

## **WESDOME ANNOUNCES 2015 FOURTH QUARTER AND FULL YEAR FINANCIAL AND OPERATIONAL RESULTS**

**Toronto, Ontario – March 29, 2016** – Wesdome Gold Mines Ltd. (TSX: WDO) today announces financial and operational results for the fourth quarter and full year 2015.

### **2015 FINANCIAL AND OPERATIONAL HIGHLIGHTS**

- Gold production of 50,470 ounces
  - Eagle River Underground production of 41,013 ounces at a recovered grade of 7.4 grams per tonne (“gpt”)
  - Mishi Open Pit mine production of 9,457 ounces at a recovered grade of 2.2 gpt
- Total mill throughput of 305,227 tonnes averaging 836 tonnes per day
- Total revenue of \$73.5 million on gold sales of 49,804 ounces at an average price of CAD\$1,475 per ounce
- Mine operating profit of CAD\$17.7 million
- Operating cash flow of CAD\$10.1 million, or \$0.09 per share (after adjusting for Kiena care and maintenance costs operating cash flow of CAD\$12.8 million or \$0.11 per share)
- Net income after adjusting for Kiena costs was \$CAD3.2 million or \$0.03 per share; before Kiena adjustment net loss of CAD(\$4.7 million) or (\$0.04) per share
- Mine cash costs of CAD\$1,115 per ounce, AISC costs of CAD\$1,542 per ounce
- Cash and cash equivalents of \$CAD15.4 million

### **2015 FOURTH QUARTER HIGHLIGHTS**

- Gold production of 13,570 ounces
  - Eagle River gold production of 11,625 ounces at a recovered grade of 8.7 gpt
  - Mishi gold production of 1,945 ounces at a recovered grade of 1.9 gpt
- Revenue of CAD\$23.6 million on gold sales of 16,023 ounces at an average sales price of CAD\$1,474 per ounce
- Mine cash costs of CAD\$1,029 per ounce, AISC costs CAD\$1,388 per ounce
- Operating cash flow of CAD\$5.2 million
- Net income of CAD\$1.1 million or \$0.01 per share
- All fourth quarter figures are before Kiena care and maintenance cost adjustments

Mr. Rolly Uloth, President and CEO commented, “The fourth quarter demonstrated an improvement in financial performance as recovered grades improved at the Eagle River Underground Mine. Despite 2015 full year production being a lower grade cycle, the Eagle River Complex operations were profitable once adjusted for Kiena costs. We are encouraged on many other fronts by the progress made this year to position the Company with production flexibility and long term mine planning at the Eagle River Complex. With the recent exploration success at the Eagle River underground mine, new drill bays have been created to test and expand the 300 and 7 parallel zones, and potentially bring the 7 zone into the mining plan earlier than originally expected. The Company will also follow up on

this exploration success with a significant exploration program in 2016 consisting of 90,000 exploration metres, compared to 22,000 exploration metres in 2015.”

“Reserves have doubled over the last three years to 431,000 ounces (net of 149,000 ounces of depletion) which enabled the Company in 2015 to lay out a 4-year production guidance growth plan based on a modest mill expansion to profitably increase mining rates primarily at the Mishi Open Pit. Expansion programs will be completed over the course of 2016 and 2017, resulting in significantly higher production in years 2018 and 2019 of 72,000 – 82,000 ounces per year.

## **2015 EXPLORATION HIGHLIGHTS**

- Eagle River Mineral Reserves increase 13% to 300,000 ounces
- Mishi Mineral Reserves increase 8% to 131,000 ounces
- Eagle River Inferred Mineral Resources increase 112% to 170,000 ounces reflecting drilling successes of new parallel zones
- Major drilling program launched to include up to 7 drills in 2016 to assess potential to significantly expand Mineral Resources

## **2015 CORPORATE HIGHLIGHTS**

- Charles Page, P. Geo appointed as independent director, appointed as Chairman subsequent to year end
- Nadine Miller, P. Eng appointed as independent director
- Hemdat Sawh appointed as Chief Financial Officer

