



HILLCREST
energy technologies™

INVESTOR PRESENTATION

September 1, 2023

ENERGY SOLUTIONS POWERING THE FUTURE

Forward Looking Statement Notice

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Investment Highlights



THE FIRST TO MARKET WITH A REVOLUTIONARY TECHNOLOGY PLATFORM

- Highly differentiated combination of **proprietary hardware and control firmware** offering next-generation power conversion capabilities
- **Adaptable to numerous, fast-growing market segments** such as e-mobility and grid-connected power generation and storage
- **Growing IP portfolio 100% owned by Hillcrest**



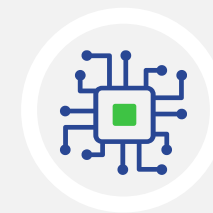
NEXT-GENERATION CAPABILITIES + US\$2,200 SAVINGS PER VEHICLE

- New levels of power density, efficiency, performance, and reliability
- **99.6% inverter efficiency** offers a significant advantage compared to conventional inverters on the market



SPEED TO MARKET

- Asset-light business model
- **Multiple co-development projects underway** offering clear pathway to commercialization
- **Ability to scale revenue quickly** with potential OEM partnerships



SIGNIFICANT TECHNOLOGY AND INDUSTRY EXPERIENCE

- Nearly **100 years of combined automotive sector experience**
- More than 125 combined years of power electronics and power control experience



ACCELERATING TOWARD REVENUES

Management assumptions and projections suggest:

- Revenues from serial production by 2025
- **Breakeven in 2026 and profitability by 2027**
- Large NOL to accelerate path to profitability and drive enhanced ROE
- **Significant upside in high-margin, grid-connected power generation and storage applications**

