

Headwater Gold Plans Drill Program at Whiskey Project, Nevada

Vancouver, British Columbia, October 20, 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 Whiskey project (“Whiskey” or the “Project”) in Nevada.

The program is anticipated to consist of approximately 1,500 metres (“m”) of drilling in 4 to 5 holes, utilizing a reverse circulation (“RC”) drill rig 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:

- **Strategic Location:** The Whiskey project is positioned in the heart of the Walker Lane gold belt, 20 km east of the Borealis Mine and the Company’s Spring Peak project;
- **1,500 Metre Drill Program Planned:** The planned program consists of 4 to 5 holes designed to test multiple high-priority targets across the property. Drilling permits have been received, and drilling is expected to commence in late October 2026;
- **Historical Drilling Supports Follow-up:** Historical shallow drilling at the East Rye and West Rye targets intersected broad zones of epithermal gold mineralization, including 59.7 m grading 0.85 g/t Au (RS-6) and 10.7 m grading 0.52 g/t Au (W-83-5)¹; and
- **High-Grade Gold Surface Mineralization:** Recent rock chip sampling by Headwater returned gold grades of 19.2 g/t Au, 18.5 g/t Au and 14.6 g/t Au from the High Proof target with no known drilling completed in the area.

Caleb Stroup, President and CEO of the Company, states: *“We are excited to begin drilling at Whiskey, where encouraging historical drill results and high-grade surface mineralization point to an attractive exploration opportunity. The previously reported intercepts warrant modern validation before we can confidently assess their significance. Whiskey is a strong candidate for a Headwater-funded program because a modest investment in initial scout holes can materially advance our understanding of the mineralization and the project’s potential. If successful, this initial program could open up a much larger district-scale opportunity to follow known mineralization and test prospective areas identified through our surface work and geophysical surveys that have seen no previous drilling.”*

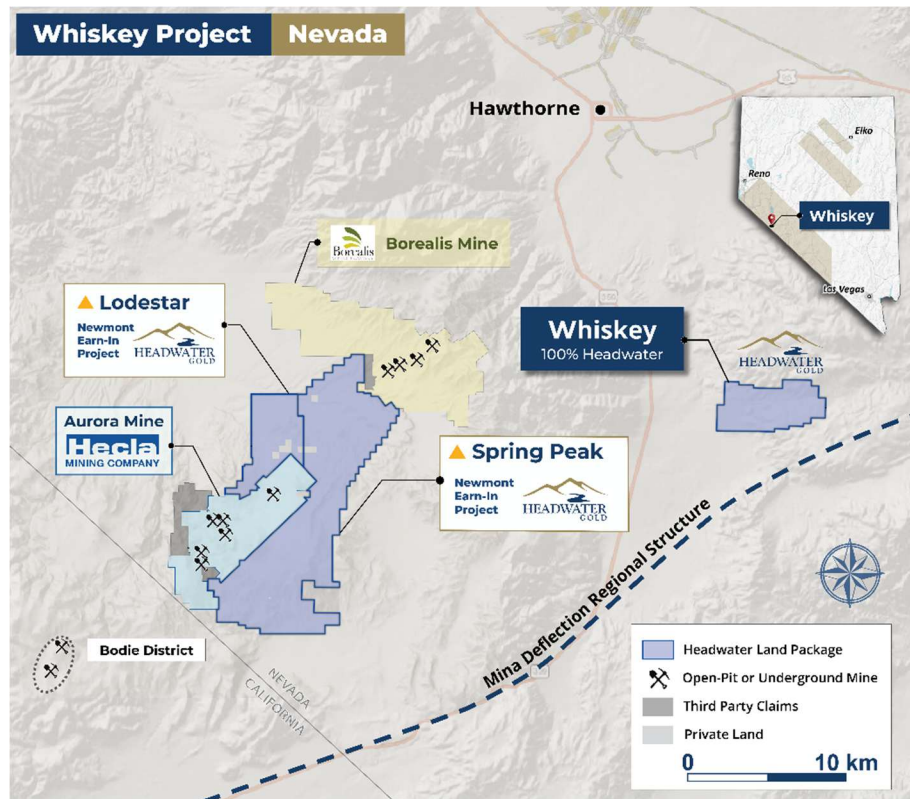


Figure 1: Whiskey project location in relation to Headwater's Spring Peak and Lodestar properties which are under earn-in agreements with Newmont Corporation.

