WESDOME GOLD MINES LTD.

First Quarter 2021
MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("**MD&A**") should be read in conjunction with Wesdome Gold Mines Ltd.'s ("**Wesdome**" or the "**Company**") interim condensed consolidated financial statements for the three months ended March 31, 2021 and 2020, and their related notes ("**financial statements**") which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

All dollar amounts stated in this MD&A are denominated in thousands of Canadian dollars, except per share data and unless otherwise indicated. The discussion and analysis within this MD&A are effective as of May 12, 2021.

This document contains forward-looking statements and forward-looking information. Refer to the cautionary language under the section entitled "**Cautionary Statement on Forward-looking Statements**" in this MD&A.

The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	*Period*	*Abbreviation*	*Period*
Q1 2021	*January 1, 2021 – March 31, 2021*	**Q1 2020**	*January 1, 2020 – March 31, 2020*
Q4 2020	*October 1, 2020 – December 31, 2020*	**Q4 2019**	*October 1, 2019 – December 31, 2019*
Q3 2020	*July 1, 2020 – September 30, 2020*	**Q3 2019**	*July 1, 2019 – September 30, 2019*
Q2 2020	*April 1, 2020 – June 30, 2020*	**Q2 2019**	*April 1, 2019 – June 30, 2019*

NON-IFRS PERFORMANCE MEASURES

Wesdome uses non-IFRS performance measures throughout this MD&A as it believes that these generally accepted industry performance measures provide a useful indication of the Company's operational performance. These non-IFRS performance measures do not have standardized meanings defined by IFRS and may not be comparable to information in other gold producers' reports and filings. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The non-IFRS performance measures include - average realized price of gold sold; cash costs per ounce of gold sold; production costs per tonne milled; cash margin; all-in sustaining costs ("**AISC**"); free cash flow and operating and free cash flow per share; and net income (adjusted) and adjusted net income per share and earnings before interest, taxes and depreciation and amortization ("**EBITDA**").

For further information and detailed reconciliations, refer to the section entitled "**Non-IFRS Performance Measures**" in this MD&A.

BUSINESS OVERVIEW

Wesdome is a public company existing under the laws of Ontario. The common shares of the Company are listed on the Toronto Stock Exchange ("**TSX**") under the symbol "**WDO**". The registered and principal office of the Company is located at 220 Bay Street, Suite 1200, Toronto, Ontario, M5J 2W4.

Wesdome has had over 30 years of continuous gold mining operations in Canada. The Company is 100% Canadian focused, with an operating asset in Ontario and an advanced exploration asset in Quebec. The Eagle River Complex located close to Wawa, Ontario is currently producing gold from the Eagle River Underground Mine ("**Eagle River**") and processing the ore from a 1,200 tonnes per day ("**tpd**") mill located on the property. There is currently a stockpile of low grade ore mined from the now depleted Mishi Open Pit ("**Mishi**") available for processing throughout the year. Wesdome is also actively exploring and developing its brownfields asset, the Kiena Mine ("**Kiena**") in Val d'Or, Québec. Kiena is a fully permitted former producing mine with a 930-metre ("**m**") shaft and 2,000-tpd mill and is currently undergoing a prefeasibility study to determine if a mine restart is warranted. The Company is in the process of divesting of its Moss Lake gold deposit, located 100 kilometres ("**kms"**) west of Thunder Bay, Ontario.

Additional financial information relating to Wesdome, including the Company's Annual Information Form, can be found on the Company's website: www.wesdome.com or on the SEDAR website: www.sedar.com

