

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Hillcrest Energy Technologies Ltd. (the "Issuer" or the "Company").

Trading Symbol: HEAT

Number of Outstanding Listed Securities: 85,283,290

Number of Shares Reserved for Issuance: 34,733,500

Date: As of April 30, 2024

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Hillcrest is focused on developing and delivering value from its clean energy technology business through the continued development and commercialization of its technologies with the intent of licensing, partnering and/or selling accessible or owned clean energy technology and IP.

On April 10, 2024, Hillcrest announced that the Company had entered into a collaboration agreement with Powertech Labs Inc. ("Powertech Labs"). Powertech Labs is a 100%-owned subsidiary of BC Hydro, is based in Surrey, British Columbia. In addition, the Company announced the extension of its contract with Market One for investor marketing services an additional nine months through September 16, 2024.

Also on April 10, 2024, Hillcrest announced the closing of the second Drawdown of the previously announced equity drawdown facility. The Company provided the third-party investor (the "Investor") with a drawdown notice and on March 21, 2024 and the Investor funded the Company with a drawdown amount of \$203,745 (the "Drawdown"). Pursuant to the terms of the Equity Facility, in connection with the Drawdown the Company issued the Investor 1,072,342 units of the Company ("Units") at a deemed price of \$0.19 per Unit. Each Unit is comprised 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"), each of which is excisable to acquire one additional Share at a price of \$0.25 for a period of three years from the date of distribution. The Company also issued the Investor 128,681 Shares at a deemed price of \$0.19 per Share in satisfaction of the drawdown fee payable in connection with the Second Drawdown.

On April 16, 2024, Hillcrest announce the close of the second tranche of its previously announced non-brokered private placement in the amount of 3,582,000 units of the Company (the “Units”) at a price of \$0.25 per Unit for gross proceeds of \$895,500 (the “First Tranche”). The total placement size, cumulative of all tranches, is anticipated to be a maximum of 8,000,000 Units for maximum gross proceeds of \$2,000,000 (the “Private Placement”).

On April 25, 2024, Hillcrest announced ongoing testing of the Company’s ZVS traction inverter at facilities of major European automotive manufacturers. The Company also highlighted the expansion into new sectors, including battery storage, EV charging, and industrial marine applications.

On April 30, 2024, Hillcrest announced the closing of the third and final tranche of its oversubscribed non-brokered private placement in the amount of 6,762,000 units of the Company (the “Units”) at a price of \$0.25 per Unit for gross proceeds of \$1,690,500 (the “Final Tranche”). The total placement size, cumulative of all tranches, was 12,874,000 Units for gross proceeds of \$3,218,500 (the “Private Placement”).

2. Provide a general overview and discussion of the activities of management.

Hillcrest’s management continues its commitment as a clean tech innovation company developing high value, high-performance control systems and electric power conversion devices for next-generation powertrains, charging applications and grid-connected renewable energy generation and storage systems.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

The Company has completed testing on its 350kW | 1,000V next generation EV inverter. This new EV inverter contains the Company’s own power modules and is being used for advanced testing and demonstration programs with customers going forward.

The Company also completed testing on its 10kW | 800V grid-tied inverter proof of concept inverter. This grid-inverter proof of concept is being used to attract potential customers and joint development partners in the renewable energy generation and storage sectors.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Not applicable.

5. Describe any new business relationships entered into between the Issuer, the

Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

The Company extended its investor marketing contract with Market One for an additional nine months, to September 16, 2024. Market One and its affiliates are not Related Persons of the Issuer and the contract was agreed based on arms-length negotiation.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable.

8. Describe the acquisition of new customers or loss of customers.

Not applicable.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not Applicable.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Not Applicable.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Not applicable.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Not applicable.

14. Provide details of any securities issued and options or warrants granted.

In April 2024, 10,464,000 common shares were issued pursuant to the closing of the non-brokered private placement and 1,201,023 common shares were issued pursuant to the \$5 million equity drawdown facility.

In April 2024, 425,000 RSUs were granted to consultants of the Company. These RSUs are subject to certain vesting criteria and have a term of three years.

15. Provide details of any loans to or by Related Persons.

Not Applicable

16. Provide details of any changes in directors, officers or committee members.

Not Applicable.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Company is subject to several categories of risk associated with the development of clean energy technologies. Among the factors that have a direct bearing on the Company's prospects are uncertainties inherent in technology product development; intellectual property risks including litigation; access to additional capital; availability and cost of services, equipment and labor; and the presence of competitors with greater financial resources and capacity. The various risk factors are further described in the Company's Audited Annual Financial Statements and Management's Discussion and Analysis for the twelve months ended December 31, 2023.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated May 6, 2024.

Jamie Hogue
Name of Director or Senior
Officer

s// "Jamie Hogue"
Signature
COO
Official Capacity

Issuer Details Name of Issuer Hillcrest Energy Technologies Ltd.	For Month End April 30, 2024	Date of Report YY/MM/D 24/04/06
Issuer Address 1170 – 1040 West Georgia Street		
City/Province/Postal Code Vancouver, BC V6E4H1	Issuer Fax No.	Issuer Telephone No. (604) 609-0006
Contact Name Jamie Hogue	Contact Position COO	Contact Telephone No. (604) 609-0006
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