



Happy Creek Minerals Ltd. to begin 3,000 Metre Drill Program on Rateria-West Valley Property, supported by New Geological Targeting Information

Vancouver, British Columbia, July 13, 2020 – Happy Creek Minerals Ltd. (TSX-V: HPY) (“Happy Creek” or the “Company”) is pleased to announce that a 3,000 metre drill program has been approved by the Board of Directors on the Company’s 100% owned, 244 square km Rateria-West Valley property (the “Property”), which borders the south side of Teck Resources Limited’s Highland Valley Copper mine. The Company’s final selection of drill sites and contractors is under way and the drill program is expected to begin in early August on several new and existing targets.

The Company is also pleased to report exciting new results from the 2020 Phase 1 exploration program which comprised the application of new techniques of hyperspectral mineral and alteration studies. These studies will help guide the upcoming drilling program and provide greater potential for the discovery of new deposits that will have a positive impact for the Company’s shareholders.

The Phase 1 hyperspectral and geochemical study was led by Mr. John Ryan, Chief Geoscientist of HEG and Associates Exploration Services Ltd. (“HEG”). The HEG team utilized a portable X-ray fluorescence spectrometer (“XRF”) and a TerraSpec Halo mineral analyzer (spectral) to measure changes in the white mica composition, ALOH wavelengths and geochemistry at several deposits and prospects on Happy Creek’s Property.

The hyperspectral signature of porphyry deposits in the Highland Valley mining district has been well documented in recent studies (Alva-Jimenez, 2011, Alva-Jimenez et al., 2020, Lesage, 2020). Changes in the composition of white mica and chlorite have been linked to the alteration zonation of both the Valley-Bethsaida-Alwin and slightly older Bethlehem mineral systems. The information collected at Rateria-West Valley can be compared to this published data and will assist the Company in providing vectors towards the potential location of the highest-grade portion of a porphyry copper centre.

Mr. David Blann, President and Chief Executive Officer of the Company stated “There is tremendous value in using Mr. Ryan’s experience in applying these new cutting-edge tools including deposits of the adjacent Highland Valley Copper Mine. The upcoming drill program will test the proof of concept of this technology and, if successful, would provide a significant tool for exploring the Company’s large, prospective property.”

Highlights of Preliminary Hyperspectral, XRF Studies and Field Work

Zone 1

The Zone 1 copper deposit at Rateria is defined by 33 drill holes for over one kilometre in a northerly trend and to a depth of 400m, where it is open. Drill holes have returned 95m of 0.67% copper and 250m of 0.25% copper. Additional shallow drill holes containing positive copper values

and or alteration, suggests that the system continues for over one km to the west and northeast. HEG studied core from ten drill holes from the target and reported: "Mineralization is associated with white mica-clay alteration. Shifts in the white mica AIOH and Crystallinity suggests two populations: a "Sericitic" alteration event overprinting a potentially K-feldspar-stable "Potassic" white mica alteration. White mica results from the bottom of hole R11-24 indicates an environment similar to the Bethsaida zone on the edge of the Valley pit. West of Zone 1, the South Yubet trend displays a similar spectral response while trace element anomalies are also prospective for a porphyry system. These indicate that further exploration and potentially deeper drilling is warranted."

Zone 2

The Zone 2 deposit at Rateria is open to depth and several other directions and is different from Zone 1, containing copper, gold and high rhenium enrichment in molybdenite. Drilling in 2017 returned intervals including 105.5 metres of 0.37% copper, 0.14 g/t gold and 0.63 g/t rhenium. In 2020, two rock grab samples were collected from historical trenches about one km northeast of Zone 2. The two samples are approximately 100 metres apart and returned 0.60% copper, 0.03 g/t gold, 3.52 g/t silver, and 0.41% copper, 0.023 g/t gold, 2.17 g/t silver. Mr. Ryan studied six drill holes from Zone 2 and reports: "White mica in Zone 2 is dominantly of the "Sericitic" variety while Fe-rich chlorite mica is associated with much of the mineralization. Both chlorite and white mica is most prospective in hole R11-36 and indicate a similar setting to the Bethlehem mine mineral system." If Zone 2 is of Bethlehem age (older than Valley type systems), it would indicate a robust, long-lived focus of hydrothermal fluids occurred on the Rateria property and elevates the potential for large porphyry deposits to occur.

New Prospects

PIM

The PIM prospect at West Valley has never been drilled but is located in a large clearcut with many logging roads. It is located 5.5 km southwest of the Lornex pit and is hosted in the favorable Bethsaida and Skeena intrusive phases and cut by aplite dikes. As announced in the Company's news releases dated October 7, 2019 and December 20, 2019 the PIM prospect has returned encouraging results from rock sampling, mapping, and induced polarization (IP) and magnetic geophysical surveys. In 2020, a soil survey in this area confirmed and expanded historical results. Several anomalous trends occur in this area, the best being a two km north- northwest trend 50 metres up to 400 metres in width, with values up to 984 ppm copper. The widest portion covers greater than 400 metres by 400 metres and occurs in an area where grab samples collected in 2019 along a logging road cut returned 5m of 0.41% copper and 10m of 0.29% copper.

