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Headwater Gold Plans Drill Program with OceanaGold at Jake Creek Project, Nevada

Vancouver, British Columbia, May 12, 2026: Headwater Gold Inc. (CSE: HWG) (OTCQX: HWAUF) (the "Company" or "Headwater") is pleased to announce it has received drill permits and is planning an initial drill program at its 100%-owned Jake Creek Project ("Jake Creek" or the "Project") in Nevada. The program is fully funded by OceanaGold Corporation ("OceanaGold") (TSX: OGC, NYSE: OGC) pursuant to the earn-in agreement announced October 15, 2025, with drilling expected to commence in late May 2026.

The program is anticipated to consist of approximately 3,500 metres of drilling in 8 to 10 holes, utilizing a combination of reverse circulation ("RC") and core drilling to test multiple high-priority target areas identified through the integration of geological mapping, geophysics, surface geochemistry and re-analysis of historical drilling data.

Highlights:

- **Drill Permits Received:** Permits have been approved for the initial program at Jake Creek with drilling expected to commence in late May 2026;
- **3,500 Metre Drill Program Planned:** The planned program consists of 8 to 10 holes designed to test multiple high-priority targets across the property;
- **Discovery Corridor Target:** Core drilling will focus on the area of blind mineralization discovered by historical drilling which has not been adequately followed up;
- **New Target Areas:** The majority of drilling will test newly defined and untested targets, including Pete's Vein and additional structurally controlled zones across the property; and
- **Expanded Land Position:** An additional 23 claims have been staked, bringing the total to 212 claims across the district-scale opportunity.

Caleb Stroup, President and CEO of the Company, states: *"We are excited to move Jake Creek into the drilling phase following completion of our initial targeting work and receipt of drill permits. Historic drilling demonstrated the presence of blind gold mineralization, but the structural framework controlling that mineralization was not understood and it was never adequately followed up. Over the past year we have focused on building that geological understanding through mapping, relogging, geochemistry and geophysics and we are now in a position to test that model with drilling. The Discovery Corridor is the highest-priority target, where we will use angled core holes to better understand the geometry of mineralization and test for feeder structures beneath the broad zone intersected in historical drilling. The majority of the drill program will be testing new targets that have seen no historical drilling. We view Jake Creek as a district-scale epithermal system with multiple opportunities for discovery and this initial program is designed to begin systematically testing that potential."*

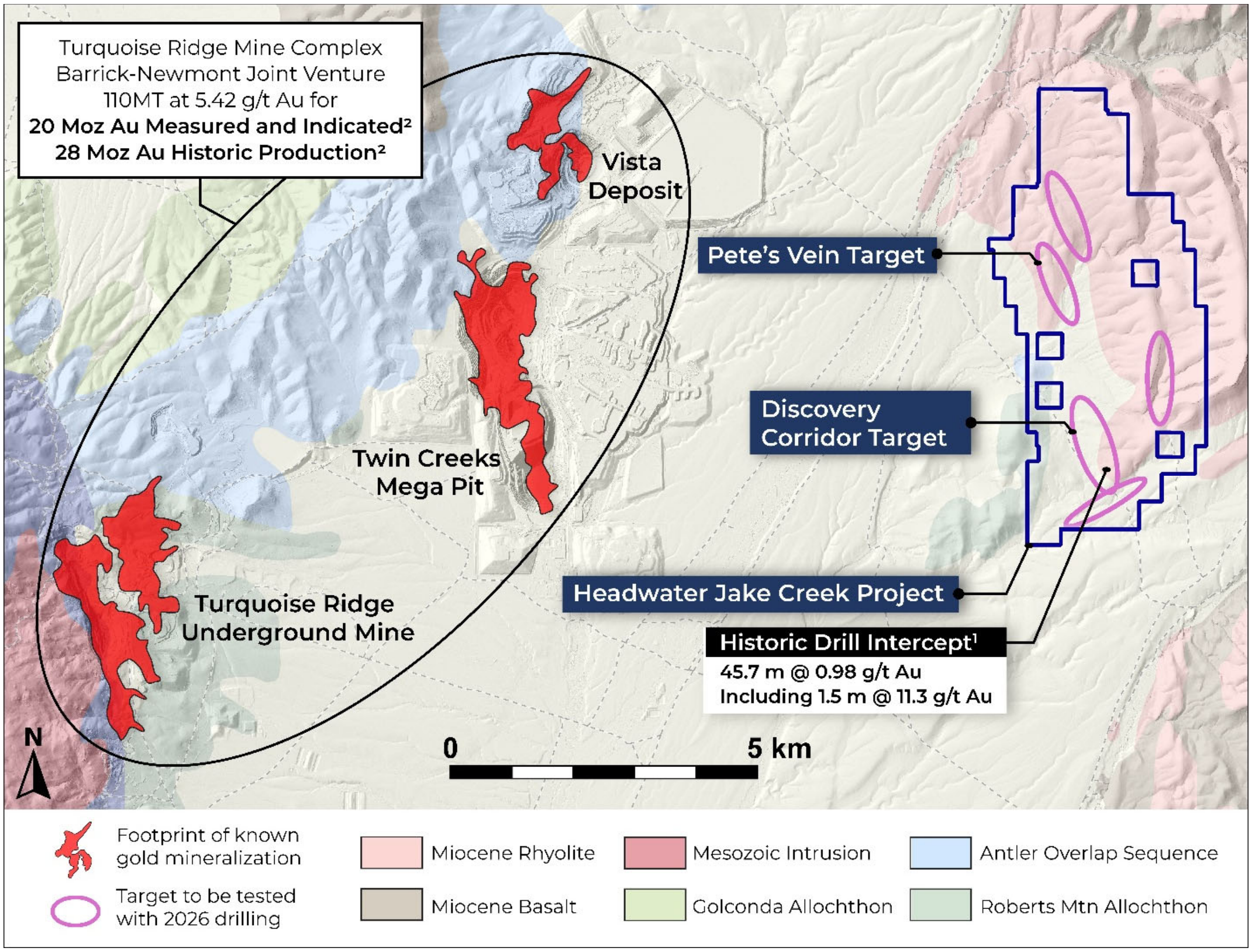

Figure 1: District-scale map showing the proximity of the Jake Creek Project to the Turquoise Ridge Complex and target areas to be tested in the upcoming 2026 Headwater drill program.