Q1 2021 HIGHLIGHTS AND ACHIEVEMENTS

Operations and Financial Highlights	Comparison to Q1 2020
Gold production of 22,564 ounces from the Eagle River Complex.	Gold production decreased by 10% (Q1 2020 – 25,122) due to lower grades from Eagle River; partially offset by a 6% increase in ore feed from the Eagle River Complex.
Cash costs of $1,076 (US$850) per ounce of gold sold[1,2,3].	Cash cost[1] in Canadian dollars decreased by 4% (Q1 2020 of $1,120 (US$833) per ounce) due to the inclusion of 1,793 lower cost ounces from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021; partially offset by COVID-19 costs.
AISC of $1,497 (US$1,182) per ounce of gold sold[1,2,3].	AISC[1] in Canadian dollars increased by 5% (Q1 2020 - $1,423 (US$1,058) per ounce) due to lower ounces sold, COVID-19 costs and higher sustaining capital, which was partially offset by the inclusion of 1,793 lower cost ounces from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.
Cash margin of $21.8 million[1].	Cash margin [1] decreased by 21% or $5.8 million (Q1 2020 - $27.6 million) due to lower ounces sold and COVID-19 costs; partially offset by higher realized gold prices.
Operating cash flow of $22.0 million or $0.16 per share[1,2].	Decreased by 34% or $11.5 million (Q1 2020 - $33.5 million or $0.24 per share [1]) due to lower ounces sold and COVID-19 costs; partially offset by higher realized gold prices.
Free cash flow of $0.1 million or nil per share[1].	Decreased by $16.6 million (Q1 2020 - $16.7 million outflow) due to lower ounces sold, COVID-19 costs and higher growth capital spending. Invested $14.0 million in exploration and evaluation expenditures at Eagle River and Kiena in the quarter as compared to $10.7 million in Q1 2020.
Net income and adjusted net income[1,2] attributable to shareholders of $7.1 million or $0.05 per share.	Decreased by 38% or $4.4 million (Q1 2020 -$11.5 million or $0.08 per share [1]).

1 *Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the Financial Statements.*
2 *Includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.*
3 *In determining the Cash cost per ounce and AISC per ounce, the total ounces sold includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.*

Production and Exploration Highlights	Achievements
Eagle River	• The Eagle River underground ore production averaged 641 tpd in Q1 2021 due to the ventilation system upgrade, which included the development of the 640 m ramp to provide a connection with the main ramp, a new ventilation raise underground, and the installation of a second fan. • Definition drilling continues at the Falcon Zone and initial sill development is expected to commence in Q2, thereby providing an opportunity to assess the gold mineralization of the Falcon Zone in the volcanic rocks. The Company is continuing to develop and explore the 311 West Zone along the western margin of the mine diorite. The zone has transitioned from the diorite into the adjacent mafic volcanics, again highlighting the potential of the volcanic rocks to host gold mineralization, similar to that observed at the neighbouring Falcon 7 zone. • Surface drilling is ongoing both east and west of the mine to follow up on anomalous values returned from regional drilling program in 2020. • A comprehensive analysis of the structural geology is being completed at the mine and the surrounding volcanic rocks to aid in exploration targeting. • Total metres drilled in 2021 are budgeted to range between 164,000 and 174,000 m for five underground and three surface drill rigs, including underground exploration of 60,000 – 70,000 m, underground definition drilling of 50,000 m, and surface exploration drilling 54,000 m.
Kiena	• A total of 7,032 tonnes were processed from the Kiena deep A zone bulk sample at the Kiena mill in Q4 2020. The bulk sample recovered 6% more gold than the MRE with a feed grade of 15.7 g/t versus model grade of 14.7 g/t. Total gold produced was 3,479 ounces with gold recovery in the Kiena mill of 98.2%. To date, 3,293 ounces of gold have been sold, which includes 1,500 ounces in Q4 2020 and 1,793 ounces in Q1 2021, with the remaining to be sold in Q2. • A new high grade gold zone was discovered in the footwall of the A Zone. This drilling highlights the potential to add ounces not only in this area but illustrates the untested potential of the entire gold system around the Kiena mine. This footwall zone will be one of the zones of focus for the continuing drilling. • Recent drilling continues to better define and expand the Kiena Deep A Zone predominantly along the lateral extensions of the zone. The high grades intersected will be included in future resource updates and are expected to add to the current resource base including Hole 6739W3: 46.2 g/t Au over 24.2 m core length (36.6 g/t Au cut, 6.7 m true width) A1 Zone. • The Pre-Feasibility Study ("**PFS**") is progressing well, and it is expected to be completed in Q2, with a scheduled re-start decision

	shortly thereafter. • The 2021 exploration program at Kiena consists of 65,000 m of underground drilling and 42,000 m of surface drilling.

COVID-19 IMPACT AND RESPONSES

Operations at the Eagle River Complex and drilling and development work at the Kiena Site have continued in the first quarter with measures in place to facilitate enhanced physical distancing to limit the potential spread of the COVID-19 virus. Wesdome has had no reported cases of COVID-19 since the beginning of the outbreak. We are continuing to closely monitor the situation and will provide updates as they become available.

