

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

**Overview**

This Management's Discussion and Analysis ("MD&A") provides relevant information on the operations and financial condition of Happy Creek Minerals Ltd., ("Happy Creek" or the "Company") for the period ended October 31, 2020 and 2019. This MD&A has been prepared by management as of December 3, 2020 and includes information up to that date.

The MD&A supplements, but does not form part of, the interim financial statements of the Company for the period ended October 31, 2020 and 2019. The following MD&A should be read in conjunction with the interim financial statements for the nine month period ending October 31, 2020 and 2019 and the Company's audited financial statements for the years ending January 31, 2020 and 2019. The interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting* using policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Standards Interpretations Committee ("IFRIC"). The Company's significant accounting policies applied in the interim financial statements are the same as those applied to the annual audited financial statements as at and for the years ended January 31, 2020 and 2019. All monetary amounts in this MD&A and in the interim financial statements are expressed in Canadian dollars unless otherwise stated. Additional information may be found on SEDAR at [www.sedar.com](http://www.sedar.com), and [www.happycreekminerals.com](http://www.happycreekminerals.com).

The MD&A may contain "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](http://www.sedar.com). Although the Company 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. The Company 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.

The reader is cautioned that results or information from an adjacent property does not infer or indicate 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 Qualified Person ("QP"), a term which was created and defined under NI-43-101 has not prepared nor verified the historical information.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

**Overall Performance**

Happy Creek Minerals Ltd. (the "Company") is engaged in the business of acquisition and exploration of mineral properties in British Columbia, Canada. The Company's objective is to create value for shareholders by locating and defining new mineral deposit discoveries that are in proximity to mines and infrastructure, and partner or sell such deposits to a larger mining company for development and production. Under certain conditions the Company may carry a project to production. The Company has a 100% interest in 7 mineral properties totaling approximately 640 square kilometres of mineral tenure located in British Columbia, Canada. It also holds a 1% NSR on the Silver Dollar property in the Cambourne mining district of southeast B.C. Happy Creek has exploration discoveries at the Rateria-West Valley copper and Fox tungsten properties that are the current focus of the Company.

**Fox property:** The Fox is located 75 Km northeast of 100 Mile House in south-central B.C. The property contains a tungsten mineral system that is overall with dimensions of 12 km by 5 km, with high grades in a near-surface setting. The Company discovered the Ridley Creek, BN and BK zones and with approximately 12,500 metres of drilling has delineated 582,400 tonnes grading 0.826% WO<sub>3</sub> (Indicated) and 565,000 tonnes grading 1.231% WO<sub>3</sub> (Inferred). This amounts to 4.8m Kg (Indicated) and 6.958M Kg (Inferred) of WO<sub>3</sub>. These resources are open and among the highest grade in the western world. In addition, drilling at the Nightcrawler and South Grid prospects have returned intercepts that are above cut-off grade and remain open. Assays are pending. Drilling in 2019 and 2020 at the Nightcrawler zone has identified a mineralized zone with potential to add to the current resources and remains undefined and open. The Company has continued to conduct basic prospecting work in unexplored areas of the property and additional new areas with tungsten are being found notably on the west side of Deception Mountain, five Km from existing resources. A large-scale mineral system, resource grade and proximity to infrastructure are thought to make the Fox a rare and exceptional tungsten find. Plans include increasing the resource base and performing a preliminary economic assessment.

**Highland Valley (Rateria and West Valley) property:** Since 2004, the Company has assembled the current 244 square km Rateria and West Valley property. The properties adjoin and surround the southern side of the Highland Valley Copper mine property, Canada's largest copper producer having over 50 years of continuous production. The property also adjoins the north side of the past producing Craigmont copper mine property. Extensive glacial till coverage with few outcrops and historically smaller, irregular shaped and patchwork claims affected the efficiency of previous exploration. It is the first time in the long history of this productive copper district that this significant land package has been acquired 100% by one owner. With more recent and improved access through the property and more modern exploration technology and academic research available, the Company has discovered and partially outlined by drilling Zone 1 and 2 on the Rateria property, located 6.5 km southeast of the Highmont open pit. These newly defined zones contain similar copper grade in drill core typical of other Highland Valley deposits. In addition to the near-term resource potential in Zone 1 and Zone 2, the Company continues to generate additional targets having discovery potential in this world class mining district.

