WESDOME

PRESS RELEASE

WESDOME EARNS $0.04 PER SHARE IN 2010

Toronto, Ontario – March 23, 2011 – Wesdome Gold Mines Ltd (WDO: TSX) ("Wesdome" or the "Company") is pleased to report its financial and operating results from its Canadian operations for the year ended December 31, 2010. This information should be read in conjunction with the Company's annual financial statements, notes to the financial statements and Management's Discussion and Analysis. All figures are in Canadian dollars unless otherwise specified.

The Company owns the Eagle River gold mining operation in Wawa, Ontario and the Kiena mining complex in Val d'Or, Quebec. The Eagle River mine commenced commercial production on January 1, 1996, and the Kiena mine on August 1, 2006.

HIGHLIGHTS

- **Production of 68,874 ounces**
- **Earnings of $3.7 million or $0.04 per share**
- **Revenues of $89.4 million**
- **Cash flow from operations of $21.1 million or $0.21 per share**
- **Cash and bullion at market at year-end of $40.9 million**
- **Reserves increase 70% net of depletion**
- **Bullion inventory of 12,906 ounces**

Donovan Pollitt, CEO comments "This year's financial statements demonstrate modest earnings and decent Cash Flow from operations. I am pleased that the re-investment of this Cash Flow in 2010 resulted in 70% and 365% increases in reserves and resources per share, respectively. With a solid 2011 year ahead of us, I am pleased to forecast strong production growth in 2012 as the results of 2010 and 2011's investments show up at the mill".

OVERALL PERFORMANCE

The Company owns and operates the Eagle River gold mining operations in Wawa, Ontario and the Kiena Mine Complex in Val d'Or, Quebec. The Eagle River mine commenced commercial production January 1, 1996 and the Kiena mine August 1, 2006.

At December 31, 2010, the Company had working capital of $30.7 million. During the year ended December 31, 2010, cash flow from operations totalled $21.1 million, $19.6 million of capital investments in exploration, development and mining equipment were made and $2.0 million in dividends were paid. Net income for the year ended December 31, 2010, was $3.7 million.

In 2010, mining operations at the Eagle River mine were in a low grade sequence with recovered grades averaging about half those of 2009. During this time development work to access the higher grade western portions of the mine was undertaken. Once access is established at new depths the orebody will be developed for mining of higher grade material over the next three years. We expect these better grades to come onstream in 2012.

Also, in 2010, the Company launched development programs for the Dubuisson Zone in Val d'Or and the Mishi open pit mine in Ontario. These new projects form the basis of the Company's internal production growth prospects over the short and medium term.

RESULTS OF OPERATIONS

	Three Months Ended Dec 31		Twelve Months Ended Dec 31	
	2010	2009	**2010**	2009
Eagle River Mine				
Tonnes milled	**39,281**	29,970	**155,554**	132,004
Recovered grade (g/t)	**7.9**	13.0	**7.3**	14.3
Production (oz)	**10,004**	12,503	**36,712**	60,754
Sales (oz)	**10,000**	15,000	**40,000**	56,300
Bullion inventory (oz)	**8,793**	12,081	**8,793**	12,081
Bullion revenue ($thousands)	**14,013**	17,543	**50,690**	62,649
Operating costs ($thousands)	**10,760**	7,650	**34,700**	28,273
Mine operating profit ($thousands) *	**3,253**	9,893	**15,990**	34,376
Gold price realized ($Cdn/oz)	**1,399**	1,168	**1,266**	1,112
Kiena Mine Complex				
Tonnes milled	**84,751**	89,536	**285,527**	302,034
Recovered grade (g/t)	**4.2**	3.0	**3.5**	3.6
Production (oz)	**11,508**	8,690	**32,162**	35,398
Sales (oz)	**9,000**	9,000	**30,000**	36,400
Bullion inventory (oz)	**4,113**	1,951	**4,113**	1,951
Bullion revenue ($thousands)	**12,621**	10,515	**38,693**	40,621
Operating costs ($thousands)	**6,226**	7,204	**28,084**	29,746
Mine operating profit ($thousands) *	**6,395**	3,311	**10,609**	10,875
Gold price realized ($Cdn/oz)	**1,398**	1,166	**1,286**	1,114
Total				
Production (oz)	**21,512**	21,193	**68,874**	96,152
Sales (oz)	**19,000**	24,000	**70,000**	92,700
Bullion inventory (oz)	**12,906**	14,032	**12,906**	14,032
Bullion revenue ($thousands)	**26,634**	28,058	**89,383**	103,270
Operating costs ($thousands)	**16,986**	14,854	**62,784**	58,019
Mine operating profit ($thousands) *	**9,648**	13,204	**26,599**	45,251
Gold price realized ($Cdn/oz)	**1,398**	1,167	**1,275**	1,113

* The Company has included in this report certain non-GAAP performance measures, including mine operating profit and operating costs to applicable sales. These measures are not defined under GAAP and therefore should not be considered in isolation or as an alternative to or more meaningful than, net income(loss) or cash flow from operating activities as determined in accordance with GAAP as an indicator of our financial performance or liquidity. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's performance and ability to generate cash flow.