HEG partially mapped and performed the first hyperspectral study on the PIM and reports: "Veining roughly fits in the K-Feldspar, Muscovite, Sodic-Calcic and Propylitic assemblages. The presence of sodic-calcic alteration is a positive indication and has been shown to be spatially related to porphyry systems within the Batholith. Quartz-sulphide (bornite-chalcocite)-specularite veins associated with white mica may indicate alteration related to the fluids derived from the final cooling of a mineralizing intrusion. These sericitic fluids would presumably have continued above the porphyry environment. The spectral signature of the white mica suggests these to be of the

“Potassic” white mica similar to Zone 1 indicating relatively hot, acid formation conditions and could represent a distal focus of mineralization or the higher level expression of a yet to be identified porphyry. The abundance of malachite (copper mineral) suggests that much of the sulphide has weathered out and may be preserved at depth.”

A higher level expression of a porphyry fits with Happy Creek’s 2019 IP geophysical survey where a large scale and increasingly positive chargeability response occurs at depths of 250m to 500m (open), beneath the positive copper in soil and rock values that are associated with veining and alteration at surface. In addition, a “low within a low” magnetic signature over this target is consistent with magnetite destructive alteration in the rocks which is often associated with copper deposits in the district. The 2019 geophysics work suggests this low magnetic response extends to well beyond 3 km in depth. The PIM is thought to represent a brand new, high-quality large-scale copper exploration target and is a priority for drill testing.

Sho

On the Rateria property, the Sho prospect is located approximately 5 km southeast of Zone 1. Historical trenches, drill holes and outcrops contain positive copper at this showing and for a further 1.5 km to the southeast. The Sho prospect occurs in proximity with a pronounced northwest trending structure. HEG prospected and studied the Sho prospect and found “it has coarse muscovite in historical trenches that display white mica of a similar nature to the Alwin (mine) portion of the Valley-Bethsaida-Alwin system. Significantly, veining in the area is strongly controlled by west northwest structures, the same orientation reported in recent publications for porphyry systems of the batholith.” Additional hyperspectral and geology studies are planned here.

Rick

Research of historical exploration in the district indicated that in 1970, a copper showing was located in the far western portion of the West Valley property, however no rock samples or other information was known. In June, two field assistants located this showing and collected eight rock grab samples from subcrop and outcrop in an area approximately 100 X 50 metres. Three samples returned from 0.39 up to 0.64% copper, 3.18 g/t silver, and three others contained weakly anomalous copper ranging from 328 to 446 ppm. Pyrite-chalcopyrite occurs in fractures and selectively replaces mafic minerals within biotite, quartz, epidote and sericite altered intrusive rock which appears similar to the Fir prospect several km to the east. Small pieces of mineralized rock scattered in the glacial till were observed in an area approximately 400m by 200m. Additional geological work is planned here during the upcoming program.

About the Rateria and West Valley Property

The Rateria-West Valley mineral Property is 244 square km in size and is predominantly underlain by the Guichon batholith. The batholith also hosts Highland Valley Copper Mine, Canada’s largest copper mine with continuous production for over fifty years from numerous pits.

Happy Creek has discovered the Zone 1 and Zone 2 deposits, which have been partially outlined with 28,000 metres of drilling. These deposits contain drill grades consistent with currently mined deposits in the district. These are thought to have near-term potential for resource definition and are located approximately 6.5 km southeast of the Highmont open pits.

Zone 1 and Zone 2 contain drill intercepts including up to 95 metres of 0.67% copper and 152.5 metres of 0.35% copper, respectively. At Zone 1, positive copper values within porphyry style alteration occur in widely spaced drill holes in an area of approximately 1 sq km. In addition to copper, Zone 2 also contains notable rhenium in molybdenite and positive gold including 46 metres of 0.64% copper, 0.30 g/t gold, 1.16 g/t rhenium. Rhenium is a rare metal used in high-strength, high-temperature steel.

In addition, the Company has recently identified several other areas of the Property with potential for new copper discoveries that are untested by drilling. The Company considers the Rateria-West Valley Property to be a quality, under-explored copper exploration asset within a world class, highly productive copper district.

More information on the Rateria and West Valley copper properties can be found on the Company's website at www.happycreekminerals.com.

On behalf of the Board of Directors,

"David E Blann"

David E. Blann, P.Eng.
President and Chief Executive Officer

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David Blann, P.Eng., Director, 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. Results or information from an adjoining property does not infer that similar results or information will or does occur on the subject Property. Historical information from the subject or adjacent property cannot not be relied upon as the Company's QP, a term which was created and defined under NI-43-101 has not prepared nor verified that information.

Rock and soil geochemical samples were prepared and analyzed at ALS Chemex Laboratories in North Vancouver, B.C. Samples underwent a 4 acid digestion and ICP-MS analyses for 49 elements (ME-MS-61). Gold values in rock samples were provided by a 30 gm fire assay with AA finish (Au-AA23 and reported as PPM (g/t). Values reported in % are ppm/10,000.

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", "foresee", "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.