## **OUTLOOK**

Production in 2016 at the Eagle River Complex was forecasted to range between 54,000 – 60,000 ounces of gold with 43,000 – 47,000 ounces from the Eagle River Mine and 11,000 – 13,000 ounces attributed to the Mishi Mine. At present, the Company anticipates achieving the lower range of its 2016 overall production forecast. We forecast Q1 overall production of approximately 8,300 ounces with 5,500 ounces from Eagle River and 2,800 ounces from Mishi; and Q2 overall production of approximately 12,000 ounces with 9,000 ounces coming from Eagle River and 3,000 ounces from Mishi. Due to the Eagle River mining sequence, we expect grade and tonnage to increase from current levels in the second half of this year. Q1 2016 production from Eagle was constrained to the extraction of lower grade remnant reserve blocks in the upper parts of the mine as development of higher grade reserve blocks was slower than anticipated due to scooptram mechanical issues. In order to improve development and production at Eagle River, the Company will continue its sustaining capital program including adding rental equipment to supplement its mobile fleet while it awaits the delivery of budgeted scooptrams in Q2 2016. Faulty blasting equipment was also replaced in Q1 to ensure successful blast initiations. Mishi Mine production continues to deliver on target with an ore stockpile of around 35,000 tonnes at the mill. The Company is examining its exploration success at the 7 Zone at Eagle River to quickly determine if it can be fully developed to supplement this year’s production, two years ahead of schedule.

## Consolidated Financial Information

<b>Financial Results – 4<sup>th</sup> Quarter and Annual</b>				
	<b>Quarter ended December 31</b>		<b>Year ended December 31</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<i>(in \$000, except per share amounts)</i>				
Revenue	<b>23,622</b>	20,922	<b>73,465</b>	82,441
Mine operating profit	<b>7,767</b>	5,545	<b>17,680</b>	28,614
Net income (loss)	<b>1,110</b>	2,589	<b>(4,701)</b>	11,876
Net income adjusted for Kiena	<b>1,977</b>	2,889	<b>3,186</b>	13,737
Basic net income (loss) per share	<b>0.01</b>	0.02	<b>(0.04)</b>	0.11
Basic net income per share adjusted for Kiena	<b>0.02</b>	0.03	<b>0.03</b>	0.13
Cash flows from operating activities	<b>5,153</b>	4,192	<b>10,055</b>	23,269
Cash flows from operating activities adjusted for Kiena	<b>5,783</b>	4,492	<b>12,771</b>	25,130
Cash and cash equivalents	<b>15,424</b>	15,408	<b>15,424</b>	15,408
Working capital	<b>12,507</b>	12,565	<b>12,507</b>	12,565
<b>Operational results – 4<sup>th</sup> Quarter and Annual</b>				
	<b>Quarter ended December 31</b>		<b>Year ended December 31</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Eagle tonnes milled	<b>42,185</b>	27,798	<b>173,189</b>	123,374
Mishi tonnes milled	<b>33,100</b>	31,859	<b>132,038</b>	67,149
Total tonnes milled	<b>75,285</b>	59,657	<b>305,227</b>	190,523
Eagle grade (gpt)	<b>8.7</b>	12.5	<b>7.4</b>	12.1
Mishi grade (gpt)	<b>1.9</b>	1.8	<b>2.2</b>	2.1
Eagle ounces produced	<b>11,625</b>	11,183	<b>41,013</b>	48,190
Mishi ounces produced	<b>1,945</b>	1,798	<b>9,457</b>	4,567
Total ounces produced	<b>13,570</b>	12,981	<b>50,470</b>	52,757
Ounces sold	<b>16,023</b>	15,188	<b>49,804</b>	58,230
Average realized price (CAD\$/oz)	<b>1,474</b>	1,378	<b>1,475</b>	1,416
Average realized price (US\$/oz)	<b>1,104</b>	1,185	<b>1,153</b>	1,272
Production cash costs (CAD\$/oz)	<b>1,029</b>	1,011	<b>1,115</b>	955
Production cash costs/oz (US\$/oz)	<b>770</b>	869	<b>872</b>	858
All-in-sustaining costs (CAD\$/oz)	<b>1,388</b>	1,428	<b>1,542</b>	1,345
All-in-sustaining costs (US\$/oz)	<b>1,039</b>	1,229	<b>1,206</b>	1,210

## ABOUT WESDOME

Wesdome Gold Mines Ltd. is in its 28th year of continuous gold mining operations in Canada. The Company is currently producing gold at the Eagle River Complex located near Wawa, Ontario from the Eagle River and Mishi gold mines. Wesdome's goal is to expand current operations at both mines over the next four years through mill expansion and exploration. Wesdome has significant upside through ownership of its two other properties, the Kiena Mine Complex in Val d'Or, Quebec and the Moss Lake gold deposit located 100 kilometres west of Thunder Bay, Ontario. These assets are being explored and evaluated to be developed in the appropriate gold price environment. The Company has approximately 118 million shares issued and outstanding and which trade on the Toronto Stock Exchange under the symbol "WDO".

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