Reservoir Minerals Inc.: Freeport-Mcmoran Exploration Corporation Elects to Sole Fund the Timok Project

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VANCOUVER, 08/16/12 - Reservoir Minerals Inc. ("RMC" or the "Company") (TSX VENTURE: RMC) (PINKSHEETS: RVRLF) (BERLIN:9RE) is pleased to report that Freeport-McMoRan Exploration Corporation ("Freeport") has given notice to the Company that it has exercised the Earn-In Option to acquire 55% equity in the Timok Project in Serbia. RMC and Freeport will now form a Joint Venture to continue exploration of the project and Freeport will become the operator. Freeport has also given notice to the Company that it has elected to sole fund expenditures on or for the benefit of the project until the completion and delivery to the Company of a Feasibility Study, subject to its right to cease such funding at any time. The Feasibility Study must be in such form as is normally required by substantial, internationally recognized financial institutions for the purpose of deciding whether or not to loan funds for the development of mineral deposits. If Freeport completes the Feasibility Study, Freeport will indirectly own 75% and the Company 25% of the Timok Project. The Company announced on July 16, 2012 the intercept of important copper and gold mineralization, including 266 metres grading an average of 1.23% copper equivalent ("CuEq").

Dr. Simon Ingram, President and CEO of Reservoir Minerals Inc. commented: "Freeport's election to continue to sole fund the exploration work on the Timok Project is a significant milestone for Reservoir Minerals and further confirmation of the project's potential as a significant blind copper - gold epithermal and porphyry system."

The Timok Project:

The Timok Project comprises the Jasikovo-Durlan Potok, Brestovac-Metovnica and Leskovo Exploration Permits that are held by Rakita d.o.o., a 100%-owned Serbian subsidiary of RMC in which Freeport will now have a 55% ownership interest. The Exploration Permits cover an area of 245 square kilometres in the highly prospective Timok Magmatic Complex, eastern Serbia, which includes the world-class Bor-Majdanpek mining and smelting complex with reported historical production of 6 million tonnes of copper and 300 tonnes of gold (9.65 million ounces gold) (BRGM publication BRGM/RC-51448-FR, 2002).

The company announced on July 16, 2012 that vertical drill hole FMTC 1210 intersected 266 metres grading an average of 1.23% copper equivalent (average 1.07% copper and 0.28 grams per tonne (g/t) gold) from 598 to 864 metres in the Miocene Basin area of the Brestovac-Metovnica Exploration Permits. The copper-equivalent (CuEq%) is calculated from the formula (Cu% + 0.6(i)g/tAu).

Drilling is continuing in the "Miocene Basin" area with four drill rigs on 200 metre step outs from Hole FMTC 1210. Further drill results will be released as soon as they are received and evaluated.

Qualified Person:

Dr. Duncan Large, Chartered Engineer (UK) and Eur. Geol., a Qualified Person as defined by National Instrument 43-101 and consultant to the Company, approved the technical disclosure in this release and has verified the data disclosed.

About the Company:

Reservoir Minerals Inc. is an international mineral exploration and development company run by a seasoned technical and management team, with a portfolio of precious and base metal exploration properties in Serbia and West Africa.

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Such forward-looking statements or information, including but not limited to those with respect to exploration results, involve known and unknown risks, uncertainties, and other factors which may cause the *actual results, performance or achievements of Reservoir Minerals Inc. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such factors include, among others, the actual prices of commodities, the factual results of current exploration, development and mining activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in documents filed from time to time with the securities regulators in the applicable Provinces of British Columbia and Alberta.*

Neither TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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