



## News Release

Jan 5, 2010

### **Reservoir Granted Geothermal Exploration Permit in Serbia**

**Vancouver, British Columbia (TSX Venture: REO)** – Reservoir Capital Corp. (“Reservoir” or the “Company”) is pleased to report that its wholly-owned subsidiary, Southern European Exploration d.o.o. (“SEE”) has been granted an exploration permit for geothermal energy at Vranjska Banja in southern Serbia; the first of its kind to be issued to a private company in the country. SEE has also filed applications for an additional three energy permits in the Vojvodina Province of northern Serbia.

The Vranjska Banja exploration permit covers 17.5 square kilometres in area, which has an elevated geothermal gradient attributed to the presence of Tertiary-age intrusives. The Company’s permit surrounds an existing 200 square metre exploitation permit, where two existing geothermal wells (VG-2 and VG-3) have confirmed a high temperature gradient. Well VG-2 intercepted several hot water aquifers, the best of which measured 126 degrees centigrade between 864-890 metres depth. Well VG-3 intercepted a zone containing three intervals with measured temperatures of 124 degrees centigrade, between 1,500 and 1,575 metres depth.

The three permits still in the application phase in the Vojvodina Province of northern Serbia cover targets located in the Pannonian Basin. Historically, some 80 wells have been drilled in this basin, to test the hydrological and geothermal potential of various porous and permeable sedimentary units ranging in age from late Palaeozoic to Quaternary.

In late 2009, the Serbian government introduced feed-in tariffs in line with European Union standards, to encourage investment in renewable energy, establishing a price of 7.5 Euro cents (approximately US\$0.107) per kilowatt hour for electricity derived from geothermal sources.

“Given the new feed-in tariffs, we see geothermal as a very viable form of renewable energy for this region and the addition of geothermal projects complements our growing hydroelectric development pipeline,” commented Ms. Miljana Vidovic, President and CEO of Reservoir.

#### **About Reservoir**

Reservoir Capital Corp. is a Southeast Europe focused project generator, investing primarily in renewable energy. The Company holds two hydroelectric projects, Brodarevo 1 and 2, with 55MW of potential capacity undergoing pre-feasibility studies and an application in process for a third at Vrutci with 32MW potential capacity, all in southwest Serbia. Reservoir has also accumulated a substantial portfolio of precious and base metal exploration projects. Reservoir’s common shares trade on the TSX Venture Exchange under the symbol "REO" and on the Frankfurt and Berlin exchanges under the symbol “ROC”.

For further information on Reservoir Capital Corp. please consult the Company's website [www.reservoircapital.ca](http://www.reservoircapital.ca) or contact Miljana Vidovic, President; Miles Thompson, Chairman; or Kim Casswell, Corporate Secretary, at +1 (604) 662-8448.

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