

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 December 22, 2014.

Item 3. News Release

News Release dated December 22, 2014 was filed on SEDAR on December 22, 2014 and disseminated via TheNewsWire on December 22, 2014.

Item 4. Summary of Material Change

Hillcrest completes purchase of Gulfsands Petroleum USA.

Item 5. Full Description of Material Change

Vancouver, BC – December 22, 2014 - Hillcrest Resources Ltd. (“Hillcrest” or the “Company”) (TSX.V: HRH US Symbol HLRTF) is pleased to announce that the Company has completed the purchase of Gulfsands Petroleum USA (“GPUSA”).

The acquisition of GPUSA includes all its assets, property, staff and both corporate and operational commitments. The acquired producing assets are located offshore Louisiana, in the shallow water portion of the Gulf of Mexico.

The previously announced \$50,000 USD purchase price takes account of GPUSA’s ongoing operational commitments and its forward Asset Retirement Obligations (ARO). The ARO cost estimate for 2015 is approximately \$2.4 million, net to Hillcrest. The acquisition of these producing assets will add approximately 180 barrels of oil per day (bopd) and 470 thousand cubic feet of natural gas per day (mcfpd) of incremental non-operated working interest production to Hillcrest.

The purchase includes GPUSA’s current staff and office located in Houston, Texas. Hillcrest will capture operational efficiencies by managing both its onshore and offshore operations from the Houston office effective immediately and intends to streamline the Company’s administrative processes by relocating its head office to Houston effective January 2015.

“This acquisition is a perfect fit for Hillcrest” states Don Currie, the Company’s CEO and Chairman. “As mentioned before, these new assets are complementary to our currently producing assets in Texas, and offer significant potential for future production growth

through development drilling and well recompletions. The Company intends to participate in additional development drilling scheduled for late 3rd quarter 2015. We will keep our shareholders informed of developments regarding drilling as they occur. Commensurate with this acquisition, Hillcrest will relocate the operations headquarters to Houston.”

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 22nd day of December, 2014.

(Signed) Donald Currie

Donald Currie
Chairman and CEO