



Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name & Address of Company

Reservoir Capital Corp. (the "Company")
Suite 501 - 543 Granville Street
Vancouver, British Columbia, V6C 1X8

Item 2. Date of Material Change

December 18, 2012

Item 3. News Release

On December 18, 2012, a press release in respect of the material change was disseminated through the facilities of Marketwire.

Item 4. Summary of Material Change

The Company announced that it has completed the first tranche of a non-brokered private placement financing raising \$2,785,000 by the issuance of 27,850,000 units at \$0.10 per unit. Each unit was comprised of one common share and one non-transferable, common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase an additional Share at \$0.25 until December 18, 2014.

The Company paid finders' fees of \$148,500 (8%) in respect of subscriptions from investors introduced by various finders. The fees were paid in cash (\$41,600), or at the finder's election, through the issuance of that number of units equal to 8% of the number of units issued pursuant to such subscriptions (1,068,000 units).

Item 5. Full Description of Material Change

Item 5.1 Full Description of Material Change

Please refer to the press release of the Company disseminated on December 18, 2012, attached hereto.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officer

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

Kim Casswell, Corporate Secretary
Phone: 604-662-8448
Email: KCasswell@seabordservices.com

Item 9. Date of Report

December 19, 2012



News Release

**NOT FOR DISTRIBUTION TO US NEWSWIRE SERVICES
NOR FOR DISSEMINATION IN THE UNITED STATES OF AMERICA**

NEWS RELEASE

COMPLETION OF FIRST TRANCHE OF PRIVATE PLACEMENT

Vancouver, British Columbia, December 18, 2012 (TSX Venture: REO) – Reservoir Capital Corp., (“Reservoir” or the “Company”) is pleased to announce that it has completed the first tranche of a non-brokered private placement financing (the “Private Placement”) raising \$2,785,000 by the issuance of 27,850,000 units at \$0.10 per unit. Each unit was comprised of one common share (a “Share”) and one non-transferable, common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to purchase an additional Share at \$0.25 until December 18, 2014. If, after April 18, 2013, the closing price of the Company’s shares on the TSX Venture Exchange is \$0.35 or greater for 10 consecutive trading days, the Company may, by notice given within five trading days thereof, accelerate the expiry of the warrants to the 21st trading day after such notice.

The Company paid finders' fees of \$148,500 (8%) in respect of subscriptions from investors introduced by various finders. The fees were paid in cash (\$41,600), or at the finder’s election, through the issuance of that number of units equal to 8% of the number of units issued pursuant to such subscriptions (1,068,000 units). Insiders of the Company purchased 1,200,000 units and Pro Group members a further 1,350,000 units of the first tranche.

The Shares, and any Shares issued on the exercise of the Warrants, are subject to a restricted resale period under Canadian securities law and Exchange policy until April 19, 2013.

The proceeds of the offering will be used by Reservoir to support continued permitting work on its Brodarevo Hydroelectric Project in Serbia, new business efforts in Bosnia and Montenegro and for general corporate purposes.

About Reservoir

Reservoir is a renewable energy company that is engaged in the development of a 59.1 MW hydroelectric project at Brodarevo in southwest Serbia, for which a positive Feasibility Study was completed in June 2012. 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.

-30-

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

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.