**Silverboss property:** With approximately 91 square kilometres of mineral tenure surrounding the past-producing Boss Mountain molybdenum mine, the Company has conducted systematic surface rock and soil sampling, geology, and geophysics. This work has identified several new potential bulk-tonnage copper-molybdenum-gold-silver targets that are untested by drilling. Highlights include 53.01 g/t gold, 343.0 g/t silver in grab samples and 9.29 g/t gold, 27.3 g/t silver over 1.17 metres at the Dogtooth zone and 9.25 g/t gold, 514.8 g/t silver over 0.25 metres and 2.52 percent copper, 6.21 g/t gold, 295 g/t silver and 6.76 g/t indium in grab samples at the Silverboss shaft. To the north, the Gus prospect is underlain by positive copper values in soil approximately 2 kilometres by 1 kilometre in area. In addition to the potential for molybdenum deposits adjacent to the former molybdenum

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

mine, the underlying geology and presence of copper and gold in rocks provide opportunity to discover typical Quesnel Trough style porphyry copper-gold deposits beneath glacial till covered areas.

Silver Dollar property: This property was purchased by Explorex Resources Inc. (now Raffles Financial Pte Ltd.) Happy Creek holds a 1% net smelter return royalty on the property which contains several zones with high-grade gold-silver and base metals in outcrop, historical mining and drilling.

Hawk property: The property is underlain by geology of the Quesnel Terrane, which hosts numerous copper, copper-gold deposits and mines in B.C. The Company has conducted systematic geochemistry, geology, geophysics, trenching with limited drilling. Property results include chip sampling at the Main zone with 0.88% copper and 1.07 g/t gold across 5.0 metres and boulders nearby contain up to 4.5% copper and 18.0 g/t gold. Historical drilling approximately 100 metres north of the Main zone returned 3.0 metres grading 0.79% copper, 1.73 g/t gold, 9.43g/t silver and 1.83 metres containing 0.93% copper, 3.1 g/t gold and 12.34 g/t silver. The Company's exploration work has confirmed the property holds good potential for bulk tonnage alkalic porphyry copper-gold-silver deposits and is ready for drill testing.

Hen & Art-DL property: Prospecting, rock and soil sampling, trenching and reconnaissance drilling has identified several new gold skarn prospects at the Hen property. Trenching returned 2.1 metres of 3.98 g/t gold and 2.0 metres of 4.20 g/t gold and up to 35.06 g/t gold in grab samples at the Hen and Dyke zones, respectively. The DL property contains sediment-hosted gold-silver prospects sharing geological similarities with the Spanish Mountain deposit (Spanish Mountain gold Ltd. website 243mt @ 0.43 g/t Au M&I), Fraser Gold (Kore Mining) to the north. Up to 42 g/t gold over 1.0 metre in a quartz vein occur at the DL adit and to the southwest, drill hole GL10-3 returned 72.5 metres of 4.03 g/t silver including 20.0 metres of 8.5 g/t silver.

### **Exploration updates**

The following is an overview of the Company's properties with a summary of results from the most recent years. Please refer to the Company's website, news releases and filings on SEDAR for additional details, maps, photos and other information.

#### **Fox Tungsten Property**

An updated resource estimate was announced on February 27, 2018. The total Indicated Resources for the Ridley Creek zone amount to 582,400 tonnes grading 0.826% WO<sub>3</sub> and the total Inferred Resource is 565,000 tonnes grading 1.231% WO<sub>3</sub> for the Ridley Creek, BN and BK Zones combined, using a cut-off grade of 0.45% and 0.175% WO<sub>3</sub> for underground and open pit resources, respectively. These cut-off grades are today the highest in the industry, providing more confidence in the resource's reasonable prospects of extraction. The open pit portion of the resources have an approximate 3:1 strip ratio.

On November 21, 2018, the Company announced that surface sampling and mapping to the south of the defined Ridley Creek deposit located numerous new outcrops with tungsten assays up to 0.35m of 7.43% WO<sub>3</sub>. This work has improved the potential to expand resources between the Ridley Creek and BN deposits, a one km distance.

On March 25th, 2019, the Company announced the location of high-grade silver in quartz veins at the far south end of the property. Samples returned up to 519 g/t silver, 7.3 % lead, and 81 ppm tellurium and greater than 2,000 ppm bismuth. Calc silicate nearby suggests potential for tungsten mineralization to extend several km further south of the South Grid zone. At low elevations on the west side of Deception Mountain, numerous stream

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

sediment samples returned 14-15 ppm and up to 42 ppm tungsten that are similar values as those occurring below the known deposits on the east side of the mountain. The results suggest potential for the favorable tungsten-bearing host rocks to occur nearby that could possibly be connected through Deception Mountain to the BN-Ridley Creek deposits on the eastern side, approximately 5 km.

On September 30, 2019, the Company announced that two drill holes totaling 372.5 metres were completed at the Nightcrawler zone. On November 4, 2019, the Company announced drill hole F19-02 returned 6.3 metres of 0.43% W<sub>2</sub>O<sub>3</sub> starting from 71.5 metres that combined with five other widely spaced holes in this area show potential for a new tungsten deposit. In early January, a wireframe and target volume shows significant resource potential occurs and further drilling is warranted.

