



News Release

Reservoir Capital Corp. Announces a Non-Brokered Debt & Equity Private Placement

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December 11, 2019

Vancouver, British Columbia (CSE: REO) - Reservoir Capital Corp. (CSE: REO) ("**REO**" or the "**Company**") is pleased to announce that it intends to raise via a non-brokered private placement up to C\$3 million in units ("**Units**") of the Company ("**Units Offering**") and up to C\$2 million in unsecured convertible notes ("**Convertible Notes**") of the Company (the "**Note Offering**", and together with the Units Offering, the "**Offering**"), with such Offering not to exceed C\$3 million in aggregate.

The Offering will be strictly limited to Accredited Investors and other purchasers exempt of any prospectus or registration requirements as per NI 45-106 in Canada, and other similar limitations in the relevant jurisdictions where potential interested purchasers may reside or be a citizen of but excluding the United States of America.

Equity: Units Offering

Each Unit will consist of one common share in the capital of the Company (each, a "**Common Share**") and one Common Share purchase warrant of the Company (each, a "**Warrant**"), with each Warrant being exercisable into one Common Share (each, a "**Warrant Share**") at an exercise price of **C\$0.07** per Warrant Share for a period of 12 months from the date of issuance. The Company intends to complete the Units Offering in two separate tranches, subject to the terms set forth below:

1. First Tranche of Units Offering (the "**First Tranche**"):
 - (a) Units to be offered at **C\$0.055 per Unit**;
 - (b) anticipated closing date **December 27, 2019**;
 - (c) raise up to C\$2 million; and
 - (d) C\$200,000 in minimum subscriptions.

2. Second Tranche of Units Offering (the "**Second Tranche**"):
 - (a) Units to be offered at **C\$0.06 per Unit**;
 - (b) anticipated closing date **January 31, 2020**;
 - (c) raise up to C\$2 million; and
 - (d) C\$20,000 in minimum subscriptions.

Debt: Note Offering

Under the Note Offering, the Company intends to issue Convertible Notes in the principal amount of up to C\$2 million, with a minimum subscription of C\$50,000 per subscriber. Interest on the Convertible Notes will accrue at a rate of **12% per annum** (the "**Interest**"), compounded annually until redeemed or converted in accordance with the terms of the Convertible Notes. The Convertible Notes will have a maturity date of **36 months from the date of issuance** (the "**Maturity Date**").

From and after the date of issue of the Convertible Notes, the outstanding principal under the Convertible Notes (the “**Principal**”) will be convertible, at the option of the holder, into units of the Company (the “**Convertible Note Units**”), at the conversion prices set forth below, which shall consist of one Common Share and one Warrant exercisable into one Warrants Share at an **exercise price of C\$0.10** per Warrant Share until the Maturity Date:

1. from and after the date of issue **until December 31, 2020**, the conversion price of the Principal of the Convertible Notes shall be **\$0.07 per Convertible Note Unit**; and
2. from and **after January 1, 2021** until the Maturity Date, the conversion price of the Principal of the Convertible Notes shall be **\$0.09 per Convertible Note Unit**.

The Company anticipates to close the Note Offering on or around **January 31, 2020**, or such other date as determined by the Company.

Subscription procedure for the Offering:

From December 10, 2019 and until January 24, 2020, the Company will compile all requests received in the dedicated address subscriptions@reservoircap.team mentioning clearly the amount of Units and/or Convertible Notes required and the name of the Accredited Investor.

Net proceeds from the Offering will be used to fund any cash portion of investments made under the Company’s Strategy and Investment Policy to acquire more economic interests in clean power assets in growing economies, and for general corporate purposes.

The Company may pay a commission to finders in the form of cash or Common Shares of up to **6%** of the subscription amount for any Units sold to Accredited Investors introduced to the Company by a finder who is not receiving any retainer or other fees from the Company.

Closing of the Offering is subject to receipt in full of subscription proceeds and execution of all final documentation and CSE approval. All securities issued in connection with the Offering will be subject to a four-month hold period from the date of issue under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

About Reservoir Capital Corp.

REO’s current asset portfolio comprises minority indirect economic interests in clean power assets (currently 2 hydro power plants) representing **37.1 MW of net operating capacity, which will increase to 42.7 MW** and 4 hydro power plants upon consummation of the OLOCORP transaction (see REO news release of November 11, 2019).

REO’s latest 9 months Financial Statement (ended Sept 30 and filed on Nov 28, 2019, available on www.sedar.com) shows a dividend income from the company’s investments of \$1,000,649 and operating cash flow from continuing operations of \$716,890 during the period.

REO’s Vision & Mission is to assemble a balanced portfolio of producing and near-production clean energy assets in growing economies.

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.

Forward Looking Statements

Certain information set forth in 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 possible completion of the Offering, the terms of the Offering, the anticipate closing dates of the First Tranche of the Units Offering, Second Tranche of the Units Offering and the Note Offering, the intended use of proceeds from the Offering and the intended outcome of the OLOCORP Transaction. 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.

These forward looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. Important factors that may cause actual results to vary include without limitation, risks that the Offering may not close on the terms and timing anticipated, the number of securities of REO that may be issued in connection with the Offering; REO realizing on the anticipated value of the Offering, REO deviating from its stated use of proceeds and REO realizing on the anticipated value of the OLOCORP Transaction. In making the forward looking statements in this news release, REO has applied several material assumptions, including without limitation, that the Offering will succeed in raising the anticipated additional cash as per management's expectations, that the Company will use the proceedings from the Offering for the purposes set forth herein, that the Company is able to complete the Offering on the terms and timing described herein. REO does not assume any obligation to update the forward-looking statements, or to update all or any of the reasons why actual results could differ from those reflected in the forward looking-statements, unless and until required by applicable securities laws. Additional information identifying risks and uncertainties is contained in REO's filings with the Canadian securities regulators, which filings are always available at www.sedar.com.

For any clarification, one may contact:

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