

Canada's Reservoir Capital Corp. said in a statement on Tuesday it has agreed to extend to February 29, 2016, the letter of intent with Italy's A2A to complete exclusive negotiations and due diligence on the company's Brodarevo hydroelectric power project (HPP) in southern Serbia.

In October, Reservoir Capital Corp. said it had signed a letter of intent with A2A to partner on or to acquire its Brodarevo project. A2A will initiate due diligence on the Brodarevo project and will have until November 24 to complete this process and negotiate terms for a definitive agreement, Reservoir Capital said at the time.

Since mid-2014, Reservoir Capital has been seeking a partner to support the on-going development and the construction of the Brodarevo HPP.

After discussions with a number of international groups with interest in the project and suitable experience, Reservoir Capital said it opted to enter into more detailed negotiations with A2A, given its already substantial investments and experience in the region.

A2A invested 436 million euro (\$477 million) in 2009 to acquire 43.7% of Montenegrin utility Elektroprivreda Crne Gore, which operates various hydroelectric projects that lie in close proximity to the planned Brodarevo HPP.

In September, Reservoir Capital Corp. said it has been granted location permits for its Brodarevo 1 and Brodarevo 2 dam sites, reservoirs and accompanying facilities in Serbia. The granting of the location permits is the final step prior to applying for the building permits, Reservoir Capital said in a statement at the time.

Reservoir is a renewable energy company engaged in the development of a 59.1 MW hydroelectric project at Brodarevo on the river Lim and the Vranjska Banja geothermal project, both in southern Serbia.

source: wire.seenews.com