On July 20<sup>th</sup> and August 24<sup>th</sup>, 2020, the Company announced that due to recently constructed logging roads, access and the first detailed exploration of the western side of the Fox property is possible. Boulders and outcrop containing scheelite (tungsten mineral) were located and thought to be significant as this favorable geology may be an extension of the resource-bearing geology, 5 km up dip to the east.

On September 9, 2020 the Company announced that drilling is underway on the Nightcrawler Creek zone. On October 15<sup>th</sup>, the Company announced completion of 1,119 metres in seven drill holes. Assays are pending. A large step out hole to the east returned positive tungsten under UV light and indicates the large-scale mineralized zone remains open in that direction.

Highland Valley Property (Rateria and West Valley claims)

The Company has discovered by drilling Zone 1 and 2. Results from drilling include 95.0 metres of 0.65% copper and 250.0 metres of 0.25% copper from Zone 1, and 152.5 metres of 0.35% copper, 0.06 g/t Au, and 105.5m of 0.37% copper, 0.14 g/t gold, 0.005% molybdenum and 0.63 g/t rhenium in Zone 2. In 2017 drilling expanded Zone 2 with R17-05 returning 105.5 metres of 0.37% copper, 0.14 g/t gold, 0.005% molybdenum and 0.63 g/t rhenium. A 200 metre step out hole to the east returned 5.0 metres of 4.41% copper, 0.21 g/t gold, 20.0 g/t silver, 0.031 % molybdenum and 6.86 g/t rhenium in R17-02.

During 2018 and 2019, geological mapping was performed over the property.

On October 7, 2019, the Company announced that field geology identified two priority areas of the West Valley portion of the property that show potential for porphyry style copper mineralization called the Abbott and PIM prospects. At the PIM, recent logging road construction cut two outcrops of copper mineralization and initial grab samples collected across two zones returned 5m of 0.41% copper and 10m of 0.29% copper with trace molybdenum. The Company performed induced polarization geophysical surveys on the Abbott and PIM areas and positive results were announced December 20, 2019 that indicate a one km diameter annular-shaped chargeability anomaly occurs beneath and adjacent the surface copper showings.

On May 21 and June 8<sup>th</sup>, 2020, the Company announced the start and completion of Phase 1 field work at the Rateria and West Valley property, respectively. This work in part utilized an XRF and short wave infra red spectral tool (TerraSpec Hero) to study hydrothermal white micas within existing drill core and several surface prospects. The goal is to correlate Happy Creek's zones and prospects with those data recently published and known to occur on the adjacent Highland Valley Copper Mine property with respect to copper deposit centres.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

On July 13<sup>th</sup>, 2020, the Company announced results of a hyperspectral study performed on Zone 1, 2 and a few other surface copper showings on the Rateria and West Valley property. The results suggest the porphyry copper style alteration is closely comparable with that found next door at the producing Highland Valley Copper mine, and there is opportunity to discover similar deposits in or near Zone 1,2 at Rateria and the untested PIM target on the West Valley property. The board has approved a 3,000 metre drill program to test several drill targets including some enhanced by the hyperspectral results.

On October 15<sup>th</sup>, the Company announced that a drill is being mobilized to the property to test the PIM target for the first time and follow up on previous encouraging results in Zone 1 and Zone 2.

Hen and Art-DL property

During July until early September 2018, the Company began prospecting along newly constructed logging roads that revealed rock outcrops within areas that have never seen any form of exploration. On September 25, 2018 the Company announced that a new prospect (Crane) was located where the first angular boulder collected beside a new logging road returned 7.6 g/t gold, 2.08% lead, 4.02% zinc and 0.16% copper. Follow-up prospecting suggests this sample is not far from source as other samples nearby returned geochemically elevated values of gold, copper, lead, zinc, arsenic and antimony. An outcrop chip sample two metres west of the high-grade sample returned 2.5m of 0.88% copper, 67 ppb gold. Quartz veins up to 1.5m in thickness occur over a strike length of a km beyond the Crane prospect and returned positive gold pathfinder elements with up to 299 ppm antimony. On the Ledge prospect, rock samples returned values up to 2.13 g/t gold in an angular boulder while nearby outcrop and subcrop contain 15-550 ppb gold along with elevated arsenic- a gold pathfinder. On the Ledge prospect, the sampling and geology work completed as well as airborne geophysical data suggest a minimum one km long by 350 m wide zone of positive gold-arsenic values warrant soil geochemical and induced polarization surveys followed by trenching and drilling. The Company has been notified that new road construction and logging activities are planned during 2020 on the Hen and Art-DL properties. Prospecting these un-explored areas is planned.

