

Happy Creek to update Fox NI43-101 with new metallurgy results

May 26th, 2016 – Vancouver, British Columbia. Happy Creek Minerals Ltd. (TSXV: HPY) (the “Company”) announces it is updating its Fox tungsten NI43-101 report.

On December 1st, 2015, a 425 kg sample was delivered to SGS Laboratories of Vancouver, B.C. The sample was collected using pionjar drilling and nonel explosives from channels of the exposed vertical face of the skarn deposit at the Ridley Creek zone. At SGS, the sample was subjected to a program of test work conducted under the direction and supervision of Paul Berndt, FAusIMM, a Director of Happy Creek Minerals, who is a practicing metallurgist with significant prior tungsten experience. Detailed mineralogical investigations, specific gravity determinations and static heavy liquid separation tests at various sizes, as well as scouter tests of tabling, sulphide flotation and magnetic separation were carried out.

The Fox property contains scheelite (Ca WO₃), which contains the compound WO₃ (tungsten trioxide) that is targeted for separation and concentration.

Based on mineralogy work, SGS Laboratories has determined the bulk sample has an average specific gravity of 2.95 and a gravity concentrate consisting of the ≥ 3.5 g/cm³ fraction will contain 95.1% of the total scheelite and 18.1% of the mass. The mineralogy demonstrates that at a crush size of 2 mm, 80% of the mass can be rejected while maintaining high tungsten recovery.

After performing the tests, SGS prepared a general process flowsheet which anticipates grind, gravity (tabling), table concentrate to regrind, tabling cleaning, and concentrate with one option for sulfide flotation to remove sulphides followed by WHIMS (wet high intensity magnetic separation). The gravity tails (combined rougher and cleaner tails) would go to scheelite flotation. Several options remain to be explored that could refine the process further.

From the data, Mr. Berndt prepared a mass balance with reference to standard practice at operating tungsten mines. This trial has returned 75.8% of the WO₃ within a 68% WO₃ concentrate.

From this methodology, the Fox is thought to have potential to produce a concentrate having acceptable commercial grades and containing no deleterious elements that would effect its ability to be sold. A by-product containing zinc, gold, silver and indium values is also potentially achievable. Further phases of test work will include more detailed investigation and fine tuning which could be expected to improve the separation performance and lead to detailed process design.

An updated NI43-101 report will be filed on SEDAR shortly.

On behalf of the Board of Directors,

"David E Blann"

David E Blann, P.Eng.
President, C.E.O.

FOR FURTHER INFORMATION PLEASE CONTACT:

David Blann, President, CEO

Corporate Office:

Phone: 604.662.8310

Email: Info@happycreekminerals.com

Website: www.happycreekminerals.com

Corporate Communications

Ron Birch: Phone: 250-545-0383

Toll Free: 1-800-910-7711

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Mr. Paul Berndt, Fellow FAusIMM, is Qualified Person as defined by National Instrument 43-101 and is responsible for and has approved the technical information disclosed in this news release.

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