



News Release

January 16, 2013

Reservoir Granted Concessions for 18 MW Cehotina Hydroelectric Project in Bosnia

Vancouver, British Columbia (TSX Venture: REO) - Reservoir Capital Corp. ("Reservoir" or the "Company") is pleased to report that the Government of the Republika Srpska (an autonomous region of Bosnia and Herzegovina) has granted 30-year concessions to the Company's wholly owned subsidiary REV d.o.o. Foca ("REV"), to develop and build three run-of-river hydroelectric power projects ("HPP") on the Cehotina River. The three projects have a combined capacity of 17.76 megawatts ("MW") and an projected output of 69.61 gigawatt hours per annum ("GWh/yr").

Miljana Vidovic, President and CEO of Reservoir commented: "We're very pleased to have obtained concessions for our first projects in Bosnia and to have further expanded our pipeline of renewable energy projects. We believe the estimated capacity factor of 56% for the Cehotina projects makes them a compelling development opportunity."

The concessions cover a 26 kilometre section of the Cehotina River, which has an elevation drop of 114 metres and median flow rates ranging from 20 cubic metres per second ("m³/s") at the Montenegrin border, to 23 m³/s downstream where it joins the Drina River. The total natural energy capacity for this section of the Cehotina River is 24 MW (211 GWh/yr), from which the Company's consultant, ENCOS Energy Consulting Services D.o.o. ("ENCOS") of Sarajevo, has designed three power plants with installed capacity and projected output summarized in the following table:

Cehotina Projects	Luke HPP	Falovici HPP	Godijeno HPP	Total
Installed Capacity (MW)	4.850	9.262	3.649	17.761
Annual Production (GWh)	20.302	33.602	15.710	69.614

The Cehotina Project is located geographically quite close to the Company's flagship Brodarevo Project in Serbia and to the new transmission infrastructure being constructed to better connect the Bosnian and Serbian grids with the Montenegrin coast and Italy. The ENCOS preliminary development and construction cost estimate for the Cehotina Projects is approximately \$58 million (\$3.2 million per installed MW). Unlike Brodarevo, there are no major road displacement costs and the Cehotina Project also benefits from a higher average capacity factor of approximately 56%. Under the terms of the Concession Agreement, the Company will pay a 3% gross revenue concession fee to the government of the Republika Srpska.

Having secured the Cehotina concessions, Reservoir is now in a position to negotiate attractive power purchase agreements and commence work on feasibility studies, further adding to its pipeline of renewable energy projects in the region.

About Reservoir

Reservoir is a renewable energy company based in southeast Europe. In 2012, the Company completed a positive Feasibility Study on its 59.1 MW Brodarevo hydroelectric project on the River Lim in Serbia and is currently working to secure project finance and building permits. Reservoir is also developing three hydroelectric projects on the Cehotina River in Bosnia totaling 17.76 MW and the Vranska Banja geothermal project in southern Serbia with an estimated resource potential of up to 20 MW. The Company'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.