



PRESS RELEASE

WESDOME ANNOUNCES STRONG SECOND QUARTER RESULTS

Toronto, Ontario – August 11, 2008 – 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 second quarter ended June 30th, 2008 and its year to date (YTD) results. This information should be read in conjunction with the Company’s second quarter financial statements, notes to financial statements and Management’s Discussion and Analysis.

HIGHLIGHTS

- **Quarterly revenue increased 80% from Q2 2007 to Q2 2008**
- **YTD Revenue increased 52% from 2007 to 2008**
- **Quarterly Cash Flow from Operations increased 280% from Q2 2007 to Q2 2008**
- **YTD Cash Flow from Operations increased from -\$1.1M in 2007 to \$6.5M in 2008**

REVENUE AND EARNINGS

Wesdome generated record revenues of \$20.7 million for the second quarter, 2008, compared to \$11.5 million in the second quarter of 2007. YTD Revenue increased to \$37.0 million from \$24.4 million in 2007. Quarterly gold sales averaged \$913 per ounce compared to \$753 per ounce in 2007. YTD realized gold prices averaged \$921 per ounce compared to \$760 per ounce in 2007.

Cash Flow from Operations was \$3.8 million (\$0.04 per share) and Net Income for the quarter was \$0.76 million (\$0.01 per share) compared to a loss of \$1.3 million (-\$0.01 per share) in the second quarter of 2007. YTD Cash Flow from Operations was \$6.5 million (\$0.07 per share) compared to negative cash flows of \$1.1 million (-\$0.01 per share) in 2007 and YTD Net Income increased to \$0.92 million (\$0.01 per share) compared to a Net Loss of \$5.71 million in 2007 (-\$0.06 per share).

RESULTS OF OPERATIONS

During the second quarter 2008, combined operations produced 22,791 ounces of gold. Bullion revenue climbed to \$20.6 million on sales of 22,600 ounces at an average price of \$913Cdn per ounce. In addition to the ounces sold, gold inventory grew to 9,933 ounces from 9,742 ounces at the end of the first quarter, which is carried on the balance sheet at a cost of \$7.9 million as of June 30, 2008. Their market value at June 30, 2008, was \$9.4 million.

Revenue exceeded operating and development costs resulting in a mine operating profit* of \$4.3 million for the second quarter and \$7.9 million for the first half of 2008. In addition to direct operating costs, other costs, including royalty payments, corporate and general and interest costs, amounted to \$0.73 million in the second quarter and \$1.49 million for the first half.

Investing in mining and exploration properties (Capex) for the six months totalled \$6.3 million which includes \$0.94 million funded and spent by subsidiary Moss Lake Gold Mines Ltd. This represents a decrease from the \$7.5 million invested during the first half, 2007.

The Eagle River mine continued to exceed expectations with recovered grades rising 25% over those experienced in the first quarter.

At Kiena, recovered grades increased 10% compared to the first quarter and are expected to increase further in the third quarter as higher grade ore becomes available.

Severe spring break-up conditions at Eagle River resulted in flooding of the access road and some mill infrastructure although ongoing production was not impaired.

RESULTS OF OPERATIONS

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
<i>Eagle River Mine</i>				
Tonnes milled	25,588	23,200	54,957	53,900
Recovered grade (g/t)	16.6	19.5	14.8	13.2
Ounces produced	13,662	14,544	26,220	22,928
Ounces sold	13,600	5,400	22,437	15,900
Bullion inventory (oz)	7,250	11,893	7,250	11,893
Bullion revenue	12,419	4,040	20,684	12,081
- Operating + development costs (thousands)	8,777	3,103	14,045	11,431
Mine operating profit (loss) (\$m) *	3,642	937	6,639	650
Gold price realized (\$Cdn/oz)	913	748	922	760
<i>Kiena Mine Complex</i>				
Tonnes milled	65,831	87,000	129,148	158,400
Recovered grade (g/t)	4.3	3.9	4.1	3.8
Ounces produced	9,129	11,011	16,974	19,451
Ounces sold	9,000	9,800	17,500	16,100
Bullion inventory (oz)	2,683	6,057	2,683	6,057
Bullion revenue	8,209	7,413	16,093	12,250
- Operating + development costs (thousands)	7,502	6,659	14,790	12,713
Mine operating profit (loss) (\$m) *	707	754	1,303	(463)
Gold price realized (\$Cdn/oz)	912	756	921	761
<i>Total</i>				
Production (oz)	22,791	25,555	43,194	42,379
Sales (oz)	22,600	15,200	39,937	32,000
Bullion inventory (oz)	9,933	17,950	9,933	17,950
Bullion revenue	20,628	11,453	36,777	24,331
- Operating + development costs (thousands)	16,279	9,762	28,835	24,144
Mine operating profit (\$m) *	4,349	1,691	7,942	187
Gold price realized (\$Cdn/oz)	913	753	921	760