What is a Power Inverter? Essential to Electrical Systems

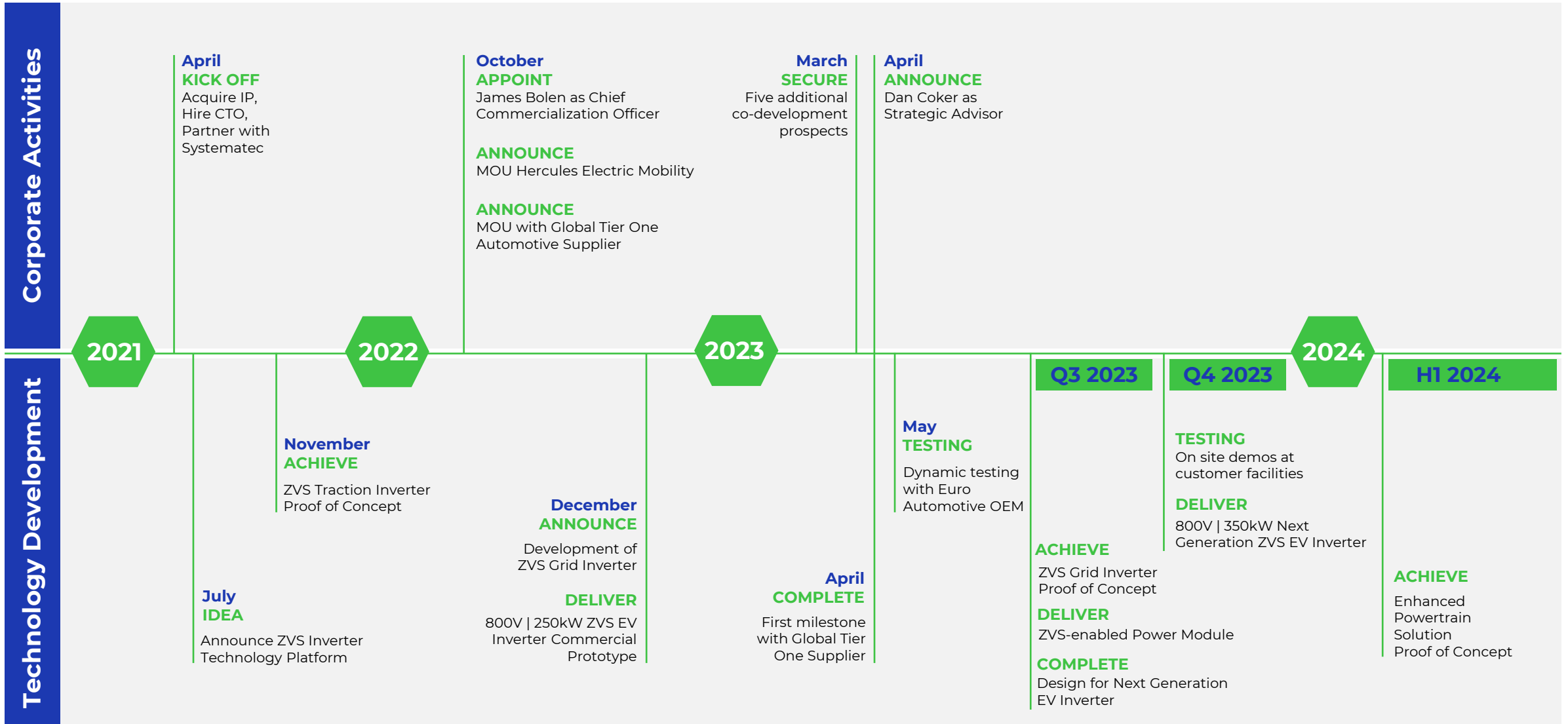


An inverter is a power electronic device that converts direct current (DC) power to alternating current (AC) power



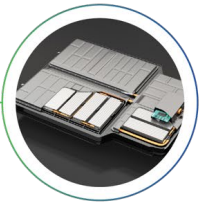
Source can be found [here](#)

Roadmap to Commercialization



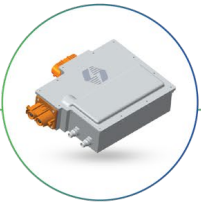
Benefits Across the Entire Powertrain System

EVs - First Application of Hillcrest ZVS Technology



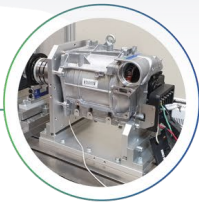
Traction Battery Pack*

Up to 15% reduction in size of battery pack



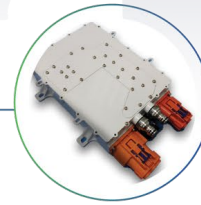
Power Inverter

Efficiency of $\approx 99.6\%$; Up to 50% reduction in size of DC-link capacitors; optimize use of semiconducting materials



Traction Motor

Efficiency gains of up to 13% (partial load) can generate up to up to 26% improvement in range; enables new advancements in motor technologies



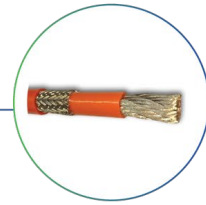
Onboard Charger

Elimination of onboard charger saves both cost and weight



Charger

Expanded charging capabilities

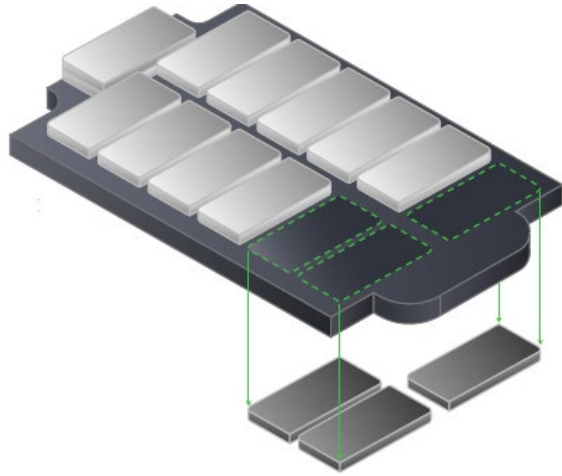


EMI Shielding

Reduction in EMI shielding/filters and improved system reliability

*Estimates based on battery pack size of 75 kWh, weight of 2,000 lbs. and cost of \$132/kWh

