

## Headwater Gold Commences Drilling at Spring Peak Project, Nevada

**Vancouver, British Columbia, July 18, 2024:** Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce the commencement of drilling at the Spring Peak project in Nevada. The program is designed to follow-up on Headwater's 2022 and 2023 drill programs which discovered high-grade epithermal veins in two distinct target areas (see Headwater news release dated March 2, 2023).

### Highlights:

- **Jurisdiction:** Spring Peak is located in the Walker Lane belt of Nevada, adjoining Hecla Mining Company's (NYSE: HL) past producing Aurora Mine.
- **Drilling Program:** Up to approximately 7,000 metres of drilling is planned, utilizing a combination of diamond core and reverse circulation ("RC") drilling.
- **Funding:** The drill program is fully funded by Newmont Corporation ("Newmont") (NYSE: NEM) pursuant to the option and earn-in transaction announced on August 16, 2022.
- **Objectives:**
  - Test for extensions up-dip and down-dip from high-grade veins discovered by previous Headwater drilling at the Disco Zone, which intercepted 34.72 m grading 2.73 grams per tonne gold ("g/t Au"), including 15.92 g/t Au over 2.38 m and 10.43 g/t Au over 2.01 m (see Headwater New Release dated January 9, 2023).
  - Test for along-strike extensions of high-grade mineralization within the Bear Fault corridor, both to the southwest and to the northeast of the central Disco Zone.
  - Test multiple additional high-priority target areas on the property with initial scout drilling including undrilled target areas on recently acquired private lands.

Caleb Stroup, President and CEO of the Company, states: *"We are very happy to kick off this fully funded drill program at Spring Peak with our partner Newmont. This year's drilling represents a very exciting opportunity to extend zones of known high-grade mineralization and expand the footprint of exploration by testing new target areas with initial scout drilling. Approximately half of the planned 7,000 metres of drilling will be allocated to the Bear Fault corridor which hosts high-grade veins at the Disco Zone and remains open along strike in both directions as well as up and down-dip. The remainder of our planned drilling will be focused on initial tests of new high-priority target areas, including the first drilling on newly acquired private lands in the western portion of the land package. We will also look to drill the initial holes into several compelling targets just south of the Bear Fault in newly recognized parallel fault structures. We believe this year's program represents a great opportunity for the Company to significantly advance the Spring Peak project and continue to build on quality results from our previous drilling."*

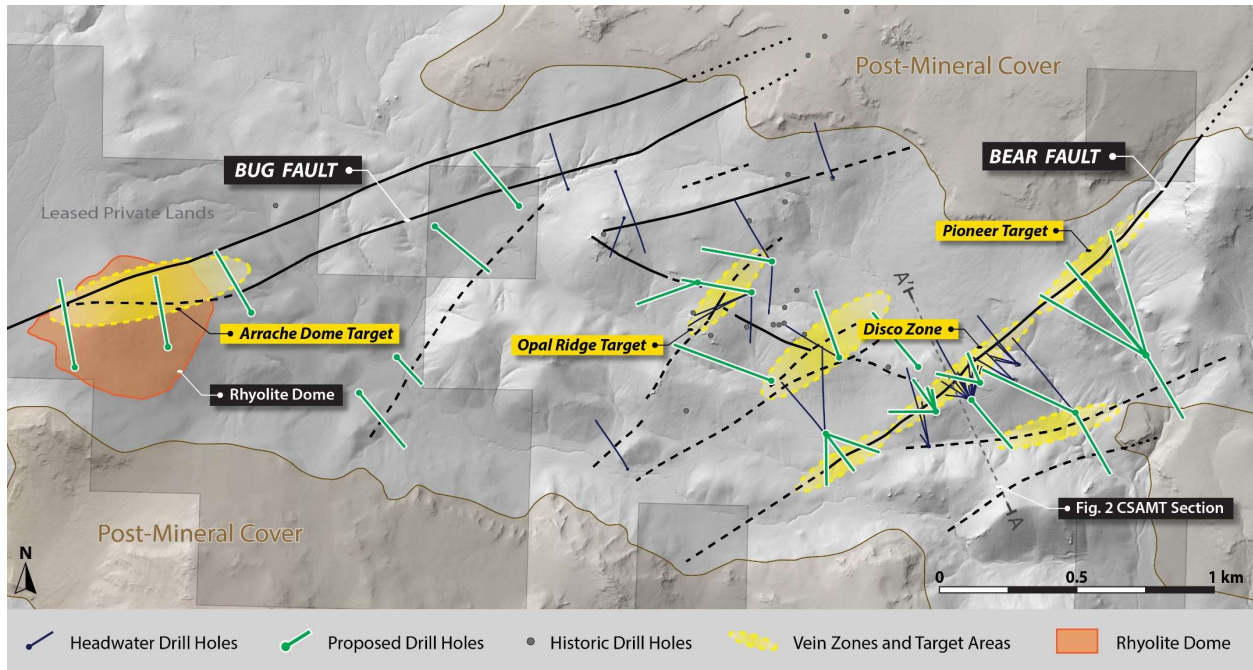


Figure 1: Map of the Spring Peak project area showing existing and proposed 2024 drill holes.

