

Happy Creek completes 2016 Fox tungsten exploration

February 28, 2017 – Vancouver, British Columbia. Happy Creek Minerals Ltd. (TSXV: HPY) (the “Company”) is announcing a summary of exploration work completed in 2016 on its 100% owned Fox tungsten property, located northeast of 100 Mile House, in south central British Columbia, Canada.

Between May and October 12, 2016, the Company completed 2,330 metres of drilling in 28 holes, 79 metres of surface chip and channel sampling, 1.2 km of access trail construction between the BN and Ridley Creek zones, 61 contour soil samples between the BN and BK zones, and geological mapping with 23 rock samples collected for assay. A table of drill and trench results accompany this news release on the Company’s website. Initial exploration and drill results were announced June 27, September 26, October 24, and October 31, 2016. New results presented here include additional soil, rock, trench and drill results with a view to the exploration potential for expanding the current resource as announced January 26, 2017. Drill and trench results are uncut, intervals presented are measured down-hole and true widths are estimated to be 75 to 95 percent of the interval. Tungsten assays are reported as percent WO_3 (tungsten trioxide) as it is the compound for which prices are based, and is currently reported around US\$21.0 per Kg WO_3 while in 2012 it was around US\$40.0 per Kg WO_3 . For reference, a grade of 0.8% WO_3 contains 8.0 kg/tonne of WO_3 .

David Blann, P.Eng., President and CEO of Happy Creek states: “During 2016, we increased the Fox’s contained tungsten by two and a half times while being among the highest grade in the industry, and a good portion occurs in a low-strip, surface-cut setting. The inferred resource at the BN zone with 1.89 percent WO_3 is globally among the highest grade. In addition, new mineralized prospects found at surface are closing the gaps between the 708, BN, Ridley Creek and BK zones that span three kilometres, and the project is thought to hold great resource potential in the 10 km by 3 km mineral system. With less than one percent of North America’s tungsten consumption mined here, the Fox is on track to be an important new development project with excellent grade, size potential and proximity to infrastructure. We look forward to advancing this project further in 2017.”

Resources

On January 26th, 2017, the Company announced resources for the Ridley Creek and BN zones. Together, these zones now contain 486,000 tonnes grading 0.817% WO_3 (Indicated) and 361,000 tonnes grading 1.568% WO_3 (Inferred). For a portion of the Ridley Creek zone, there is 329,000 tonnes of 0.759% WO_3 (Indicated) within a pit shell having a strip ratio of 3.3:1. These grades are thought to be comparable to the Cantung mine located in the

Yukon/Northwest Territories, regarded as among the highest-grade deposits in the western world.

Exploration Results

Ridley Creek zone

In 2016, contour soil samples were collected at the southeast corner of the current Ridley Creek resource. In this area of the deposit, drill hole F11-2 contains 2.20 metres of 2.11% WO_3 starting at 7.15 metres and the mineralized zone remains open in extent. The soils returned positive tungsten values (11-183 ppm W) along strike to the southeast that suggest the mineralized zone may continue near surface for 200 metres further in this direction. On the southwest edge of the current resource, drill hole F16-09 returned several mineralized intercepts including 3.0 metres of 0.52% WO_3 . Approximately 150 metres along strike to the north of the Ridley Creek resource, a chip sample from the bottom of a 20-metre thick calc-silicate cliff returned 1.5 metres of 3.44% WO_3 and the mineralized zone is open in width. These results suggest there is good potential to expand the near-surface portion of the Ridley Creek resource in several directions.

