

Headwater Gold Intercepts 3.55 g/t Au over 7.62 m in New Target Area at Spring Peak Project, Nevada

Vancouver, British Columbia, February 27, 2025: Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce the final results from the Company's 2024 drill program on its Spring Peak project, located in the Walker Lane trend, western Nevada. The drill program was fully funded by Newcrest Resources Inc., a wholly owned subsidiary of Newmont Corporation ("Newmont") pursuant to the earn-in agreement announced on August 16, 2022 and operated by Headwater.

Highlights:

- **Shadow Target:** Drill hole SP24-57 in the new Shadow target intersected 7.62 metres ("m") grading 3.55 g/t Au and 4.57 m grading 3.16 g/t Au including 7.67 g/t Au over 1.52 m beneath a gold-barren mercury-in-soil anomaly located approximately 800 m northwest of the high-grade Disco Zone;
- **Southpaw Target:** Drill holes SP24-52 and SP24-53 in the new Southpaw target intersected 4.75 g/t Au over 1.52 m and 3.23 g/t Au over 1.52 m, respectively, in a 320 m step-out southwest of the Disco Zone. Mineralization appears to occur in hanging wall structures, with the principal target still untested;
- **Opal Ridge:** Broad zones of anomalous gold encountered in two drill holes at Opal Ridge further expand the footprint of gold mineralization on the property; and
- **Bear Fault Corridor:** Headwater controls 15 km of strike extent along the highly prospective Bear Fault corridor, with drilling testing less than 1.5 km of this extent. Results to date confirm high-grade mineralization in the Bear Fault at the Disco Zone, gold-bearing hanging wall structures at Southpaw and the potential for parallel mineralized structures such as at the Shadow target, highlighting the corridor's broader exploration potential.

Caleb Stroup, President and CEO of the Company, states: *"The 2024 Spring Peak drill program delivered several important step-out intercepts that significantly expand the known extent of high-grade mineralization on the property and highlight multiple new target zones for future follow-up drilling. The positive initial test of the Shadow target where SP24-57 intersected multiple high-grade gold intervals beneath a gold-barren mercury-in-soil anomaly, demonstrates our ability to explore blind-to-surface targets and points to the broader potential for new high-grade discoveries on the project. Similarly, initial scout drilling into the Southpaw target returned strong gold intercepts in a substantial step out southwest from the Disco Zone. The strike extent of mineralization in the Bear Fault corridor now exceeds one kilometre and remains open both to the Northeast and Southwest. These results cap a successful 2024 season where, together with our partner Newmont, we completed over 6,000 metres of drilling and doubled the size of the Spring Peak land position, securing approximately 15 km of strike extent along the Aurora trend. We look forward to finalizing plans for the next phase of drilling, continuing to step out from these intercepts and further expanding the footprint of high-grade mineralization."*

2024 Spring Peak Drilling:

Headwater completed a multi-rig drill program totaling 6,205 m of drilling across 18 holes at Spring Peak in 2024. The program focused on the kilometre-scale alteration cell in the southern part of the property which includes the Spring Peak sinter (Figure 1). The objectives of the drill program were to 1) test multiple new target areas on the land package that had seen little or no previous drilling; and 2) test for extensions of mineralization along the Bear Fault corridor beyond the limits of the high-grade Disco Zone, discovered by Headwater in 2022. Both objectives were successful. The new Shadow target drilling confirmed the presence of high-grade gold in a new blind target area and initial holes into the Southpaw target, together with previously reported intercepts for the Pioneer target, show the Bear Fault corridor is mineralized over a kilometre-scale strike extent and remains open to the southwest and northeast.