### **Mineral Property Transactions**

The Company is active in its exploration and prospecting business, which requires from time to time, the acquisition or disposition of mineral claims which depend on uncertain factors such as opportunity, cost, market conditions and financial resources available. For mineral claims that are relinquished there can be no assurance that such property does not contain economic resources. The Company is registered as a Free Miner in British Columbia that allows it to stake its own mineral claims. The Company may see an appropriate opportunity to increase its existing mineral properties by staking claims directly itself, or may acquire from arm's length individuals, mineral claims for cash-only payments of less than \$10,000. These transactions are conducted in the normal course of its business activity. Larger property acquisitions involving option payments, work commitments and share issuance are described below.

#### Highland Valley District

##### *Rateria*

In 2004 the Company acquired an option to earn a 100% interest in the Rateria Property located approximately 10 kilometres southeast of Teck's Highland Valley copper-molybdenum mine concentrator near Logan Lake, British Columbia. To earn its interest, the Company paid \$155,000 to the Optionor, issued 950,000 shares and spent

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

\$500,000 on exploration. The Company's interest in the Property is also subject to a 2.5% net smelter royalty ("NSR"). The Company at its own option may buy down the NSR by 1% for a payment of \$2,000,000 or purchase 100% of the NSR for \$3,000,000. On June 24, 2008 the Company paid the final \$50,000 and issued 250,000 shares to acquire a 100% interest in the Rateria property.

During the year ended January 31, 2009 the Company purchased a 100% interest from an arm's length individual, mineral claims totalling approximately 1340 hectares (13.4 square kilometres) that adjoin the Rateria property to the south. The Company paid \$25,000 in cash and granted a NSR of 2% with the Company having the right to purchase the NSR for a lump sum of \$3,000,000.

On June 5<sup>th</sup> 2012, the Company announced it had acquired by staking or paying less than \$5,000 cash to arm's length vendors for a 100% interest in 309 hectares of mineral claims on the south side of the Rateria property.

On October 8<sup>th</sup> 2013, and pursuant to the terms of an Option agreement with an arm's length vendor, the company acquired the right to a 100-per-cent interest in certain minerals claims known as the Tyner Lake property. The Tyner Lake property consists of 18 mineral claims that total approximately 22.5 square kilometres in area. By way of consideration, the company will make cash payments totalling \$30,000 (\$10,000 paid) and will issue 500,000 shares (250,000 issued) at a deemed price of 15 cents per share by September 15<sup>th</sup> 2014. The property is subject to a 2-per-cent net smelter return (NSR) in favour of the Optionor, which may be repurchased by the company for \$2-million. On February 8<sup>th</sup> 2014, the Company announced the completion of the Tyner Lake option under an amendment. Under the amended agreement, the company paid a total of \$25,000 cash and issued 250,000 shares, and the vendor retains the NSRR as above, while all other terms and conditions remain the same.

Between 2013 and April 2016, the Company staked claims for its own account that joined the Rateria and West Valley property. On April 6, 2016, the Company acquired by staking, a 454.15 Ha claim that adjoins the south end of the Rateria (Tyner) property.

On September 8, 2017, The Company announced that is has expanded the Rateria property by 14.52 square kilometres, through purchasing from two arm's length vendors a 100% interest for a combined total of \$30,000 in cash and issuing 50,000 shares of the Company, and by staking 11.95 square kilometres for the Company's account. The new mineral tenure covers a large part of an area historically known as the Chataway property which contains a number of known mineral prospects.

*West Valley*

In October 2008 the Company purchased a 100% interest for \$25,000 in 49 mineral claims totaling approximately 9,175 hectares (91.75 square kilometres) that are located approximately four kilometres west of the Rateria property. Several additional claims were also acquired for less than \$5,000 in cash.

On June 5<sup>th</sup> 2012, the Company announced it has acquired the Abbot property, consisting of 2,911 hectares (29.1 square kilometres) adjoining the south side of the company's West Valley property. To earn a 100-per-cent interest in the Abbot property, the company must pay to an arm's-length vendor a total of \$15,000 in cash and issue 350,000 shares by May 30, 2013. The vendor retains a 0.5-per-cent net smelter return (NSR), with the company having the right to purchase the NSR for \$1-million.

On May 27<sup>th</sup> 2013, the Company announced it has completed the payments and obtained title for a 100% interest into the Abbot property which will be a part of the West Valley property going forward.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

*BX*

On June 6<sup>th</sup>, 2011, the Company announced it has negotiated an Option agreement with an arm's length party to earn a 100% interest in the BX property located in Highland Valley, BC. The BX property is approximately 11.5 square kilometres in area and adjoins Teck's Highland Valley Copper mine property, approximately six kilometres from the former Bethlehem deposits, the first copper mine in the camp.

