



**PRESS  
RELEASE**

**NOVEMBER 3 2016  
TSX:WDO**

## **WESDOME GOLD MINES ANNOUNCES THIRD QUARTER FINANCIAL RESULTS**

**Toronto, Ontario – November 3, 2016** – Wesdome Gold Mines Ltd. (TSX: WDO) (“Wesdome” or the “Company”) today announces financial results for the third quarter of 2016. All figures are stated in Canadian dollars unless otherwise noted.

### **2016 THIRD QUARTER HIGHLIGHTS**

#### **EAGLE RIVER COMPLEX**

- Production of 15,667 ounces, a 29% improvement over Q2 (12,147 ounces). The Company is on-track to meet its 2016 revised guidance of 45,000 – 50,000 ounces with 36,000 ounces produced in the first three quarters.
- Eagle River Underground Mine head grades of 10.1 grams per tonne (g/t) improved by 35% (7.5 g/t in Q2)
- Revenue of \$27.5 million, a 49% increase over Q2’s figure of \$18.4 million
- Operating cash flow of \$12.9 million, a 163% increase over Q2’s figure of \$4.9 million
- Net income of \$6.9 million or \$0.05 per share, a 283% improvement over Q2’s figure of \$1.8 million or \$0.01 per share
- Free cash flow\* of \$4.6 million, or \$0.04 per share, compared to \$(2.1) million, or \$(0.02) per share, in Q2
- Cash costs per ounce\* decreased 23% to \$911 per ounce (US\$698) (\$1,188, US\$922 per ounce in Q2)
- All-in sustaining costs per ounce\* decreased 19% to \$1,359 per ounce (\$US1,042) (\$1,687, US\$1,309 in Q2)
- Cash and cash equivalents of \$29 million
- Previously released Eagle River surface drilling highlights (between surface and 400 metre depth) of north mine diorite confirm structure and return promising results
  - ERM-2016-10: 14.56 g/t over 2.0 m
  - ERM-2016-20: 33.92 g/t over 2.1 m
  - ERM-2016-27: 32.39 g/t over 4.8 m
- Mishi surface drilling discovers new zone 1.7 km west of open pit mining operations
  - BC16-80: 4.28 g/t over 14.0 m
  - Including: 7.65 g/t over 5.8 m

#### **KIENA COMPLEX, VAL d’OR, QUEBEC**

- New high grade gold discovery “Kiena Deep” in Val d’Or, Quebec at permitted mine on care and maintenance, with a 2,000 tonne per day mill on the property
- Previously released drilling results include:

\* Note: Refer to the section entitled “Non-IFRS Performance Measures” in the Q3 2016 Management’s Discussion and Analysis for the reconciliation of these non-IFRS measurements to the Financial Statements

\*\* Revenue includes \$2.6 M from sale of gold from Kiena mill cleanup

- U-6124: 94.35 g/t over 17.4 m
- U-6125: 192.95 g/t over 16.95 m  
and 238.81 g/t over 5.0 m
- U-6130: 8.43 g/t over 8.2 m
- Three drills currently operating with a fourth to be added. Drill conditions are challenging and as a result, drilling is slower than expected. Results will be released as soon as they become available.

## MOSS LAKE/COLDSTREAM

- Exploration program at Moss Lake and Coldstream properties to commence in Q4, with the goal of demonstrating potential to double resources

Mr. Duncan Middlemiss, President and CEO commented, “This quarter is Wesdome’s best financial performance since Q4 2013. We generated \$4.6 million in free cash flow, which we believe is demonstrative of what the Eagle River Operations are capable of in a high grade mining cycle. Extensive exploration programs on three separate assets are being internally funded while building cash on the balance sheet. Operational improvements at the Eagle River Complex are yielding positive results, with head grades at both the underground and open pit mines increasing and stabilizing. In Quebec, the Kiena Deep discovery has resulted in a renewed focus on this asset. We have added additional drills to expedite exploration drilling. The Kiena Complex has been on care and maintenance since 2013, allowing us to drill from underground where mine workings are dry and in good condition.”

A conference call to discuss these results will be held today at 3:00 pm ET. Participants are invited to join using the following details:

North American Toll Free: 1-888-789-9572  
Local and International 416-695-7806  
Passcode: 5032963

A replay of the call will be available on the Company’s website ([www.wesdome.com](http://www.wesdome.com)) until November 10, 2016.

