



# Hillcrest Energy Technologies Confirms Successful Demo with European Auto OEM and Provides Shareholder Update

- Dynamic load demonstration with European Automotive OEM now complete
- Joint demonstration activities progressing with Global Tier One Automotive Supplier
- Demonstration plan with Hercules Electric Mobility now includes maximum load testing at motor manufacturer

VANCOUVER, BC, May 30, 2023 /CNW/ - Hillcrest Energy Technologies (CSE: HEAT) (OTCQB: HLRTF) (FRA: 7HIA.F), a pioneering clean technology company offering transformative power conversion technologies and state-of-the-art control system solutions, is pleased to provide an update to shareholders.

## Dynamic Load Bench Demonstration Success

Hillcrest is pleased to announce the successful completion of dynamic load bench tests involving Hillcrest's cutting-edge 250-kilowatt, 800-volt SiC inverter with a prominent European Automotive Original Equipment Manufacturer (European OEM). This momentous phase of testing evaluated the impacts of Hillcrest's revolutionary Zero Voltage Switching (ZVS) technology on a high-power dynamic load using a high efficiency motor of the European OEM and confirmed the integration of Hillcrest's technology with their motor.

A live demonstration, attended by representatives of the European OEM, was hosted at Systematec GmbH's facility in Germany. The exceptional test results showcased a marked advantage in electromagnetic compatibility (EMC) characteristics and inverter efficiency.

The European OEM is currently analyzing the results and will propose the next phase of co-development activities in the coming weeks. The successful completion of this latest demonstration represents further validation of Hillcrest's technology and significant progress on this important opportunity for collaboration and future growth.

## Global Tier One Supplier Development Program

The Company continues to make progress on the previously announced joint development project with a Global Tier One Automotive Supplier for a powertrain system that incorporates a customized version of the Hillcrest SiC traction inverter, which leverages Hillcrest's proprietary ZVS inverter technology to solve many common challenges faced by today's EV powertrains by enabling a reduction in overall vehicle weight, increased payload, and greater range capability. The Company announced completion of the first milestone in April 2023.

The second milestone, consisting of maximum-load demonstration testing with a specialized motor provided by the Global Tier One Automotive Supplier, is scheduled to commence in June at Hillcrest's R&D lab in Vancouver. Upon completion, the third milestone will commence and include a series of on-site demonstrations at the customer's facilities later this year. Upon successfully completing all milestones, the companies anticipate entering into a definitive commercial agreement.

## Hercules Electric Mobility

Hillcrest previously announced a memorandum of understanding (MOU) with Hercules Electric Mobility, Inc. in October of 2022 and provided a progress update to shareholders on March 23<sup>rd</sup>, 2023. The collaborative effort focuses on integrating and demonstrating the Hillcrest ZVS inverter in a Hercules electric powertrain, which is expected to enable the powertrain to operate at higher power levels and higher switching frequencies without compromising efficiency. Upon successfully completing all milestones outlined in the MOU, the companies anticipate entering into a definitive commercial agreement.

To allow for a more extensive testing and integration program, the collective technical teams previously revised the demonstration plan to include an intermediate test phase with Hercules' motor supplier. This test phase will then be followed by system testing with Hercules' electric powertrain. This enhanced approach will allow Hillcrest to obtain more robust integration and test data at power levels of up to 350kW, crucial data that will impact this and other development programs. In addition to the Hercules project, Hillcrest also intends to pursue further collaboration with the motor manufacturer on the potential integration of Hillcrest ZVS inverters into motors provided to their other market segments, including automotive OEMs.

"We have successfully demonstrated the core value and the potential of the Hillcrest ZVS traction inverter with two customers, with another demonstration scheduled to be completed within a few weeks," stated Hillcrest's Chief Executive Officer, Don Currie. "In the months ahead, Hillcrest will continue to demonstrate the remarkable capabilities of our proprietary ZVS inverter by conducting a series of progressively advanced testing protocols with various customer systems. This strategic approach is designed to address a variety of industry needs and will showcase the efficiency, reliability and performance of our innovative technology."

Mr. Currie continued, "The completion of these demonstrations in the months ahead with an expanding list of customers will enable us to accelerate and broaden our pursuit of co-development and definitive commercial agreements."

The Hillcrest SiC traction inverter harnesses the power of our proprietary Zero Voltage Switching (ZVS) technology platform. Extensive lab tests and simulations have showcased substantial improvements in system-level efficiency, performance, and reliability for electric systems such as electric vehicles and stationary energy generation and storage systems.

## Financing the future

The previously announced engagement with Craig-Hallum Capital Group (Craig-Hallum) as the Company's capital markets advisory and investment banking firm in the U.S. is progressing through the due diligence process.

"Craig-Hallum is a well-respected and accomplished firm, deeply connected to the technology sector. We intend to work with them to focus on accessing the institutional market in the U.S. for the capital required to execute on our short-, medium- and long-term business objectives. Craig-Hallum is also providing advisory services focused on a potential future co-listing or full-listing on a senior U.S. exchange. We believe the completion of a U.S. listing would be expected to have a substantial positive impact on the Company's valuation," stated Hillcrest CEO, Don Currie.

## Investor Relations Initiatives

Hillcrest is pleased to announce the addition of Market One as a new provider of investor marketing services across North America. Their team brings more than 60 collective years of capital markets experience to public company marketing. During the 9-month term of the engagement, they will provide a variety of services including the production of interviews, articles and other digital marketing content for distribution on platforms such as BNN Bloomberg and Benzinga.

In addition to the new engagement with Market One, Hillcrest has expanded its marketing and investor relations initiatives over the past year to create greater exposure for the Company to a global audience. Current service providers include [Connecticut-based IMS Investor Relations](#), Munich, Germany-based General Research, and Vancouver-based [Jemini Capital](#). These providers are collectively creating exposure for the Company to a global audience.

The company will continue to provide updates as milestones are met and material events occur.

## About Hillcrest Energy Technologies

Hillcrest Energy Technologies is a clean technology company delivering high-value, high-performance power conversion technologies and digital control systems for next-generation powertrains and grid-connected renewable energy systems. From concept to commercialization, Hillcrest is investing in the development of energy solutions that will power a more sustainable and electrified future. Hillcrest is publicly traded on the CSE under the symbol "HEAT," on the OTCQB Venture Market as "HLRTF" and on the Frankfurt Exchange as "7HIA.F". For more information, please visit: <https://hillcrestenergy.tech/>.

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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. This forward-looking information is provided as of the date of this news release. The forward-looking information reflects our current expectations and assumptions and is subject to a number of known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to be materially different from any anticipated future results, performance or expectations expressed or implied by the forward-looking information. No assurance can be given that these assumptions will prove correct. Forward-looking statements and information are not historical facts and are subject to a number of risks and uncertainties beyond the Company's control. Investors are advised to consider the risk factors under the heading "Risks and Uncertainties" in the Company's MD&A for the year ended Dec. 31, 2021, available at [www.sedar.com](http://www.sedar.com) for a discussion of the factors that could cause the Company's actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking information. 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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