

## Headwater Gold Commences Drilling Its 100% Owned Mahogany Gold Project

**Vancouver, British Columbia, October 28, 2021:** Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce a first-pass diamond core drill program has commenced on its 100% owned Mahogany Project located in southeast Oregon. The Headwater drill program is designed to target an approximately 500-metre long segment of the Main Ridge Fault zone which exhibits the most intense silicification and epithermal quartz veining at the surface on the property, including rock grab samples which have returned gold values up to 170 grams per tonne. Four initial drill holes will target this structure to depths up to approximately 225 metres below the surface.

### Highlights:

- Mahogany is located approximately 20 km northwest of Integra Resources' DeLamar deposit\* in southeastern Oregon;
- Headwater is targeting high-grade epithermal vein mineralization at depths which were not tested by limited shallow historic drilling; and
- Very strong gold values in Headwater rock grab samples (up to 170.00 g/t Au) in a high-level epithermal environment.

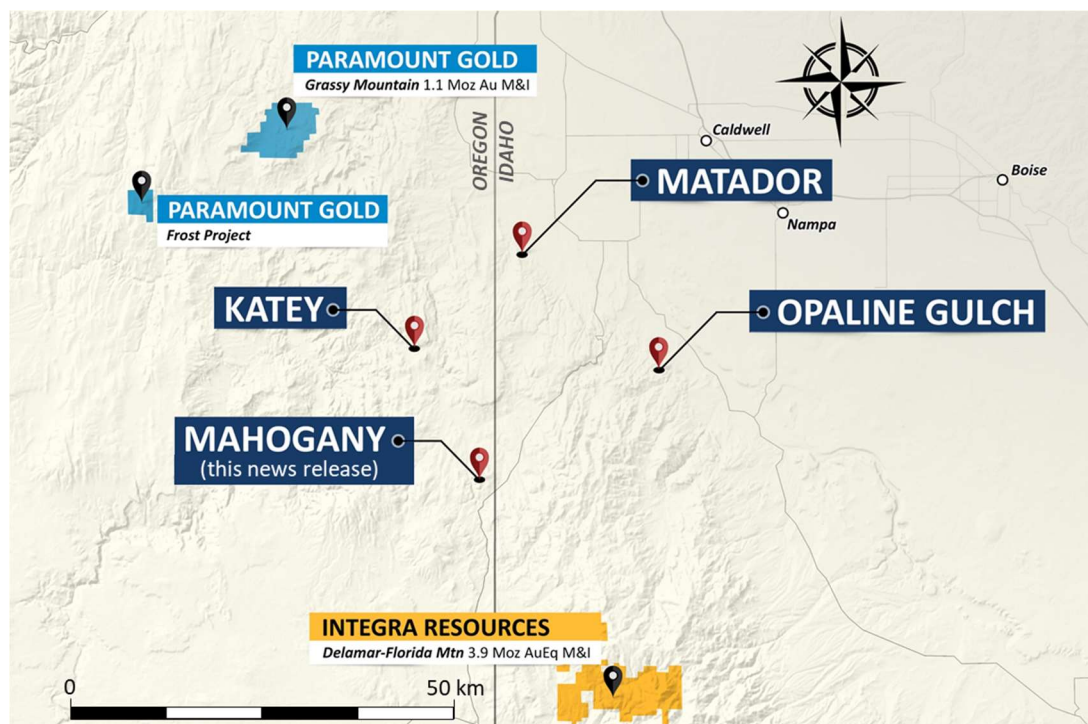


Figure 1: Location of the Mahogany Project and other Headwater projects in the region\*.

### **About the Mahogany 2021 Drill Program:**

The Mahogany Project is located in Southeastern Oregon, 20 km northwest of Integra Resources' DeLamar deposit\*. Using a variety of geological and geophysical targeting tools, Headwater geologists have identified a high-level epithermal system with high-grade gold at the surface up to 170.0 g/t Au (from rock grab samples). Limited historic drilling hit multiple zones of anomalous gold mineralization within 100 metres of surface (e.g. MH88-36-01 returned 10.7 metres grading 0.73 g/t Au starting at 53.4 metres) but failed to test the vein target at depth. The highest priority targets will be tested with the Headwater program, which is planned to consist of an initial four holes. Drilling will focus on a 500-metre segment of the Main Ridge Fault Zone which Headwater Geologists interpret as a principal feeder to the alteration cell manifest at surface. Drilling is planned to reach vertical depths of 100-225 metres, targeting high-grade precious metals in the inferred epithermal boiling zone. No historic drilling has penetrated to these depths at Mahogany.

