

Reservoir Capital Corp reported that it has signed a Letter of Intent (“LOI”) with Milan-based utility A2A S.p.A. (“A2A”), to initiate exclusive negotiations and due diligence on the Company’s Brodarevo hydroelectric power project (“HPP”) in southern Serbia. Under the terms of the agreement, A2A will have until November 24, 2015 to complete this process and negotiate terms for a definitive agreement.

The Company has been seeking, since mid-2014, 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, the Company elected to enter into more detailed negotiations with A2A, given its already substantial investments and experience in the region. A2A invested Euro 436 million in 2009 to acquire 43.7% of Montenegro utility Elektroprivreda Crne Gore, which operates various hydroelectric projects that lie in close proximity to the Company’s Brodarevo HPP. A2A is the number two energy company in Italy, with 9,800 MW of installed capacity, generating 14,671 GWh of electricity per annum, 53% of which is renewable. In addition to its investments in Montenegro, A2A already has sizeable international business and a strategic focus to grow in the Balkan region.

source: Juniorminingnetwork