

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 **Name and Address of Company**

Reservoir Capital Corp. (“**Reservoir Capital**”)
Suite 501, 543 Granville Street
Vancouver, BC V6C 1X8

Item 2 **Date of Material Change**

The material change occurred on October 13, 2011.

Item 3 **News Release**

A press release dated October 14, 2011 relating to the material change described herein was disseminated on October 14, 2011 via Marketwire.

Item 4 **Summary of Material Change**

Reservoir Capital and Reservoir Minerals Inc. (“**Minerals**”) announced that they have closed their previously announced arrangement (“**Arrangement**”) effective at 12:01 a.m. (Vancouver time) on October 13, 2011 (the “**Effective Time**”).

Item 5 **Full Description of Material Change**

5.1 **Full Description of Material Change**

Reservoir Capital and Minerals announced that they have closed their previously announced Arrangement as of the Effective Time, under which Reservoir Capital spun-out certain Serbian mineral exploration permits to Minerals by means of a plan of arrangement pursuant to the *Business Corporations Act* (British Columbia) (the “**Spin-out Transaction**”).

Under the terms of the statutory plan of arrangement which received shareholder approval on October 11, 2011 (the “**Plan of Arrangement**”), Reservoir Capital distributed to Reservoir Capital shareholders (the “**Shareholders**”), as a return of capital, 0.191482444 of a common share of Minerals for each common share of Reservoir, subject to the terms of the Plan of Arrangement, held at the Effective Time.

As more fully described in Reservoir Capital’s management information circular (the “**Circular**”) dated September 12, 2011, each Shareholder must, for the purposes of the *Income Tax Act* (Canada), subtract from the adjusted cost base of the common shares of Reservoir Capital held at the Effective Time an amount equal to the fair market value of the common shares of Minerals received under the Plan of Arrangement. Reservoir has allocated \$0.65 as the value of each common share of Minerals received by it and distributed to the Shareholders under the Plan of Arrangement.

Reservoir will prepare its tax returns based on this allocation of value. However, the allocation of value is not binding on the Canada Revenue Agency or the Internal Revenue Service.

The foregoing is qualified entirely by the Circular and is not intended to be tax advice to any particular Shareholder. Shareholders are encouraged to read the Circular in full and consult with their own tax advisors having regard to their own circumstances.

The common shares of Reservoir will continue to trade on the TSX Venture Exchange under the symbol "REO" and on the Frankfurt and Berlin Exchanges under the symbol "ROC".

MI 61-101 Exemption

The Spin-out Transaction is a related party transaction as certain directors and senior officers of Reservoir Capital are seed shareholders of Minerals as disclosed in the Circular. The Spin-out Transaction is exempt from the formal valuation and minority approval requirements of Multilateral Instrument 61-101 as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, exceeds 25 per cent of Reservoir Capital's market capitalization.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report:

Chris MacIntyre, VP Corporate Development
Phone: 416 703-0010
Email: cmacintyre@reservoircapitalcorp.com

Item 9 Date of Report

This report is dated October 19, 2011.