Supply Chain Impact Hillcrest ZVS Traction Inverter



**UP TO \$1,500 SAVINGS
in battery costs***

**UP TO 300 POUND
REDUCTION
in battery weight***

**UP to
15%***

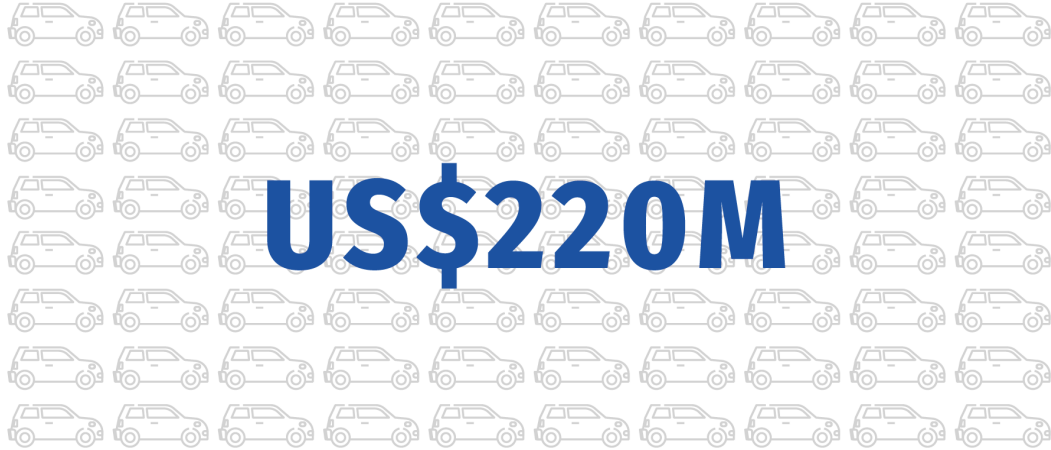
- Fewer battery cells
- Reduction in complexity of battery system
- Reduction in end-of-life battery waste
- Reduction in critical EV Battery minerals needed per vehicle
- Reduction in upstream GHG emissions associated with supplying critical EV battery minerals

*Estimates based on battery pack size of 75 kWh, weight of 2,000 lbs. and cost of \$132/kWh



US\$2,200
Costs saving per vehicle

Combined savings of up to \$1500 in battery pack savings* plus up to \$700 in other cost of materials savings



US\$220M

Costs saving for a **100,000-vehicle model run**

Benefits Across the Entire Powertrain System

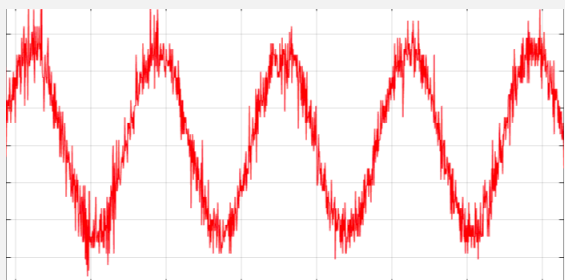
EVs - First Application of Hillcrest ZVS Technology

Current E-Mobility Challenge	Hillcrest ZVS Technology Solution	Customer Benefit
Range	Up to 13% improvement in motor efficiency (partial load) for increased range of up to 26%	Up to 26% improvement in range
Performance (Power)	Up to 13% improvement in system-efficiency for increased power and better motor control	Up to 13% improvement in power and capacity
Battery Weight*	Up to 15% reduction in battery pack	Up to 300 lbs and \$1,500 cost savings
Cost of Materials	Up to 50% reduction in capacitor size, reduction in EMI shielding	Up to \$500 cost savings
System Complexity	Elimination of onboard charger and booster with deployment of Enhanced Powertrain Solution	Up to \$200 cost savings
Charging Accessibility	Improved charging efficiency, speed and access at varying power levels (i.e. charging 800V vehicle on existing 400V chargers)	Up to 14% faster charging across a wider range of charging options