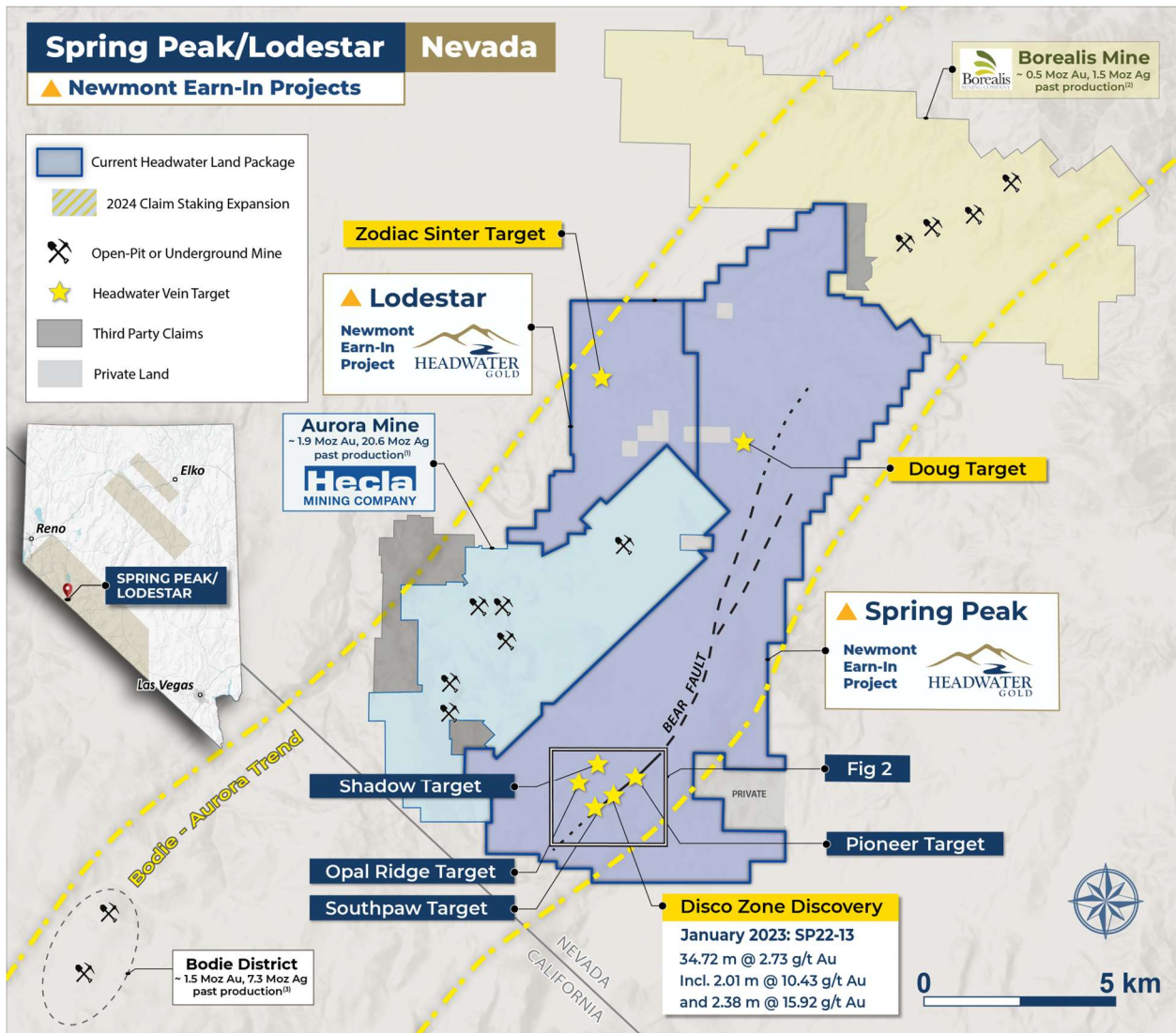


Figure 1: Map of the Headwater Spring Peak and Lodestar land positions within the Aurora trend showing area of the Spring Peak 2024 drill program. ^[1]Vikre and others (2015); ^[2]Borealis Mine 43-101 dated February 16, 2024; ^[3]Long and others (1998).

