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TSX:WDO

PRESS
RELEASE

WESDOME GOLD MINES ANNOUNCES SECOND QUARTER FINANCIAL RESULTS

Toronto, Ontario – August 10, 2015 – Wesdome Gold Mines Ltd. (TSX: WDO) today announces financial results for the second quarter of 2015. All figures in the release are stated in Canadian dollars unless otherwise noted.

Rolly Uloth, President and CEO commented, “The first half of 2015 was concentrated on rapidly developing the new high grade discoveries at the Eagle River mine. Initial production from the 300 lenses commenced at the end of the quarter and will lead to better overall mine grades in the second half of the year.”

“At Mishi, we are seeing increasing production levels. Now that higher strip ratios during the early life of the pit are essentially complete, we look forward to decreasing strip ratios, further increases in production and lower unit costs. The recently completed definition drilling program will provide the basis for planning pit expansion. Initial drill results are expected to be released shortly.”

“The second half of the year will also see a reduction in cash expenditures with expansion capex spending for the year complete along with our 2015 drill programs at Mishi and Val d’Or essentially completed.”

HIGHLIGHTS

MILL THROUGHPUT INCREASES 40% OVER Q1 2015 TO 908 TONNES PER DAY

- The Eagle River Underground Mine produced 46,340 tonnes at a head grade of 7.0 grams per tonne (gpt) and a recovery rate of 94.4% to produce 9,848 ounces (6.6 gpt recovered grade).
- The Mishi Open Pit Mine produced 36,313 tonnes at a head grade of 2.6gpt with a recovery rate of 86.6% to produce 2,628 ounces (2.3 gpt recovered grade).
- Combined production of 12,476 ounces, resulting in an increase of 23% over the previous quarter (10,140 ounces) with 11,740 ounces sold at an average price of CAD\$1,465 per ounce.
- Management anticipates mill throughput for the balance of 2015 to average above 900 tonnes per day with improved mill recoveries as we continue to add leach time in the mill circuit.

UNIT COSTS DECLINE WITH HIGHER THROUGHPUT RATES

- Cash operating costs were CAD\$171 per tonne, a decrease of 22% compared with the prior quarter (\$218 per tonne), and a 49% decrease compared to 2014 average (CAD\$340 per tonne).
- All-in Sustaining Costs were \$234 per tonne, a decrease of 27% compared with the prior quarter (\$321 per tonne), and a 46% decrease compared with the same period in 2014 (\$429 per tonne).
On a per ounce basis, costs were as follows:

*Figures exclude the effect of changes in non-cash working capital

- Cash operating costs were CAD\$1,201 per ounce, a decrease of 16% compared with the prior quarter (CAD\$1,338 per ounce).
- All-in Sustaining Costs were CAD\$1,648 per ounce, a decrease of 26% compared to the previous quarter's figure of CAD\$1,971 per ounce, and an increase of 24% compared to the same period in 2014 CAD(\$1,332 per ounce).
- For the balance of 2015, management expects production at the Eagle River Underground Mine to average 450 – 500 tonnes per day at a recovered grade of 8.5 gpt to 9 gpt. Based on these projections, unit operating costs are forecast to trend downward to CAD\$900 - CAD\$950 per ounce, and all-in sustaining costs to CAD\$1,250 - CAD\$1,300 per ounce.

FINANCIAL PERFORMANCE

- Revenue for the quarter was CAD\$17.2 million, up \$2.8 million over first quarter.
- Adjusted cash flows from operations* during the quarter were CAD\$1.4 million.
 - A total of CAD\$4.2 million was spent during the quarter on Eagle River Complex exploration, development, mill facility, tailings management and underground equipment. These investments will lead to higher grades at the Eagle River mine, lower unit processing costs and improved environmental performance.
- Net loss for the quarter was CAD(\$0.7 million) or (\$0.01 per share).
- Adjusted free cash flow* for the quarter was CAD(\$0.2) million or CAD(\$0.00) per share, compared to CAD(\$5.3) million in the previous quarter.

DEVELOPMENT OF 300 ZONE ADVANCES

- On the 750 metre level and the 872 metre level, two 300 Zone lenses have been opened up, confirming high grades and continuity.
- Initial development ore at the 300 West lens on the 872 metre level is higher grade (57.22 gpt) than the development ore on the 750 metre level with an average width of 1.60 metres over a drift length of 82 metres or 20.76 gpt, with high assays conservatively cut to 60.0 gpt.
- Development in the first half of 2015 was accelerated to an average of 848 metres per quarter versus 2014 annual average of 714 metres, allowing access to the new high grade 300 lenses and new stopping blocks across the mine.
- Stope production from the first lens in the 300 Zone commenced at the end of the second quarter. A second stope is being developed from the 300 Zone and is expected to further improve Eagle River Mine grades throughout the second half of 2015.

In 2016, management anticipates continued mining of these two lenses as well as the high grade 811 lens. For 2017, management looks forward to the development of the 7 Zone where high grade and large widths have outlined high grade reserves. Accordingly, 2016 will have two high grade zones in production and development (811 and 300 Zones) and for 2017 and beyond there will be three. In the recent past there has only been one high grade zone (811) in production in any given year. These high grade parallel zones are being developed without material increases to current sustaining capital rates as they are located close to existing infrastructure.