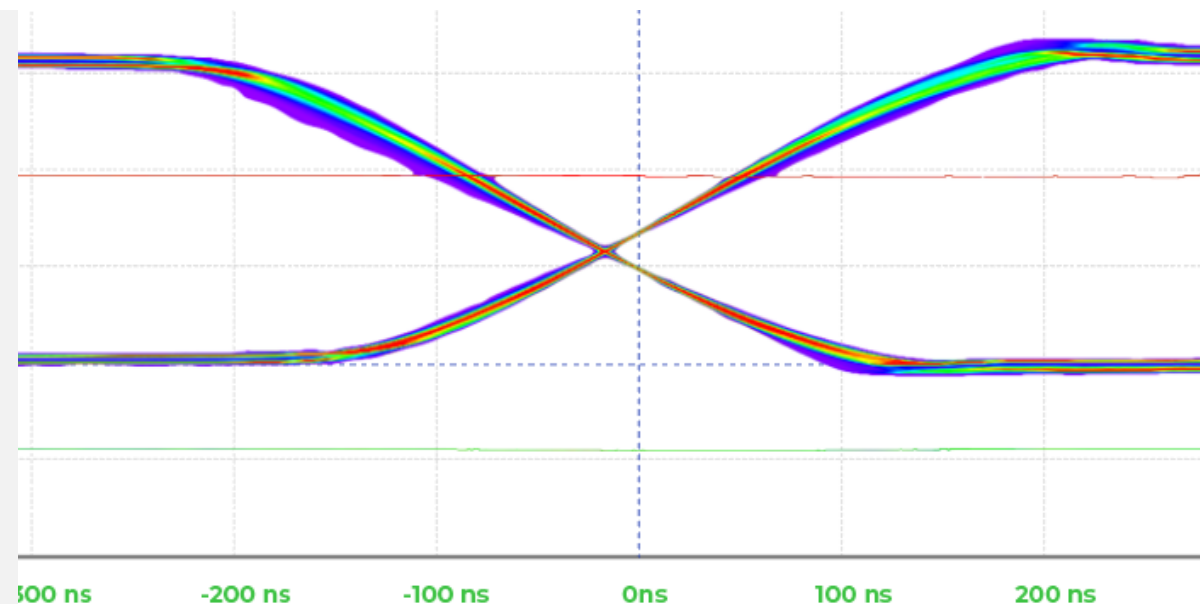
*Estimates based on battery pack size of 75 kWh, weight of 2,000 lbs. and cost of \$132/kWh

Recent Demonstration Results Confirmed by Global Tier One Supplier

- April 2023 demonstration test results confirmed by Global Tier One Automotive Supplier
- Extremely smooth voltage transition due to elimination of switching losses
- No overshoot or oscillation (ringing)
- Results suggest very low electromagnetic interference (EMI)



