



HILLCREST
energy technologies™

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CSE: HEAT
OTCQB: HLRTF
FRA: 7HI

Hillcrest Submits Drawdown Notice

VANCOUVER, BC, July 22, 2024 – Hillcrest Energy Technologies (CSE: HEAT) (OTCQB: HLRTF) (FRA: 7HI) (“**Hillcrest**” or the “**Company**”) is pleased to announce it has submitted a drawdown notice (the “**Notice**”) to a third-party investor (the “**Investor**”) pursuant to the \$5 million equity drawdown facility (the “**Equity Facility**”) initially announced on December 19, 2023. The Notice provides that the Company will drawdown \$540,000 from the Equity Facility (the “**July Drawdown**”). Pursuant to the terms of the Equity Facility, the Investor has confirmed that it will fund the full amount of the July Drawdown.

In connection with the July Drawdown, the Company will issue the Investor such number of units of the Company (the “**Units**”) equal to \$540,000 divided by the Issue Price (defined below). Each Unit will consist of one common share in the capital of the Company (a “**Share**”) and one-half of one Share purchase warrant (each whole warrant, a “**Warrant**”).

The Units will be issued at a price (the “**Issue Price**”) equal to the greater of (a) the discounted market price permitted under the policies of the Canadian Securities Exchange (the “**CSE**), and (b) 90% of the average closing bid price of the Shares on the CSE for the ten (10) consecutive trading days immediately prior to, but ending on the day before, the proposed closing date for the July Drawdown. All Warrants issued as part of the Units will be exercisable for a period of three years from the date of issuance at an exercise price equal to the greater of (a) 125% of the Issue Price, and (b) the minimum exercise price permitted by policies of the CSE. Additionally, the Company will pay the Investor a 12% drawdown fee on the July Drawdown, which is payable in Shares or by deduction from the funded advance, at the option of the Company.

The completion of the July Drawdown is anticipated on or about August 2, 2024. The issuance of the above noted securities to the Investor is subject to customary closing conditions including, but not limited to, the Company’s receipt of proceeds from the July Drawdown.

The Company intends to use the proceeds from the July Drawdown for technology and product development, commercialization, investor relations and general working capital.

All securities issued pursuant to the Equity Facility, including the July Drawdown, 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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NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER HAS REVIEWED OR ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE.

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 information in this news release includes the closing of the July Drawdown and the anticipated use of proceeds therefrom. This forward-looking information is provided as of the date of this news release. The forward-looking information reflects the current expectations and assumptions of management 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, 2023, available at <https://www.sedarplus.ca/> 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.