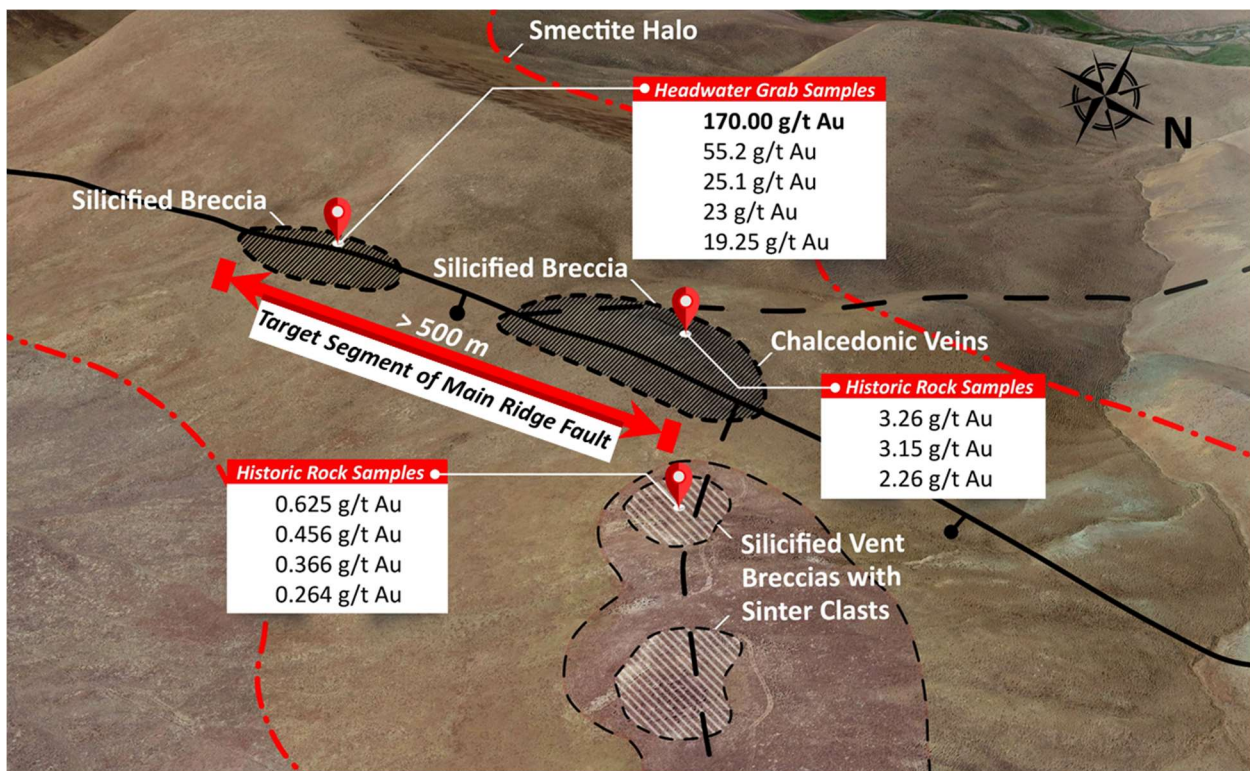


Figure 2: Oblique Google Earth view of the primary target segment of the Main Ridge Fault Zone with gold in surface rock samples and significant alteration features.

### **About Headwater Gold:**

Headwater Gold Inc. is a technically-driven mineral exploration company focused on exploring for 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 composed of experienced geologists with diverse

capital markets, junior company, and major mining company experience. The Company is systematically drill testing several of its 100% owned projects in Nevada, Idaho, and Oregon.

For more information, please visit the Company's website at [www.headwatergold.com](http://www.headwatergold.com).

### **On Behalf of the Board of Directors**

"Caleb Stroup"  
President & CEO

For further information, please contact:

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

### **Qualified Person**

The technical information contained in this news release has been reviewed and approved by Mr. Derrick Strickland, P.Geo. (1000315), a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. \*The qualified is unable to verify the mineralization on adjacent properties. Mineralization on adjacent properties may not be indicative of mineralization on Headwater Properties.

### **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](http://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.*