

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 May 18, 2011

Item 3. News Release

News Release dated May 18, 2011 was filed on SEDAR on May 18, 2011 and disseminated via TheNewsWire on May 18, 2011.

Item 4. Summary of Material Change

Hillcrest Resources Ltd to commence drilling at Donner #2 location June 23rd.

Item 5. Full Description of Material Change

Vancouver, BC – May 18, 2011. Hillcrest Resources Ltd. (“Hillcrest” or the “Company”) (TSX-V: HRH) is pleased to announce that, as described in the “Prospectus” dated March 3rd, 2011, the Company is preparing to drill the Donner #2 well located in Newton County Texas. Site prep and road construction has been completed. The Company announced in our April 8, 2011 release that we had been placed on a rig slot rotation and would advise when a rig had been confirmed. Nadsoilco LLC, the operator of the exploration program, has advised the rig is available and is expected to spud June 23rd. Drilling is expected to take approximately 10-12 days to reach total depth after which a decision to complete the well will be made. Hillcrest Resources Ltd will disseminate a further release once the drilling has commenced. The Company owns a 48% net revenue interest in Donner #2 before payout and a 27% net revenue interest after payout on terms more particularly described in the Prospectus (a copy of which is available under the Company’s SEDAR profile at www.sedar.com or on the Company’s website at www.hillcrestresources.com.)

The Company is also pleased to announce April was a record month for per barrel sales receipts for the company. The Donner #1 well was drilled and completed in the 3rd quarter of 2010. Since production started in early August 2010, the well has produced at a sustained rate of up to 47 barrels of oil per day. Initial sales in

August 2010 saw the company receive \$76.44 per barrel. The price per barrel increased to \$112.91 in March of 2011. In April, the Company sold production at an average of \$121.72 per barrel. Based on sales to date and assuming production remains consistent, it is expected the Donner #1 well will reach payout of the original acquisition and drilling costs sometime in June of this year.

The Company's Chairman and CEO Mr Donald Currie states "The rise in oil prices over the last 4 or 5 months has been an obvious positive for Hillcrest Resources Ltd. The Donner #1 well is a nice foundation, production wise, with no decline in pressure or introduction of water. We are anxious to spud, drill and potentially complete the Donner #2 in the very near future and Donner #3 shortly after. As always, the company is looking to expand our existing production base and look to pursue other drilling and production opportunities as they present themselves."

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 18th day of May, 2011.

(Signed) Donald Currie

Donald Currie
Chairman and CEO