



News Release

January 10, 2012

Reservoir Completes Geotechnical Work at Brodarevo

Vancouver, British Columbia (TSX Venture: REO) – Reservoir Capital Corp. (“Reservoir” or the “Company”) is pleased to report that Energoprojekt Hidroinzenjering Co. Ltd. (“Energoprojekt”) has completed the geotechnical studies for the Company’s Brodarevo hydroelectric projects, to measure the geological stability and permeability of the Brodarevo 1 and 2 dam sites. The Company’s consultants have completed 24 drill holes of between 12.5 metres and 108 metres in length (900 metres in total), two galleries (total 120 metres), excavated 11 pits, one shaft and completed 1,500 metres of seismic surveys.

Miljana Vidovic, President and CEO of Reservoir commented: “Our Feasibility Studies and permitting for Brodarevo are now well-advanced and we expect to be in a position to begin work on the river diversion this spring.”

The Company is completing feasibility studies for the construction of two low-head run-of-river hydroelectric projects Brodarevo 1 (26 MW) and Brodarevo 2 (32.4 MW), each with three turbines for an average installed flow of 150 cubic metres per second and four spillways with surface and submerged overflows capable of passing through much larger amounts of water. The designs were tested and refined during a series of some 120 hydrological experiments using 1:40 scale physical models during the summer of 2011 and this geotechnical data represents the final set of input data necessary.

Energoprojekt is now completing the final stages of project optimization, designing on anti-erosion works and the mechanical and electrical equipment. The main design studies for the river diversion that will need to be completed to make space for the dam construction site for Brodarevo 2 is scheduled for completion in February.

Quality Control

Deputy Director of the Company's operating subsidiary REV d.o.o., Milan Cusic M.Sc. Dipl. Eng., a graduate of the Faculty of Mechanical Engineering of the University of Belgrade (1997) and previously Chief Hydro Engineer for Serbian State Utility EPS (2003-2010), is responsible for the preparation of the technical information in this release.

About Reservoir

Reservoir is a renewable energy company that is engaged in the development of a 58.4 MW hydroelectric project at Brodarevo in southwest Serbia. Reservoir holds four geothermal exploration licenses in Serbia and has applied for three hydroelectric licenses on the Cehotina River in Bosnia (17.75 MW) and one to develop a 32 MW project from an existing reservoir dam at Vrutci in Serbia. Reservoir’s common shares

trade on the TSX Venture Exchange (symbol "REO") and on the Frankfurt and Berlin Exchanges (symbol "ROC").

For further information on Reservoir Capital Corp., please consult the Company's website www.reservoircapitalcorp.com, or contact Chris MacIntyre, VP Corporate Development, at +1 416 703 0010.

30

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.