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December 16, 2015

TSX-V: HRH
OTCQB : HLRTF

HILLCREST SECURES LINE OF CREDIT AT COMMERCIAL BANK RATE

VANCOUVER, B.C. – Hillcrest Petroleum Ltd. (the “Company” or “Hillcrest”) is pleased to announce the Company has secured a line of credit (“Line of Credit”) initiated and secured by a third party (the “Lender”) and held at the Canadian Imperial Bank of Commerce (“CIBC”). The Line of Credit has an initial limit of CDN\$400,000 and may be increased to CDN\$1,000,000 at the sole discretion of the Lender as certain general conditions are met. Proceeds will be used to pay down principal on the Company’s existing senior secured debt and for general working capital. The Lender will receive a fee in connection with the Line of Credit through the issuance of 1,000,000 shares of common stock in Hillcrest Petroleum Ltd at a deemed price of 5 cents per share.

In light of the more favourable terms obtained through the Line of Credit, the Company has decided to suspend the debenture issue previously announced on November 13th, 2015. Further discussions on a larger scale, regarding financial backing, continue with Chartered Banks and Investment Banking firms. Discussions are primarily focused on reserve-based lending and other options which do not involve dilution of Hillcrest’s share structure.

“Obtaining access to capital at bank lending rates is a substantial development for a Company such as Hillcrest.” Don Currie, Hillcrest Petroleum CEO, states “The funds will be used to pay down more expensive senior secured debt and for general costs associated with year-end reporting. With commodity prices at a seven year low and investor interest seriously challenged, Hillcrest is quite pleased to have been able to negotiate and secure funds at bank rates. The Line of Credit lessens the need for the debentures announced in November to proceed. The Company continues to seek financing for various corporate objectives including the retirement of the senior secured debt as well as for re-completions and further development of our current assets”.

Hillcrest Petroleum Ltd. is focused on development, production and acquisition of oil and gas assets located primarily in the United States.

For more information on Hillcrest Petroleum Ltd., contact Donald Currie toll free at 1-855-609-0006 or visit the Company’s website at www.hillcrestpetroleum.com

ON BEHALF OF THE BOARD

Donald Currie
Chief Executive Officer and Director

Cautionary Statement Regarding “Forward-Looking” Information

Some of the statements contained in this news 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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