan. We are comfortable offering guidance of \$36 million in revenue, positive EBITDA and cash flow for 2015,” concluded Mr. Robertson.

Conference Call Details:

Date/Time: Tuesday, March 31, 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

Internet Access: <http://www.videonewswire.com/event.asp?id=101939>

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 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. (New Jersey), 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.
Consolidated statements of financial position
(Expressed in Canadian dollars)
As at December 31, 2014 and 2013

	December 31, 2014	December 31, 2013
ASSETS		
Cash and cash equivalents	\$ 1,868,014	\$ 1,594,246
Restricted cash	190,320	-
Accounts receivable	1,400,077	1,275,959
Inventory	1,910,772	926,933
Prepaid expenses	379,263	546,917
	<u>5,748,446</u>	<u>4,344,055</u>
Property, plant and equipment	<u>9,334,553</u>	<u>9,045,376</u>
	<u>\$ 15,082,999</u>	<u>\$ 13,389,431</u>
LIABILITIES and SHAREHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 3,830,403	\$ 3,329,868
Deferred income	123,422	196,595
Due to related parties	-	44,373
Current portion of loans payable	942,293	113,529
	<u>4,896,118</u>	<u>3,684,365</u>
Loans payable	<u>7,038,017</u>	<u>6,198,921</u>
	<u>11,934,135</u>	<u>9,883,286</u>
Shareholders' equity		
Share capital	\$ 31,550,008	\$ 27,322,578
Contributed surplus	4,141,665	3,446,376
Accumulated deficit	(31,962,485)	(27,262,809)
Accumulated other comprehensive loss	(7,664)	-
Equity attributable to equity holders of the Company	<u>3,721,524</u>	<u>3,506,145</u>
Non-controlling interest	(572,660)	-
	<u>3,148,864</u>	<u>3,506,145</u>
	<u>\$ 15,082,999</u>	<u>\$ 13,389,431</u>

Viridis Energy Inc.
Consolidated statements of loss
(Expressed in Canadian dollars, except number of shares and per share amounts)
For the years ended December 31, 2014 and 2013

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Sales	\$ 8,316,895	\$ 6,103,087	\$ 28,209,683	\$ 13,918,816
Costs of sales	7,114,647	5,488,251	25,789,312	11,907,838
Gross profit	1,202,248	614,836	2,420,371	2,010,978
Operating expenses				
Selling and marketing	126,567	99,692	452,023	242,826
Freight-out	696,617	393,121	2,464,609	451,375
General and administrative	769,028	731,807	3,668,712	3,453,857
Stock based compensation cost	172,958	10,000	172,958	10,000
Maintenance and start-up costs for Scotia facility	-	534,586	-	534,586
	1,765,170	1,769,206	6,758,302	4,692,644
Loss before other items	(562,922)	(1,154,370)	(4,337,931)	(2,681,666)
Other items				
Foreign exchange loss	(449)	(944)	(16,169)	(1,742)
Disposal of property plant and equipment	237	-	237	2,821
Finance expense	(174,801)	(151,193)	(713,618)	(484,174)
Accretion expense	(23,029)	(41,613)	(107,524)	(138,925)
	(198,042)	(193,750)	(837,074)	(622,020)
Loss before income taxes recovery	(760,964)	(1,348,120)	(5,175,005)	(3,303,686)
Income tax recovered	-	-	-	-
Net loss	\$ (760,964)	\$ (1,348,120)	\$ (5,175,005)	\$ (3,303,686)
Net loss attributed to:				
Shareholders of the company	\$ (566,585)	\$ (1,348,120)	\$ (4,699,676)	\$ (3,303,686)
Non-controlling interest	\$ (194,379)	-	\$ (475,329)	-
Net loss	\$ (760,964)	\$ (1,348,120)	\$ (5,175,005)	\$ (3,303,686)
 Net loss per share				
Basic and diluted	\$ (0.04)	\$ (0.14)	\$ (0.35)	\$ (0.34)
 Weighted average number of common shares outstanding				
Basic and diluted	13,256,950	9,761,121	13,256,950	9,761,121