

WESDOME ANNOUNCES FOURTH QUARTER AND FULL YEAR FINANCIAL RESULTS; GENERATES \$11.8 MILLION IN FREE CASH IN 2014

Toronto, Ontario – February 26, 2015 – Wesdome Gold Mines Ltd. (TSX-WDO) is pleased to announce financial and operational results for the fourth quarter and twelve months ended December 31, 2014. All figures in the release are in Canadian dollars unless stated otherwise.

Mr. Rolly Uloth, President and CEO commented, “2014 was a transformational year for the Company, reflective in this year’s financial and operational results. Profits were up, all-in sustaining costs lowered by 9.6%, and significant improvements were made to our safety and environmental records.”

“More importantly, a number of accomplishments were achieved to position the Company for significant organic production growth in years 2016 to 2022. Mill improvements have resulted in daily throughput rates averaging 900 tonnes per day in 2015, proven and probable reserves at Eagle River increased by 57%, and the discovery of two additional high grade zones parallel to our main producing structure will enable the Company to deliver growth at higher grades at the mine starting in 2016. 2015 will be a development year to access these zones (311 is being developed now, for production in the second half of 2015 and the 711 zone will begin production in 2017), and due to their close proximity to existing mine infrastructure developed without material increase to current sustaining capital expenditures. Despite this, production in 2015 is expected to exceed 2014’s results and come in between 55,000 – 57,000 ounces as production is increasing from Mishi open pit to offset a lower grade cycle and development year at Eagle River. The Company expects to have an update on its 3 – 5 year production growth during the first half of 2015.”

HIGHLIGHTS OF YEAR 2014

- Free cash flow generated in 2014 was \$11.8 million or \$0.11 per share, an increase of 398% compared to the same period in 2013 (\$2.4 million or (\$0.02) per share).
- Cash flow from operations for the year ended December 31, 2014 was \$28.1 million, an increase of 111% compared to the same period in 2013 (\$13.3 million).
- Revenue for the year ended December 31, 2014 was \$82.4 million compared to \$79.7 million during the same period in 2013 due to higher mined grades, despite lower gold prices.
- Production from the Eagle River Complex for the year ended December 31, 2014 was 52,575 ounces, an increase of 16% compared to 2013 (45,210 ounces). Recovered grades from the underground Eagle River mine were 12.2 grams per tonne, and 2.1 grams per tonne from the open pit Mishi mine.
- Sold ounces for the year ended December 31 2014 were 58,230 ounces, an increase of 24% compared to the same period in 2013 (46,800 ounces). Average sales price for 2014 was CAD\$1,408.
- All-in sustaining costs for 2014 totalled CAD\$1,278 per ounce (USD\$1,150), a decrease of 9.6% compared to 2013 (CAD\$1,401, USD\$1,360 per ounce). Operating cost per ounce for 2014 was CAD\$924 per ounce (USD \$832) a decrease of 16% compared to the same period in 2013(CAD\$1,078, USD\$1,046 per ounce).

- Cash position at year ending December 31, 2014 was \$15.4 million, an increase of 169% compared to the same period in 2013 (\$5.6 million).
- Eagle River Proven and Probable reserves increase 57% to 265,000 ounces at an average grade of 10.1 gAu/tonne and Mishi Proven and Probable surface mineable reserves increase 8% to 121,000 ounces at an average grade of 2.1 gAu/tonne. Both reserve blocks remain open to expansion.

HIGHLIGHTS OF THE FOURTH QUARTER 2014

- Free cash flow generated during the fourth quarter was \$4.3 million (0.04), an increase of 20% compared to the previous quarter (\$3.4 million, \$0.03 per share).
- Revenue for the quarter was \$20.9 million, operating cash flow was \$8.4 million. This compares to revenue of \$22.3 million and cash flow from operations of 7.8 million in the previous quarter.
- Production for the fourth quarter 2014 was 12,981 ounces a slight increase of 4.2% compared to the previous quarter (12,456 ounces).
- Average daily mill throughput increased from 400 tonnes per day 2013 to 648 tonnes per day in the fourth quarter.
- All-in sustaining costs for the quarter were CAD\$1,370 per ounce (USD\$1,178), and operating costs were CAD\$1,012 per ounce (USD\$871 per ounce) compared to the previous quarter (AISC CAD\$1,290, USD\$1,184 per ounce, operating costs CAD\$967, USD\$888 per ounce).

Selected financial information is below. The Company's full financial statements and management discussion and analysis are available at www.sedar.com or the Company's website, www.wesdome.com

ABOUT WESDOME

Wesdome Gold Mines Ltd. is in its 28th year of continuous gold mining operations in Canada that employ a profit growth approach. The Company is currently producing from its Eagle River and Mishi gold mines in Wawa, Ontario, which have earned consistent free cash flow during times of low gold prices. Wesdome's corporate goal is to build a profitable, long-life, sustainable gold mining Company with modest initial capital costs. This strategy has enabled the Company to acquire strategic property and infrastructure assets in two politically stable and historically proven mining camps. 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 110.9 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

For further information, please contact:

Lindsay Carpenter Dunlop
Vice President, Investor Relations
416-360-3743 ext. 25
ldunlop@wesdome.com

or

Rolly Uloth
President and CEO
416-360-3743 ext. 29

8 King St. East, Suite 811
Toronto, ON, M5C 1B5
Toll Free: 1-866-4-WDO-TSX
Phone: 416-360-3743, Fax: 416-360-7620
Website: www.wesdome.com

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.

