

Highland Valley area update:

What's going on? October 12, 2018

Please note Cautionary Statements at end.

<https://www.stockwatch.com/News/Item.aspx?bid=Z-C:GTC-2667922&symbol=GTC®ion=C.>

In the above Stockwatch article, it was revealed that at one point several years ago, Sumitomo had presented an offer for Getty Copper's Highland Valley property with an option to earn 75 per cent of the properties by paying \$2-million (U.S.) cash and spending \$18-million (U.S.) on property work, however no firm deal terms were finalized and appears the offer is withdrawn.

Highland Valley Copper (HVC) review.

Teck Resources' HVC is Canada's largest copper producer with around 145,000 tonnes per day of rock grading 0.19% to 0.29% copper going through their mill. After some 50 years of continuous production in the district, the existing open pits have become much deeper with increasing strip ratio's however, Teck has conducted several phases of pit wall pushbacks with at least some of that lower grade material going to the mill to offset the cost of removing it. There is still a substantial reserve/ resource of material on the books but in recent years, Teck has committed financial resources into exploration of their property. Other than announcing that portions of their past-producing Bethlehem deposits appear to be worth mining and permitting is underway, no other new discoveries elsewhere on the property are known. Sumitomo is a substantial shareholder of Teck and owns a copper smelter which probably takes HVC concentrate, known to be high-grade and metallurgically clean. Sumitomo is also listed as a potential financial partner for developing Teck's Quebrada Blanca copper mine in Chile (<http://www.mining.com/teck-seeking-partner-4-8bn-quebrada-blanca-mine-expansion/>).

Happy Creek Review

Happy Creek Minerals has 240 square km of mineral tenure (100%) that adjoin and surround the southern side of the HVC mine property. Happy Creek has discovered two new copper zones with drill grades comparable to other known deposits in this mining district. Zone 1 and 2 are thought to have near-term resource potential. Drill results from Zone 1 include 95m of 0.67% copper, 236m of 0.27% copper and Zone 2 has 152.5m of 0.35% copper, 0.06 g/t gold and 0.57 g/t rhenium, as well as 92.8m of 0.30% copper, 0.15 g/t gold. In 2017, a drill hole located east of Zone 2 returned 5.0 m of 4.4% copper, 0.21 g/t gold, 20.0 g/t silver, 0.031% molybdenum and 6.86 g/t rhenium that is open.

These new deposit discoveries are 6.5 km southeast of the Highmont open pit. Zone 1 and 2 contain dominantly bornite-chalcocite copper sulphide minerals and very little oxide.

The zones are open to expand. Preliminary metallurgical work indicates a sulphide concentrate of 39% copper for Zone 1 and an initial test of Zone 2 returned a cleaner concentrate with 36.2% copper, 7.49 g/t gold and 189.0 g/t silver. Also of interest is the potential for high rhenium in a molybdenum concentrate. Although insufficient material was available to fully complete the test, an early stage, partial concentrate returned 7.7% molybdenum and 627 g/t rhenium. So, if this could be carried through to a concentrate with 50% Mo, the rhenium would be 4.07 kg/tonne. Rhenium is a rare metal used mainly for jet engine parts or catalysts that make lead-free gas and has a current price of US\$2,844/Kg (Wikipedia-July 2018) and makes it a potentially attractive component of Zone 2. Results of the test work indicate both Zone 1 and 2 are metallurgically clean and compatible with standard copper concentrating processes.

In addition to the upside potential to expand and develop Zone 1 and 2, much of Happy Creek's 240 sq km property is under-explored and the Company is the first to assemble the current contiguous land package. The property has numerous copper prospects underlain by the favorable geology conducive to generating copper deposits. Comprehensive surface geological work aimed at locating large new deposits is advancing well.

For more information about Happy Creek's Rateria and West Valley property go to www.happycreekminerals.com

or view the Rateria-West Valley project presentation here:

https://www.happycreekminerals.com/assets/docs/presentations/HPY_Rateria-West_Valley_copper_Jan_2018-20180208071532.pdf

Getty Copper review

On the north side of the Highland Valley district is the Getty Copper property (TSX-V: GTC), which includes two known zones discovered and originally worked in the 1950's-1970's: Getty South (originally called the Trojan-South Seas prospect - 10km north of the past-producing Bethlehem open pits) and Getty North (originally called the Krain- 17km north of the Bethlehem pits). Both deposits have reported 2009 NI43-101 resources/probable reserves based on US\$3.29/lb copper and US\$29.0/lb molybdenum and contain an upper oxide copper zone, mixed oxide-sulphide zone and deeper sulphide zone. The NI43-101 report's first recommendation for both deposits is more drilling to further define the resources.

The proposed deal terms between Sumitomo and Getty are a few years old and considered unreliable however has suggested there is interest by large companies in the district.

Nicola Mining Inc (Nicola)

Nicola owns the past-producing Craigmont copper-magnetite skarn, a relatively high-grade deposit with 34m tonnes of 1.28% copper mined both by open pit and underground

between 1961-1982 and is located around 25km south of the HVC mill, at the southernmost end of the Highland Valley district. The southern end of Happy Creek's property is situated between Nicola's and Teck's property. Nicola has an 200 tpd mill and fully permitted tailings pond designed to custom mill gold-silver ore from smaller scale producers around B.C. Nicola has also performed exploration of its copper property. On October 3, 2016, Nicola announced that it had entered into an Exploration and Material Purchase Agreement with Teck Highland Valley Copper Partnership ("HVCP"), involving the former mine dump piles which contains copper values. Reverse circulation type drilling to investigate the quantity and quality of material that is assumed to be suitable for potentially trucking to Teck's mill was conducted, and further drilling is planned. Exploratory diamond core drilling was also performed. On September 25, 2018 Nicola announced that an angled drill hole directed southward towards the open pit had cut an interval of 73.6m of 1.05% copper that appears to be un-mined portions of the deposit beneath the pit high wall. Two more holes from this area are pending.

Cautionary statements

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