*Figures exclude the effect of changes in non-cash working capital

ABOUT WESDOME

Wesdome Gold Mines Ltd. is in its 28th year of continuous gold mining operations in Canada. The Company is currently producing from its Eagle River and Mishikami 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 111.0 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

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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

*Figures exclude the effect of changes in non-cash working capital

Wesdome Gold Mines Ltd.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited, expressed in thousands of Canadian dollars)

	June 30 2015	December 31 2014
Assets		
Current		
Cash and cash equivalents	\$ 4,067	\$ 15,408
Receivables	4,055	1,834
Inventory	5,399	4,603
Total current assets	13,521	21,845
Restricted funds	3,635	3,106
Deferred income taxes	11,248	10,492
Mining properties, plant and equipment	54,078	47,042
Exploration properties	34,737	34,122
Total assets	\$ 117,219	\$ 116,607
Liabilities		
Current		
Payables and accruals	\$ 8,856	\$ 8,061
Current portion of obligations under finance leases	1,378	1,219
Total current liabilities	10,234	9,280
Obligations under finance leases	3,182	2,501
Convertible debentures	6,406	6,262
Decommissioning provisions	2,543	2,501
Total liabilities	22,365	20,544
Equity		
Equity attributable to owners of the Company		
Capital stock	129,527	129,270
Contributed surplus	2,060	2,088
Equity component of convertible debentures	970	932
Deficit	(37,703)	(36,227)
Total equity	94,854	96,063
Total liabilities and equity	\$ 117,219	\$ 116,607

*Figures exclude the effect of changes in non-cash working capital

Wesdome Gold Mines Ltd.
Condensed Interim Consolidated Statements of (Loss) Income
and Comprehensive (Loss) Income

(Unaudited, expressed in thousands of Canadian dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Revenue				
Gold and silver bullion	\$ 17,202	\$ 16,044	\$ 31,644	\$ 39,177
Operating expenses				
Mining and processing	14,099	9,681	26,984	23,092
Depletion of mining properties	1,733	1,263	3,050	3,296
Production royalties	286	289	548	635
Corporate and general	729	630	1,416	1,320
Share based payments	129	78	245	105
Kiena care and maintenance costs	658	377	1,151	844
Total operating expenses	17,634	12,318	33,394	29,292
(Loss) income from operations	(432)	3,726	(1,750)	9,885
Interest expense and other income	6	163	24	148
Interest on long-term debt	(233)	(204)	(467)	(396)
Accretion of decommissioning provisions	(21)	(23)	(42)	(47)
(Loss) income before income tax	(680)	3,662	(2,235)	9,590
Income tax (recovery) expense				
Deferred	66	784	(718)	2,541
Income tax (recovery) expense	66	784	(718)	2,541
Net (loss) income and total comprehensive income	\$ (746)	\$ 2,878	\$ (1,517)	\$ 7,049
Net (loss) income and total comprehensive (loss) income attributable to:				
Non-controlling interest	\$ -	\$ -	\$ -	\$ (26)
Owners of the Company	(746)	2,878	(1,517)	7,075
	\$ (746)	\$ 2,878	\$ (1,517)	\$ 7,049
Basic and diluted (loss) earnings per share				
Basic	\$ (0.01)	\$ 0.03	\$ (0.01)	\$ 0.07
Diluted	\$ (0.01)	\$ 0.03	\$ (0.01)	\$ 0.06
Basic and diluted weighted average number of common shares (000s)				
Basic	111,051	111,141	111,062	108,577
Diluted	111,051	111,515	111,062	108,914

*Figures exclude the effect of changes in non-cash working capital

Wesdome Gold Mines Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited, expressed in thousands of Canadian dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Operating activities				
Net (loss) income	\$ (746)	\$ 2,878	\$ (1,517)	\$ 7,049
Depletion of mining properties	1,733	1,263	3,050	3,296
Accretion of discount on convertible debentures	73	65	144	128
Loss on sale of equipment	-	34	-	58
Share based payments	129	78	245	105
Deferred income taxes	66	784	(718)	2,541
Interest paid	160	139	323	268
Accretion of decommissioning provisions	21	23	42	47
	1,436	5,264	1,569	13,492
Net changes in non-cash working capital	(2,688)	(612)	(2,213)	(1,625)
Funds provided (used) by operating activities	(1,252)	4,652	(644)	11,867
Financing activities				
Funds paid to repurchase common shares under NCIB	(71)	(38)	(114)	(38)
Exercise of options	17	45	139	59
Share issue cost to acquire Moss Lake Gold Mines Ltd. minority shareholders	-	-	-	(494)
Repayment of obligations under finance leases	(310)	(226)	(617)	(450)
Interest paid	(160)	(139)	(323)	(268)
Funds used by financing activities	(524)	(358)	(915)	(1,191)
Investing activities				
Additions to mining properties	(3,941)	(4,066)	(8,783)	(7,677)
Additions to exploration properties	(42)	(68)	(615)	(74)
Proceeds on sale of equipment	-	10	-	44
Funds held against standby letters of credit	(6)	(6)	(529)	(11)
	(3,989)	(4,130)	(9,927)	(7,718)
Net changes in non-cash working capital	(97)	208	145	(356)
Funds used by investing activities	(4,086)	(3,922)	(9,782)	(8,074)
(Decrease) increase in cash	(5,862)	372	(11,341)	2,602
Cash, beginning of period	9,929	7,881	15,408	5,651
Cash, end of period	\$ 4,067	\$ 8,253	\$ 4,067	\$ 8,253

*Figures exclude the effect of changes in non-cash working capital