BN zone

In 2016, drilling of nine holes at the BN zone together with those from 2012, have outlined an inferred resource of 254,000 tonnes grading 1.892% WO_3 . Drill holes F16-19 and F16-20 are the southern-most in this zone, and returned 6.0 metres of 0.56% WO_3 starting at 31.0 metres, and 5.0 metres of 0.97% WO_3 starting at 21.0 metres, respectively. These intercepts are closer to surface than the others further north. Approximately 150 metres south of these holes and at a lower elevation, large tabular shaped calc-silicate/skarn boulders were located at surface and are thought to be near where the zone will daylight to surface. At the north end of the BN resource, drill holes F16-22 returned 4.0 metres of 1.36% WO_3 and F12-27 returned 4.1 metres of 1.78% WO_3 at surface while the main resource layer intercept returned 14.8 metres of 4.0% WO_3 . Starting at 136.0 metres and not included in the current resource, F12-27 also returned 7.8 metres of 1.77% WO_3 (along with 0.64% zinc, 3.0 g/t indium, 6.8 g/t silver and 151 g/t bismuth) and the three mineralized layers remain open in extent to the north. On a larger scale, positive tungsten in soil and outcrop located in 2016 occur in a 1.5 km long zone to the southwest of the drilling. The 708 prospect is an outcrop with 2.0 metres of 1.52% WO_3 that is open in width. Much of the BN area is underexplored at surface. The BN target is situated near the contact between the favorable calc silicate host rock and the Deception stock, which is thought to be an ideal setting for high-grade tungsten skarn deposits to occur. Together, the results show excellent potential to expand the current BN resource.

BK zone

Trench sampling performed in 2016 has defined continuity at surface over a 20 metre strike length with 3.0 metres of 0.97% WO₃, 6.0 metres of 0.66% WO₃, and between these trenches, 3.4 metres of 3.42% WO₃. The variation in grade of the trenches reflect a complexity to the mineralized zone. The mineralized zone was traced at surface for another 80 metres south with a moderate degree of certainty and chip samples across poorly exposed outcrop returned 2.0 metres of 0.66% WO₃, and 0.60 metres of 0.38% WO₃ which remain open in width. A grab sample containing 1.31% WO₃ also occurs. Approximately 120 metres further south an outcrop containing 0.37% WO₃ in a grab sample was collected and the favorable geology was mapped continuously south to the Ridley Creek zone.

Fifteen metres southwest of the BK trenches, drill holes F16-11 (vertical) and F16-12 (-60 degrees) are oriented to the southeast and cut 1.0 metres of 0.46% WO₃ and 2.20 metres of 0.66% WO₃, respectively, and both intervals start at 12.5 metres down hole. The mineralized zone in the trenches is continuous through these drill holes from surface, while the grade and thickness is lower. Seventeen metres west of the trenches, drill holes F16-14 (-45 degrees) and F16-15 (-65 degrees) are oriented to the northeast and returned 5.2 metres of 0.70% WO₃ and 6.0 metres of 0.67% WO₃, starting at 20.8 and 10.0 metres, respectively. The mineralized zone remains open in extent with encouraging grade and thickness. The down hole depths to the top of the zone as compared with the surface mineralized zone in the trenches suggest post-mineral folding occurred. Folding of the mineralized zone allows potential for it to extend at least 50 metres east of the trenches where angular boulders returned values of 1.12% WO₃ and 4.65% WO₃. Additional drilling and trenching of the BK zone is planned to further expand the known mineralized zone and determine its resource potential.

South Grid zone

The South Grid target is defined by positive tungsten in soil in an area 1.25 km by 500 metres in dimension and in early 2016, twenty grab samples collected from widespread outcrop and angular boulders returned positive tungsten values. Four 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. At the end of the 2016 drilling program, three drill holes were lost or abandoned at a shallow depth due to deep, sinking mud conditions. The drilling confirmed the favorable calc silicate zones are up to 16.0 metres in thickness, and dip 25 to 35 degrees southwest. Assays include 2.0 metres of 0.15% WO₃ starting at 2.0 metres in F16-27 and the hole was lost at 19.6 metres. Drill hole F16-28 returned 1.5 metres of 0.13% WO₃ starting at 26.5 metres and this hole was also abandoned. A machine trench cleared off an eight-metre-long and approximately 0.60 metres wide portion of surface outcrop and grab samples collected at two metre intervals returned 0.22 – 0.54% WO₃. This zone remains open in extent along

strike and width. The South Grid target is thought to be insufficiently tested and may be compared to exploration at the Ridley Creek zone, where drilling returned 2.0 metres of 0.124% WO₃ that is located 100 metres from a drill hole containing 26.1 metres of 1.19% WO₃. Additional drill testing of the large scale South Grid is planned.