Example of conventional, hard switching waveform



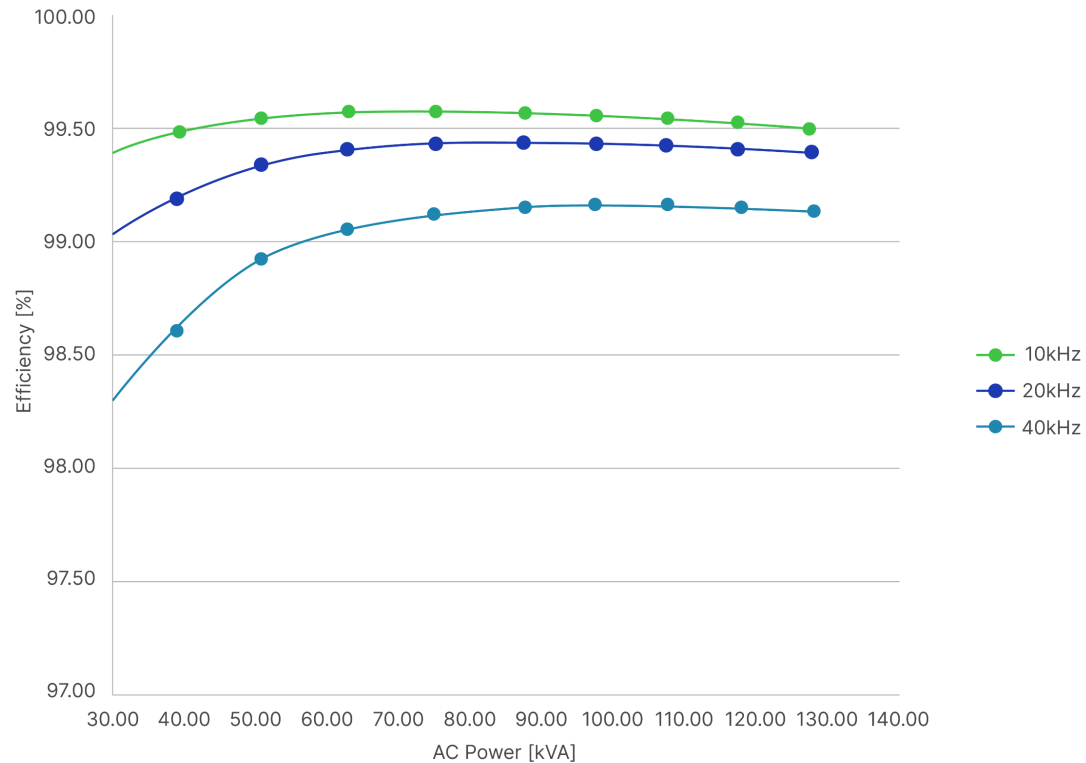
Infinite persistence capture of the drain-source voltage of a low-side switch of one of the three phases of the Hillcrest ZVS inverter. Testing at 640V, 170A peak AC, 40A DC, dv/dt is around 2V/ns; Switching frequency is 40kHz.

(Image captured using Teledyne LeCroy MDA 8108HD)

SCOPE IMAGE

Recent Demonstration Results

Attended by European Auto OEM



Testing at 800V, 6000RPM and up to 280Apeak AC

INVERTER EFFICIENCY AT 6000 RPM

- May 2023 live demonstration attended by European Automotive OEM using their motor
- Data captured during dynamic load testing
- Up to 99.6% inverter efficiency compares very favorably to conventional inverter peak performance average of 98.4%
- Marked advantage in electromagnetic interference (EMI)

Commercialization Update

Updates on Current Commercial Engagements

	HILLCREST BENCH PRE-TESTING (LOW LOAD)	HILLCREST BENCH SYSTEM TESTING (MAX BENCH LOAD)	NEGOTIATE COMMERCIAL SUPPLY AGREEMENT	
			CUSTOMER ON SITE SYSTEM DEMO (MAX LOAD)	LIVE INTEGRATED VEHICLE DEMO (MAX LOAD)
GLOBAL AUTO OEM 1	Complete	Complete	Q4 2023	TBC
GLOBAL AUTO OEM 2	Complete	Complete	Q3/Q4 2023	TBC
HERCULES ELECTRIC MOBILITY	Complete	Complete	Q3 2023	Q4 2023
GLOBAL AUTO SUPPLIER 1	Complete	In Process	Q4 2023	Q2 2024
GLOBAL AUTO SUPPLIER 2	Complete	Complete	TBC	TBC
GLOBAL AUTO SUPPLIER 3	Complete	Complete	TBC	TBC
GRID-CONNECT SUPPLIER 1	Q3 2023	Q4 2023 (Subsystem)	Q1 2024 (System-Level)	Q2 2024 Field Trial
NORMAL FUNNEL OF OPPORTUNITIES IN PLAY BEHIND THE GROUP OUTLINED ABOVE – OEM'S, SUPPLIERS, GRID-CONNECT INTEGRATORS, SUPPLIERS AND DEVELOPERS				

