



## News Release

### **Reservoir Capital Corp. Enters into Agreement to Complete its acquisition of Olocorp Nigeria Ltd adding 3.7MW Net Operating Capacity to REO to Reach 46.3MW**

March 13, 2020

**Vancouver, British Columbia (CSE: REO)** - Reservoir Capital Corp. (CSE: REO) ("**REO**" or the "**Company**") is pleased to announce that, through its wholly-owned subsidiary, Kainji Power Holding Limited ("**KPHL**"), it has entered into a share sale and purchase agreement (the "**Agreement**") with Olocorp Nigeria Ltd. ("**OLOCORP**") and its major shareholder Eric Olo ("**EOLO**") and his sister Clara, jointly the "**Vendors**", pursuant to which REO shall acquire the remaining 40% equity stake in OLOCORP (the "**Transaction**") in a Transaction that will compensate the Vendors with 46 million new REO common shares ("**REO Shares**").

#### **About Olocorp Nigeria Limited**

OLOCORP is a limited liability company registered in Nigeria in 2013 for the main purpose of holding shares in NSP, and currently owns 7,297,297 NSP shares. The consummation of the transaction will bring REO's equity in OLOCORP from 3 million shares to 4,999,999 shares (out of 5 million total shares outstanding) while the remaining 1 OLOCORP share will be held in trust by one of REO's representatives due to a legal obligation to have two shareholders. Therefore REO will control 100% of the equity of OLOCORP as a de facto wholly-owned subsidiary.

#### **Details of the Transaction**

According to the Agreement, REO will acquire from the Vendors the remaining 40% equity stake in OLOCORP in exchange for a consideration of \$2.415 million in form of 34.5 million REO Shares to be issued to the Vendors and their designated beneficiaries (the "**New Shareholders**") at a deemed price of \$0.07 per share.

Furthermore, forming part of the Agreement, EOLO's existing Convertible Loan Note of \$530,000 from an earlier agreement ("**Earlier Agreement**") (see News Release dated November 11, 2019) will be converted upon closing the Transaction via the issuance of 8,000,000 new REO shares to EOLO's beneficiaries and a promissory note of \$200,000. In addition, EOLO's last remaining cash instalment from the Earlier Agreement of approximately US\$180,000 will be converted upon closing the Transaction into 2,500,000 additional new REO shares issued to EOLO's beneficiaries and a promissory note of \$100,000. Lastly, as per the provisions of the Earlier Agreement, EOLO shall be issued an additional 660,000 new REO shares as a special bonus issue upon the final consummation of this Transaction giving 100% ownership and control of OLOCORP to REO & KPHL and potentially another 340,000 new REO shares as a further bonus if the transaction is fully consummated by April 21, 2020.

Upon completion of the Transaction, REO will have at least 575,007,377 common shares outstanding, and up to a maximum of 575,347,377 shares if certain conditions are met. The REO Shares issued under the Transaction are subject to a minimum four-month hold period and restrictions on transfer under Canadian securities law. Some other terms and conditions provide guidance and incentives for potential follow-on transactions by mutual agreement which will be subject to contract.

**OLOCORP MD Eric OLO stated,** *“I am confident that this transaction will prove to be a good investment for myself, the Ichange Foundation which I support, and all of REO’s stakeholders whom will benefit immensely from the consolidation of African Clean Power Assets into a professionally managed structure with a strong cooperation culture”*

**REO CEO Lewis Reford stated,** *“We welcome the addition of another 3.7MW, bringing our net operating capacity to 46.3MW, as well as assuming the full control of our Nigerian subsidiary Olocorp Nig Ltd.”*

**REO Chairman Engr. Vincent Gueneau stated,** *“This transaction shows our continued commitment and drive to delivering on our Vision, Mission, Strategy and Investment Policy as well as on creating a desirable co-investment vehicle where owners of equity stakes in producing clean power companies will feel comfortable contributing a portion of their shares as a hedge into a balanced portfolio managed by like-minded peers and professionals, in the spirit of cooperation which is ancestral in Africa and across the world.”*

### **About Reservoir Capital Corp.**

**REO’s asset portfolio** comprises minority indirect economic interests in clean power assets (currently 4 hydro power plants) representing **42.7 MW** net operating capacity prior to the above transaction, increasing to **46.3 MW** upon its consummation.

**REO’s latest 9 months Financial Statement** (ended Sept 30 and filed on Nov 28, 2019, available on [www.sedar.com](http://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 ( 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.

### **Forward Looking Statements and Further Information**

*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 intended future investments. 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.*

*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 on the Company, including identifying risks and uncertainties, is contained in REO's filings with the Canadian securities regulators, which filings are always available at [www.sedar.com](http://www.sedar.com) and on the Company's website, [www.reservoircapitalcorp.com](http://www.reservoircapitalcorp.com) . Investors are cautioned that trading in the securities of REO should be considered highly speculative. The CSE have neither approved nor disapproved the contents of this news release.*

**For any clarification, one may contact:**

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