



Headwater Gold Announces Strategic Private Placement with Lead Orders from Rick Rule and Jeff Philips

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAWS.

Vancouver, British Columbia, August 14, 2025: Headwater Gold Inc. (CSE: HWG) (OTCQB: HWAUF) (the "Company" or "Headwater") is pleased to announce that it proposes to undertake a non-brokered private placement (the "Offering") to raise gross proceeds of up to \$1,000,000 through the sale of up to 3,333,333 units (each, a "Unit") of the Company at a price of \$0.30 per Unit.

Highlights:

- Strategic lead investments from existing shareholders Rick Rule and Jeff Phillips.
- One-year hold period on Shares underlying the Units and acceleration trigger for the Warrants.
- Proceeds will be used to support ongoing project generation, exploration at the Company's 100% owned gold projects in the Western United States and general working capital.

Caleb Stroup, President and CEO of the Company, states: *"We are very pleased to announce strategic investments in Headwater Gold by Rick Rule and Jeff Phillips, two highly respected figures in the natural resource investment community. Their participation represents a strong vote of confidence in our team, corporate structure, and overall business strategy. This financing will provide us with additional capital to accelerate our ongoing generative activities in the Western US and continue executing our proven model in one of the world's premier mining jurisdictions."*

Leading natural resource investor Rick Rule commented: *"The prospect generator model has served me extremely well over the years, and I believe Headwater Gold is executing this model with financial discipline and technical excellence. I am fortunate to be a shareholder and look forward to hosting the Company at the 2026 Rick Rule Symposium in Boca Raton, Florida."*

Each Unit consists of one common share (each, a "Share") and one non-transferable share purchase warrant (each, a "Warrant") exercisable into one further Share at a price of \$0.50 for a period of 36 months. The Shares will be subject to a one (1) year hold period from the closing date and such other restrictions as may be required by applicable securities laws and stock exchange rules. Fifteen (15) months after the closing date, the Company will have the right to accelerate the expiry date of the Warrants (the "Acceleration") if the weighted average closing price of the Company's common shares on the Canadian Securities Exchange (the "CSE") equals or exceeds C\$0.75 (the "Acceleration Price") for 20 consecutive trading days (the "Acceleration Event"). Upon the occurrence of the Acceleration Event, the expiry date of the Warrants will then be 30 days from the date of issue of a news release announcing the Acceleration.

The proceeds from the Offering will be used to support ongoing project generation, exploration at the Company's 100% owned gold projects in the Western United States, and general working capital.

Finders' fees may be paid in connection with the Offering in accordance with the policies of the CSE. The Offering is subject to the acceptance of the CSE.

Insiders of the Company may acquire securities under the Offering, which will be considered a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). Such participation is expected to be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

The offered securities have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") or any state securities laws and may not be offered or sold to, or for the account or benefit of, any person in the United States or any "U.S person", as such term is defined in Regulation S under the Securities Act, absent registration or an applicable exemption from registration requirements. Offers and sales in the United States will be limited to institutional accredited investors and qualified institutional buyers. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

About Headwater Gold

Headwater Gold Inc. (CSE: HWG, OTCQB: HWAUF) is a technically-driven mineral exploration company focused on exploring for and discovering high-grade precious metal deposits in the Western USA. Headwater is actively exploring one of the world's most well-endowed, mining-friendly jurisdictions, with a goal of making world-class precious metal discoveries. The Company has a large portfolio of epithermal vein exploration projects and a technical team with diverse experience in capital markets and major mining companies. Headwater is systematically drill-testing several projects in Nevada and has strategic earn-in agreements with Newmont Corporation on its Spring Peak and Lodestar projects. In August 2022 and September 2024, Newmont and Centerra Gold Inc. acquired strategic equity interests in the Company, further strengthening Headwater's exploration capabilities.

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 about Headwater, please visit the Company's website at www.headwatergold.com.

On Behalf of the Board of Directors

Caleb Stroup
President and CEO
+1 (775) 409-3197
cstroup@headwatergold.com

For further information, please contact:

Brennan Zerb

Investor Relations Manager
+1 (778) 867-5016
bzerb@headwatergold.com

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 Offering, the use of proceeds from the Offering, the named participants in the Offering, 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 failure to obtain CSE acceptance of the Offering, inability to use of proceeds from the Offering as expected, failure to raise sufficient funds on the proposed terms or at all, 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 CSE acceptance for the Offering will be obtained, the Company will be able to use the proceeds from the Offering as anticipated, required fundraising will be completed, 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.