Gold sales exceeded operating costs resulting in a mine operating profit, or gross margin, of $26.6 million. In addition to these direct operating costs, additional costs, including royalty payments, corporate and general costs and interest costs totalled $5.0 million.

At the Eagle River mine grades averaged 7.3 gAu/tonne in 2010 compared to 14.3 gAu/tonne in 2009. We were mining low grade portions of the mine while establishing access at deeper levels to the high grade western portion of the mine. Very encouraging drilling results in this area served to increase Eagle River's proven and probable mineral reserves 50%, net of depletion, compared to last year. More importantly, the quality of the reserves improved with the average diluted grade almost doubling to 15.0 gAu/tonne. This material will start being introduced into the mining sequence in 2012.

The Kiena mine produced 32,162 ounces of gold and posted a strong fourth quarter. Kiena continues to be a steady, efficient, lower margin mine with a tremendous safety record and outstanding exploration potential.

Overall average operating costs rose to $897Cdn per ounce sold in 2010 compared to $626Cdn per ounce in 2009. The gross margin declined to $378Cdn per ounce in 2010 compared to $488Cdn per ounce in 2009. The difference is almost entirely related to the mining of lower grade ore in the mine sequence at Eagle River. The average sales price increased 14.5% to $1,275Cdn from $1,113Cdn in 2009.

In 2010, the Company started driving a one kilometre long exploration drift to the Dubuisson Zone, east of the Kiena mine. Detailed drilling proposed for 2011 will establish size, continuity and mineability of this material. Positive results would offer potential to generate production growth for our Val d'Or operations over the short to medium term.

In Wawa, we completed a pre-feasibility study for the Mishi Project located two kilometres west of the Eagle River mill. A 5-year initial mine plan was developed which offers very attractive returns at current gold prices and very modest capital costs. We intend to generate initial production in the fourth quarter of 2011 pending successful completion and regulatory approval of key preproduction activities. The successful initiation of production for Mishi is expected to generate significant incremental cost savings for the Eagle River mine operations.

In 2010, we advanced our internal growth projects and developed access towards higher grade portions of our mines. Combined with an aggressive drilling program we significantly increased our mineral reserves and resources, mine lives and advanced growth projects.

FOURTH QUARTER

Wesdome's production totalled 21,512 ounces. Sales during the quarter totalled $26.6 million with 19,000 ounces sold at an average price of $1,398Cdn per ounce. The cost of sales, or cash cost, was $894Cdn per ounce.

The Eagle River mine produced 10,004 ounces of gold from 39,281 tonnes milled at an average recovered grade of 7.9 gAu/tonne. Sales totalled 10,000 ounces at an average realized price of $1,399Cdn per ounce. Cost of sales, or cash cost, averaged $1,076Cdn per ounce. Mine operating profit for the quarter was $3.3 million.

The Kiena mine produced 11,508 ounces from 84,751 tonnes milled at an average recovered grade of 4.2 gAu/tonne. Sales totalled 9,000 ounces at an average realized price of $1,398Cdn per ounce. Cost of sales, or cash cost, averaged $692Cdn per ounce. With the combination of higher grades, throughput and gold prices the Kiena mine generated a mine operating profit, or gross margin, of $6.4 million

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2010, the Company had working capital of $30.7 million, compared to $35.2 million at year-end 2009. The Company invested $16.7 million in exploration and development, $0.7 million on exploration properties and $2.2 on capital equipment for a total of $19.6 million, compared to $14.2 million in exploration and development, $0.8 million on the acquisition of exploration properties and $4.2 million on capital equipment for a total of $19.2 million in 2009.

The Company's inventory includes 12,906 ounces of gold bullion, a liquid asset with a market value of $18.1 million on December 31, 2010.

The Company believes it has sufficient capital resources to cover its obligations, capital and operating costs going forward. On April 30, 2010, the Company paid a dividend of $0.02 per share.

Production planned in 2011 should generate operating cash flow, even at gold prices well below those currently being realized.

OUTLOOK

In 2011, we expect similar outputs from Kiena and Eagle River plus initial production from Mishi. This should put us over 70,000 ounces for the year. Clarity on the contribution from Mishi will improve as regulatory requirements are met. We expect 2012 to be a very strong year, perhaps our best ever, as grades rise at Eagle River and the first full year of Mishi kicks in. At Dubuisson drilling will provide information to decide on further development potential.