2026 Jake Creek Drill Program:

The initial drill program at Jake Creek represents the first systematic drill campaign focused on epithermal gold mineralization and is designed to test multiple high-priority targets across the property.

A portion of the program will focus on the Discovery Corridor, where historical drilling intersected broad zones of gold mineralization at the Tertiary unconformity (Figure 1), including 11.30 g/t Au over 1.53 m within a broader interval of 45.73 m grading 0.98 g/t Au (hole JC-005[1]). This mineralization was not adequately followed up, and the current program integrates new geological and geophysical datasets to guide targeted core drilling of this zone.

West-directed angled core holes will be drilled in this area to better define the geometry of mineralization and test for potential feeder structures beneath or adjacent to the known mineralized zone.

The majority of the planned drilling will be directed toward newly defined target areas across the broader land package. These include Pete's Vein, a zone of outcropping high-level epithermal quartz veining identified through recent mapping in the northern portion of the Project, as well as several additional structurally controlled targets defined through geologic mapping, soil geochemistry and geophysical surveys.

In total, the program is expected to test approximately five target areas distributed across the property (Figure 1), reflecting the emerging view that Jake Creek represents a district-scale epithermal system rather than a single isolated occurrence.

Final drill targeting is underway, with drilling expected to commence in late May 2026.

Targeting and Exploration Model:

Headwater's recent work has significantly improved the understanding of the geological and structural framework at Jake Creek. Integration of detailed geological mapping, relogging of historical RC drill chips, soil geochemistry and CSAMT and gravity geophysics has defined a series of structurally controlled target zones aligned along the western margin of the Northern Nevada Rift.

These datasets indicate that mineralization is associated with a broader epithermal system developed along a network of northwest- and northeast-trending structures. The Discovery Corridor represents the most advanced target within this system, while Pete's Vein and additional targets provide opportunities to test new, undrilled structures across the full extent of the Project.

About the Jake Creek Project:

The Jake Creek project is 100% owned by Headwater and consists of 212 unpatented lode mining claims on BLM land in Humboldt County, Nevada, located 65 km northwest of Winnemucca and 8 km east of the Nevada Gold Mines' Turquoise Ridge Mine Complex. A portion of the Project is subject to a 1% NSR, half of which can be purchased for $1,000,000 at any time. For further information see Headwater news release dated March 3, 2025.

The Project covers 2,400 acres (1,000 hectares) on the western margin of the Northern Nevada Rift, a north-northwest trending structural corridor known for hosting significant precious metal mineralization including Hecla's past-producing Midas Mine and Hollister Mine. The geology is dominated by mid-Miocene bimodal volcanic rocks, including rhyolite to dacite flows and welded tuffs, unconformably overlying Paleozoic sedimentary rocks at depths of 50 to 300 m. Historic drilling by Evolving Gold Corp. in 2010 and 2011 (13 RC holes total) intersected widespread epithermal mineralization at the Tertiary unconformity, with notable intercepts[1] such as 11.3 g/t Au over 1.52 m within 45.72 m grading 0.98 g/t Au from 210.3 m in hole JC-005. This mineralization, associated with silicification, clay alteration and banded quartz veining, suggests a robust low-sulfidation epithermal system with potential for high-grade feeder zones at depth or along strike.

About Headwater Gold:

Headwater Gold Inc. (CSE: HWG, OTCQX: 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 OceanaGold

Corporation on its TJ, Jake Creek, and Hot Creek projects, Newmont Corporation on its Spring Peak and Lodestar projects, and Centerra Gold Inc. on its Crane Creek project in Idaho. In August 2022 and September 2024, Newmont and Centerra acquired strategic equity interests in the Company, further strengthening Headwater's exploration capabilities.

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

Headwater is part of the NewQuest Capital Group, a discovery-driven investment enterprise that builds value through the incubation and financing of mineral projects and companies. Further information about NewQuest is available at www.nqcapitalgroup.com.

On Behalf of the Board of Directors

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Qualified Person

The technical information contained in this news release has been reviewed and approved by Dr. Stephanie Grocke, P.Geo. (EGBC License #58217), an independent "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

References

[1]Historical drill intercepts included in this release were sourced from primary historical Evolving Gold Corp. data and NI43-101 Technical Report on the Jake Creek Gold Project Humboldt County, Nevada, June 19, 2012, Effective Date: June 19, 2012, prepared for Evolving Gold Corp., 37 p. Drill results and surface samples have not been independently verified by Headwater and are treated by the Company as historical in nature and not current or NI 43-101 compliant.

[2]NI 43-101 Technical Report on the Turquoise Ridge Complex Humboldt County, Nevada, USA, March 15, 2024, Effective Date: December 31, 2023, prepared for Barrick Gold Corporation, 304 p.

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 planned drilling at the Jake Creek Project, OceanaGold's anticipated continued funding of the earn-in program, 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, the ability of the Company to obtain sufficient financing to fund its business activities and plans, the risk that OceanaGold will not elect to continue with the earn-in program, the ability of the Company to obtain required permits, changes in laws, regulations and policies affecting mining operations, 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 filings with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR+ website at www.sedarplus.ca.*

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.