Wesdome has adopted measures since March 12th, 2020 of monitoring body temperatures and requesting a health survey of all personnel wishing to enter the Eagle River Complex or the Kiena Site. Furthermore, rigorous deep cleaning and disinfecting has been employed at all sites including the corporate office. A social distancing protocol is in place and schedules have been staggered to reduce the number of people in the Company's common areas. The health and safety of our employees, contractors, vendors, and consultants is the Company's top priority. To aid in the Company's actions, a COVID-19 Taskforce has been created to monitor developments and set about action plans which will reduce the risk to all people directly involved with Wesdome.

Due to the uncertainty regarding the potential emergence of the new COVID-19 variants and as a result of loosening the restrictions during the re-opening of the economy, the future production and our guidance will be subject to higher levels of risk than usual. The Company has been successful, due to its care and planning in keeping the Eagle River Complex and Kiena Site operating, but any cases of COVID-19 at the sites could change this, despite our best efforts.

GOLD MARKET OVERVIEW AND FOREIGN CURRENCY EXCHANGE RATE OVERVIEW

The market price of gold is the primary driver of the Company's profitability. The market price of gold is affected by numerous industry and macroeconomic factors.

In Q1 2021, Wesdome realized an average gold price of $2,223 (US$1,756) per ounce as compared to $2,162 (US$1,608) per ounce realized in Q1 2020. The market price for gold in the quarter averaged US$1,794 per ounce (Canadian dollar equivalent of $2,271 per ounce (2020 - US$1,582 or $2,126 per ounce in Canadian dollars)).

The Company's reporting and functional currency is the Canadian dollar ("**CAD**") as all of its assets and operations are based in Canada. However, the Company's revenues, profitability and cash flows are exposed to the changes in the United States dollar ("**USD**") to Canadian dollar exchange rates as the Company's primary product, gold, is predominately traded in the US dollar. Wesdome had no forward exchange rate contracts in place during Q1 2021 and as at March 31, 2021. This position will be reviewed from time to time as market conditions warrant. Please see note 19 of the Company's financial statements for an analysis of Wesdome's exposure to the Canadian and US dollar exchange rate.

The future gold price and foreign currency exchange rate volatility is expected to be impacted by the uncertainty surrounding the US dollar's direction in 2021 deriving from U.S. interest rate fluctuations, the level of inflation, the level of new cases of the COVID-19 virus or variant thereof around the globe, together with the geopolitical uncertainty persisted with the continuing tension over trade wars, and the liquidity provided to the markets by the central banks.

Because of the global economic crisis resulting from the COVID-19 virus, the governments have introduced extensive financial packages to support individuals and businesses. Central banks have decreased their lending rates to almost zero and have announced extensive and direct lending to private corporations and financial companies. Various businesses may fail and there could be significant loan defaults. The impact to consumer and business confidence levels is not known at this time. The impacts of these circumstances are not known and their impact on the gold and foreign exchange markets is also not known and could be significant, both positive and negative.

OUTLOOK

In the beginning of the year, the Company set its full-year 2021 production guidance at 92,000 – 105,000 ounces of gold, primarily from the Eagle River underground mine. The Company expects the production profile to be consistent throughout the year. Although our cash costs and AISC per ounce in Q1 exceeded the higher level of our guidance, we expect to end the year within guidance.

	2021 Guidance
Gold production	
Eagle River	**90,000 – 102,000 ounces**
Mishi	**2,000 – 3,000 ounces**
	92,000 – 105,000 ounces
Head grade (g/t Au)	
Eagle River	**13.0 -15.0**
Mishi	**2.0 – 2.5**
Cash cost per ounce [1]	**\$900 - \$1,000** **(US\$680 – US\$770)**
AISC per ounce [1]	**\$1,300 - \$1,450** **(US\$980 – US\$1,090)**

1 *Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the Financial Statements.*

Based upon a positive restart decision, the Company expects to produce between 15,000 – 25,000 ounces at Kiena in 2021.