* The Company has included in this report certain non-GAAP performance measures, including mine operating profit (loss) and operating and development 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.

CORPORATE OVERVIEW

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 January 1st, 1996 and the Kiena mine August 1, 2006.

On June 26th, 2008 the Wesdome Group achieved a major milestone: having poured 1 million ounces of gold. The Wesdome Group has been producing gold since 1987. The Wesdome Group has put five gold mines into production and assembled strategic property and mining infrastructure in Val d'Or, Quebec and Wawa, Ontario

At June 30, 2008, the Company had working capital of \$7.9 million. During the second quarter, production, grades, revenues, operating profits, cash flow from operations and earnings increased compared to the first quarter, 2008. Cash flows from operations for six months were \$6.5 million and \$6.3 million was invested in mining and exploration properties.

OUTLOOK

We now expect production to exceed our 2008 forecast of 80,000 ounces. We are currently about 8% ahead of the pace. We expect some higher grades to kick-in at Kiena in the third quarter. Grades at Eagle River continue to surprise, exceeding reserve grades. We hope this continues.

To date gold sales have averaged \$921Cdn per ounce or \$161Cdn per ounce more than they did in 2007. Each \$10 movement in the gold price accrues \$0.8 million to the bottom line.

Fundamentals have never looked more bullish for the gold price. The price has held up very well in the summer months and we anticipate a strong fall rally.

Since early June, we have had two surface drills working on the lake in Val d'Or. This program will test targets generated from an exhaustive compilation program initiated in 2005. The goal of the program is to identify new mineralized systems within the range of existing infrastructure.

Wesdome Gold Mines Ltd. is an established Canadian gold producer with mining operations and development projects in Wawa, Ontario and Val d'Or, Quebec. The Company has 99.8 million shares issued and trades on the TSX 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.

Wesdome Gold Mines Ltd.

Consolidated Balance Sheets

	June 30	Dec 31
	2008	2007
	(Unaudited)	(Audited)
Assets		
Current		
Cash and cash equivalents	\$ 1,644,826	\$ 7,341,064
Term deposits	77,698	67,651
Inventory	7,935,225	5,529,454
Receivables	7,217,537	4,243,107
Supplies and other	2,097,436	1,735,736
Marketable securities	<u>98,298</u>	<u>68,085</u>
	19,071,020	18,985,097
Funds held against standby letters of credit	2,577,903	2,541,132
Capital assets	11,839	13,155
Mining properties	58,946,515	57,790,155
Exploration properties	28,637,149	27,677,643
Property held for sale	<u>378,105</u>	<u>1,078,105</u>
	\$ 109,622,531	\$ 108,085,287
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Liabilities		
Current		
Payables and accruals	\$ 9,852,841	\$ 9,708,130
Current portion of obligations under capital leases	<u>1,351,492</u>	<u>1,368,749</u>
	11,204,333	11,076,879
Obligations under capital leases	2,423,892	2,248,355
Convertible 7% debentures	9,263,462	9,038,002
Reclamation obligation	1,105,000	1,072,000
Future income taxes	<u>2,710,000</u>	<u>1,506,000</u>
	26,706,687	24,941,236
Minority interest in Moss Lake Gold Mines Ltd.	<u>936,426</u>	<u>980,867</u>
Shareholders' Equity		
Capital stock	114,099,792	115,276,928
Contributed surplus	2,966,155	2,789,117
Accumulated other comprehensive income	(235,036)	(131,915)
Equity component of convertible debentures	2,079,776	2,079,776
Deficit	<u>(36,931,269)</u>	<u>(37,850,722)</u>
	81,979,418	82,163,184
	\$ 109,622,531	\$ 108,085,287

Wesdome Gold Mines Ltd.
Interim Consolidated Statements of Operations and Deficit

