

## FORM 51-102F3

### Material Change Report

**Item 1. Name and Address of Company**

Hillcrest Resources Ltd.  
303-750 West Pender Street  
Vancouver, B.C. V6C 2T7

Telephone: 604-609-0006

**Item 2. Date of Material Change**

News Release dated July 10, 2012

**Item 3. News Release**

News Release dated July 10, 2012 was filed on SEDAR on July 10, 2012 and disseminated via TheNewsWire on July 10, 2012.

**Item 4. Summary of Material Change**

Hillcrest increases its land position in the emerging Bakken play in western Montana.

**Item 5. Full Description of Material Change**

**Vancouver, BC – July 10, 2012. Hillcrest Resources Ltd. (“Hillcrest” or the “Company”) (TSX-V: HRH) )** is pleased to announce that the Company has increased its land position in the emerging Bakken play in western Montana to approximately 27,000 acres following the closing of the purchase of 12,333 acres in Teton and Pondera Counties, Montana from Bakken Oil Holdings LLC (“Bakken”) , a Montana limited liability company.

As previously announced on December 1, 2011, Hillcrest entered into a purchase and sale agreement (the “Original Agreement”) to acquire all of Bakken’s legal and beneficial right, title and interest in and to certain oil and gas properties in Teton and Pondera Counties, Montana including all oil and gas leases, all geological data (including all seismic data) and copies of all records with respect to such oil and gas properties (collectively the “Properties”).

Hillcrest paid an aggregate of \$375,000 under the Original Agreement by way of three installments of \$125,000, the last being paid on February 1<sup>st</sup> of 2012. Subsequent to such payments, Hillcrest and Bakken agreed to terminate the Original Agreement.

Effective July 5, 2012, Hillcrest and Bakken entered into a revised purchase and sale agreement (the “New Purchase Agreement”) with respect to the Properties. The closing of

the transactions contemplated in the New Purchase Agreement result in Hillcrest becoming the sole owner of the Properties for no further cash outlay.

Pursuant to the terms of the New Purchase Agreement, the Company acquired all of Bakken's legal and beneficial right, title and interest in the Properties. As consideration for the acquisition of the Properties, the Company transferred to Bakken all ownership and title, including any equipment and production of Hillcrest's 640 acre Tulla property located in Pondera County (the "Tulla Property").

Hillcrest previously announced the purchase of the Tulla Property in November, 2011 (40 acres) and February, 2012 (600 additional acres). The Company paid \$350,000 for the 40 acre parcel and issued 2 million common shares as consideration for the 600 acre parcel.

Don Currie, CEO and Chairman, states "The closing of the newly negotiated Bakken transaction is a tremendous step forward for our Company. The Company now has closed on, and controls, approximately 27,000 acres of fully paid leases. There are no minimum exploration conditions on any of the leases, and 86% of the acreage is fully paid with no yearly payments due until mid 2016. Transferring 640 acres for the ownership of 12,333 acres of potentially productive, multi-target Southern Alberta Basin Bakken land is consistent with the growth strategy in place for Hillcrest."

Hillcrest's position in Montana is secure. The Company intends to plan and implement a seismic acquisition and drilling program that will take place over the next 12 months. The relatively substantial acreage position that the Company now controls also provides Hillcrest with the opportunity to follow up on any announced successful exploration efforts within this emerging energy corridor. While the exploration program is being developed and implemented, the Company will actively pursue potential joint venture or other working relationships with other exploration and development companies interested in the area's potential.

For more information on Hillcrest Resources Ltd, please contact Donald Currie toll free at 1-855-609-0006 or visit the Company's website at [www.hillcrestresources.com](http://www.hillcrestresources.com).

**Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable

**Item 7. Omitted Information**

Not applicable

**Item 8. Executive Officer**

The following executive officer of the Company is knowledgeable about the material change disclosed in this report.

Donald Currie, Chairman, CEO  
Business Telephone No.: 604-609-0006

**Item 9.        Date of Report**

DATED at Vancouver, British Columbia, this 10<sup>th</sup> day of July, 2012.

*(Signed) Donald Currie*

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Donald Currie  
Chairman and CEO