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HILLCREST AND PARTNER FORMING INCORPORATED JOINT VENTURE

VANCOUVER, B.C. – Hillcrest Petroleum Ltd. (the “Company” or “Hillcrest”) is pleased to announce that Hillcrest and its partner (the “Partners”) have agreed to form an incorporated joint venture that will market the previously announced USA licensing agreements through the jointly owned company. The corporate entity will result in each Partner holding a 50% ownership.

The creation of the incorporated joint venture follows the signing of the LOI and the cash deposit which under the terms of the LOI gave the partnership exclusivity with the USA licensing agreements as announced April 28th, 2020. The completion of a formally incorporated joint venture is an important step toward actively monetizing the potentially transformational electrical generation technology.

The patented technology has potential applications in electric vehicles and power generation. The partnership intends to market the technology to the electrical equipment manufacturing industry, with an initial focus on electric vehicle (EV) and power generation equipment manufacturers.

“Hillcrest is aggressively pursuing clean tech opportunities as part of our energy transition strategy” states Don Currie, Hillcrest CEO “When complete, the formal incorporated joint venture provides the partners a single entity to monetize licensing rights in the USA, arguably the largest potential immediate market for technology of this type, and is a significant execution point in our strategy. We believe this technology potentially offers step change electrical generation efficiency improvements, which are scalable and potentially globally deployable to significantly accelerate a transition to carbon free energy. Hillcrest has earned our exclusive relationship with the partner by way of providing the cash deposit with all becoming fully binding upon providing up to CDN \$500,000 of funding on or before August 1st. The additional funding will be deployed to further enhance the technology that will demonstrate how the technology could be used in various scenarios such as EV, and wind turbine applications. Early response by our shareholders and other potential investors to the USA Licensing Agreement has been positive and Hillcrest will be pursuing all opportunities to build on that support.”

The technology was developed in Canada and has repeatedly been demonstrated to increase electrical generation efficiency by as much as 80% in lab tests. Applications of the technology have successfully been tested on an electric motorcycle. If scaled up to an electric vehicle, the technology has the potential to extend range from 400 miles to over 700 miles from a single battery charge. Similarly, if applied to power generation, like a wind turbine or diesel generator, units would have a substantial reduction in size and cost for the same electrical power output.

Energy efficiencies from applying this technology could potentially significantly reduce reliance on fossil fuel energy in certain applications, such as providing electricity for remote communities currently dependent on diesel generators with substantially less diesel fuel costs. It could also accelerate a transition to electric vehicles by increasing their range and reducing battery power re-charge requirements.

Hillcrest continues to assess the technology, its potential applications and its commercialization potential.

A management team for the incorporated joint venture is being assembled and specific capabilities required to effectively market and monetize the technology are being identified. Further information updates will be provided to ensure shareholders continue to be fully informed on the rapidly developing business.

ON BEHALF OF THE BOARD

Donald Currie
Chief Executive Officer and Director

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.

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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