

Organic Resource Management Inc. Reports Fiscal 2010 Third Quarter Results

Woodbridge, Ontario, May 13, 2010 – Organic Resource Management Inc. (TSX-V: ORI) (“ORMI” or “the Company”), today reported its financial results for the three and nine-month periods ended March 31, 2010.

Q3 2010 Highlights:

- Total revenues of \$3,452,000 for the third quarter of fiscal 2010, up 17% from Q3, 2009. Q3, 2009 was the first full quarter comprised of only the Company's core business, following the sale of non-core assets.
- Gross margin of \$1,415,000 for the third quarter of fiscal 2010, up 43% from Q3, 2009. As a percentage of revenue, gross margin was 41% for the third quarter, up from 34% for the same period last year.
- Renewed and increased the Company's available credit facilities with the Royal Bank of Canada.
- Signed a fifth exclusive 20-year agreement to supply high-energy-potential feedstock to a farm-based anaerobic digester (AD), the Delft Blue AD located in Cambridge, Ontario. This AD is scheduled to begin producing renewable biogas energy in the fourth quarter of fiscal 2010 and intends to sell the electricity generated to the grid under the Ontario Green Energy Act Feed-In Tariff program.
- Entered into an exclusive North American marketing agreement with DODA® USA Inc. for the use of DODA's BioSeparator technology, the premier technology available today for liquefying and removing trash from food waste to create an ideal feedstock for use in ADs. The DODA BioSeparator will be jointly marketed by DODA-USA and ORMI.
- Strengthened the senior management team, adding engineering and sales and marketing resources.

“We continued to report strong results this quarter in our organics collection business, while in parallel advancing our strategy for generating clean energy from this valuable waste stream,” said Charles Buehler, Chairman and Chief Executive Officer of ORMI. “During the quarter, we signed our fifth supply agreement with a farm-based AD and expect all of our AD partners to be fully operational by the second quarter of 2011. These initial five ADs have the potential to generate up to 2.5 MW of electricity, enough energy to supply 2,000 households, and will also provide ORMI with significantly greater capacity to collect additional organics and grow our business further.”

Financial Results

Total revenues were \$3,452,000 for the third quarter of fiscal 2010, an increase of 17% or \$504,000 from \$2,948,000 for the same period last year. For the nine months ended March 31, 2010, total revenues were \$10,234,000, approximately equal to revenues of \$10,213,000 for the same period last year. On a comparative basis adjusting for the disposal of non-core assets in October 2008, total revenues for the first nine months of fiscal 2010 were 13% or \$1,210,000 higher than the same period last year.

The gross margin for the third quarter was \$1,415,000, an increase of 43% or \$426,000 from \$989,000 for the same period last year. As a percentage of revenue, gross margin improved to 41% for the quarter, up from 34% for the same period last year. The significant improvement in gross margin for the quarter was the result of the Company's core revenues increasing while lower-margin non-core revenues have been eliminated. In addition, overall waste disposal costs were lower. For the nine months ended March 31, 2010, the gross margin was \$4,104,000, an increase of 16% or \$560,000 from \$3,544,000 for the same period last year. As a percentage of

revenue, gross margin for the period was 40% compared to 35% last year. The improvement reflects the inclusion last year of one-time costs of \$121,000 related to the relocation of the Company's Vancouver facility during the second quarter, as well as the Company's improvement in revenue quality and lower waste disposal costs in the current quarter.

Total operating expense for the third quarter of fiscal 2010 was \$1,252,000, an increase of \$145,000 or 13% from \$1,107,000 for the same period last year. For the nine months ended March 31, 2010, total operating expense was \$3,581,000 compared to \$1,844,000 for the same period last year. Last year's operating expense includes a \$1,708,000 gain on the sale of non-core assets in the second quarter of last year and \$117,000 in one-time selling, general and administrative costs. On a comparative basis excluding these items, total operating expense increased 4% or \$146,000 for the nine months ended March 31, 2010 compared to the same period last year.

Net income for the third quarter of fiscal 2010 was \$166,000 compared to a net loss of \$156,000 for the same period last. For the nine months ended March 31, 2010, net income was \$533,000 compared to net income of \$1,489,000 for the same period last year. Last year's net income includes the \$1,708,000 gain on the sale of non-core assets and the combined total of \$238,000 in one-time costs noted above. Excluding these items, comparative net income was \$19,000 for the first nine months of last year.

Basic and fully diluted income per share was \$0.04 for the third quarter of fiscal 2010 compared to a basic and fully diluted loss per share of \$0.04 for the same period last year. For the nine months ended March 31, 2010, basic and fully diluted income per share was \$0.12 compared to basic and fully diluted income per share of \$0.34 for the same period last year. Excluding the non-recurring items noted above, last year's basic and fully diluted income per share for the nine months ended March 31, 2009 was nil.

Cash flows from operating activities were \$365,000 for the third quarter of fiscal 2010 compared to \$77,000 for the same period last year. This increase was mainly due to cash generated by operations before changes in non-cash operating assets and liabilities. For the nine months ended March 31, 2010, cash flows from operating activities were \$994,000 compared to \$797,000 for the same period last year. Cash flows from operations were 75% greater in the first nine months of fiscal 2010 compared to the same period last year, before changes in non-cash operating assets and liabilities.

As at March 31, 2010, the Company had cash and cash equivalents of \$684,000 and net working capital of \$1,440,000, compared to cash and cash equivalents of \$575,000 and net working capital of \$1,204,000 as at June 30, 2009.

The comparative financial statements for the three and nine months ending March 31, 2010 along with other information may be obtained through the Company's website at www.ormi.com, or on SEDAR at www.sedar.com.

This press release is available on the Company's official on-line investor relations site for investor commentary, feedback and questions. Investors are asked to visit the investor relations section of the Company's website at www.ormi.com/ir/index.php. Alternatively, investors are asked to e-mail all questions and correspondence to info@ormi.com where they can also request addition to the Company's investor e-mail list to receive all future press releases and updates directly.

About Organic Resource Management Inc.

Organic Resource Management is Canada's largest provider of vacuum truck services for the collection, processing and recycling of food-related organic residuals. ORMI services in excess of 6,500 regular scheduled commercial, industrial, institutional and residential customers in Ontario, Quebec, Alberta and British Columbia. Further information about ORMI may be obtained at the Company's web site at www.ormi.com.

Note: Certain information contained in this press release may be forward-looking and therefore subject to unknown risks or uncertainties. The actual results, performance or achievements of Organic Resource Management Inc. may differ materially from the results, performance or achievements of the Company expressed or implied by such forward-looking statements.

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For further information, contact:

Organic Resource Management Inc.

Charles Buehler
Chairman and CEO
Tel: 416-580-8574
Email: cbuehler@ormi.com
Website: www.ormi.com

The Equicom Group

James Smith
Investor Relations
Tel: 416-815-0700 ext. 229
Email: jsmith@equicomgroup.com