

Happy Creek begins drilling at Fox tungsten

September 6, 2016 – Vancouver, British Columbia. Happy Creek Minerals Ltd. (TSXV: HPY) (the "Company") is pleased to announce that trenching and drilling has commenced on its 100% owned Fox tungsten property.

Further to the news release of June 27, 2016, a program of geology, trenching and core drilling totaling approximately 2,500 metres is underway. Work is initially planned to expand the project's existing resource by trenching and drilling possible extensions at the Ridley Creek, BN and BK zones then move the drill to the new untested South Grid.

David Blann, P.Eng., President, C.E.O. of Happy Creek comments: "The 100% owned Fox property in South Central B.C. is a great discovery with six zones found so far that are atsurface in a 10 km by 3 km mineral system. The Ridley Creek zone has an initial NI 43-101 open pit resource at an indicated grade of 0.468% WO3, and this and all other zones remain open to further expansion. From our experience with the Fox, it has always delivered and we look forward to continuing to advance it as an important new tungsten project in the western world."

The Company advises that a helicopter crashed during landing in good weather near camp with only the highly experienced pilot onboard. The pilot is currently resting in hospital and the Company sends its best wishes to the pilot and his family and we wish him a speedy recovery. We thank him for his superb service and thoughtful support to the start of this program. In addition, the Company would like to thank the Paycore Drilling crew for their demonstration of professional, well trained assistance to help the pilot out of the helicopter within minutes, and the B.C. air ambulance and medical team who arrived quickly to attend. After a short break, the Company has retained another helicopter and exploration work is unaffected by the incident and has resumed.

About the Fox tungsten property

The Ridley Creek (RC) zone has a pit constrained 505,000 tonnes indicated at 0.468% WO3 and 280,000 tonnes inferred at 0.456% WO3 at a 0.10% WO3 cut-off with a 4.1: 1 strip ratio and 45-degree pit slope angle. Within this are 240,000 tonnes indicated at 0.74% W03 and 129,000 tonnes at 0.67% W03 inferred at a cut-off of 0.40% W03. The deposit, and drill holes such as F13-19 with 26.3m of 1.19% WO3, including 3.66m of 4.60% WO3 is open to further expansion.

The BN target area is 250 metres by one kilometre in dimension. At the northeast edge, drill hole F12-27 returned 4.1m of 1.78% WO3 starting at surface, and further down-hole 14.8m of 4.0% WO3 and 24.0m of 0.79% WO3.

At the BK target, F12-20 returned 5.0m of 0.68% WO3 starting approximately 25.0m below surface and 35m from a trench containing 7.3m of 1.25% WO3 and 3.0m of 2.11% WO3.

The South Grid target is one kilometre by 500 metres in dimension, and four surface samples contain from 1.75-5.89% WO3, five samples contain from 0.35-0.76% WO3 and five samples contain from 0.12-0.26% WO3 (news release June 27, 2016).

The BN and BK targets have seen only cursory reconnaissance drilling while the South Grid remains untested by drilling. All zones remain open to further expansion, and much of the 10 km by 3 km mineral system remains under-explored.

On behalf of the Board of Directors,

"David E Blann"

David E Blann, P.Eng. President, CEO

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David Blann, P.Eng. is a Qualified Person as defined by National Instrument 43-101 and is responsible for the preparation and approval of the technical information disclosed in the news release.

This press release contains "forward-looking information" within the meaning of applicable securities laws, including statements that address capital costs, recovery, grade, and timing of work or plans at the Company's mineral projects. Forward-looking information may be, but not always, identified by the use of words such as "seek", "anticipate", "plan", "planned", "continue", "expect", "thought to", "project", "predict", "potential", "targeting", "intends", "believe", "opportunity", "further" and others, or which describes a goal or action, event or result such as "may", "should", "could", "would", "might" or "will" be undertaken, occur or achieved. Statements also include those that address future mineral production, reserve potential, potential size or scale of a mineralized zone, potential expansion of mineralization, potential type(s) of mining, potential grades as well as to Happy creek's ability to fund ongoing expenditure, or assumptions about future metal or mineral prices, currency exchange rates, metallurgical recoveries and grades, favourable operating conditions, access, political stability, obtaining or renewal of existing or required mineral titles, licenses and permits, labour stability, market

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