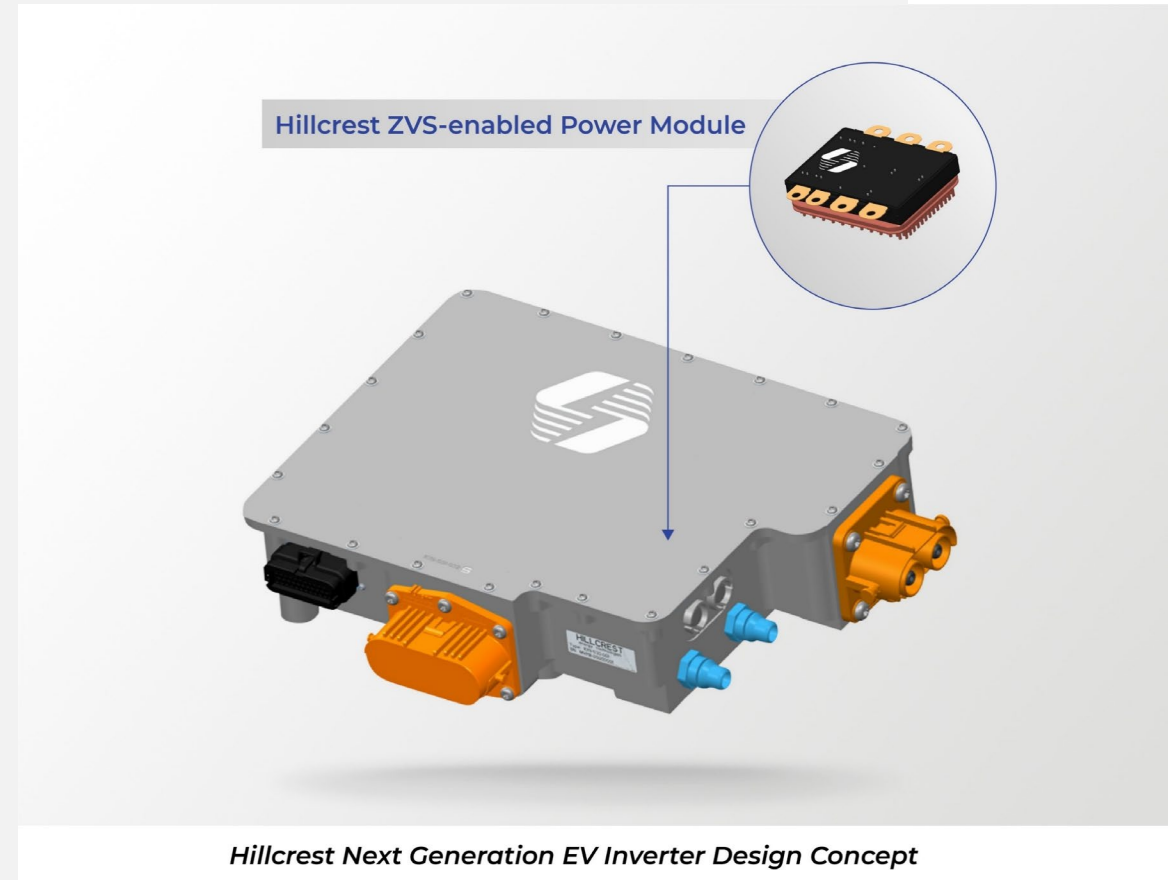
TBC = to be confirmed

Hillcrest will apply best efforts to secure commercial supply agreements with each customer. However, there is no guarantee such agreements will be secured.