Associated metals

In addition to tungsten, results continue to indicate values of zinc, indium, gold, silver and bismuth occur and the Company's previous metallurgical tests with flotation are encouraging for a separate concentrate as potential by-product credits. Drill hole F16-03 includes 3.4 metres with 2.19% WO₃, 0.46% zinc, 3.0 ppm (parts per million or grams per tonne) indium, 129 ppb (parts per billion) gold and 456 ppm bismuth, and F16-17 includes 4.1 metres of 5.1% WO₃, 1.04% zinc, 3.9 ppm indium, 97 ppb gold and 301 ppm bismuth. Elevated silver values were returned in drill hole F16-10 with 2.0 metres of 11.0 g/t silver, and F16-17 with 2.85 metres containing 0.21% WO₃ and 100.0 g/t silver. The Company is monitoring and tracking the potential credits from by-products so that they may be included in a future resource estimate.

Plans

The Company is completing reports of work from 2016, updating the website and permits for an expanded program in 2017. Exploration on the Fox property continues to find new zones at surface, and drilling continues to expand mineralized zones with grades among the highest in the industry. The Company has received approval for additional Federal NSERC funding in 2017 to continue scientific studies conducted through the University of British Columbia. Plans for 2017 include further drilling to increase the size of the project resource base and perform various engineering and environmental studies with a view to potentially conducting a preliminary economic assessment.

The Company will be present at the PDAC in Toronto and have booth 2425 (b) on Tuesday March 7th and Wednesday March 8th at the Investors Exchange.

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. Drill hole intervals are down-hole measurements and while true thickness remains uncertain, they are estimated to be between 75-95 percent of down hole measurements. Drill core samples are derived from ½ core cut by rock saw and shipped to, prepared and analyzed at SGS Laboratories in Burnaby, British Columbia. Drill core and trench samples are digested and analyzed by aqua regia and ICP-MS as well as peroxide fusion and ICP-AES for percent tungsten (W), respectively. Over limit samples greater than 4 percent W are re-analyzed by XRF. W is multiplied by 1.261 to obtain WO₃ (tungsten trioxide) the compound for which tungsten prices are quoted. ICP-MS results are reported in ppm (parts per million) or ppb (parts per billion). Samples returning over 4,000 ppm zinc are assayed to provide percent zinc. For composites, zinc (ppm) is converted to percent by dividing by 10,000. The Company routinely inserts blanks, certified standards and duplicate samples within the submitted drill core batches submitted for assay as part of its quality control procedures.

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 conditions, availability of equipment, accuracy of any mineral resources, anticipated costs and expenditures. Assumptions may be based on factors and events that are not within the control of Happy creek and there is no assurance they will prove to be correct. Such forward-looking information involves known and unknown risks, which may cause the actual results to materially differ, and/or any future results expressed or implied by such forward-looking information. Additional information on risks and uncertainties can be found within Financial Statements, Prospectus and other materials found on the Company's SEDAR profile at www.sedar.com. Although Happy creek has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Happy creek withholds any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by law.

