HPQ Provides Additional Update on Status of Gold Asset Spin-Off

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Montreal - HPQ Silicon Resources Inc ("HPQ") (TSX Venture: HPQ) is pleased to provide shareholders with the following update regarding the status of its Gold Asset spin-off.

SPIN OFF AND DIVIDEND OF GOLD ASSETS

Further to our press release of September 7, 2016 the spin-off of HPQ's gold assets into a fully owned subsidiary is proceeding as follows:

1. The Corporation has retained the services Dr. Remi Charbonneau PhD (P. Geo) of Inlandsis Consultants to complete the required update of the Beauce Placer NI 43-101, which is required to qualify the property as a property of merit for the Listing Application of Beauce Gold Fields Inc. Dr. Charbonneau is a specialist in glacial till geology and gold placers. He has worked with junior and senior exploration companies, including Virginia Gold Mines and Goldcorp. He also worked on the Beauce project in 2012-2013, which will greatly streamline the process going forward.
2. The boards of both HPQ-Silicon Resources Inc and Beauce Gold Fields Inc. are scheduled to meet at the beginning of October to approve all the relevant assets transfers and contractual agreements between the Companies and approve the Beauce Gold Fields Inc Listing Application with the exchange.
3. Once the Listing Application has been filed with the exchange and the necessary authorizations have been received, the Board of HPQ Silicon will be able to declare the Ex-dividend date.

Bernard Tourillon, Chairman and CEO of HPQ Silicon stated, "The spin off project is moving forward and we are encouraged by the continued strength of the price of gold and the market values being attributed to small cap gold companies, which we believe will unlock meaningful value for our shareholders receiving dividend shares in Beauce Gold Fields."

OTHER CORPORATE MATTERS

Shares For Services Program

In accordance with the agreement between HPQ-Silicon and AGORACOM (see Uragold press release July 18, 2014), extended by both Parties for an additional year, from July 15, 2016 to July 15, 2017 under the same terms and conditions, HPQ-Silicon Board has approved the issuance of 49,560 common shares at a deemed price of $0.285 per share for the outstanding debt of $14,125 for services rendered during the period from May 16, 2016 ending July 15, 2016.

Options distribution

The Corporation has granted 400,000 stock options to a Director of the Corporation. The stock options are exercisable for a period of five years from the date of grant at an exercise price of $0.19 per share.

The options have been granted under and are subject to the terms and conditions of the Company's Stock Option Plan.

Modification To Stock Option Plan

HPQ announces that its Board of Directors has approved the modification of the total number of shares that may be issued pursuant to its stock option plan, increasing it by 5,070,000 shares from 8,930,000 shares to 14,000,000 shares. The maximum number of common of shares that may be issued under the plan shall be equivalent to less than 10% of the issued and outstanding common shares of the Corporation. The modification is subject to regulatory approval

About HPQ Silicon

HPQ Silicon Resources Inc. (Formally Uragold Bay Resources) is a TSX-V listed junior exploration company planning to become a vertically integrated and diversified High Value High Value Silicon Metal Company.

Our business model is focused on developing a disruptive solar grade silicon metal manufacturing process (patent pending) that can generate high yield returns and significant free cash flow within a short time line.

High Value Silicon Metal

HPQ Silicon is endeavouring to become a vertically integrated High Purity Silicon Metal (99.9+% Si), and Solar Grade Silicon Metal (99.9999% Si) producer.

In September 2015, PyroGenesis announced that it had filed for a provisional patent for the PUREVAPTM Quartz Reduction Reactor (QRR) process, which it noted was able to produce silicon, at a lower cost, while generating less CO2 emissions than current processes.

On April 19, 2016, PyroGenesis announced that early test results of the PUREVAPTM QRR process have demonstrated that it can transform high purity quartz into silicon metal.

On June 29, 2016, HPQ Silicon announced that first pass analytical process confirms the ability of the PUREVAPTM process to create high purity silicon metal exceeding 99.9%.

Samples from the first series of test have been sent to a specialized laboratory in the United States to determine the precise purity levels of the Silicon Metal.

On August 2, 2016, HPQ Silicon announced that it had:

1. Acquired the intellectual property rights to the PUREVAP(TM) process as it relates exclusively to the production of silicon metal from quartz. PyroGenesis retains a royalty-free, exclusive, irrevocable worldwide license to use the process for purposes other than the production of silicon metal from quartz.
2. Placed an order for the purchase a 200 metric ton/year PUREVAP(TM) QRR pilot system to produce solar grade silicon metal from HPQ Silicon quartz.

The PUREVAP(TM) QRR process's disruptive advantage is its one step direct transformation of Quartz into High Purity Silicon Metal Solar Grade Silicon Metal and/or Higher Purity product, thereby potentially allowing HPQ Silicon to manufacture high value material for the same operating cost presently being paid by traditional producers to make Metallurgical Grade Si (98.5% Si) using the traditional arc furnace approach.

The science behind the PUREVAP(TM) QVR is well demonstrated:

- -Plasma arc based process can transform High Purity Quartz into MG Si.

  -Plasma arc based process can be used to purify MG Si into higher value SG Si.

  -Refining MG Si to SG Si using an electron-beam furnace in vacuum-processing environment has proven the concept of the elimination of impurities.

What is unique and ground breaking is the combination of these three proven processes into one step.

A Green And Clean Company

HPQ Silicon, with its PUREVAP(TM) QRR will also be implementing a process to make Sg Si, which is estimated to generate 14.1 kg CO2 eq/Kg SG Si, versus the 54.0 kg CO2 eq/Kg SG Si of emissions generated by the Siemens process (90% of the present production process). This represents 75% fewer greenhouse gas emissions, which is justified by elimination of the emissions emanating from the use of chemicals, as well as, energy consumption from the additional purification step.

High Purity Quartz Properties

HPQ Silicon is also the largest holder of High Purity Quartz properties in Quebec, with over 3,500 Ha under claims. Despite the abundance of quartz, very few deposits are suitable for high purity applications. High Purity Quartz supplies are tightening, prices are rising, and exponential growth is forecast. Quartz from the Roncevaux property successfully passed rigorous testing protocols of a major silicon metal producer confirming that our material is highly suited for their silicon metal production.

Disclaimers:

This press release contains certain forward-looking statements, including, without limitation, statements containing the words "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "in the process" and other similar expressions which constitute "forward-looking information" within the meaning of applicable securities laws. Forward-looking statements reflect the Company's current expectation and assumptions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These forward-looking statements involve risks and uncertainties including, but not limited to, our expectations regarding the acceptance of our products by the market, our strategy to develop new products and enhance the capabilities of existing products, our strategy with respect to research and development, the impact of competitive products and pricing, new product development, and uncertainties related to the regulatory approval process. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Company's on-going filings with the securities regulatory authorities, which filings can be found at www.sedar.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

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.

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