Shadow Target Drilling:

Drill hole SP24-57 tested the northeast projection of a mapped fault beneath a largely gold-barren mercury-in-soil anomaly 300 m northeast of previous drilling (Figure 2). Drill hole SP24-57 encountered high-grade gold in two discrete zones, an upper intercept of 4.57 m grading 3.16 g/t Au, including 1.52 m grading 7.67 g/t Au and a lower intercept of 7.62 m of 3.55 g/t Au, including 1.52 m of 6.47 g/t Au (Table 1). Chalcedonic quartz-pyrite veins were observed in these intervals hosted in Cretaceous granite host rock. The width of individual veins cannot be measured from RC cuttings but veins make up no more than 20% of any individual 1.5 m sample interval, which may indicate that the reported assay intervals are potentially driven by narrow even higher-grade veins. Above the gold mineralized zones, the drill hole penetrated a silica-clay alteration cap approximately 40 m thick characterized by strongly anomalous antimony (averaging 312 ppm) and mercury (averaging 7.3 ppm) with only weakly anomalous gold (averaging 33 ppb). The association of antimony and mercury with blind gold mineralization at depth reiterates the utility of these pathfinders on the property and will serve as a critical tool for continued exploration along the 15 km strike-length Bear-Fault corridor.

Table 1: Drill Results from Headwater's 2024 Spring Peak Drill Program¹

Hole ID	Type	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Az	Inc	TD (m)	Comments
SP24-52	RC	208.79	217.93	9.14	0.80	3.57	142	-45	365.76	Southpaw target. SW extension of Disco Zone hanging wall mineralization.
<i>including</i>	RC	211.84	213.36	1.52	3.23	7.04				
SP24-53	RC	214.88	216.41	1.52	4.75	19.63	142	-55	385.57	Southpaw target. SW extension of Disco Zone hanging wall mineralization.
<i>and</i>	RC	231.65	239.27	7.62	1.61	5.50				
<i>including</i>	RC	234.70	236.22	1.52	4.71	16.29				
SP24-55	RC	134.11	138.68	4.57	1.12	4.38	280	-45	365.76	Opal Ridge target.
	RC	306.32	307.85	1.52	4.20	0.31				
SP24-57	RC	220.98	225.55	4.57	3.16	1.70	149	-55	358.1	Shadow target. New Disco-zone parallel mineralized zone beneath mercury anomaly in soils.
<i>including</i>	RC	220.98	222.50	1.52	7.67	3.43				
<i>and</i>	RC	294.13	301.75	7.62	3.55	3.30				
<i>including</i>	RC	295.66	297.18	1.52	6.47	6.25				

¹Reported grades were calculated using a 0.2 g/t cut-off grade for primary intervals and a 2.0 g/t cut-off grade for included intervals. Intervals correspond to downhole thickness. Unless otherwise stated in the "Comments" field, insufficient information is available to determine true thickness of mineralized intervals. DD signifies diamond drilling and RC reverse circulation.

Southpaw Target:

The Southpaw target represents the southwest extension of mineralization along the Bear Fault structural corridor, which also hosts the Company's initial high-grade discovery at the Disco Zone (Figure 2). The initial Southpaw drill test comprised RC holes SP24-52 and SP24-53 which encountered quartz-pyrite veining hosted in Jurassic metavolcanic rocks. SP24-52 intersected 9.14 m grading 0.80 g/t Au, including 1.52 m grading 3.23 g/t Au. SP24-53 was drilled on the same pad and azimuth with a steeper dip and intercepted the down-dip extension of the vein zone which returned 4.75 g/t Au over 1.52 m and 1.61 g/t Au over 7.62 m, including 4.71 g/t Au over 1.2 m (Figure 3).

The vein zone at Southpaw dips to the northwest, antithetic to the southeast dip of the main Bear Fault which hosts wider and higher-grade veins at the Disco Zone. Both holes encountered fault gouge and breccia upon entering bedrock beneath several metres of overburden, potentially representing the near-surface expression of the main Bear Fault structure. This breccia returned anomalous Sb (>30 ppm), As (>100 ppm) and Hg (> 1ppm). A prominent CSAMT resistivity anomaly beneath the near surface fault zone may be indicative of silica flooding along the Bear Fault and remains a high-priority for future drill testing (Figure 3).

