

Headwater Gold Closes Oversubscribed \$2,660,000 Private Placement

Vancouver, British Columbia, February 15, 2023: Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce that, further to its news release of February 2, 2023, the Company has completed a non-brokered private placement (the "Offering") to raise gross proceeds of \$2,660,000 through the sale of 7,000,000 units of the Company (the "Units") priced at \$0.38 per Unit. Each Unit consists of one common share of the Company and one half of a share purchase warrant, with each whole warrant exercisable into one further common share at a price of \$0.55 for a two year term.

Newcrest Mining Limited ("Newcrest") (ASX, TSX, PNGX: NCM), through a wholly owned subsidiary, purchased 705,000 Units to maintain its pro-rata 9.9% equity interest in the Company, pursuant to the transaction announced on August 16, 2022.

Insiders of the Company purchased a total of 121,052 Units. The participation by Insiders in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101, Protection of Minority Security Holders in Special Transactions. The Company is relying upon exemptions from the requirement to obtain a formal valuation and seek minority shareholder approval for the Offering on the basis that the fair market value of the participation by related parties in the Offering is less than 25% of the Company's current market capitalization.

The proceeds from the Offering will be used on exploration activities to advance the Company's large portfolio of 100% owned assets in the Western United States, potential project acquisitions and for general working capital.

Finders' fees of \$55,085 and 144,960 broker warrants exercisable at \$0.55 for a two year term were paid on a portion of the Offering. All securities issued are restricted from trading until June 16, 2023.

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 comprised of experienced geologists with diverse capital markets, junior company and major mining company experience.

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

On Behalf of the Board of Directors

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Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements:

This news release includes certain forward-looking statements and forward-looking information (together, "forward-looking statements"). All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the use of proceeds from the Offering and other future plans and objectives of the Company are forward-looking statements. There can be no assurance that such statements will prove to be accurate and actual results and future events may vary from those anticipated in such statements. Important risk factors that could cause actual results to differ materially from the Company's plans or expectations include the inability to use proceeds from the Offering as expected and risks associated with mineral exploration, including the risk that actual results and timing of exploration and development will be different from those expected by management. The forward-looking statements in this news release were developed based on the assumptions and expectations of management, including that the Company will be able to use the proceeds from the Offering as anticipated, as well as the other assumptions disclosed in this news release and that the risks described above will not materialize. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation.

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.