

FORM 51-102F3

Material Change Report

Item 1. Name and Address of Company

Hillcrest Resources Ltd.
1180 – 888 Dunsmuir Street
Vancouver, B.C. V6C 3K4

Telephone: 604-609-0006

Item 2. Date of Material Change

News Release dated January 16, 2014.

Item 3. News Release

News Release dated January 16, 2014 was filed on SEDAR on January 16, 2014 and disseminated via TheNewsWire on January 16, 2014.

Item 4. Summary of Material Change

Hillcrest drilling to begin week of January 19, 2014.

Item 5. Full Description of Material Change

Vancouver, BC – January 16, 2014 - Hillcrest Resources Ltd. (“Hillcrest” or the “Company”) (TSX-V: HRH) is pleased to announce the Company has received confirmation the drilling rig contracted with Progress Drilling will be on site and ready to Spud the Donner #4 well during the week of January 19th. As previously announced Hillcrest Resources Ltd had submitted applications and received approval for two development well locations located within their Newton County leases in Texas. The Company selected these locations based upon review of seismic and well data as well as the production performance of the Company’s two producing wells in the area. Hillcrest has a 60% working interest in the next 2 Donner wells.

Don Currie, CEO and Chairman, states “Hillcrest Resources is about to start a multi well program all designed to increase production, revenues and proven reserves within this calendar year. The Company has identified at least 5 potential drilling locations in our Newton County leases with potential production capabilities. Donner #4 will spud next week and be followed closely with the previously permitted Donner #3 well location. Our debt facility as well as the receipt of funds from the sale of 50% of our Montana assets has provided Hillcrest with the funds to methodically exploit our acreage as previously described.

We are excited about the potential production increase and the impact on our overall revenue upon the successful execution of this drilling campaign.”

The Company will advise when the rig is onsite and drilling has commenced.

For more information on Hillcrest Resources Ltd, contact Donald Currie toll free at 1-866-609-0006 or visit the Company's website at 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 16th day of January, 2014.

(Signed) Donald Currie

Donald Currie
Chairman and CEO