



News Release

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20MW Potential Estimated for the Vranjska Banja Geothermal Project

Vancouver, British Columbia (TSX Venture: REO) – Reservoir Capital Corp. (“Reservoir” or the “Company”) is pleased to report that GeothermEx Inc. (“GeothermEx,” a Schlumberger Company) has completed an independent review of the Company’s Vranjska Banja Geothermal Project in southern Serbia, concluding it could potentially support a power generation project of up to 20 Megawatts (“MW”) in size, utilizing a binary-cycle power plant.

Vranjska Banja is the hottest geothermal spring in Serbia, with discharge temperatures of 96°C (boiling at discharge elevation). Exploration drilling of two intermediate depth wells (VG-2 and VG-3) in the early 1990’s reportedly encountered temperatures of up to 137°C at less than one kilometre depth. Both wells were cased to 800-900 metres depth (high temperature intervals were not isolated), and have relatively high artesian flows together averaging approximately 60 litres per second.

GeothermEx reviewed the available information on the geothermal resource at Vranjska Banja (including the existing VG-2 and VG-3 geothermal wells), and concluded that a resource temperature of approximately 150°C is possible at depths of about 2,000m. Wellbore modelling calculated that a full-diameter well encountering reservoir conditions similar to those intercepted in VG-2 and VG-3 would have a net production capacity of approximately 3 MW.

GeothermEx estimated that the heat resource within the 300-400 hectare area immediately around Vranjska Banja spa is equivalent to at least 10 MW and possibly up to 20 MW. The Company plans additional geophysical surveys and shallow temperature gradient drilling within the license area as the first steps to upgrade this resource into a known reserve and to determine the resource potential of the rest of the license area.

Miljana Vidovic, President and CEO of Reservoir commented: “We are very pleased with these results and GeothermEx’s validation of our work to date at Vranjska Banja. The existing geothermal wells make this a relatively low-risk play technically and the high capacity factors typical of geothermal plants could make this a very material addition to our hydro portfolio.”

The 1,750 hectare exploration permit for Vranjska Banja surrounds the 2 hectare exploitation permit encompassing the two existing geothermal wells: VG-2 and VG-3. The Company has an agreement under which it has completed well testing and resource studies on these wells, in addition to mapping, sampling and geophysical surveys on its own exploration license.

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 concessions on the Cehotina River in Bosnia (17.75 MW).

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.

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