



Suite 1300 1030 W Georgia St
Vancouver BC, V6E 2Y3
Tel: 604-609-0006
Toll-free: 1-855-609-0006
Fax: 778-379-0991

TSX-V: HRH
OTC PINK: HLRTF

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HILLCREST UPDATES TECHNOLOGY PARTNERSHIP PROGRESS

VANCOUVER, B.C. – Hillcrest Petroleum Ltd. (the “Company” or “Hillcrest”), is pleased to update our shareholders on developments related to the ALSET Innovation Ltd. technology partnership.

Upon execution of Definitive Agreements, the ALSET technology partnership (Hillcrest 50%) will hold exclusive rights to license US patented electricity generation and electric motor technology in the USA, and exclusive rights to market the technology in the European Union. Agreements are being finalized and are expected to be executed shortly.

As announced June 18th, 2020, Hillcrest is currently developing plans to monetize its licensing and marketing rights under the agreements, closely supported by the inventor and Intellectual Property (IP) owner.

The immediate priority is to develop a detailed technical understanding of this innovative technology, including current patents and other IP, which is the basis for ALSET’s licensing and marketing agreements. The technology is continuing to evolve with new innovations and further energy efficiency improvements, so ALSET’s licensing and marketing agreements will also include potential future technology improvements and resulting IP. Hillcrest’s (IP) lawyers advise the current patents and patent claims are in good standing and are assisting ALSET to develop effective future IP protection plans, including potential patents in various jurisdictions worldwide.

Hillcrest holds a 50% interest in the ALSET technology partnership. ALSET will collect revenue from technology licensing or marketing and will retain a portion of net revenue, with the remainder being passed through to IP owner. Hillcrest ultimately expects to receive between 25% and 50% of total net value generated from licensing, marketing and deploying the technology, as well as management and advisory fees.

A number of power generation companies and electric vehicle manufacturers have approached Hillcrest and the IP owner, indicating an interest in the technology and seeking introductory discussions. In anticipation of imminent Definitive Agreement execution and consistent with Hillcrest’s executive leadership roles under the anticipated arrangements, Hillcrest (ALSET) is working closely with the IP owner to schedule initial meetings.

ALSET intends to monetize its licensing and marketing rights by establishing industry partnerships to apply and deploy the technology into worldwide power generation and electric vehicle (EV) markets. The published EV market value alone was \$162.34 Billion in 2019 and estimated to reach \$802.81 billion by 2027 (see link below).

[*Electric Vehicle Market Size, Share, Analysis, Growth by 2027*](#)

“We are confident the foundation stage for the ALSET Partnership will be completed shortly with the execution of the Definitive Agreements. As a result, we are already working with the IP owner to initiate

discussions with power generation and electric vehicle companies who seem keen to explore this potentially disruptive clean energy technology, which we believe will deliver a step change in energy efficiency when applied.” Don Currie, Hillcrest CEO states “The ALSET business plans we develop for these technologies, will drive Hillcrest’s strategy to transition to a clean energy business. We will continue to advise as developments happen, or material events occur.”

ABOUT THE COMPANY

Hillcrest is a Canadian oil and gas producer pursuing an energy transition strategy focusing on clean energy technology with potential to substantially reduce greenhouse gas emissions. Hillcrest intends to effect this transition through its 50% ownership in ALSET Innovations Inc., a technology partnership with rights to exclusively license and market innovative efficient power generation and electric motor technologies in the USA and to exclusively market this technology in the EU.

The technology innovations have been shown to substantially increase conventional electrical generator efficiency in laboratory testing. When scaled up for practical applications, the technology could, for example, potentially enable wind turbines to be significantly smaller for the same power generation or for power generated from current wind turbine installations be substantially increased. Alternatively, it could potentially provide low cost electricity for remote communities by substantially reducing diesel fuel requirements.

In full scale electric vehicle applications, the regenerative electric motor technology has the potential to significantly extend the EV range from a single battery charge.

With wide application and deployment, this technology could potentially reduce reliance on fossil fuel energy substantially and accelerate global transition to carbon free energy.

ON BEHALF OF THE BOARD

Donald Currie
Chief Executive Officer and Director

For more information on Hillcrest Petroleum Ltd., contact Donald Currie toll free at 1-855-609-0006 or visit the Company’s website at www.hillcrestpetroleum.com.

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