



## MANAGEMENT INFORMATION CIRCULAR

(As at January 22<sup>nd</sup>, 2014 (the “**Record Date**”))

### PERSONS MAKING THIS SOLICITATION OF PROXIES

This Management Information Circular (“Circular”) is provided in connection with the solicitation by management of Reservoir Capital Corp. (the “Corporation”) of proxies (“Proxies”) from registered shareholders and voting instruction forms (“VIFs”) from unregistered shareholders (collectively, “Shareholders”) of common shares of the Corporation (“Common Shares”) in respect of the special general meeting of Shareholders (the “Meeting”) to be held at the time, location and place and for the purposes set out in the notice of meeting (the “Notice of Meeting”). Although it is expected that the solicitation of Proxies and VIFs will be primarily by mail, Proxies and VIFs may also be solicited personally or by telephone, facsimile or other proxy solicitation services. The costs of the solicitation of Proxies and VIFs will be borne by the Corporation.

The Corporation has sent the Notice of Meeting and Proxy or VIF, but not this Circular, in accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian securities administrators (“**NI 54-101**”) directly to its registered Shareholders and those unregistered (beneficial) Shareholders that have consented to allow their addresses to be provided to the Corporation (“**NOBOs**”). The Corporation does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“**Intermediaries**”) to forward the Notice of Meeting and VIF to those beneficial Shareholders that have refused to allow their address to be provided to the Corporation (“**OBOs**”). Accordingly, OBOs will not receive the Notice of Meeting and VIF unless their respective Intermediaries assume the cost of forwarding such documents to them. Instead of mailing this Circular to Shareholders, the Corporation has posted the Circular on its website pursuant to the ‘Notice and Access’ procedures of NI 54-101. Shareholders may request a paper copy of this Circular be sent to them by contacting the Corporation as set out under ‘Additional Information’ at the end of this Circular.

None of the directors of the Corporation have informed the Corporation’s management in writing that they intend to oppose the approval of any of the matters set out in the Notice of Meeting.

### APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES AND VIFS

Only duly appointed holders of Proxies from registered Shareholders and VIFs from NOBOs and OBOs (collectively, “**Proxyholders**”) and registered Shareholders may vote at the Meeting.

The persons named in the Proxy or VIF (the “**Management Designees**”) have been selected by the directors of the Corporation and have agreed to represent, as Proxyholder, the Shareholders appointing them.

**A Shareholder has the right to designate a person (who need not be a Shareholder and, for a VIF, can be the appointing Shareholder) other than the Management Designees to represent them at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Proxy or VIF the name of the person to be designated and by striking therefrom the names of the Management Designees or, if the Shareholder is a registered Shareholder, by completing another proper form of Proxy and delivering the Proxy or VIF in accordance with its instructions.** Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as Proxyholder and provide instructions on how the Shareholder's Common Shares are to be voted. The nominee should bring personal identification with them to the Meeting.

A Shareholder may indicate the manner in which the Proxyholders are to vote on behalf of the Shareholder, if a poll is held, by marking an 'X' in the appropriate space of the Proxy or VIF. **If both spaces are left blank, the Proxy or VIF will be voted, if the Proxyholders are the Management Designees, as recommended by management for any matter requiring a 'For' or 'Against' vote, and in favour of the matter for any matter requiring a 'For' or 'Withhold' vote.**

**The Proxy or VIF, when properly signed, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting.** As at the date of this Circular, the Corporation's management is not aware that any amendments or variations are to be presented at the Meeting. If any amendments or variations to such matters should properly come before the Meeting, the Proxies and VIFs hereby solicited will be voted by the Management Designees as recommended by management.

To be valid, the Proxy or VIF must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Proxy or VIF). The completed Proxy or VIF must then be returned in accordance with its instructions. Proxies (but not VIFs, unless the VIF has Computershare's name and address on the top right corner of the first page) and proof of authorization can also be delivered to the Corporation's transfer agent, Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Canada or by hand delivery to 2<sup>nd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Proxies and VIFs received after that time may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion, and the Chairman is under no obligation to accept or reject late proxies.

A Proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting their Common Shares. A Shareholder may also revoke their Proxy or VIF in respect of any matter upon which a vote has not already been cast pursuant to the authority conferred by the Proxy or VIF. A Proxy or VIF may also be revoked by depositing an instrument in writing (which includes a Proxy or VIF bearing a later date) executed by the Shareholder or by their authorized attorney in writing, or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized, at the office of the transfer agent at one of Computershare's addresses set out above, the Corporation at Suite 501, 543 Granville Street, Vancouver, British Columbia, V6C 1X8 (or by fax to (+1) 604-688-1157) or its registered office at Northwest Law Group (attn: Michael F. Provenzano), Suite 704, 595 Howe Street, Box 35, Vancouver, British Columbia V6C 2T5, Canada (or by fax to (+1) 604-687-6650) at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or by depositing the instrument in writing with the Chairman of such Meeting, prior to the commencement of the Meeting or any adjournment thereof.

## REGISTERED SHAREHOLDERS

Only persons registered as Shareholders in the Corporation's Central Security Register maintained by its registrar and transfer agent or duly appointed Proxyholders will be recognized to make motions at the Meeting.

## BENEFICIAL SHAREHOLDERS

**The information set forth in this section is of significant importance as many Shareholders do not hold Common Shares in their own name.**

Shareholders holding their Common Shares through Intermediaries ("**Beneficial Shareholders**") should note that only Proxies deposited by registered Shareholders will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares, in all likelihood, will **not** be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

As provided for NI 54-101, the Corporation has elected to obtain a list of its NOBOs from Intermediaries, and deliver the Notice of Meeting and VIF directly to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from their Intermediaries instead of a Proxy. A VIF enables a Shareholder to provide instructions to the registered holder of its Common Shares as to how those shares are to be voted at the Meeting and allow the registered holder to provide a Proxy voting the Common Shares in accordance with those instructions. A VIF should be completed and returned in accordance with its instructions. As indicated in the VIF, both telephone voting and Internet voting are allowed. The results of the VIFs received from NOBOs will be tabulated and appropriate instructions respecting voting of Common Shares to be represented at the Meeting will be provided to the registered Shareholders.

Securities regulatory policies require Intermediaries to seek voting instructions from OBOs in advance of the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs to ensure that their Common Shares are voted at the Meeting. Most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Investor Communications, which mails the Notice of Meeting and VIF to OBOs and asks them to return the VIF to Broadridge. **An OBO receiving a VIF from Broadridge may use that VIF to vote Common Shares directly at the Meeting if the OBO inserts their name as the name of the person to represent them at the Meeting or may appoint a nominee to vote their Common Shares at the Meeting. The VIF must be returned to Broadridge well in advance of the meeting in order to have the Common Shares voted.**

**Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Shareholders with any questions respecting the voting of Common Shares held through a broker or other Intermediary, should contact that broker or other Intermediary for assistance.**

## UNITED STATES SHAREHOLDERS

This solicitation of Proxies and VIFs involve securities of a corporation located in Canada and is being effected in accordance with the corporate laws of the province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the *Business Corporations Act* (British Columbia), some of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

## VOTING OF PROXIES AND VIFS

Voting at the Meeting will be by a show of hands, each registered Shareholder and each Proxyholder having one vote, unless a poll is required (if the number of Shares represented by Proxies and VIFs that are to be voted against a motion are greater than 5% of the votes that could be cast at the Meeting) or requested, whereupon each registered Shareholder and Proxyholder is entitled to one vote for each Share held or represented, respectively. In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a “**special resolution**” in which case a majority of 66-2/3% of the votes cast will be required.