### **2024 Drill Program:**

The 2024 drill program is expected to consist of up to 7,000 metres of drilling over 20 to 25 holes, utilizing one core and one RC drill rig. The primary objectives of the drill program are to test for extensions of known mineralization along the Bear Fault corridor and test multiple new targets across the property with initial scout drilling. Drilling is authorized for 2024 under existing drill permits with the United States Forest Service and the Nevada Bureau of Mining Regulation and Reclamation.

**Disco Zone:** The Disco Zone was discovered by Headwater in 2022 by drilling beneath a thick accumulation of unmineralized silica sinter at surface and hosts a series of mineralized epithermal veins at depth within a property-scale fault zone referred to as the Bear Fault. The 2023 drill program expanded the known strike extent of the Disco Zone to over 400 m, with mineralization remaining open in all directions. Drilling to date in the Disco Zone has intercepted multiple discrete veins with textures indicative of epithermal boiling, including ginguro banding, silica replacement of lattice-bladed calcite and vein sediments. Re-interpreted geophysical (CSAMT resistivity) data (Figure 2) shows a strong association between silicification and epithermal mineralization and high apparent resistivity.

A primary objective of the 2024 drill program is to expand the Disco Zone both up and down-dip. Drill results from late in the 2023 drill program highlighted the up-dip potential with drill hole SP23-32 intercepting 9.44 g/t Au over 3.66 m within a broader zone of 39.81 m grading 1.93 g/t Au near the top of the current drill pattern (see Headwater News Release dated February 13, 2024). Approximately 180 metres of vertical potential remains untested above drill hole SP23-32 within a strong coincidental CSAMT resistivity anomaly (Figure 2). Several planned holes have been designed to test this target in the 2024 program.