On February 9, 2012 the Company was notified that the vendor of the BX property had lost title to the property. On April 2, 2012, the Company announced a settlement whereby the Company received from the BX property vendor, \$35,000 in cash, return of 50,000 shares of the company, and a 100% interest in the Silver Dollar and Windflower properties located approximately 45 kilometres southeast of Revelstoke, B.C. These properties are described hereafter as the "Revelstoke Property".

*Cariboo Property*

In 2005 the Company acquired from three individuals, including one current director of the Company, a 100% interest in five mineral properties located in the South Central Cariboo Region, approximately 80 kilometers northeast of 100 Mile House, British Columbia. To acquire its interest, the Company issued 5,000,000 common shares and paid \$25,000 to the Optionors and spent \$160,000 on exploration. The Company's interest in the Property is subject to a 2.5% NSR, of which 1% can be purchased by the Company for \$2,000,000. The Property is comprised of 5 groups of claims known as the Silverboss, Fox, Hen, Art-DL and Hawk claim groups.

*Grey*

During the year ended January 31, 2008 the Company entered into an option agreement to earn a 100% interest in the Grey property ("Grey Option"), approximately 6.0 square kilometres in area that adjoin to the south of the Company's Hawk property. Under the terms of the Grey Option, the Company has the right to earn a 100% interest in the Grey property by making staged cash and share payments over 5 years that total \$100,000 cash and 300,000 common shares of the Company. During the period ended July 31 2010, the Company completed its final payment of \$60,000 and issued 150,000 shares and now owns a 100% interest in the Grey property, subject to a 2.0% NSR. Under the terms of the Grey Option with the Vendor, the Company may purchase half of the NSR from the vendor for \$1,000,000. The Grey property is combined with the Hawk property and together is now referred to as the Hawk property.

*Gus*

During the year ended January 31, 2008 the company entered into an option agreement to earn a 100% interest in the Gus Property that is approximately 25 square kilometres in area and adjoins the Company's Silverboss property. The property also includes the single Eye claim, located by itself and 4 kilometres to the northwest of the Gus property. To acquire its interest the Company must issue to the vendor 300,000 common shares and pay \$50,000 over a three year period. The Property is subject to a 1.5% NSR, which the Company can buy back at any time for \$1,500,000.

As of April 30, 2010, the Company had completed its earn-in and now owns a 100% interest in the Gus and Eye Property, subject only to the NSR disclosed above. In the future, results from the property will be included as part of the Silverboss property.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

On December 15, 2008 the Company purchased from an arm's length party a 100% interest in five mineral claims totaling approximately 1,867 hectares (18.67 square kilometres) that adjoin the Company's Silverboss property and in part the former Boss mountain molybdenum mine. These mineral claims were purchased for a total of \$15,000 cash and the issuance of 50,000 shares from treasury. The Company also acquired from arm's length individuals a 100% interest in several mineral claims adjoining the Silverboss, Hen and Fox properties for less than a total of \$5,000.

#### Golden Ledge

During the year ended January 31, 2010, the Company entered into an option agreement with an unrelated third party to acquire one additional mineral claim (Golden Ledge) adjacent to the south side of the Art-DL property, and adjoins to the north, Spanish Mountain Gold's Thunder Ridge property. Under the terms of this new option agreement, the Company must make aggregate cash payments of \$150,000 (\$25,000 paid) issue an aggregate 850,000 common shares (150,000 issued) of the Company to the vendor, and incur \$700,000 in exploration expenditures over four years in order to earn a 100% interest in this additional claim, subject to a 2% NSR. The NSR may be purchased by the Company for \$1,000,000 for the first 1% NSR and \$1,500,000 for the second 1% NSR. During the period ending October 31, 2010, the company completed detailed soil sampling, prospecting, rock sampling and six drill holes on the property. The Golden Ledge Option was subsequently dropped and the property returned to the vendor.

#### Hawk and Grey property Joint Venture

During the year ended January 31, 2010, the Company signed an Option Agreement with Jiulian Resources Inc. (TSX-V:JLR) whereby Jiulian can earn up to a 65% interest into the Hawk and Grey property by paying the Company \$150,000 in cash, issuing 700,000 shares and conducting \$1.2 million in exploration expenditures on the property over four years. Jiulian relinquished its option and returned the property to the Company in March 2011. The Company has received data collected by Jiulian for work conducted during 2009 and 2010.

