

Hillcrest Secures \$5M Equity Facility

Vancouver, British Columbia--(Newsfile Corp. - January 17, 2024) - Hillcrest Energy Technologies (CSE: HEAT) (OTCQB: HLRTF) (FSE: 7HI) ("Hillcrest" or the "Company") is pleased to announce it has secured a \$5 million equity drawdown facility (the "**Equity Facility**") from a third-party investor.

Pursuant to the Equity Facility, the Company shall pay the investor a commitment fee equal to 2.5% of the total capital of the Company committed, payable in cash or common shares in the capital of the Company (the "**Shares**") at a deemed price of \$0.30 per Share, at the election of the Company. On any drawdown amount, the Company shall pay 12% annualized interest, which may be payable in Shares or by deduction from the funded advance, at the option of the investor. Each drawdown will be in units (the "**Units**"), with each Unit consisting of one common share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a "**Drawdown Warrant**"). The Units will be issued at the greater of the discounted market price permitted under the policies of the Canadian Securities Exchange (the "**CSE**"), and 90% of the 10 day average closing bid price of the common shares on the CSE (the "**Issue Price**"). All Drawdown Warrants issued as part of the Units will be exercisable at an exercise price equal to the greater of 125% of the Issue Price, and the minimum exercise price permitted by policies of the CSE and will be exercisable for a period of three years from the date of issuance.

The parties to the Equity Facility expect to close the first drawdown by the end of the month.

"We are quite pleased to have access to this facility," stated Don Currie, Hillcrest CEO. "The facility is being provided at a particularly challenging time for fund raising in the small cap market and we appreciate the support and confidence in the Company demonstrated by the investor. The facility is one of several financing initiatives currently being pursued and we will continue to provide updates as material events occur."

The Company intends to use the proceeds from the Equity Facility for technology and product development, commercialization, and general working capital.

All securities issued pursuant to the Equity Facility will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

About Hillcrest Energy Technologies

Hillcrest Energy Technologies is a clean technology company focused on providing advanced 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 "7HI". For more information, please visit: <https://hillcrestenergy.tech/>.

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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. 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, 2022, available at 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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