

Happy Creek Announces Closing of Sale of Highland Valley Project to Metal Energy

November 7, 2024, Vancouver, British Columbia – Happy Creek Minerals Ltd. (TSX:V HPY) (“Happy Creek” or the “Company”) is pleased to announce closing of the sale of the Highland Valley Project to Metal Energy Corp. (TSX:V MERG) (“Metal Energy”) as announced on October 4, 2024 (the “Transaction”).

Highlights

- Happy Creek has received the \$300,000 cash consideration payment from Metal Energy
- Happy Creek has received an equity consideration payment of 11,736,100 common shares in the capital of Metal Energy equivalent to 9.9% of the issued capital of Metal Energy
- Happy Creek will receive additional equity consideration payments equivalent to \$6 million, payable in Metal Energy common shares over the next 48 months. Any equity payments that would result in Happy Creek owning in excess of 19.9% of Metal Energy are payable in cash.
- Happy Creek has entered into a royalty agreement with Energy Metals whereby Happy Creek will receive up to a 2.5% Net Smelter Return royalty on all Highland Valley Project mineral claims. The NSR royalty is subject to a buyback of 1.5% for a cash payment of \$5 million.
- Metal Energy will begin exploration work at the Highland Valley Project immediately, with a minimum of expenditure of \$250,000 being completed by December 31, 2024.
- Happy Creek CEO, Jason Bahnsen, to be appointed as a non-executive Director of Metal Energy at the next AGM.

Happy Creek, President and CEO Jason Bahnsen commented *“We are delighted to announce the closing of the sale of the Highland Valley Project to Metal Energy. The initial cash and equity consideration payments received have a positive impact on Happy Creek’s balance sheet and position Happy Creek shareholders with direct exposure to further exploration success at the Highland Valley Project.*

Metal Energy has hit the ground running and is planning to complete an initial exploration program at Highland Valley before the end of the year. We look forward to seeing Metal Energy advance the exploration at Highland Valley to the benefit of both Happy Creek and Metal Energy shareholders. “

Transaction Closing Terms

The Transaction was executed pursuant to a property purchase agreement between Happy Creek Minerals Ltd (“Happy Creek”) and Metal Energy Corp. (“Metal Energy”) dated October 2, 2024, and an amendment dated October 3, 2024 (“Purchase Agreement”).

The closing of the Transaction is subject to the following conditions that have been met.

1. Happy Creek has completed the transfer of the Highland Valley mineral claims to Metal Energy
2. Happy Creek has received the \$300,000 cash consideration payment from Metal Energy
3. Happy Creek has received the equity consideration payment of 11,736,100 common shares in the capital of Metal Energy equivalent to 9.9% of the issued capital of Metal Energy
4. Metal Energy has agreed to conduct and file a minimum of \$250,000 in exploration expenditures on the Property by December 31, 2024
5. Happy Creek will receive additional equity consideration payments equivalent to \$6 million, payable in Metal Energy common shares over the next four years;
 - a. 1st anniversary of closing date of the Transaction, Metal Energy to issue \$1.0 million in shares to Happy Creek
 - b. 2nd anniversary of closing date of the Transaction, Metal Energy to issue \$1.0 million in shares to Happy Creek
 - c. 3rd anniversary of closing date of the Transaction, Metal Energy to issue \$1.5 million in shares to Happy Creek

- d. 4th anniversary of closing date of the Transaction, Metal Energy to issue \$2.5 million in shares to Happy Creek

Any equity payments that result in Happy Creek owning in excess of 19.9% of Metal Energy are payable in cash. (See Company news release of October 4, 2024 for full details.)

6. Happy Creek has entered into a royalty agreement with Metal Energy whereby Happy Creek will receive up to a 2.5% Net Smelter Return royalty on all Highland Valley Project mineral claims. The NSR royalty is subject to a buyback of 1.5% for a cash payment of \$5 million.
7. Pursuant to the Purchase Agreement, Metal Energy is required to complete financings with a minimum total of \$1.25 million on or before the date that is six months after the date hereof, and an additional \$1.25 million on or before the date that is twelve months after the date hereof (the “Financing Conditions”). In the event that the Financing Conditions are not met, or if Metal Energy misses a payment or does not complete the initial exploration expenditures, then the interest in the Property shall be transferred to Happy Creek in accordance with the Purchase Agreement.
8. No finders’ fees or commissions are payable by the Company in connection with the completion of the Transaction.
9. The completion of other typical transaction closing documentation and internal approvals by Happy Creek and Metal Energy

On behalf of the Board of Directors,

“Jason Bahnsen”

President and Chief Executive Officer

FOR FURTHER INFORMATION, PLEASE CONTACT:

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About Happy Creek Minerals Ltd.

Happy Creek is focused on making new discoveries and building resources in proximity to infrastructure on the Company's 100-percent-owned portfolio of diversified metals projects in British Columbia.

Projects include the Highland Valley Project (subject to sale to Metal Energy Corp as announced October 4, 2024), the high-grade Fox Tungsten deposit, the Silverboss molybdenum-copper-gold-silver project adjacent to Glencore's closed Boss Mountain molybdenum mine and the adjacent Hen-Art-DL gold and silver project.

Happy Creek is committed to responsible mineral resource development. The Company's priority is to build and sustain mutually beneficial relationships with Indigenous Communities in the territories in which the Company explores.

Additional information relating to Happy Creek Minerals Ltd. may be obtained or viewed on the SEDAR+ website at www.sedar.com or on the Company's website at www.happycreekminerals.com.

Forward Looking Statement

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this 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", "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.