#### Eye Property Option

On July 20<sup>th</sup>, 2011 the Company announced it has an Option agreement with Newmont Mining Corporation (Newmont) for the Company's Eye mineral claim (1.2 square kilometres) in south central British Columbia (B.C.) Canada. To earn a 100% interest in the Eye property, Newmont must pay the Company a total of \$368,000 in cash and perform \$280,000 in exploration, in annual stages over a five-year period. If Newmont elects to purchase the property it will grant to the Company an NSR (Net Smelter Royalty) of 0.5%, with payments up to a collective maximum of \$1.5 million. In addition, Newmont will cover the underlying Royalty obligations to the previous owner. On June 18<sup>th</sup>, 2012 the Company announced that Newmont has made its first anniversary (second) payment to continue its Option on the Eye property. On June 17<sup>th</sup>, 2013, the Company announced that Newmont has dropped the Eye property Option and returned the property in good standing until August 22, 2022.

#### Silver Dollar Property Option

On May 12<sup>th</sup>, 2016, the Company announced that it has optioned the Silver Dollar property to Explorex Resources Inc. ("Explorex") (now Raffles Financial Pte Ltd.). Under the Terms of the Option Agreement, Explorex can earn a 100% interest in the Property, subject to a 1% Net Smelter Royalty retained by the Company, by making the following payments, share issuance and exploration work commitment: \$20,000 cash within the earlier date of 5 days of TSX Exchange approval of closing a proposed Explorex financing, or by June 30<sup>th</sup> 2016

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

(completed) a minimum \$100,000 work commitment within 6 months of signing (the “Due Diligence Period”), 300,000 shares within 20 days after the Due Diligence Period, 300,000 shares within 12 months after the Due Diligence Period, and 1,000,000 shares within 18 months after the Due Diligence Period. After the Period ending October 31 2016, the Company and Explorex amended terms of the agreement to extend the due diligence period by six months, and reduce the final share issuance to 500,000 shares (from 1,000,000), for a total share issuance of 1,100,000 should the option be completed. On April 21, 2017, a further amendment to the Silver Dollar Option was announced by Explorex that extends the due diligence period from May 11, 2017 to July 31, 2017 to allow more field time during snow-free conditions but will still issue 300,000 shares of Explorex to Happy Creek on or before May 11, 2017. These shares have been received by the Company. On August 21, 2017, Explorex announced that it has spent \$100,000 on due diligence and exploration on the Silver Dollar property. As of July 18 2018, the Company announced that Explorex has spent a minimum \$100,000 on the property, paid \$20,000 in cash and issued a total of 1.1 million Explorex shares to the Company, and that Explorex has now earned a 100% interest in the Silver Dollar property, subject to Happy Creek retaining a 1% NSR.

Other

During 2018, happy Creek acquired for its own account by staking 2,619 Ha on its Rateria-West Valley property, and 1,985 Ha around the Fox, Art-DL-Hen property.

**Financial Results of Operations**

The following is a summary of selected financial data for the Company for the three most recently completed years, accompanied by a discussion of those factors affecting the comparability of the data, including, where applicable, discontinued operations, changes in accounting policies, significant acquisitions or disposals and major changes in the direction of the Company's business.

As at and for the year ended	Prepared in accordance with IFRS		
	Jan. 31, 2020	Jan. 31, 2019	Jan. 31, 2018
Interest revenue	\$ 8,288	\$ Nil	\$ 7,681
Comprehensive loss	\$ 657,280	\$ 410,731	\$ 755,854
Basic net loss per share	\$ 0.01	\$ 0.00	\$ 0.01
Total assets	\$ 18,009,328	\$ 17,118,918	\$ 17,376,999
Basic weighted average number of shares outstanding	97,546,743	92,272,106	83,208,151

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

The following is a summary of selected financial data for the Company for the eight most recently completed quarters.

For the quarter ended	Prepared in accordance with IFRS for interim reporting							
	Oct 31 2020 \$	July 31 2020 \$	Apr 30 2020 \$	Jan 31 2020 \$	Oct 31 2019 \$	Jul 31 2019 \$	Apr 30 2019 \$	Jan 31 2019 \$
Interest revenue	259	381	382	7,345	22	-	921	(3,762)
Administrative expenses	(185,424)	(103,449)	(117,035)	(292,796)	(112,097)	(119,643)	(142,771)	(228,717)
Net loss	(66,351)	(103,068)	(116,653)	(175,799)	(112,075)	(119,643)	(141,850)	(106,641)
Basic net loss per share	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)

The Company has no dividend policy and has no intention of developing a dividend policy in the foreseeable future. The Company has paid no dividends and has no retained earnings from which it might pay dividends.