Limited drill pad availability due to permitting constraints prevented an optimal test of the Bear Fault at the target depth in 2024. Additional drill pads have been incorporated into a subsequent permit for a follow-up program to test this segment of Bear Fault structure at deeper epithermal levels, where the Southpaw vein zones intersect the projection of the Bear Fault.

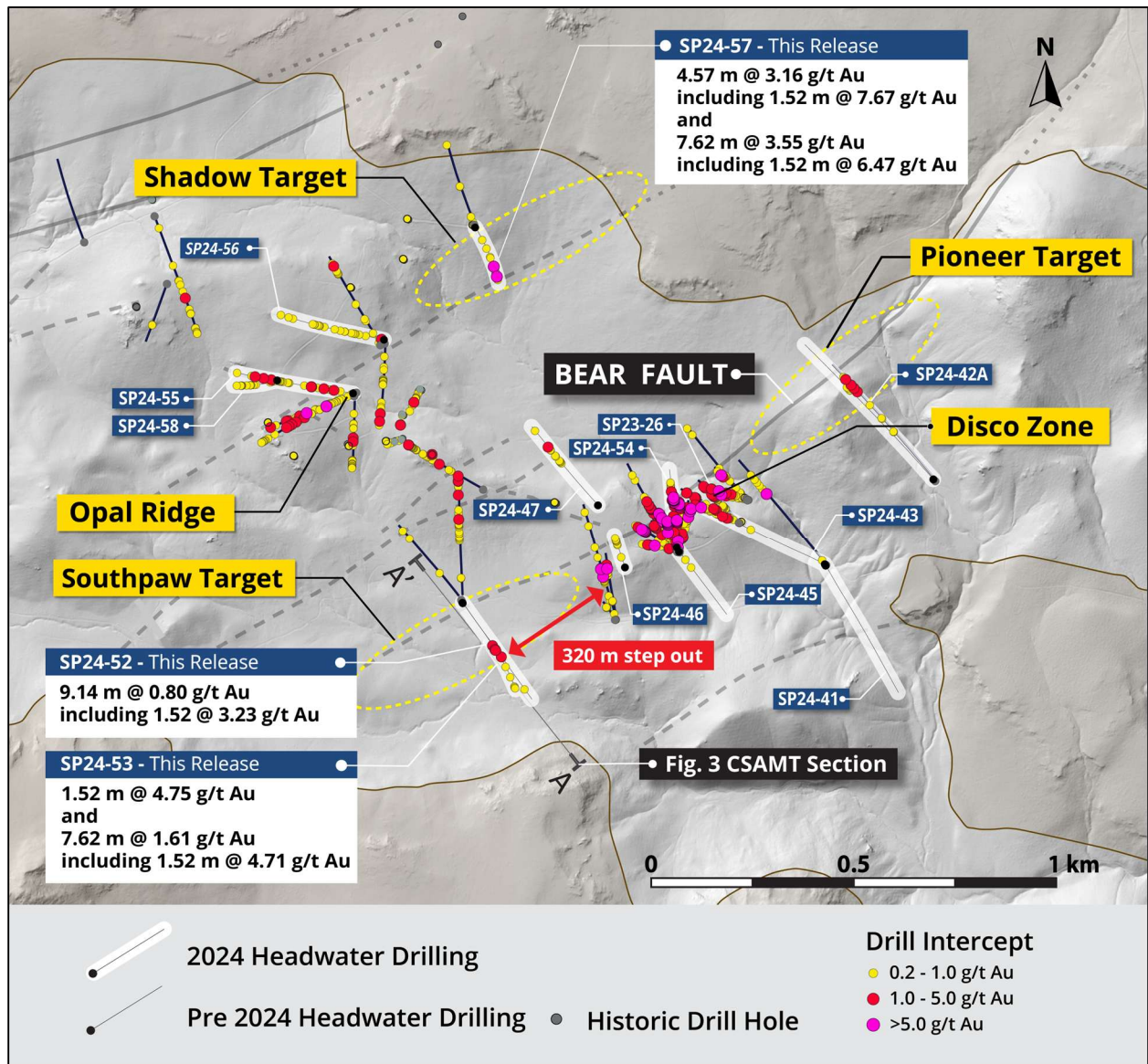


Figure 2: Spring Peak drill intercepts projected to surface with 2024 results highlighted.