Each Shareholder may instruct their Proxyholder how to vote their Common Shares by completing the blanks on the Proxy or VIF. If a poll is called in respect of a vote on any matter, all Common Shares represented at the Meeting by properly executed Proxies and VIFs will be voted or withheld from voting and, where a choice with respect to any matter to be acted upon has been specified in the Proxy or VIF, such Common Shares will be voted in accordance with such specification. **In the absence of any such specification on the Proxy or VIF as to voting, the Management Designees, if named as Proxyholder or nominee, will vote in favour of the matters set out therein on any ballot that may be called.**

**The Proxy or VIF confers discretionary authority upon the Management Designees, or other person named as Proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of the Corporation.**

## QUORUM

The articles of the Corporation provide that a quorum for the transaction of business at any meeting of shareholders shall be two shareholders present in person or represented by proxy, representing not less than 5% of the outstanding shares entitled to vote at the Meeting.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Corporation, any person who has held such a position since the beginning of the Corporation's last financial year nor any associate or affiliate of the foregoing persons, has any substantial or material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation's issued shares consist of Common Shares. As at the Record Date, the Corporation had 84,361,726 Common Shares issued and outstanding. There are no other shares issued or outstanding of any class or entitled to be voted at the Meeting, and holders of Common Shares are entitled to one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owned, directly or indirectly, or exercised control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation as at the Record Date.

## PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors (the "**Board**"), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

### 1. Consolidation of Common Shares

The Board wishes to be in a position, if it considers it to be in the best interests of the Corporation, to effect a consolidation of the Corporation's issued share capital on the basis of up to twenty (20) pre-consolidated Common Shares for one (1) post-consolidated Common Share. **A share consolidation does not change a shareholder's proportionate interest in the Corporation.**

As at January 22, 2014 there were 84,361,726 Common Shares issued and outstanding. Accordingly, if put into effect on the basis of the maximum authorized ratio of twenty (20) pre-consolidated Common Shares for one (1) post-consolidated Common Share, a total of 4,218,086 Common Shares would be issued and outstanding following such consolidation, assuming no other change in the issued capital. There is currently an unlimited number of authorized Common Shares and, following the consolidation, there will continue to be an unlimited number of authorized Common Shares.

As set out in Section 83 of the *Business Corporations Act* (British Columbia) if any fractional Common Shares result from the consolidation, each fractional Common Share remaining after conversion that is less than one-half of a Common Share must be cancelled and each fractional Common Share that is at least one-half of a Common Share must be changed to one whole Common Share.

At the Meeting, Shareholders will be asked to approve an ordinary resolution authorizing the consolidation, subject to the further approval of the Board, of its current issued and outstanding Common Shares on a basis of up to twenty (20) pre-consolidated Common Shares for one (1) post-consolidated Common Share, the text of which is set out below. To be effective, the resolution must be passed by a simple majority of the votes cast in person or by proxy.

“Resolved, as an ordinary resolution, that:

- (a) subject to further approval of the board of directors of the Corporation, the issued common share capital of the Corporation be altered by consolidating all of the issued and outstanding common shares without par value on the basis of up to twenty (20) pre-consolidated Common Shares for one (1) post-consolidated Common Share and on such date as may be established by the TSX Venture Exchange and the Corporation;
- (b) the board of directors of the Corporation is hereby authorized, at any time in its absolute discretion, to determine whether or not to proceed with the above resolutions without further approval, ratification or confirmation by the shareholders and to determine the actual ratio of any such consolidation without further approval, ratification or confirmation by the shareholders; and
- (c) upon the date determined by the directors, this resolution described herein shall be deposited at the Corporation’s records office.”

The resolution will not be effective unless and until deposited at the Corporation’s records office by direction of the Board. If the resolution is passed but the Board does not seek to make the resolution effective within one (1) year, the Board will not proceed with the consolidation until it obtains a new approval of the consolidation by the Shareholders.

The Board is in favour of the aforesaid resolution empowering it to effect a consolidation if deemed warranted, as it will provide the Company with increased flexibility to seek additional financing opportunities and strategic acquisitions. **Accordingly, the Board recommends you vote in favour of the above resolution.**

## OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the Proxies and VIFs hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

## ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation at Suite 501, 543 Granville Street, Vancouver, British Columbia V6C 1X8, Canada by mail, telecopier (1-604-688-1157), telephone (1-604-662-8448) or e-mail ([kcasswell@seabordservices.com](mailto:kcasswell@seabordservices.com)) to request copies of the Corporation’s financial statements and MD&A.

**DATED** this 22<sup>nd</sup> day of January, 2014.

## ON BEHALF OF THE BOARD OF DIRECTORS

(signed) KIM C. CASSWELL  
Secretary