

Headwater Gold Commences Trading and Outlines Corporate Strategy

Vancouver, British Columbia, June 8, 2021: Headwater Gold Inc. (CSE: HWG) (the "Company" or "Headwater") is pleased to announce that its common shares will begin trading on the Canadian Securities Exchange (the "CSE") at the open of market on June 8, 2021 under the symbol "HWG".

Company Highlights:

- Focused on the discovery of high-grade precious metal deposits in the Great Basin region of the mining friendly Western United States;
- Technically-driven management team composed of geoscientists with diverse exploration, mining, and capital market backgrounds;
- Strong Board of Directors including Alistair Waddell, Caleb Stroup, Wendell Zerb, Graeme Currie, and Tero Kosonen;
- Well-funded with \$4.65 million cash and an additional portfolio of marketable securities with a current market value of approximately \$1.14 million as of June 7th, 2021;
- 49.7 million shares outstanding, no warrants, and approximately 41% insider and close associate ownership;
- Large portfolio of 100%-owned projects, internally generated by the Company through a disciplined, methodical exploration approach;
- Experienced US based technical team, combining quality geoscience with an aggressive "boots on the ground" approach. Three members of the core team hold a doctorate in geologic sciences.

Caleb Stroup, President and CEO of Headwater Gold Inc., commented *"We are very excited to enter this next phase as a company and I would like to thank our shareholders for their support over the last two years. With a large portfolio of 100% owned, high-quality exploration projects and an excellent team, we are staged to make Headwater a great success. Our strong cash position of approximately \$4.65 million puts the Company in a great position to execute an exciting 2021 exploration program in the Western USA."*

Corporate Strategy:

Headwater is focused on exploring for high-grade epithermal vein deposits in the mining friendly western United States with a particular focus on Nevada, Idaho, and eastern Oregon. The Company is specifically targeting epithermal deposits which are among the highest-grade and most profitable gold deposits in the world.

The Headwater team uses a boots on the ground approach, combined with quality, cutting-edge geoscience to generate new exploration concepts and projects. The Company is focused on exploring for and acquiring new projects by staking claims on open ground; a strategy which has

enabled Headwater to build a large portfolio of 100% owned and royalty-free projects over the last two years.

Headwater intends to drill test several high-priority projects in 2021 with a goal of bringing targets to a decision point as quickly and cost-effectively as possible. The Company also intends to advance several additional early-stage projects to a drill stage by executing geologic, geochemical, and geophysical programs. Headwater will also execute a corporate strategy of seeking out strategic alliances and evaluating opportunities to joint venture, option, or sell non-core projects to qualified partners to maximize its exposure to exploration success.

Key Projects:

The Company holds a portfolio of twelve 100% owned projects in Nevada, Idaho, and eastern Oregon. Initial exploration efforts will focus on the Mahogany and Katey projects in eastern Oregon, where Headwater intends to commence drilling in Q3 2021.

Mahogany Project: Located approximately 20 kilometres northwest of Integra Resources DeLamar project, Mahogany is a geologically high-level epithermal system with high-grade gold at the surface, which includes select Headwater grab samples with gold grades up to 170.0 grams per tonne (“g/t”). Shallow historic drilling failed to test the potential for high-grade veins at depth along the Main Ridge Fault, the interpreted principal control on alteration and mineralization in the project area. Headwater has systematically geologically mapped and sampled the project and developed several priority targets which it intends to drill test in 2021.

Katey Project: Located in southeast Oregon, Katey is a high-level epithermal system hosted in a series of linear rhyolite flow domes which intrude an interpreted caldera margin. At least two structurally hosted alteration cells have been identified on the property. Shallow historic drilling reportedly encountered both broad intervals of low-grade mineralization (e.g. 0.7 g/t gold over 36.6 metres) and narrow higher grade intervals (e.g. 6.44 g/t gold over 3 metres) although these historic intercepts have not been independently verified by Headwater. Headwater intends to drill test several new structural targets that the Company has developed.

Additional information on the Katey and Mahogany projects can be found in the NI 43-101 Technical Report dated December 27, 2020 as filed on SEDAR at www.sedar.com and as available at the following link: www.headwatergold.com/technicalreports

Additional information on the Company’s other projects can be found on the Company’s website www.headwatergold.com. Further projects are in development and details will be disclosed as information comes available.

Equity Investments:

The Company holds investments in two publicly traded mineral exploration companies acquired through the disposition of exploration projects. The Company owns 8,450,000 common shares of Huntsman Exploration Inc. (HMAN.V) and 545,000 common shares of Northern Vertex Mining

Corp. (NEE.V). Headwater also owns a number of royalties on precious metal projects in Nevada, Idaho, and Utah.

Listing:

On May 31, 2021, the Company filed a final prospectus with the British Columbia Securities Commission qualifying the distribution of common shares in the capital of the Company issuable for no additional consideration upon deemed exercise of the 11,629,212 subscription receipts of the Company issued on February 11, 2021 (the "Subscription Receipts"). On June 3, 2021, the CSE confirmed that the Company had met all CSE requirements for listing, subject to the conversion of the Subscription Receipts. The Subscription Receipts were converted into common shares of the Company on June 3, 2021 and the funds held in escrow in connection with the issuance of the Subscription Receipts in the amount of \$4,070,424 have been released to the Company. The funds will be used by Headwater to fund the advancement of its mineral properties and the operation of the Company.

Additional information on Headwater can be found in the Company's final prospectus dated May 26, 2021 as filed on SEDAR at www.sedar.com.

About Headwater Gold:

Headwater Gold Inc. is a technically-driven junior mineral exploration company focused on exploring for high-grade precious metal deposits in the Western USA. Headwater is actively 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 composed of experienced geologists with diverse capital markets, junior company, and major mining company experience.

The Company is well funded and plans an aggressive 2021 exploration season, with the intent to drill several of its 100% owned projects in Nevada, Idaho, and Oregon, including the Company's flagship Katey and Mahogany projects.

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

On Behalf of the Board of Directors

"Caleb Stroup"
President & CEO

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Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Mr. Derrick Strickland, 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, anticipated content, commencement, and cost of exploration programs in respect of the Company's projects and mineral properties, 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, statements as to the anticipated business plans and timing of future activities of the Company, including the Company's exploration plans, the proposed expenditures for exploration work thereon, the ability of the Company to obtain sufficient financing to fund its business activities and plans, delays in obtaining governmental and regulatory approvals (including of the Canadian Securities Exchange), permits or financing, 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.sedar.com.

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.