Fox Project Table of 2016 Drill Results

Zone	Hole	From (M)	Interval (M)	WO3 %	Zn ppm	In ppm	Au ppb	Ag ppm	Bi ppm
RC	F16-01	117.90	6.10	0.07					
RC	F16-02	NSV							
RC	F16-03	20.05	8.45	1.14	1058	0.6	35	0.5	108
RC	Includes	20.05	1.95	1.11					
RC	Includes	25.10	3.40	2.19	4640	3	129	1.9	456
RC	F16-04	NSV							
RC	F16-05	21.00	11.10	0.48	1818	0.82	10.6	0.3	27
RC	Includes	21.00	1.86	0.64					
RC	Includes	28.00	4.10	1.00	4309	2	23	0.6	57
RC	F16-06	20.00	1.00	0.28					
RC	And	27.50	1.00	0.67	687	0	5	0.3	18
RC	And	32.50	1.90	0.17					
RC	F16-07	36.90	1.70	0.65	3280	3	80	1.3	217
RC	F16-08		41.70	EOH- too short					
RC	F16-09	21.30	1.20	0.14					
RC	And	25.50	1.00	0.17					
RC	And	39.00	2.00	0.09					
RC	And	50.00	3.00	0.52					
RC	includes	52.00	1.00	1.37					
RC	F16-10	22.00	2.00	0.52					
	And	26.00	2.00	0.01				11.0	
BK	F16-11	12.50	1.00	0.46	4190	2	22	1.2	68
BK	F16-12	12.50	2.20	0.66	923	1	22	0.6	47
BK	F16-13	18.50	1.00	0.07	1260	1	26	2.0	30
BK	F16-14	20.80	5.20	0.70	1334	0.8	46	1.0	188
BK	F16-15	10.00	6.00	0.67	867	0.5	11	0.4	38
BK	F16-16	7.00	3.00	0.06	then into granite to EOH				
BN	F16-17	36.00	2.85	0.21				100.0	
BN	And	46.00	2.00	0.22	1900	1.0	2	0.3	1
BN	And	70.80	4.10	5.10	10466	3.9	97	1.8	301
BN	F16-18	50.00	9.13	0.41	2427	0.8	7	0.5	25
BN	Includes	56.10	3.03	1.07	5900	2.0	16	0.8	56
BN	F16-19	34.00	21.00	0.21					
BN	Includes	34.00	6.00	0.56	1296	0.5	5	0.5	25
BN	Includes	35.30	2.80	0.81	1320	0.5	5	0.5	49
BN	And	64.50	1.60	0.44	119	0.1	21	0.2	45
BN	F16-20	21.00	1.00	0.13					
BN	And	34.00	1.00	0.14					
BN	And	52.00	5.00	0.97	3968	1.5	7	1.3	73
BN	F16-21	48.00	2.00	0.05					
BN	And	52.00	2.00	0.05					
BN	F16-22	77.00	2.00	0.16					
BN	And	99.00	4.00	1.36	3725	1.9	23	0.9	64
BN	And	113.00	2.00	0.11					
BN	F16-23	58.00	9.50	0.12	198	0.1	2	1.0	15
BN	includes	58.00	2.00	0.30	218	0.12	4	3.7	53
BN	F16-24	62.50	2.00	0.24					
BN	And	70.00	10.00	0.02	2071	0.9	4.7	0.3	23
BN	F16-25		110.00	granite					
SG	F16-26	31.00	2.00	0.08					
SG	And	67.00	2.00	0.07					
SG	F16-27b	2.00	2.00	0.15	796	0.41	10	0.3	16
SG	F16-28	26.50	1.50	0.13					

Fox Project Table of 2016 Trench Results

Zone	Trench	From (M)	Interval (M)	WO3 %	Zn ppm	In ppm	Au ppb	Ag ppm	Bi ppm	comment
RC	RC-T-1	3.35	3.65	1.21	600	0.4	39	0.6	84	open below
RC	RC-T-2	8.00	3.50	1.53	1800	0.9	36	0.8	92	open below
RC	RC-T-3	8.10	5.00	1.25	500	0.3	21	0.5	68	open below
BK	BK-T-1	0.00	2.00	1.64	703	1.22	91	2.3	440	open both ways
BK	BK-T-2	0.00	2.00	0.66	234	0.4	58	0.9	211	open both ways
BK	BK-T-3	0.00	0.60	0.38	39	0.02	7	0.1	14	open both ways
BK	BK-T-1a	0.00	3.00	0.97	3200	1.7	59	1.4	202	open above
BK	BK-T-2a	0.00	6.00	0.66	547	0.6	23	0.8	97	open above
BK	BK-T-3a	0.00	3.40	3.42	13704	5.9	80	1.8	225	open above
BK	BK-T-1a1	0.00	0.50	0.62	1510	1.39	32	0.7	79	open below
SG	SG-1	0.00	8.00	0.30	sampling along strike: width estimated at 0.60m					