Next Generation EV Inverter

Optimized with Hillcrest ZVS-enabled Power Module

- 350kW inverter expected to offer new levels of power density, system efficiency, performance and reliability for EV applications up to 1,000 volts
- Potential to reduce or even eliminate the need for EMI filters and shielding could save manufacturers hundreds of dollars per vehicle and reduce the overall weight of the powertrain



Product Roadmap

One ZVS Technology Platform - 5 Product Deployments

- ✓ Growing portfolio of patents, trade secrets and know-how
- ✓ All IP 100% owned by Hillcrest

JUST ANNOUNCED

Hillcrest ZVS Power Module

Q3 2023

Commercial Prototype
First-ever ZVS power module

Hillcrest Grid Inverter

Q3 2023

Proof of Concept

Hillcrest 1000V | 350kW SiC EV Inverter

Q4 2023

Commercial Prototype

Hillcrest Enhanced Powertrain Solution

Q1 2024

Proof of Concept
Universal, bidirectional charging architecture
Added to Hillcrest EV inverter

Hillcrest Multi-level Inverter

Q1 2024

Proof of Concept

Capital Overview



Stock Listing	CSE: HEAT OTCQB: HLRTF FRA: 7HIA
Basic Shares Outstanding	61.3M
Fully Diluted Shares Outstanding	81.8M
Warrants Outstanding (Average CAD\$1.68)	11.7M
Options Outstanding	3.7M
Restricted Stock Units	5.1M
Market Cap (August 31, 2023)	US\$28M
Insider Ownership	11%
3-month Daily Average Trading Volume	63,175

Summary

THE FIRST TO MARKET WITH A REVOLUTIONARY TECHNOLOGY PLATFORM

The Hillcrest ZVS technology platform is a **highly differentiated combination of proprietary hardware and control firmware** offering next-generation power conversion capabilities across **large and diverse market segments**, such as e-mobility and grid-connected power generation and storage.

NEXT-GENERATION CAPABILITIES + US\$2,200 SAVINGS PER VEHICLE

When applied to an EV, the Hillcrest ZVS technology offers new levels of efficiency, performance, and reliability not yet realized in the market. These benefits can be combined to offer up to **US\$2,200 in material savings per vehicle**.

SPEED TO MARKET

We've assembled an **experienced team** with **global networks**, allowing us to progress from an idea to a commercial prototype **in less than 2 years** while building a well protected, **100%-owned IP portfolio** and **strong global pipeline** of potential customers.

ACCELERATING TOWARD REVENUES

Management assumptions and projections for the EV segment alone suggest **revenues by 2025, breakeven in 2026 and profitability by 2027**. Future projections are anticipated to also include grid-connected applications such as power generation, storage and EV charging.





HILLCREST
energy technologies™

CONTACT US



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<https://hillcrestenergy.tech>

THANK YOU!

ENERGY SOLUTIONS POWERING THE FUTURE



Executive Team



DON CURRIE

CEO and Director

Trusted relationship and business builder with decades of North American equity markets exposure and public company financing success. Extensive experience owning and operating private businesses and serving on select public company boards.



SAMUEL YIK

Chief Financial Officer

Chartered Professional Accountant (CPA, CA) with more than 25 years of public company practice as well as extensive international hands-on management experience in senior financial, commercial and operational roles in companies with market caps of up to \$2 billion.



JAMES BOLEN

Chief Commercialization Officer

Veteran executive who is expert at leading innovation teams from concept development to commercial success. Mr. Bolen is the former president and CEO at Global Power Technologies USA, a global leader in ultra-reliable power systems for remote industrial architecture.



JAMIE L. HOGUE

Chief Operating Officer

More than 20 years of progressive experience in organizational development, operational management and policy leadership. Throughout her career, she's built diversified expertise in energy, water, natural resource and sustainability policy, communications and practice.



ARI BERGER

Chief Technology Officer

Expert in electrical machine control technologies, systems engineering and multi-disciplinary product design; over a decade of commercial experience with a track record of deploying new technologies and go-to-market strategies.

