



News Release

Brodarevo Progress Report

May 10, 2011, Vancouver, British Columbia (TSX Venture: REO) – Reservoir Capital Corp. (“Reservoir” or the “Company”) is pleased to provide a progress report on its 58.4 MW Brodarevo Hydroelectric Project on the river Lim in southwest Serbia. The Company has engaged Energoprojekt Hidroinzenjering Co. Ltd. (“Energoprojekt”) to prepare Feasibility Studies for both the Brodarevo 1 and Brodarevo 2 dams and power plants. These studies, as well as the various related studies being carried out under Energoprojekt’s supervision, are underway and progressing as detailed below.

Topography, sediment, erosion and hydrology studies have already been completed and test work on the hydrological models (see Company news release of May 3, 2011) is due for completion in June.

Geotechnical drilling for the dam foundations is scheduled for June and July, pending the completion of land purchases for the dam and plant sites and receipt of the relevant permits from the municipality.

The design, environmental studies and permitting for the sections of the M-21 road affected by the Brodarevo Project are expected to be completed by Put Inzenjering in late August.

Environmental studies in accordance with Serbian standards and legislation are being conducted in parallel with studies according to World Bank guidelines. Both sets of studies are scheduled for completion in late 2011.

Earlier this year, the Company received a one-year extension of the Brodarevo energy permits through January 2012 from the Serbian Ministry of Mines and Energy. The State Audit Commission has approved the Brodarevo Pre-Feasibility Studies and the Company intends to apply for a Building Permit once the Feasibility Studies are delivered to the relevant authorities.

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. The Company also holds a portfolio of 8 precious and base metal exploration properties in Serbia that, subject to approvals, are to be spun-out into a separately listed company. 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.reservoircapital.ca, or contact Chris MacIntyre, VP Corporate Development, at +381 (11) 3978453 or +1 416 703 0010.

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