Other 2024 drilling:

Additional drilling in the Opal Ridge target area included three RC holes, all of which encountered zones of anomalous gold greater than 200 ppb, increasing the footprint of gold mineralization in the area (Figure 2). Drill hole SP24-55 intersected 220 ppb Au over 99.06 m from 60.96 m to 160.02 m depth and 270 ppb over 115.82 m from 202.69 m to 318.52 m depth. Drilling to-date at Opal Ridge has failed to demonstrate the presence of continuous structurally controlled high-grade mineralization, but the widespread presence of highly anomalous gold over a broad area demonstrates the scale of the gold system at depth on the Spring Peak project and may represent a mineralized halo to a yet unrecognized high-grade zone.

Shallow drilling (SP24-46 and SP24-54) above the main Disco Zone in 2024 intersected the Bear Fault along with wide zones of clay alteration, elevated mercury and antimony, but with subdued gold mineralization (Figure 2). These results help to constrain the vertical epithermal elevation window of high-grade mineralization on the property to be targeted in future programs.

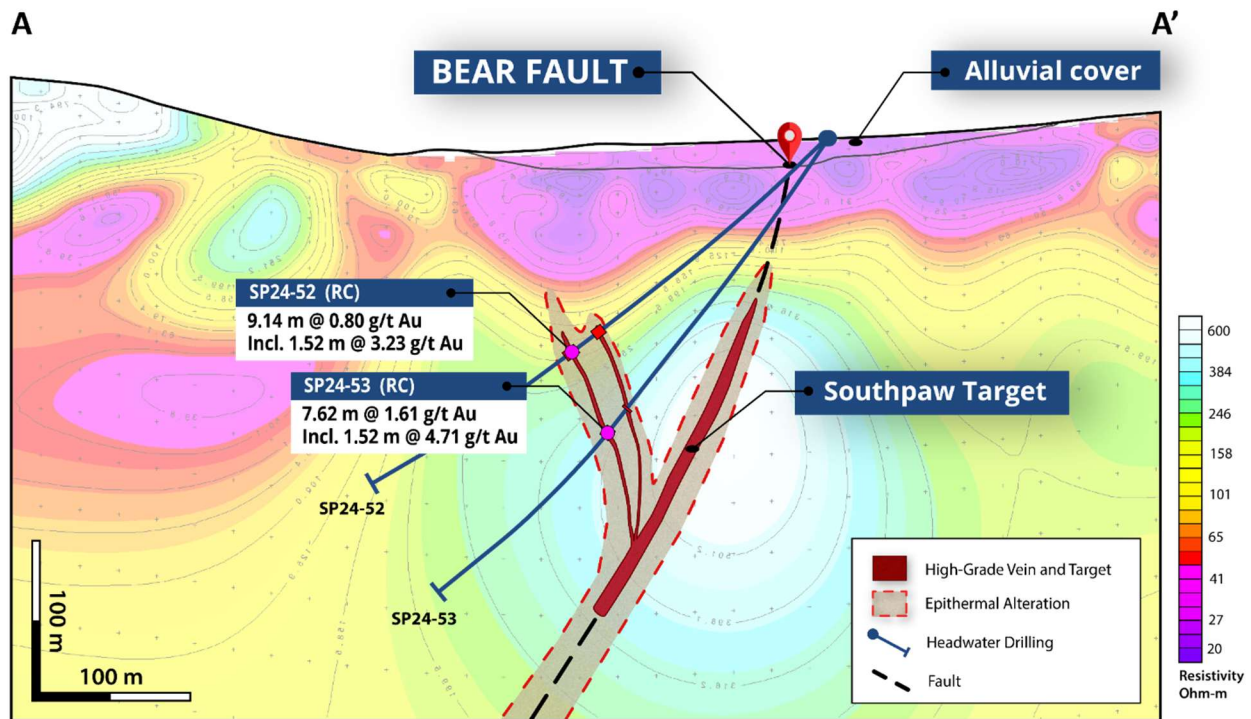


Figure 3: Cross section A-A' showing interpreted projection of Bear Fault mineralization and antithetic hanging wall veins encountered in 2024 drilling.