(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
Revenue				
Gold and silver bullion	\$ 20,628,932	\$ 11,452,764	\$ 36,777,261	\$ 24,330,371
Interest and other	<u>85,252</u>	<u>51,592</u>	<u>173,617</u>	<u>81,206</u>
	<u>20,714,184</u>	<u>11,504,356</u>	<u>36,950,878</u>	<u>24,411,577</u>
Costs and expenses				
Operating costs	12,297,934	7,934,733	22,289,032	19,230,590
Development costs	3,849,698	1,826,134	6,637,799	4,912,330
Amortization of mining properties	2,914,955	2,117,107	5,237,156	4,846,199
Production royalties	213,980	190,899	412,867	289,975
Corporate and general	245,972	395,360	546,917	851,466
Stock compensation expense	96,333	119,203	187,118	406,756
Interest on long-term debt	381,361	226,518	756,477	280,077
Other interest	364	14,460	1,619	21,261
Amortization of office equipment	658	748	1,316	1,496
Accretion of reclamation obligation	<u>16,500</u>	<u>12,750</u>	<u>33,000</u>	<u>25,500</u>
	<u>20,017,755</u>	<u>12,837,912</u>	<u>36,103,301</u>	<u>30,865,650</u>
Net income (loss) before the following	696,429	(1,333,556)	847,577	(6,454,073)
Dilution gain on Moss Lake Gold				
Mines Ltd.	<u>-</u>	<u>17,504</u>	<u>-</u>	<u>17,504</u>
	<u>696,429</u>	<u>(1,316,052)</u>	<u>847,577</u>	<u>(6,436,569)</u>
Recovery of future income taxes	-	-	-	700,000
Minority interest	<u>66,686</u>	<u>4,374</u>	<u>71,876</u>	<u>23,583</u>
Net income (loss)	<u>\$ 763,115</u>	<u>\$ (1,311,678)</u>	<u>\$ 919,453</u>	<u>\$ (5,712,986)</u>
Net income (loss) per common share				
Basic and diluted	\$ <u>0.01</u>	\$ <u>(0.01)</u>	\$ <u>0.01</u>	\$ <u>(0.06)</u>
Deficit, beginning of period	<u>\$(37,694,384)</u>	<u>\$(16,651,626)</u>	<u>\$(37,850,722)</u>	<u>\$(12,250,318)</u>
Net income (loss)	<u>763,115</u>	<u>(1,311,678)</u>	<u>919,453</u>	<u>(5,712,986)</u>
Deficit, end of period	<u>\$(36,931,269)</u>	<u>\$(17,963,304)</u>	<u>\$(36,931,269)</u>	<u>\$(17,963,304)</u>

Wesdome Gold Mines Ltd.
Interim Consolidated Statements of Comprehensive Income and
Accumulated Other Comprehensive Income

(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
Net income (loss)	\$ 763,115	\$ (1,311,678)	\$ 919,453	\$ (5,712,986)
Other comprehensive income (loss)				
Change in fair value of available- for-sale marketable securities	<u>(76,454)</u>	<u>6,383</u>	<u>(103,121)</u>	<u>(53,191)</u>
Comprehensive income (loss)	\$ <u>686,661</u>	\$ <u>(1,305,295)</u>	\$ <u>816,332</u>	\$ <u>(5,766,177)</u>

Accumulated other comprehensive loss, beginning of period	\$ (158,582)	\$ (59,574)	\$ (131,915)	\$ -
Other comprehensive income (loss)	\$ <u>(76,454)</u>	\$ <u>6,383</u>	\$ <u>(103,121)</u>	\$ <u>(53,191)</u>
Accumulated other comprehensive loss, end of period	\$ <u>(235,036)</u>	\$ <u>(53,191)</u>	\$ <u>(235,036)</u>	\$ <u>(53,191)</u>

Interim Consolidated Statements of Shareholders' Equity

(Unaudited)

