



Reservoir Capital Corp. involved in Lawsuit with Nigerian Shareholder

VANCOUVER, British Columbia, Feb. 05, 2021 (GLOBE NEWSWIRE) -- **(CSE: REO)** - Reservoir Capital Corp. (CSE: REO) ("REO" or the "Company") announces that an offshore subsidiary of the Company, Kainji Power Holdings Limited ("KPHL"), was informed recently of a lawsuit filed in Nigeria against the Company, its subsidiaries and Executive Chairman, by shareholder Mr. M.S. Bello. In May 2019, Mr. Bello, a Nigerian Citizen, acquired approximately 7% of the Company's then outstanding shares as consideration for the Company indirectly acquiring 3.5 million shares of Nigerian hydro company Mainstream Energy Solutions Ltd ("MESL") from Mr. Bello pursuant to a Share Exchange Agreement dated April 25, 2019 (see the news release filed on the Company's SEDAR profile on May 7, 2019 for further details) (the "Transaction"). Mr. Bello is seeking a reversal of the Transaction and outright return of the 3.5 million MESL shares (out of REO's total holding of approximately 20 million MESL shares).

The lawsuit has resulted in an interim court injunction ordering the suspension of part of the dividend payments due from MESL to KPHL pending a hearing anticipated to occur on February 22, 2021. The Company and selected other defendants have appointed A.K.Talabi & Co as its attorney to represent them in this suit and seek to strike the case from the Nigerian courts, which it considers to be baseless and without merit and inappropriate to be heard outside of Canada. Until this dispute is resolved, the Company may suffer delayed or partial payments of dividends from MESL.

About Reservoir Capital Corp.

REO's asset portfolio comprises minority indirect economic interests in clean power assets (currently 4 hydro power plants) representing **46.3MW of** net operating capacity (3.2 Net MW concerned by the above dispute).

REO's 2019 Financial Statement (year ended Dec. 31, 2019) shows dividend income from the Company's investments of \$1,756,152 during the twelve-month period.

REO's 2020 Financial Statement (year ended Dec. 31, 2020) not yet out but the dividend income received as at 31st Sept 2020 was already amounting to \$1,543,433- as per our Q3 2020 management filing.

REO's Vision & Mission is to assemble a balanced portfolio of producing and near-production clean energy assets (with a current focus on Hydro & Geothermal) in growing economies (with a current focus on Africa).

REO's strategy to achieve its Vision is to approach shareholders of privately held quality assets and offer them diversification, liquidity and exposure to a growing portfolio assembled following a disciplined investment policy.

REO's investment policy consists essentially in taking carefully selected minority economic interests in quality clean power assets in key geographies, targeting regular dividend income over long periods, while offering the potential for capital gain in the medium term.

Further Information

For more information on the Company, please visit www.reservoircapitalcorp.com. Investors are cautioned that trading in the securities of REO should be considered highly speculative. Additional information on these and other factors that could affect the operations or financial results of REO are included in REO's CSE Listing Statement and most recently filed quarterly report, each of which is filed with applicable Canadian securities regulators and may be accessed through the SEDAR website (www.sedar.com). The CSE have neither approved nor disapproved the contents of this news release.

For any clarification, one may contact:

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NEITHER THE CSE NOR THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Forward Looking Statements

Cautionary Note Regarding Forward-Looking Statements: This news release contains “forward-looking statements”, and “forward-looking information” under applicable securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs regarding future events of management of REO. This information and these statements, referred to herein as “forward looking statements”, are not historical facts, are made as of the date of this news release and include without limitation, statements as to management’s expectations and the outcome of the lawsuit. These statements generally can be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “poised to”, “hope”, “plans,” “intends”, “believe” or “continue” or the negative thereof or similar variations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward- looking statements as expressly required by applicable law.