

NEWS RELEASE

August 29, 2011

TSX-V: HRH

Hillcrest Resources Announces Quarterly Results and Production Update

Vancouver, B.C. – August 29th, 2011. Hillcrest Resources Ltd. (“Hillcrest” or the “Company”) (TSX-V: HRH) is pleased to announce the Company was cash flow positive for the first 6 months of 2011. In the recently published 2nd quarter financial statements, the Company reported cash flow from operations of \$68,925. and a net loss of \$18,149. for the quarter ended June 30, 2011. Oil and gas production during the Quarter totalled 3,864 boe (barrels oil equivalent) (average 100% oil) for a daily average of 43 boepd (barrels oil equivalent per day).

During the Quarter the Donner #1 project reached payout of all well costs, facilities and leasehold costs and as a result the Company’s Donner #1 working interest has been reduced to 30%. Payout of the Donner #1 project occurred within 10 months of drilling and the production rate has maintained its initial daily rate of 43 bopd since inception with no declines in pressure and zero water production.

As previously announced the Donner #2 well, located approximately 3,500 ft from Donner #1, initiated oil production from the same lower hackberry sand encountered in Donner #1 on August 4th. The well is currently awaiting an allowable from the Texas Railroad Commission and, in the meantime, has been placed into production at an average of 25 barrels per day on a restricted 4/64th inch choke. The well tested over a 24 hour period in late July of this year at a daily rate of 48 barrels per day on a larger 5/64th choke. The Company is monitoring the daily production rate and may open the restricted choke once an allowable is provided from the TRRC and a reasonable amount of time has passed and the well is deemed to be able to handle a larger choke size.

Don Currie, CEO and Chairman states, “Hillcrest Resources Ltd is pleased with our latest quarter results. With Donner #2 now producing, revenues are expected to remain strong. As previously announced we plan to drill 2 additional wells and, if successful, hope to have them on production before the end of the calendar year.

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

On Behalf of the Board of Directors

Donald Currie

Chairman, Chief Executive Officer and Director

FORWARD LOOKING STATEMENT HERE

Cautionary Statement Regarding “Forward-Looking” Information

Some of the statements contained in this press release are forward-looking statements and information within the meaning of applicable securities laws. Forward-looking statements and information can be identified by the use of words such as “expects”, “intends”, “is expected”, “potential”, “suggests” or variations of such words or phrases, or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information are not historical facts and are subject to a number of risks and uncertainties beyond the Company’s control. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except as may be required by law.

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