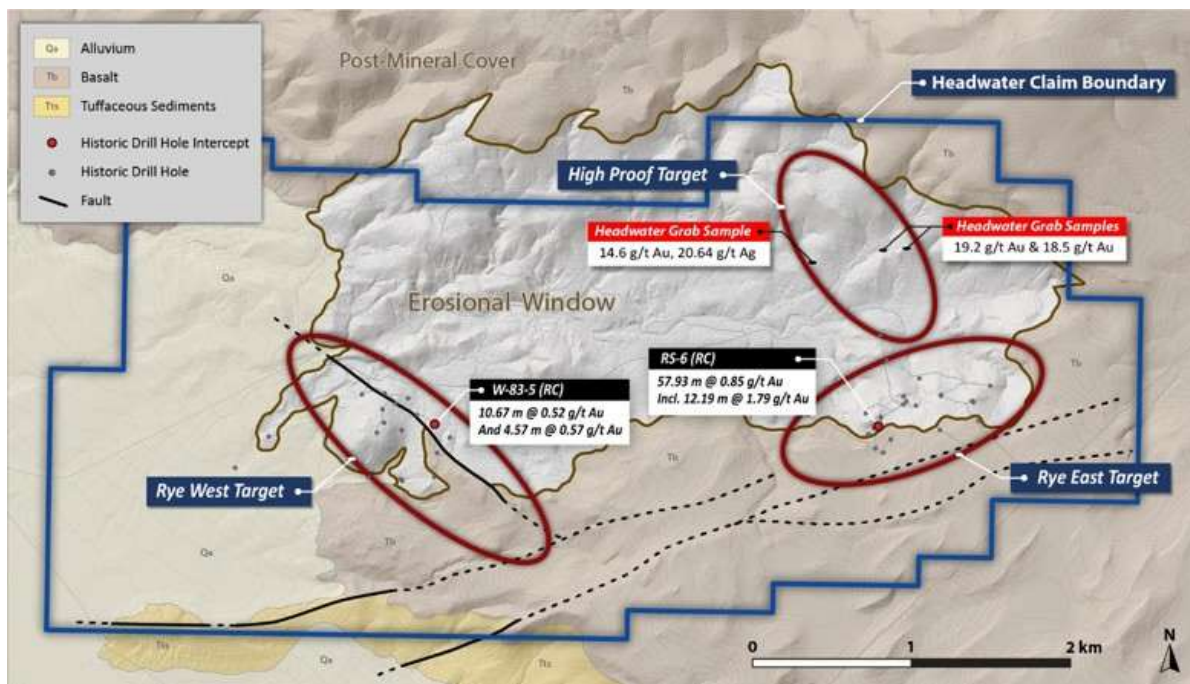


Figure 2: District-scale map showing target areas to be tested (red ellipses) in the upcoming 2026 Headwater drill program with historical drill intercepts.

2026 Whiskey Drill Program:

The initial drill program at Whiskey is focused on testing for gold mineralization at multiple high-priority targets across the property (Figure 2).

The Rye East drilling will test rhyolite-hosted epithermal mineralization along a series of rhyolite domes which intruded through Miocene andesite flows. The 2026 drill program aims to validate the historical drill intercept of 0.85 g/t Au over 57.93 m from 48.77 m downhole in drill hole RS-6, which reportedly ended in mineralization and test the continuation of mineralization at depth.

The Rye West drilling will test structurally controlled epithermal mineralization adjacent to a broad zone of silicification near rhyolite intrusions and breccias in the western part of the project. Planned angled scout holes will test the interpreted structural zone and follow up on historical vertical drill hole W-83-5, which returned 0.52 g/t Au over 10.7 m from 33.53 m downhole and 0.57 g/t Au over 4.6 m. Historical drill logs describe alunite and celadonite associated with the strongest gold mineralization. The initial drilling will seek to validate these reported alteration minerals and assess their relationship to gold mineralization.

The High Proof target comprises NNW-striking, high-angle structures hosted in basement granite with high-grade Au and elevated W, Pb, Mo, and Ag in rock chip sampling. This target has geologic and geochemical similarities to reduced intrusion-related gold deposits, of which there are multiple similar deposits in the region. The 2026 drilling will test across the structural fabric, as well as at depth, to test intersections or coalescing structures for a possible intrusion cupola (a small, dome-shaped upward protrusion).

About the Whiskey Project:

Headwater consolidated the Whiskey project through two exploration lease and option to purchase agreements (each, an "Agreement") with separate private arm's length vendors, securing the right to acquire 100% interests in pre-existing project claims (the "Vendor Claims"). Each Agreement provides for an initial payment of US\$4,000 and, beginning on the third anniversary, annual minimum payments of US\$10,000. Annual payments increase by US\$5,000 per year until US\$30,000 is payable on the seventh and each succeeding anniversary over a twenty-year term. These minimum payments may be credited towards the purchase price of US\$1,500,000 under each Agreement should the Company elect to exercise its option to purchase a 100% interest in the Vendor Claims. The Vendor Claims under each Agreement are subject to a 2.0% net smelter return ("NSR") royalty, of which the Company may purchase 1.5% of the NSR royalty for US\$2,000,000 reducing the royalty to 0.5%.

Headwater has also located an additional 134 100% owned unpatented mining claims contiguous to the Vendor Claims, consolidating the district. In total, Headwater has 206 unpatented mining claims representing the Whiskey project.

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, Lodestar and Jupiter 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.

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The technical information contained in this news release has been reviewed and approved by Joshua Carron (SME Reg No. 042931540), a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr. Carron is not independent, as he is the Company's Vice President, Exploration.

¹The historical drill results have not been independently verified. For previously reported results, sources and analytical information, see the Company's April 10, 2025 news release listed under References.

References:

Headwater Gold Inc., April 10, 2025: "Headwater Gold Acquires the Whiskey Project in Nevada and Reports 19.2 g/t Au in Rock Samples at Surface." See "Previous Exploration" and "Analytical Methods" for previously reported results, sampling and analytical information.

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 the planned Whiskey drill program, its timing, objectives and potential results 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 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.