QUARTERLY FINANCIAL AND OPERATIONAL RESULTS

In 000s, except per units and per share amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Financial results								
Revenue[5]	**45,973**	48,362	55,000	54,772	57,332	43,223	45,940	42,276
Cash margin[1,3]	**21,776**	25,211	32,116	34,304	27,619	25,816	26,770	22,055
Net income[3]	**7,103**	8,491	14,614	16,097	11,513	12,077	12,449	8,327
Net income adjusted[1,3]	**7,103**	8,491	14,614	16,097	11,513	12,077	12,449	8,327
Earnings before interest, taxes, depreciation and amortization[1,3]	**18,662**	18,017	28,564	30,347	25,414	23,276	24,960	19,410
Operating cash flow[3]	**22,033**	12,893	25,560	30,348	33,491	15,907	27,275	15,400
Free cash flow[1,3,7]	**99**	(8,813)	3,295	17,793	16,734	(3,211)	9,199	1,155
Per share information:								
Net income[3]	**0.05**	0.06	0.10	0.12	0.08	0.09	0.09	0.06
Adjusted net income[1,3]	**0.05**	0.06	0.10	0.12	0.08	0.09	0.09	0.06
Operating cash flow[1,3]	**0.16**	0.09	0.18	0.22	0.24	0.12	0.20	0.11
Free cash flow[1,3,7]	**0.00**	(0.06)	0.02	0.13	0.12	(0.02)	0.07	0.01
Selected Financial Statement data:								
Cash and cash equivalents	**63,884**	63,480	73,513	66,733	49,398	35,657	38,611	27,395
Working capital	**60,850**	54,400	59,237	54,957	37,971	32,609	27,318	20,546
Total assets	**375,349**	358,583	352,399	326,884	301,833	285,718	265,065	238,599
Total non-current liabilities	**69,027**	65,228	66,990	61,899	54,549	51,161	41,897	31,680
Operational results								
Milling (tonnes)								
Eagle River	**53,540**	53,551	44,667	42,349	55,874	23,257	39,453	28,754
Mishi	**17,219**	3,555	11,533	13,721	11,047	9,108	204	18,623
Throughput	**70,759**	57,106	56,200	56,070	66,922	32,365	39,657	47,377
Total tonnes/calendar day	**786**	621	611	616	735	352	431	521
Head grades (g/t Au)								
Eagle River	**12.8**	11.7	13.8	18.1	14.0	28.6	23.4	23.4
Mishi	**2.5**	3.5	2.5	2.9	2.5	1.9	2.8	3.0
Recovery (%)								
Eagle River	**97.1**	98.0	97.7	97.9	97.3	97.6	97.6	96.4
Mishi	**84.8**	84.5	74.7	79.8	74.8	77.1	85.5	85.2
Production (ounces)								
Eagle River	**21,396**	19,667	19,319	24,117	24,457	20,894	28,894	20,873
Mishi	**1,169**	339	689	1,026	665	438	15	1,564
Total gold produced	**22,564**	20,006	20,008	25,142	25,122	21,332	28,910	22,437
Gold sales (ounces)								
Eagle River	**19,714**	19,485	20,927	22,235	25,772	21,771	23,235	22,631
Mishi	**950**	404	773	905	728	329	215	1,482
Kiena[8]	**1,793**	0	0	0	0	0	0	0
Total gold sales	**22,457**	19,889	21,700	23,140	26,500	22,100	23,450	24,113

In 000s, except per units and per share amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Per ounce of gold sold[1]								
Average realized price[1]	**2,223**	2,430	2,532	2,365	2,162	1,954	1,957	1,752
Cash costs[1,3,4,6]	**1,076**	1,162	1,052	882	1,120	786	815	837
Cash margin[1,3,4,6]	**1,147**	1,268	1,480	1,483	1,042	1,168	1,142	915
AISC[1,3,4,6]	**1,497**	1,567	1,395	1,218	1,423	1,305	1,344	1,220
Production costs/tonne milled[1,3,6]	**335**	400	389	331	425	470	583	390
Average 1 USD → CAD exchange rates	**1.2660**	1.3030	1.3321	1.3853	1.3449	1.3200	1.3204	1.3377
Cost Metrics (in USD)								
Cash costs[1,3,4,6]	**850**	892	790	637	833	595	618	626
AISC[1,3,4,6]	**1,182**	1,203	1,047	879	1,058	988	1,018	912

1 *Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.*

2 *Totals for tonnage and gold ounces information may not add due to rounding.*

3 *Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.*

4 *In determining the Cash cost per ounce and AISC per ounce for Q1 2021, the total ounces sold includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.*

5 *Revenues include insignificant amounts from the sale of by-product silver.*

6 *Q4 2020 Cash cost and AISC per ounce of gold sold, and production costs/tonne excludes $1.0 million (Q3 2020 - $1.3 million, Q2 2020 - $0.5 million) of incremental Covid-19 costs incurred for workplace modifications to accommodate social distancing, education of new protocols, the acquisition of additional personal protective equipment, and higher transportation costs. The additional costs due to inefficiencies in operations from revised protocols during the pandemic have not been quantified.*