Replay:

North American Toll Free: 1-800-408-3053  
Local and International: 905-694-9451  
Passcode: 8782747

<b>Financial Results</b>					
	Q3 2016	Q2 2016	Q3 2015	Nine Months ended September 30	
				2016	2015
<i>(in \$000, except per share amounts)</i>					
Revenue **	30,134	18,447	18,199	61,865	49,843
Mine operating profit*	12,915	4,493	5,253	16,303	9,913
Net income (loss)	6,897	1,837	(4,294)	5,434	(5,811)
Net income adjusted*	7,386	409	1,575	4,941	1,209
Basic net income (loss) per share	0.05	0.01	(0.04)	0.04	(0.05)

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Basic net income (loss) per share adjusted*	<b>0.06</b>	0.00	0.01		<b>0.06</b>	0.01
Cash flows from operating activities	<b>12,852</b>	4,885	3,333		<b>14,951</b>	4,902
Cash flows from operating activities adjusted*	<b>13,341</b>	3,457	4,268		<b>14,458</b>	6,988
Free cash flow*	<b>4,635</b>	(2,147)	(626)		<b>(4,702)</b>	(8,455)
Cash and cash equivalents	<b>28,991</b>	26,802	3,705		<b>28,991</b>	3,705
Working capital	<b>19,185</b>	16,598	2,977		<b>19,185</b>	2,977

<b>Operational Results</b>					
	Q3 2016	Q2 2016	Q3 2015	Nine Months ended September 30	
				2016	2015
Eagle River tonnes milled	<b>42,617</b>	45,305	44,849	<b>127,761</b>	131,004
Mishi tonnes milled	<b>37,660</b>	33,546	43,336	<b>107,493</b>	98,937
Total tonnes milled	<b>80,277</b>	78,851	88,185	<b>235,254</b>	229,941
Eagle River head grade (g/t)	<b>10.1</b>	7.5	7.7	<b>7.8</b>	7.3
Mishi head grade (g/t)	<b>2.3</b>	2.1	3.0	<b>2.1</b>	2.7
Eagle River underground mill recovery (%)	<b>95.6</b>	93.4	96.1	<b>93.1</b>	95.1
Mishi Open Pit mill recovery (%)	<b>87.7</b>	85.6	88.2	<b>86.3</b>	88.9
Eagle recovered grade (g/t)	<b>9.6</b>	7.0	7.4	<b>7.2</b>	7.0
Mishi recovered grade (g/t)	<b>2.0</b>	1.8	2.6	<b>1.8</b>	2.4
Eagle ounces produced	<b>13,193</b>	10,210	10,637	<b>29,657</b>	29,388
Mishi ounces produced	<b>2,474</b>	1,937	3,647	<b>6,193</b>	7,512
Total ounces produced	<b>15,667</b>	12,147	14,284	<b>35,850</b>	36,900
Ounces sold	<b>15,825</b>	11,265	12,408	<b>35,190</b>	33,781
Average realized price (CAD\$/oz)	<b>1,740</b>	1,637	1,467	<b>1,684</b>	1,475
Average realized price (US\$/oz)	<b>1,334</b>	1,271	1,121	<b>1,274</b>	1,173
Production cash costs (CAD\$/oz) *	<b>911</b>	1,188	994	<b>1,197</b>	1,147
Production cash costs/oz (US\$/oz)	<b>698</b>	922	760	<b>905</b>	912
All-in-sustaining costs (CAD\$/oz)*	<b>1,359</b>	1,687	1,368	<b>1,710</b>	1,599
All-in-sustaining costs (US\$/oz) *	<b>1,042</b>	1,309	1,045	<b>1,294</b>	1,271

The contents of this press release have been verified and approved by the Company's Chief Operating Officer, Philip Ng, P. Eng a "Qualified Person" for the purpose of National Instrument 43-101 Standards of Disclosure for Mineral Projects.

## ABOUT WESDOME

Wesdome Gold Mines Ltd. is in its 29th 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. 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 130 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

### For further information, please contact:

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*This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be 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 be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances, management's estimates or opinions should change, except as required by securities legislation. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements. The Company has included in this news release certain non-IFRS performance measures, including, but not limited to, mine operating profit, mining and processing costs and cash costs. Cash costs per ounce reflect actual mine operating costs incurred during the fiscal period divided by the number of ounces produced. These measures are not defined under IFRS 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 IFRS as an indicator of our financial performance or liquidity. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow*

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