	Capital Stock	Accumulated Other Contributed Surplus	Equity Component of Comprehensive Income (loss)	Convertible Debenture	Total Deficit	Shareholders' Equity
Balance, December 31, 2007	\$ 115,276,928	\$ 2,789,117	\$ (131,915)	\$ 2,079,776	\$ (37,850,722)	\$ 82,163,184
Net income for six months ended June 30, 2008	-	-	-	-	919,453	919,453
Tax effect of flow-through share renunciation	(1,204,000)	-	-	-	-	(1,204,000)
Exercise of options	27,000	-	-	-	-	27,000
Value attributed to options exercised	10,080	(10,080)	-	-	-	-
Additional costs of 2007 flow-through shares	(6,256)	-	-	-	-	(6,256)
Shares purchased under NCIB	(3,960)	-	-	-	-	(3,960)
Stock based compensation	-	187,118	-	-	-	187,118
Revaluation to fair value of marketable securities	-	-	(103,121)	-	-	(103,121)
Balance, June 30, 2008	\$ <u>114,099,792</u>	\$ <u>2,966,155</u>	\$ <u>(235,036)</u>	\$ <u>2,079,776</u>	\$ <u>(36,931,269)</u>	\$ <u>81,979,418</u>

Wesdome Gold Mines Ltd.

Interim Consolidated Statements of Cash Flows

(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
Increase (decrease) in cash and cash equivalents				
Operating activities				
Net income (loss)	\$ 763,115	\$(1,311,678)	\$ 919,453	\$(5,712,986)
Amortization of mining properties	2,914,955	2,117,107	5,237,156	4,846,199
Accretion of discount on convertible debentures	115,287	86,657	225,460	86,657
Gain on sale of Moss Lake shares	2,974	(17,504)	(14,261)	(17,504)
Minority interest	(66,686)	(4,374)	(71,876)	(23,583)
Stock compensation expense	96,333	119,204	187,118	406,756
Amortization of office equipment	658	748	1,316	1,496
Future income taxes	-	-	-	(700,000)
Accretion of reclamation obligation	16,500	12,750	33,000	25,500
	<u>3,843,136</u>	1,002,910	<u>6,517,366</u>	(1,087,465)
Net changes in non-cash working capital	<u>(2,147,839)</u>	<u>(5,292,585)</u>	<u>(6,302,646)</u>	<u>(4,837,350)</u>
	<u>1,695,297</u>	<u>(4,289,675)</u>	<u>214,720</u>	<u>(5,924,815)</u>
Financing activities				
Convertible 7% debenture	-	11,539,000	-	11,539,000
Loan from Western Québec Mines Inc.	-	759,447	-	759,447
Exercise of options	-	99,999	27,000	164,414
Funds paid to repurchase common shares under NCIB	(3,960)	-	(3,960)	-
Flow-through shares issued	(6,256)	-	(6,256)	-
Shares issued by a subsidiary of the company to third parties	(3,813)	40,000	(3,813)	40,000
Marketable securities	-	6,383	-	146,809
Repayment of obligations under capital leases	(441,635)	(385,892)	(864,043)	(718,880)
	<u>(455,664)</u>	12,058,937	<u>(851,072)</u>	11,930,790
Net changes in non-cash working capital	<u>-</u>	<u>-</u>	<u>276,035</u>	<u>-</u>
	<u>(455,664)</u>	<u>12,058,937</u>	<u>(575,037)</u>	<u>11,930,790</u>
Investing activities				
Additions to mining and exploration properties	(3,964,749)	(3,703,536)	(6,311,112)	(7,516,093)
Deferred financing costs	-	(674,398)	-	(674,398)
Additions to capital assets	-	(1,186)	-	(3,719)
Proceeds on sale of Moss Lake shares to minority interests	-	-	25,921	-
Proceeds on option to sell property	-	-	566,666	550,000
Funds held against standby letters of credit	(13,386)	(28,051)	(36,771)	(28,051)
	<u>(3,978,135)</u>	(4,407,171)	<u>(5,755,296)</u>	(7,672,261)
Net changes in non-cash working capital	<u>426,160</u>	<u>-</u>	<u>429,422</u>	<u>-</u>
	<u>(3,551,975)</u>	<u>(4,407,171)</u>	<u>(5,325,874)</u>	<u>(7,672,261)</u>
Decrease in cash and cash equivalents	<u>(2,312,342)</u>	(7,159,882)	<u>(5,686,191)</u>	10,978,414
Cash and cash equivalents, beginning of period	<u>4,034,866</u>	18,298,511	<u>7,408,715</u>	160,215
Cash and cash equivalents, end of period	<u>\$ 1,722,524</u>	<u>\$11,138,629</u>	<u>\$ 1,722,524</u>	<u>\$ 11,138,629</u>