ABOUT WESDOME

Wesdome is an established Canadian gold producer with wholly-owned mining and milling complexes located in Wawa, Ontario and Val d'Or, Québec. Wesdome has been producing gold continually for 20 years on an unhedged basis and to date has produced in excess of 1.2 million ounces. The Company has 101.2 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

For further information, please contact:

Donovan Pollitt, P.Eng., CFA
President & CEO
416-360-3743 ext 25

8 King St. East, Suite 1305
Toronto, ON, M5C 1B5
Toll Free: 1-866-4-WDO-TSX
Phone: 416-360-3743, Fax: 416-360-7620
Email: invest@wesdome.com, Website: www.wesdome.com

Wesdome Gold Mines Ltd.
Consolidated Balance Sheets

December 31	2010	2009
(in thousands)		
Assets		
Current		
Cash and cash equivalents	**$ 22,806**	$ 23,702
Receivables	**7,442**	4,022
Inventory	**14,490**	14,624
Marketable securities	**-**	211
Future income taxes	**1,514**	1,199
	46,252	43,758
Restricted funds	**2,420**	2,588
Future income taxes	**940**	2,245
Capital assets	**-**	9
Mining properties	**74,771**	64,637
Exploration properties	**30,762**	30,018
	$ 155,145	$ 143,255
Liabilities		
Current		
Payables and accruals	**$ 12,938**	$ 7,322
Mining taxes	**1,317**	-
Current portion of obligations under capital leases	**1,262**	1,240
	15,517	8,562
Income taxes payable	**58**	82
Obligations under capital leases	**1,735**	1,108
Convertible 7% debentures	**10,072**	9,483
Asset retirement obligation	**1,597**	1,324
	28,979	20,559
Non-controlling interest in Moss Lake Gold Mines Ltd.	**740**	857
Shareholders' Equity		
Capital stock	**116,217**	114,567
Contributed surplus	**3,807**	3,770
Accumulated other comprehensive loss	**-**	(222)
Equity component of convertible debentures	**1,970**	1,970
Retained earnings	**3,432**	1,754
	125,426	121,839
	$ 155,145	$ 143,255

Wesdome Gold Mines Ltd.
Consolidated Statements of Income and Comprehensive Income

Years Ended December 31		**2010**		2009
(in thousands, except per share amounts)				
Revenue				
Gold and silver bullion	**$**	**89,383**	$	103,270
Interest and other		**78**		266
		89,461		103,536
Costs and expenses				
Operating costs		**62,784**		58,019
Amortization of mining properties		**14,040**		12,869
Production royalties		**917**		1,073
Corporate and general		**2,489**		2,064
Stock based compensation expense		**516**		495
Interest on long term debt		**1,598**		1,596
Other interest		**-**		16
Amortization of capital assets		**9**		1
Accretion of asset retirement obligation		**79**		71
		82,432		76,204
Net income before the following		**7,029**		27,332
Dilution (loss) gain on Moss Lake Gold Mines Ltd.		**(7)**		9
Net income before income tax and non-controlling interest		**7,022**		27,341
Income tax (recovery)				
Current		**1,293**		(91)
Future		**2,106**		(4,676)
		3,399		(4,767)
Net income before non-controlling interest		**3,623**		32,108
Non-controlling interest		**112**		57
Net income		**3,735**		32,165
Other comprehensive income:				
Change in fair value of available-for-sale marketable securities		**-**		68
Comprehensive income	**$**	**3,735**	$	32,233
Earnings per share				
Basic and diluted	**$**	**0.04**	$	0.32

Wesdome Gold Mines Ltd.
Consolidated Statements of Cash Flows

Years Ended December 31		2010		2009
(in thousands)				
Operating activities				
Net income	**$**	**3,735**	$	32,165
Amortization of mining properties		**14,040**		12,869
Accretion of discount on convertible debentures		**589**		516
Dilution loss (gain) on Moss Lake Gold Mines Ltd.		**7**		(9)
Non-controlling interest		**(112)**		(57)
Stock based compensation expense		**516**		495
Amortization of capital assets		**9**		1
Future income taxes		**2,106**		(4,676)
Gain on sale of equipment		**(216)**		(1)
Gain on property held for sale		**-**		(122)
Loss on sale of marketable securities		**362**		-
Accretion of asset retirement obligation		**79**		71
		21,115		41,252
Net changes in non-cash working capital		**(568)**		(4,745)
		20,547		36,507
Financing activities				
Exercise of options		**1,232**		984
Funds paid to repurchase common shares under NCIB		**(78)**		(38)
Funds paid to repurchase debentures		**-**		(477)
Share issuance costs		**(40)**		(105)
Dividends paid		**(2,013)**		(1,995)
Shares issued by a subsidiary of the company to third parties		**-**		17
Repayment of obligations under capital leases		**(1,589)**		(1,890)
		(2,488)		(3,504)
Investing activities				
Additions to mining and exploration properties		**(23,620)**		(17,857)
Proceeds on sale of equipment		**235**		577
Proceeds on sale of marketable securites		**71**		-
Proceeds on property held for sale		**-**		400
Funds held against standby letters of credit		**168**		(285)
		(23,146)		(17,165)
Net changes in non-cash working capital		**4,191**		(165)
		(18,955)		(17,330)
(Decrease) increase in cash and cash equivalents		**(896)**		15,673
Cash and cash equivalents, beginning of year		**23,702**		8,029
Cash and cash equivalents, end of year	**$**	**22,806**	$	23,702