**Results of Operations**

*Nine months ended October 31, 2020*

The Company incurred a net loss of \$286,072 for the nine months ended October 31, 2020 compared with a loss of \$373,568 for the same period in 2019. General, administrative and other expenses declined with the following accounts accounting for the decrease in the overall loss;

- Management fees and salaries decreased by \$4,333 due to one less employee being with the company.
- Office and administrative costs increased by \$44,514 due in large part to added costs incurred for this years Annual General Meeting.
- Advertising and promotion decreased by \$14,037 as a large marketing fee was incurred in the six months ended July 31, 2019 that was not incurred again in the current period.
- Professional fees increased by \$8,164 due to added costs for this years Annual General Meeting.
- The Company sold marketable securities for proceeds of \$141,155 which resulted in gains of \$118,814.

**Deferred Income Taxes**

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

The Company has financed a portion of its exploration activities through the issue of flow-through shares. Canadian tax legislation permits a company to issue flow-through instruments whereby the deduction for tax purposes relating to qualified resource expenditures could be claimed by the investors rather than the company.

A flow-through instrument comprises transfer of income tax deductions and common shares. Proceeds from an issuance of a flow-through instrument are allocated to liability and equity components in proportion, according to their respective fair values at the date of issuance. Upon renunciation of the flow-through expenditures for Canadian income tax purposes, the related flow through liability recognized in previous periods in the statement of financial position will be reversed and the related deferred tax liability will be recognized. Any difference between the liability settled and the deferred tax liability recognized is accounted for as other income or expense in profit and loss.

### **Liquidity and Capital Resources**

The ability of the Company to continue to operate as a going concern is dependent upon its ability to obtain necessary financing to meet the Company's obligations and liabilities as they become due. As of October 31, 2020, the Company had cash and cash equivalents of \$619,514 (January 31, 2020 - \$1,244,063). The Company's working capital surplus as of October 31, 2020 was \$580,761 (January 31, 2020 – surplus of \$1,349,668). During the year ended January 31, 2020 the Company completed a private placement raising \$1,524,660 by issuing 6,793,572 flow-through shares at a price of \$0.14 per share and 4,779,664 non-flow-through shares at a price of \$0.12 per share. In October 2020, the Company announced that it would be conducting a non-brokered private placement to raise gross proceeds of \$1,669,497 through the issuance of 2,777,743 non-flow through units at a price of \$0.10 per unit and 14,195,000 flow through units at a price of \$0.09 per unit. Each unit will consist of one common share and one share purchase warrant. Each warrant will entitle the holder to acquire one common share at a price of \$0.12 per share up to three years after the closing.

The Company is a mining exploration and development company with no producing resource properties, and consequently, does not generate operating income or cash flow of a significant nature at this time. To date the Company has relied primarily upon the sale of Common Shares to provide working capital for exploration activities and to fund the administration of the Company. Since the Company does not expect to generate any revenues in the near future, it will continue to rely primarily upon the sale of Common Shares to raise capital. There can be no assurance that financing will be available to the Company when required. The Company has no debt instruments. The Company has no externally imposed capital requirements.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

**Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements.

**RELATED PARTY TRANSACTIONS AND BALANCES**

<b>Relationships</b>	<b>Nature of the relationship</b>
Standard Metals Exploration Ltd. ("Standard")	Standard is a private company controlled by an officer and director of the Company. Standard provides geological exploration and management consulting services to the Company.
Key management	Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President and Chief Executive Officer and Chief Financial Officer.

	<b>Geological exploration services</b>	<b>Management services</b>
Services provided for the six months ended October 31, 2020:		
Chief executive officer	\$ -	\$ 45,000
Chief financial officer	-	27,000
Directors-consulting	3,500	15,000
Standard	-	-
	<b>\$ 3,500</b>	<b>\$ 87,000</b>

	<b>Geological exploration services</b>	<b>Management services</b>
Services provided for the six months ended July 31, 2019:		
Chief executive officer	\$ -	\$ 45,000
Chief financial officer	-	27,000
Director	-	-
Standard	5,848	-
	<b>\$ 5,848</b>	<b>\$ 72,000</b>

<b>Key management compensation includes:</b>	<b>Nine months ended October 31,</b>	
	<b>2020</b>	<b>2019</b>
Management fees and salaries	\$ 72,000	\$ 72,000
Share-based payments	-	-
	<b>\$ 72,000</b>	<b>\$ 72,000</b>

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

At October 31, 2020 and 2019 there were no amounts payable to key management personnel.

These transactions were in the normal course of operations and measured at their exchange amounts, being the amounts agreed to by the parties to the transactions.

**Subsequent Events**

Subsequent to the period end the Company announced that the previously announced non-brokered private placement had closed on November 19, 2020. The Company issued 2,777,743 non-flow through units at a price of \$0.09 per unit and 14,195,000 flow-through units at a price of \$0.10 per flow-through unit. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.12 per share up to the close of business on November 19, 2023. Net proceeds were \$1,580,423.

