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### **HILLCREST SIGNS LETTER OF INTENT FOR ONSHORE LOUISIANA DEVELOPMENT**

**VANCOUVER, B.C. – Hillcrest Petroleum Ltd.** (the “Company” or “Hillcrest”) is pleased to announce the Company has signed a Letter of Intent (“LOI”) with an arms-length vendor whereby the Company will have the right to earn a 75% Working Interest in 6,200 acres located in the state of Louisiana (“Project Area”). The acreage is within a well established hydrocarbon producing area, and interpretation of existing technical data indicates that there are in excess of 60 potential development drilling locations contained within the Project Area.

The terms of the LOI are as follows:

- The Company has agreed to undertake an initial six well development drilling program (“Initial Program”) with a maximum commitment of US\$3,000,000. The Company will progressively earn a 75% Working Interest in 80 acre well spacing units associated with each well drilled in the Initial Program.
- The Company may, at its sole discretion, continue drilling to earn a 75% working interest in the entire Project Area by drilling a total of ten wells, including the six wells from the Initial Program. After 10 wells are drilled, or when further development drilling in the Project Area is deemed to be self-funding from project production revenue, the Company will fund its Working Interest share of 75% of the cost of additional development wells.
- The Company will pay the vendor a cash acreage payment for each well drilled in the Project Area;
- The Company and vendor will negotiate a bonus to be paid in common shares of Hillcrest for each barrel of oil reserves incrementally added to the Proved, Developed Producing (“PDP”) category.

The parties have agreed to negotiate in good faith to enter into a definitive agreement which will supersede the terms of the LOI upon its execution. This transaction is subject to TSX Venture Exchange approval.

“Hillcrest has evaluated and made offers on numerous asset acquisition opportunities over the past 18 months, and we are pleased to have now secured the right to develop an asset in an area such as this in a prolific hydrocarbon province while taking advantage of cyclically low project development costs.” Don Currie, Hillcrest Petroleum CEO, states “The acreage being obtained as well as surrounding fields have successfully produced oil and gas for decades and are expected to continue to produce through the application of improved drilling and completion techniques, further development and infill drilling. The deal as structured allows Hillcrest to drill and develop the acreage at a reasonable pace, and if successful will add substantial production and reserves value to our currently undervalued Company. We are proceeding with evaluations of additional opportunities that we believe will add substantial value to the portfolio when captured.”

Hillcrest is focused on the acquisition, development and production 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](http://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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