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## SASKATCHEWAN OIL PRODUCTION OPERATIONS UPDATE

VANCOUVER, B.C. – Hillcrest Petroleum Ltd. (the “Company”) is pleased to report the upgraded West Hazel production facility is in operation, and production started from 2 wells on January 13<sup>th</sup> and January 15<sup>th</sup>, respectively. Initial fluid production rates from both wells are as expected. Production from the remaining 2 wells will be brought on line after workovers on these wells are completed.

The Company’s previously announced plans to restore production from the West Hazel Field has been completed on budget. Oil production from the 4 wells is expected to stabilize between 150-250 bbls/day, with potential to increase to 500 bbl/day through further, previously unidentified field development activities including well recompletions and development drilling. Production facilities, which include an integrated water injection system, have been upgraded to increase the fluid handling capacity in anticipation of higher production volumes. Increased capacity through production facility upgrades are expected to substantially reduce operating costs per barrel of oil as production increases with field development.

As previously announced, under the terms of its Joint Venture Agreement on the West Hazel property, the Company will provide 100% of reactivation costs to return the field to production to earn a 75% Working Interest, reverting to 50% after recovery of reactivation costs.

**For more information on Hillcrest Petroleum Ltd, contact Don Currie toll free at 1-855-609-0006 or visit the Company’s website at [www.hillcrestpetroleum.com](http://www.hillcrestpetroleum.com)**

### ON BEHALF OF THE BOARD

**Donald Currie**  
Chief Executive Officer and Director

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