Advisors



DAN COKER
Hillcrest Strategic Advisor

Veteran automotive executive and pioneering entrepreneur possessing special leadership capabilities and global network. During his 20+ years as president and CEO of Gentherm, Mr. Coker stewarded remarkable growth from inception to a \$1 billion enterprise that fundamentally altered automotive thermal management.



DR. HEINZ-GEORG BURGHOFF
Hillcrest Commercialization Consultant

Automotive business and product strategy expert in vehicle electronics. Dr. Burghoff spent over 20 years with DaimlerChrysler AG, where he held various management positions in passenger car development, heading up electric/electronic development as well as directing battery technology and strategy.

Core Technical Team



ARI BERGER

Hillcrest Chief Technology Officer

Expert in electric machine control technologies, systems engineering and multi-disciplinary product design; more than 10 years of commercial experience with a track record of deploying new technologies and go-to-market strategies, specifically in the sector of electrification.



DR. JALAL AMINI

Hillcrest Senior Power Electronics Engineer

Senior power electronics engineer, possessing superior knowledge and experience in grid applications, power quality and renewable energies. He has designed and implemented a variety of power electronic devices including grid-connected devices such as a wind energy converter, active filters, fast chargers and energy storage systems, induction motor drives, and multilevel converters.



HARALD HENGSTENBERGER

Managing Director, Owner & Founder,
Systematec GmbH

Leader of the Systematec team and established electrical engineer with more than 25 years of experience designing, manufacturing, testing and validating hybrid and electric vehicle powertrains



JAMES HAMOND

Hillcrest Senior Technical Consultant

Having worked in the consumer, industrial and defense sectors, Mr. Hamond is a jack-of-all-trades, spanning hardware, embedded software, control and adaptive algorithms, register-transfer level (RTL), thermal management and mechanical design. He has worked with soft switching systems for over 15 years, most recently as CTO and co-founder of Pre-Switch Inc.

Board of Directors



DAVID FARRELL

Independent Chair

Mr. Farrell (B.Comm (Finance), LL.B, ICD.D) is President of Davisa Consulting, a private consulting firm working with global junior & mid-tier companies. He has over 25 years of corporate and investment banking experience, and has negotiated, structured and closed more than US\$25 billion worth of M&A and structured financing transactions.



MICHAEL MOSKOWITZ

Independent Director

Seasoned technology executive and previous leader of Panasonic's North American business operations. Mr. Moskowitz enables technological innovation in key areas, such as sustainable energy, smart mobility, immersive experiences, integrated supply chain and consumer lifestyle.



DON CURRIE

CEO and Director

Trusted relationship and business builder with decades of North American equity markets exposure and public company financing success. Extensive experience owning and operating private businesses and serving on select public company boards.



KYLIE DICKSON

Independent Director

Canadian CPA who has played a pivotal role in multiple financings and M&A transactions. She was previously VP of Business Development at Equinox Gold Corp., VP Business Development at Trek Mining, CFO for JDL Gold Corp., Anthem United Inc. and Esperanza Resources, and served as the Corporate Controller of Minefinders Corporation.

Board of Directors (Continued)



MICHAEL KRZUS

Director

Former CEO and Director of NYSE listed company with 38 years energy industry experience including senior technical and executive management positions with both large and small publicly listed companies in Canada, USA, Australia and the Netherlands.



ROBERT LAMBERT

Independent Director

Currently Deputy Chairman of Jadestone Energy Inc., founder of Ipex Energy Ltd. And a partner in Oilfield Capital International LLP. Over the past 12 years held positions of CEO of Petra Petroleum Inc., Senior Independent Director of Eland Oil & Gas PLC, CEO of GB Petroleum Ltd., and previously held various executive management and senior operational roles with Conoco Inc. over a 25-year international career.



TOM MILNE

Independent Director

Senior financial executive with extensive international experience in energy E&P, pipelines, oil sands & communication technology; served as director of both public and private companies including chairman of audit committee for AMEX-listed oil sands company.