

Headwater Announces Strategic Investment by Centerra Gold

Vancouver, British Columbia, September 9, 2024: Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce that the Company and Centerra Gold Inc. ("Centerra") have agreed to a strategic investment under which Centerra will acquire 9.9% of the issued and outstanding common shares of the Company. Centerra will purchase, through a non-brokered private placement, 7,000,000 common shares of the Company at a price of \$0.22 per share for gross proceeds of \$1,540,000 (the "Offering"). The issue price represents a 15% premium to the last closing price of Headwater common shares on the Canadian Securities Exchange ("CSE") as of September 6, 2024.

Caleb Stroup, President and CEO of the Company, states: *"We are very pleased to welcome Centerra as a new strategic Headwater shareholder. The Company continues to advance our mission of delivering value through the discovery of high-grade, high-upside gold deposits in one of the most mining friendly jurisdictions in the world and I believe this represents a great vote of confidence in both our technical work and overall business strategy. This additional capital comes at an attractive premium and favorable terms for shareholders and will result in a strong treasury position of over \$4M to accelerate our ongoing generative initiatives and 100% funded exploration activities in Nevada in a rising gold price environment."*

The proceeds from the Offering will be used for exploration activities at the Company's western United States projects and for general working capital. The closing of the Offering is subject to certain conditions including, but not limited to, approval of the CSE and receipt of all required regulatory and other approvals. The Company anticipates the Offering will close on September 16, 2024 and does not intend to expand the offering beyond the participation by Centerra.

The Company and Centerra will enter into an investor rights agreement, whereby, subject to certain conditions, including time and ownership thresholds, Centerra will retain certain limited rights, including the right to participate in future equity issuances to maintain its percentage ownership in the Company.

All securities issued will be subject to a statutory hold period of four months and one day.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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 Corporation where

it acquired a 9.9% strategic equity interest in the Company and entered into earn-in agreements on several of Headwater's projects, including Spring Peak and Lodestar which continue under partnership towards a goal of discovering a Tier-one scale gold deposit in Nevada.

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

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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.

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.