Wesdome Gold Mines Ltd.
Consolidated Statements of Financial Position

(Expressed in thousands of Canadian dollars)

December 31	2014	2013
Assets		
Current		
Cash and cash equivalents	\$ 15,408	\$ 5,651
Receivables	1,834	1,982
Inventory	4,603	10,757
Total current assets	21,845	18,390
Restricted funds	3,106	2,994
Deferred income taxes	10,492	13,025
Mining properties, plant and equipment	47,042	35,118
Exploration properties	34,122	33,522
Total assets	\$ 116,607	\$ 103,049
Liabilities		
Current		
Payables and accruals	\$ 8,061	\$ 9,415
Current portion of obligations under finance leases	1,219	526
Total current liabilities	9,280	9,941
Obligations under finance leases	2,501	380
Convertible debentures	6,262	5,996
Decommissioning provisions	2,501	2,434
Total liabilities	20,544	18,751
Equity		
Equity attributable to owners of the Company		
Capital stock	129,270	125,352
Contributed surplus	2,088	2,150
Equity component of convertible debentures	932	932
Deficit	(36,227)	(44,400)
Equity attributable to owners of the Company	96,063	84,034
Non-controlling interest	-	264
Total equity	96,063	84,298
Total liabilities and equity	\$ 116,607	\$ 103,049

Wesdome Gold Mines Ltd.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Expressed in thousands of Canadian dollars except for per share amounts)

	Three Months Ended Dec 31		Twelve Months Ended Dec 31	
	2014	2013	2014	2013
Revenue				
Gold and silver bullion	\$ 20,922	\$ 19,928	\$ 82,441	\$ 79,726
Operating expenses				
Mining and processing	15,377	14,083	53,827	64,281
Depletion of mining properties	1,696	2,228	7,265	7,838
Production royalties	331	397	1,311	1,158
Corporate and general	766	652	2,711	3,436
Share based payments	313	149	517	349
Kiena care and maintenance costs	300	2,091	1,861	3,437
Impairment charges	-	-	-	633
	18,783	19,600	67,492	81,132
Income (loss) from operations	2,139	328	14,949	(1,406)
Interest and other income	(22)	34	416	149
Interest on long-term debt	(217)	(196)	(842)	(785)
Other interest	(45)	(1)	(47)	(30)
Accretion of decommissioning provisions	(9)	(27)	(80)	(91)
Changes in decommissioning provisions	13	202	13	202
Income (loss) before income tax	1,859	340	14,409	(1,961)
Income tax expense				
Current	-	-	-	-
Deferred	(730)	2,122	2,533	1,907
	(730)	2,122	2,533	1,907
Net income (loss) and total comprehensive income (loss)	\$ 2,589	\$ (1,782)	\$ 11,876	\$ (3,868)
Net income (loss) and total comprehensive income (loss) attributable to:				
Non-controlling interest	\$ -	\$ (53)	\$ (26)	\$ (160)
Owners of the Company	2,589	(1,729)	11,902	(3,708)
	\$ 2,589	\$ (1,782)	\$ 11,876	\$ (3,868)
Basic and diluted earnings per share				
Basic	\$ 0.02	\$ (0.02)	\$ 0.11	\$ (0.04)
Diluted	\$ 0.02	\$ (0.02)	\$ 0.11	\$ (0.04)
Basic and diluted weighted average number of common shares (000)				
Basic	110,940	101,880	109,808	102,892
Diluted	111,459	101,920	110,196	102,892

Wesdome Gold Mines Ltd.

Consolidated Statements of Cash Flows

(Expressed in thousands of Canadian dollars)

	Three Months Ended Dec 31		Twelve Months Ended Dec 31	
	2014	2013	2014	2013
Operating activities				
Net income (loss)	\$ 2,589	\$ (1,782)	\$ 11,876	\$ (3,868)
Depletion of mining properties	1,696	2,228	7,265	7,838
Accretion of discount on convertible debentures	71	63	266	236
Impairment charges	-	-	-	633
Loss on sale of equipment	111	-	169	27
Share based payments	313	149	517	349
Deferred income taxes	(730)	2,122	2,533	1,907
Interest paid	146	134	576	550
Accretion of decommissioning provisions	9	27	80	91
Change in decommissioning provisions	(13)	(202)	(13)	(202)
	4,192	2,739	23,269	7,561
Net changes in non-cash working capital	4,187	4,794	4,833	5,692
	8,379	7,533	28,102	13,253
Financing activities				
Funds paid to repurchase common shares under NCIB	(39)	-	(238)	(51)
Exercise of options	45	-	104	-
Share issue cost to acquire Moss Lake Gold Mines Ltd. minority shareholders	-	-	(494)	-
Repayment of obligations under finance leases	(315)	(214)	(963)	(863)
Interest paid	(146)	(134)	(576)	(550)
	(455)	(348)	(2,167)	(1,464)
Investing activities				
Additions to mining properties	(4,047)	(3,161)	(15,681)	(10,319)
Additions to exploration properties	(54)	(6)	(600)	(556)
Proceeds on sale of equipment	63	11	107	582
Funds held against standby letters of credit	(96)	(400)	(112)	(413)
Cash received on acquisition of property	-	-	-	6
	(4,134)	(3,556)	(16,286)	(10,700)
Net changes in non-cash working capital	878	576	108	(71)
	(3,256)	(2,980)	(16,178)	(10,771)
Increase (decrease) in cash	4,668	4,205	9,757	1,018
Cash, beginning of period	10,740	1,446	5,651	4,633
Cash, end of period	\$ 15,408	\$ 5,651	\$ 15,408	\$ 5,651