About the Spring Peak Project:

The Spring Peak project is located in the Aurora Mining District in the Walker Lane belt, west-central Nevada, approximately 50 km southwest of the town of Hawthorne. The project adjoins Hecla Mining Company's past-producing Aurora Mine complex, where existing infrastructure includes a 350 ton per day mill, several production water wells and high-voltage three-phase power. Recent drilling at the Disco Zone has confirmed the presence of high-grade gold mineralization, including significant intersections such as 15.92 g/t Au over 2.38 m and 10.43 g/t Au over 2.01 m within a broader zone of 2.73 g/t Au over 34.72 m. Headwater holds an option to acquire a 100% undivided interest in the Spring Peak project from Orogen Royalties (TSXV:

OGN), subject to retained royalties and subject to Newmont's option to acquire up to 75% of the project following certain expenditures and preparation of a Pre-Feasibility Study within a designated time frame.

About Headwater Gold:

Headwater Gold Inc. (CSE: HWG, OTCQB: HWAUF) is a technically driven mineral exploration company focused on the exploration and discovery of high-grade precious metal deposits in the Western USA. Headwater is aggressively exploring one of the most well-endowed and mining-friendly jurisdictions in the world with a goal of making world-class precious metal discoveries. Headwater has a large portfolio of epithermal vein exploration projects and a technical team of experienced geologists with diverse capital markets, junior and major mining company backgrounds. The Company is systematically drill testing several projects in Nevada and in August 2022 and May 2023 announced significant transactions with Newmont where it acquired a 9.9% (currently 8.7%) strategic equity interest in the Company and entered into earn-in agreements on Headwater's Spring Peak and Lodestar projects. In September of 2024, Centerra Gold Inc. acquired a strategic 9.9% interest in the Company through a non-brokered private placement.

Headwater is part of the NewQuest Capital Group which is a discovery-driven investment enterprise that builds value through the incubation and financing of mineral projects and companies. Further information about NewQuest can be found on the company website at www.nqcapitalgroup.com.

For more information, please visit the Company's website at www.headwatergold.com.

On Behalf of the Board of Directors

Caleb Stroup
President and CEO
+1 (775) 409-3197
cstroup@headwatergold.com

For further information, please contact:

Brennan Zerb
Investor Relations Manager
+1 (778) 867-5016
bzerb@headwatergold.com

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Qualified Person:

The technical information contained in this news release has been reviewed and approved by Scott Close, P. Geo (158157), a “Qualified Person” (“QP”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Forward-Looking Statements:

This news release includes certain forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding future capital expenditures, exploration activities and the specifications, targets, results, analyses, interpretations, benefits, costs and timing of them, Newmont’s anticipated funding of the earn-in projects and the timing thereof, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as “pro forma”, “plans”, “expects”, “may”, “should”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “potential” or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the anticipated business plans and timing of future activities of the Company, including the Company’s exploration plans and the proposed expenditures for exploration work thereon, the ability of the Company to obtain sufficient financing to fund its business activities and plans, the risk that Newmont will not elect to obtain any additional interest in the earn-in projects in excess of the minimum commitment, the ability of the Company to obtain the required permits, changes in laws, regulations and policies affecting mining operations, the Company’s limited operating history, currency fluctuations, title disputes or claims, environmental issues and liabilities, as well as those factors discussed under the heading “Risk Factors” in the Company’s prospectus dated May 26, 2021 and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company’s profile on the SEDAR+ website at www.sedarplus.ca.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements, except as otherwise required by law.