**Risk Factors**

Happy Creek's success depends upon a number of factors, many of which are beyond the Company's control. Typical risk factors and uncertainties include the ability to raise financing, mineral title matters, exploration permitting or weather delays, skilled labour shortage, operating cost inflation, metal price and currency rate fluctuations, and changing legislation, regulations or the administration thereof. There is uncertainty in judging future potential value of a mineral property or claims that are deemed unnecessary and allowed to lapse or returned to a vendor. Risk factors could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

On March 11, 2020, the World Health Organization declared the Coronavirus ("COVID-19") outbreak a pandemic creating unprecedented global health and economic crisis. COVID-19's impact on global markets has been significant through April 2020 and subsequent to the date of the financial statements. The situation continues to rapidly evolve. The duration and magnitude of COVID-19's effects on the economy and on the Company's financial and operational performance remains uncertain at this time. As of the date of these statements, there has not been any impact on the operations as a result of COVID-19. The Company has devised and put in place, field operation protocols in response to BC regulations. The Company will continue to closely monitor the potential impact of the COVID-19 on its business.

**Financial Instruments**

***Non-derivative financial assets and financial liabilities***

The Company classifies financial assets as financial assets at fair value through profit or loss, held-to-maturity investments or loans and receivables. Available-for-sale financial assets are those financial assets that are not classified as any of the above. Financial liabilities are either classified as financial liabilities at fair value through profit or loss or as other financial liabilities.

Financial assets and financial liabilities are recognized initially at fair value.

Financial assets and financial liabilities at fair value through profit or loss are subsequently measured at fair value with changes in fair values recognized in profit or loss.

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

Financial assets classified as available for sale are subsequently measured at fair value with changes in fair value recognized in other comprehensive income.

Loans and receivables, held-to-maturity investments and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company's financial instruments consist of cash and cash equivalents, receivables, reclamation bonds, marketable securities, trade and other accounts payable.

Cash and cash equivalents and reclamation deposits are classified as fair value through profit or loss and amounts receivable are classified as loans and receivables. Marketable securities are classified as available for sale. Trade and other accounts payable are classified as other financial liabilities.

Transaction costs, other than those related to financial instruments classified as financial assets and financial liabilities at fair value through profit or loss, are added to the fair value of the financial asset and financial liability on initial recognition.

**Significant judgements, estimates and assumptions**

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

**(i) Going concern**

The assessment of the Company's ongoing viability as an operating entity and determination of the related disclosures require significant judgment.

**(ii) Exploration and evaluation properties and impairment**

The Company is required to make significant judgments regarding the capitalization of the costs incurred in respect to its exploration and evaluation properties. The Company is also required to make significant judgments on the ongoing feasibility of mineral exploration, and whether there are indicators that the development of a specific area is unlikely and exploration and evaluation properties should be impaired. Management has assessed impairment indicators on the Company's exploration and evaluation properties and has concluded that no impairment indicators existed as of October 31, 2020.

**(iii) Right-of-use-asset / Lease liability**

The measurement of the lease liability includes the two-year extension option included in the original lease agreement because management is reasonably certain that the landlord will agree to another two-year extension when the existing lease extension expires on November 30, 2020. The increase in base rent included in the measurement of the lease liability is based on the increase in base rent for the second year of the existing lease extension. The incremental rate of borrowing of 12% used in the

**HAPPY CREEK MINERALS LTD.**  
**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**For the period ended October 31, 2020 and 2019**

---

measurement of the lease liability was based on management's best estimate of the Company's cost of debt.

**Share Capital**

Common shares, stock options, warrants, and agent's warrants as at December 3, 2020 are as follows:

	<b>December 3, 2020</b>
<b>Common shares</b>	<b>122,502,455</b>
<b>Stock Options</b>	<b>5,200,000</b>
<b>Warrants</b>	<b>17,614,023</b>
<b>Agents options</b>	<b>966,439</b>

**Future Outlook**

Management and its consultants monitor the financial markets, governments and legislation that may pertain to commodities, resources and the Company's business on the land. It evaluates and adjusts budgets and work performed based on results, market conditions and financial resources available. Through the course of its business Happy Creek has established two projects with new discoveries thought to be important assets with intrinsic market value. Over the past year the Company has received arm's length corporate interest in these assets, however in current market conditions, monetization of these assets may be premature. The Company is seeking various ways to fund further exploration and development of its projects with the goal to increase their market value for shareholders.

*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 geological and technical information disclosed above. All monetary amounts are in Canadian currency unless otherwise indicated.*