

Hillcrest Announces Brokered LIFE Offering and Concurrent Non-Brokered Private Placement

Vancouver, British Columbia--(Newsfile Corp. - September 11, 2023) - Hillcrest Energy Technologies (CSE: HEAT) (OTCQB: HLRTF) (FSE: 7HI) ("**Hillcrest**" or the "**Company**") is pleased to announce a "best efforts" brokered private placement offering of up to 10,000,000 units of the Company ("**Units**") at a price of \$0.50 per Unit (the "**Issue Price**") for gross proceeds of up to \$5,000,000 (the "**Offering**"). Each Unit will consist of one common share of the Company (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of \$0.60 for a period of 24 months from the date of issuance. There is no minimum amount of the Offering, however, the aggregate of the Offering and the Concurrent NBPP (defined herein) shall be a minimum of 10,000,000 Units for minimum gross proceeds of \$5,000,000 and a maximum of 18,500,000 Units for maximum gross proceeds of \$9,250,000.

The Units issued pursuant to the Offering are expected to be immediately freely tradeable under applicable Canadian securities laws if sold to purchasers resident in Canada.

The Offering will be conducted by Canaccord Genuity Corp. ("**Canaccord**") as lead agent and bookrunner, along with a syndicate of agents including PI Financial Corp. and Moneta Advisory Partners Corp. (together with Canaccord, the "**Agents**"), and is subject to customary closing conditions.

At the closing of the Offering, the Company will (i) pay the Agents commission equal to 7% of the gross proceeds of the Offering (1% for certain president's list investors), payable in cash or Units, or any combination of cash or Units, at the option of Canaccord, and (ii) issue the Agents non-transferable broker warrants equal to 7% of the aggregate number of Units issued by the Company under the Offering (1% for certain president's list investors), each of which will entitle the holder thereof to acquire one Common Share at the Issue Price or such higher price as may be required by the policies of the Canadian Securities Exchange for a period of 24 months from the date of issuance.

The Offering is being completed pursuant to the listed issuer financing exemption available under Part 5A of National Instrument 45-106 - *Prospectus Exemptions* ("**NI 45-106**") and therefore the securities comprising the Units issued in the Offering will not be subject to a hold period in accordance with applicable Canadian securities laws. There is an offering document relating to the Offering that can be accessed under the Company's profile at [sedarplus.ca](https://www.sedarplus.ca) and at <https://hillcrestenergy.tech/hillcrest-energy-technologies-ltd-offering-document-under-the-listed-issuer-financing-exemption/>. Prospective investors should read this offering document before making an investment decision.

The Offering is expected to close on or around September 26, 2023, or such other date as the Company and the Agents may agree.

In addition to the Offering, the Company may, at its discretion, complete a concurrent non-brokered private placement of up to 8,500,000 Units for gross proceeds of up to \$4,250,000 (the "**Concurrent NBPP**") to purchasers pursuant to other applicable exemptions under NI 45-106. There is no minimum Concurrent NBPP and closing of the Offering is not conditional upon the closing of the Concurrent NBPP. The closing of the Concurrent NBPP may take place in one or more tranches as determined by the Company. Canaccord will act as the Company's financial advisor with respect to the Concurrent NBPP. As consideration for its services, the Company will (i) pay Canaccord a fee equal to 1% of the gross proceeds of the Concurrent NBPP, payable in cash or Units, or any combination of cash or Units, at the option of Canaccord, and (ii) issue Canaccord non-transferable advisor warrants equal to 1% of the aggregate number of Units issued by the Company under the Concurrent NBPP, each of which will entitle the holder thereof to acquire one Common Share at the Issue Price for a period of 24 months from

the date of issuance.

All securities issued in connection with the Concurrent NBPP will be subject to a statutory hold period of four months and one day following the date of issuance in accordance with applicable Canadian securities laws.

The Company will use the net proceeds of the Offering and the Concurrent NBPP for technology and product development, commercialization, and general working capital.

About Hillcrest Energy Technologies

Hillcrest Energy Technologies is a clean technology company developing 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 the Frankfurt Stock Exchange as "7HI" For more information, please visit: <https://hillcrestenergy.tech/>.

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The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release.

The securities of the Company referred to in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, the securities of the Company may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Cautionary Statement Regarding "Forward-Looking" Information

This news release may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking statements may include, without limitation, statements relating to the Offering, the Concurrent NBPP, and the use of proceeds therefrom. The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. All forward-looking statements in this press release are made as of the date of this press release. The forward-looking statements contained herein are also subject generally to assumptions and risks and uncertainties that are described from time to time in the Company's public securities filings with the Canadian securities commissions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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