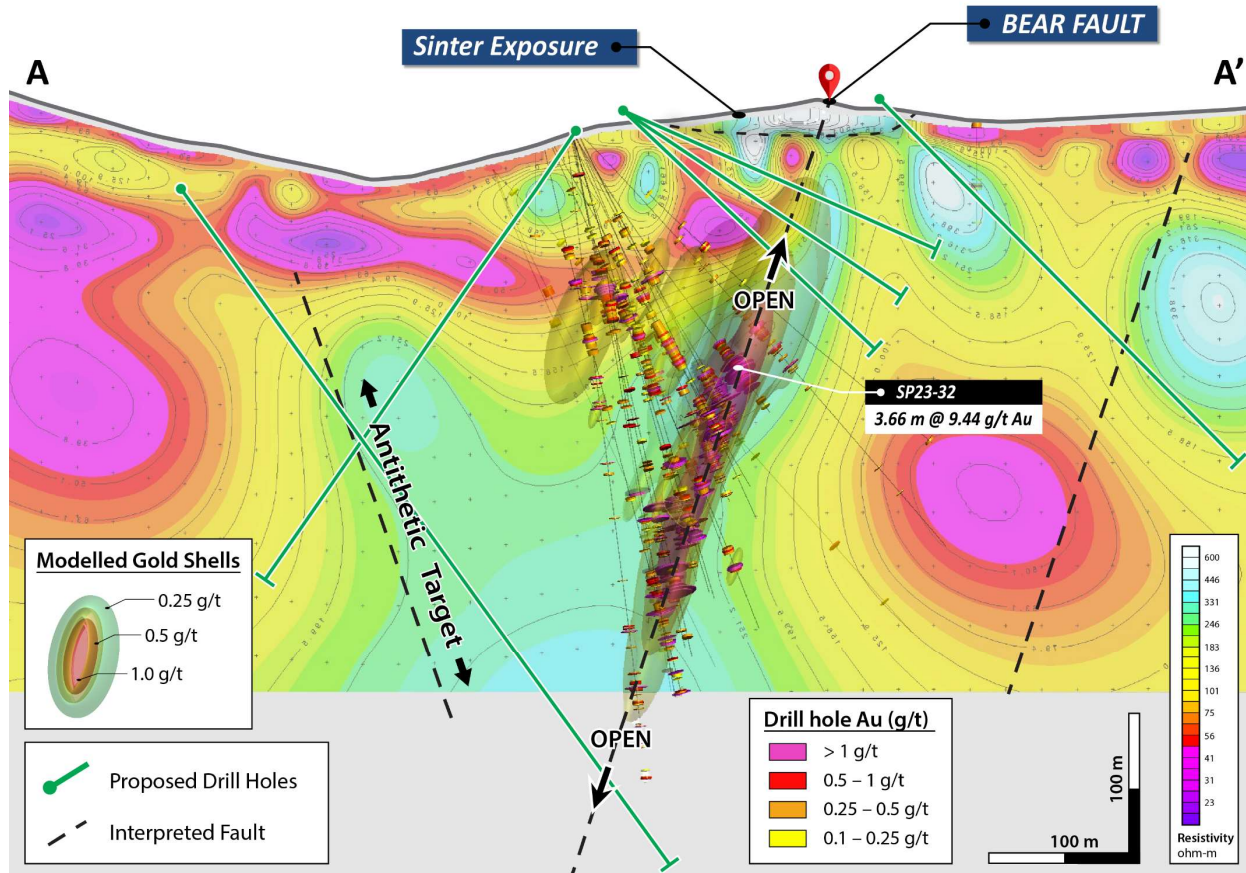


Figure 2: Cross sectional view (200 m wide) looking southwest showing association of gold mineralization with high resistivity feature revealed by CSAMT geophysics. The drill program underway will also test an adjacent high resistivity zone with an antithetic orientation.

**Bear Fault Step Out Drilling:** Multiple drill holes are planned to test for extensions of mineralization along a 1.5 km segment of the Bear Fault corridor, both northeast and southwest of the central Disco Zone (Figure 1). Drilling to date has demonstrated the importance of the Bear Fault structure as a fluid conduit at the Disco Zone, highlighting potential for discovering extensions to the known high-grade mineralization or additional high-grade shoots.

Only one drill hole has intercepted the Bear Fault outside of the main Disco Zone. In 2023, step out drill hole SP23-37 was completed approximately 400 m northeast of the main Disco Zone on the Pioneer target below new surface sampling, which returned up to 3.61 g/t Au in rock chip samples of veins with quartz-after-calcite and other epithermal vein textures. This hole encountered sulfide-rich silica-cemented breccias and quartz veins in the hanging wall of the main Bear Fault structure, including a 58.98 m zone of anomalous gold with four assay intervals grading over 1 g/t Au at a vertical depth of approximately 350 metres. Up-dip and along-strike follow up drill holes are proposed as part of the 2024 drill program on the Pioneer target.

**Scout Drilling:** Approximately half of the planned 2024 drill program at Spring Peak will be focused on first-pass scout drilling of multiple high-priority target areas on the property, including targets on newly acquired private lands which have no prior drilling. The western portion of the Spring Peak project was recently acquired through two lease agreements with options to purchase private lands within the project area (see Headwater News Release dated November 1, 2023).

In addition to potential long term infrastructure optionality, these private lands host a number of high-priority exploration targets. A property-scale northeast trending structure known as the Bug Fault is a primary focus for initial scout drilling on the private lands (Figure 1) and occupies a favorable structural orientation, broadly parallel the trend of the Disco Zone and the high-grade veins at the nearby Aurora mine complex. Epithermal alteration occurs over the exposed strike extent of the fault and a large, altered rhyolite dome intrudes the Bug Fault in the western portion of the property. This dome hosts steam heated epithermal alteration with abundant alunite alteration and elevated mercury geochemistry. Several drill holes are planned along an approximately 1.5 km strike extent of the Bug Fault corridor.

Recent geological mapping, surface geochemistry and re-interpretation of CSAMT resistivity geophysics has also highlighted several additional new target areas in the core of the property. Northeast-trending (Disco Zone and Aurora parallel) features will be the primary focus, including a strong CSAMT anomaly in the immediate hangingwall of Disco Zone (Figure 2) which Headwater geologists interpret as a potential antithetic mineralized structure. Multiple additional parallel features in both the hangingwall and footwall of the Disco Zone/Bear Fault will also be tested.

**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. 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 and 9.44 g/t Au over 3.66 m within a broader zone of 39.81 m grading 1.93 g/t Au.

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% strategic equity interest in the Company and entered into earn-in agreements on several of Headwater's projects.

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](http://www.nqcapitalgroup.com).

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