



News Release

Reservoir Signs Letter of Intent with Saxa Gres to Develop New Waste-to-Energy and Renewable Energy Businesses in Italy

September 23, 2014 (TSX Venture: REO) - Reservoir Capital Corp. ("Reservoir" or the "Company") is pleased to report that it has entered into a Letter of Intent (the "LOI") with Saxa Gres S.r.L. to develop recycling, manufacturing, waste-to-energy and renewable energy businesses in Italy. Under the terms of the LOI, Reservoir can acquire a 35% interest in Saxa Gres and a 65% interest in a new spinout company, Saxa Energy, by providing technical and financial support.

Saxa Gres has agreements to acquire and refinance the assets of Area Industrie Ceramiche S.r.L. ("AIC"), a ceramic floor and roof tile factory located outside of Rome. The factory is in the process of being redeveloped into a recycling business that produces high quality floor tiles by blending traditional clay feedstock with ash from municipal waste incinerators. Saxa Gres is scheduled to resume tile production in early 2015 and has secured a long-term agreement with ACEA S.p.A, a government-owned utility in Rome, whereby it will be paid to receive and recycle incinerator ash. In addition, Saxa Gres has received purchased commitments for the first three years of floor tile production.

Saxa Energy is a new company being formed to acquire the energy assets of Saxa Gres, specifically a 3.9-megawatt ("MW") gas-fired power plant and related infrastructure. Reservoir has agreed to provide funding for feasibility studies assessing the acquisition of new equipment to generate biogas from municipal organic waste and the conversion of the existing power plant to run on this biogas. Once converted into a waste-to-energy operation, Saxa Energy would sell biogas, heat and electricity to Saxa Gres under long-term agreements while generating revenue by disposing of municipal organic waste. Excess electricity would be sold onto the Italian grid.

It is intended that Saxa Energy will become the vehicle through which Reservoir and its Italian partners will seek to develop a portfolio of energy assets in the region, including various biomass, hydroelectric and waste-to-energy projects that are already under investigation and negotiation.

About Reservoir

Reservoir is a renewable energy company engaged in the development of a 59.1 MW hydroelectric project at Brodarevo on the River Lim, the Vranjska Banja geothermal project, both in southern Serbia. The proposed agreements with Saxa Gres provide an important new growth business for the Company in well-regulated Italian market. 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.