7 *Ounces sold in Q1 2021 from the Kiena bulk sample, which was processed in Q4 2020.*

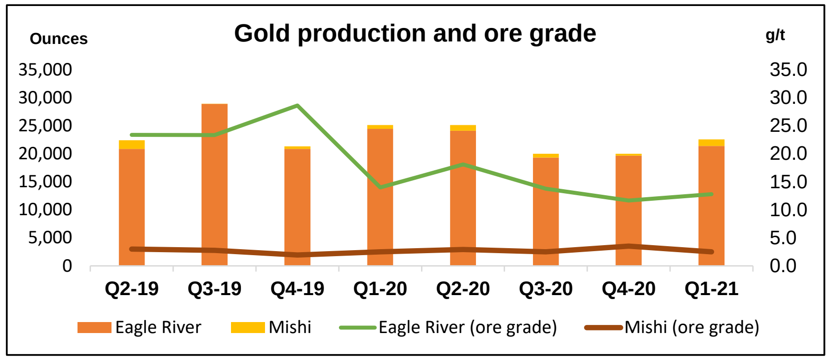
Q1 2021 FINANCIAL AND OPERATIONAL RESULTS

Operational Results

	Q1 2021	Q1 2020	Change	
Ore milled (tonnes)				
Eagle River	**53,540**	55,874	(2,334)	(4)%
Mishi	**17,219**	11,047	6,172	56%
Throughput	**70,759**	66,921	3,838	6%
Head Grade (g/t Au)				
Eagle River	**12.8**	14.0	(1.2)	(9)%
Mishi	**2.5**	2.5	0.0	0%
Recoveries (percent)				
Eagle River	**97.1**	97.3	(0.2)	(0)%
Mishi	**84.8**	74.8	10.0	13%
Gold production (ounces)				
Eagle River	**21,396**	24,457	(3,061)	(13)%
Mishi	**1,169**	665	504	76%
	22,564	25,122	(2,557)	(10)%
Gold Sold (ounces)				
Eagle River	**19,714**	25,772	(6,058)	(24)%
Mishi	**950**	728	222	30%
Kiena[2]	**1,793**	0	1,793	0%
	22,457	26,500	(4,043)	(15)%

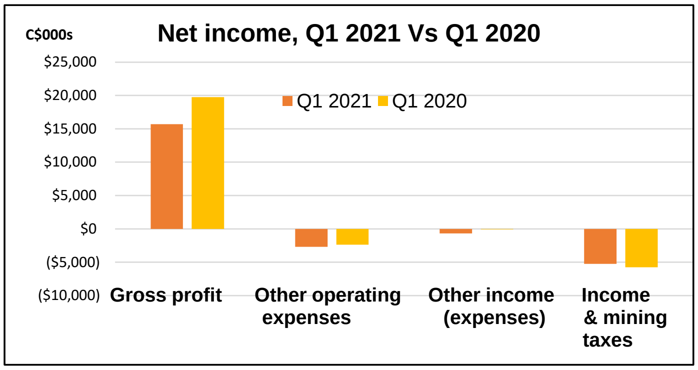
[1] Totals for tonnage and gold ounces information may not add due to rounding.
[2] Ounces sold in Q1 2021 from the Kiena bulk sample, which was processed in Q4 2020.

Q1 2021 production at Eagle River decreased by 13% from Q1 2020 to 21,396 ounces of gold, due to a 9% decrease in head grade and a 4% decrease in total throughput. The decline in throughput resulted from acceleration of the processing of the Eagle River stockpiles in Q1 2020 due to the uncertainty of the COVID-19 pandemic. Head grade at Eagle River in Q1 2021 averaged 12.8 g/t which is below budget due to stope sequencing. Eagle ore stockpiled on surface was 4,289 tonnes at the end of Q1 2021.



Mishi pit was mined out as per plan in Q4 2020 and only stockpiled ore will be processed in 2021. The contribution of ore feed from Mishi in Q1 2021 increased by 56% to 17,219 t when compared to 11,047 t processed in Q1 2020. The head grade at Mishi was consistent at 2.5 g/t producing 1,169 ounces of gold as compared 665 ounces of gold in Q1 2020. Mishi ore stockpiled on surface was 50,657 tonnes at the end of Q1 2021.

Financial Review, Q1 2021 as compared to Q1 2020



Net income attributable to shareholders and Adjusted net income[1] for the three months ended March 31, 2021 was $7.1 million or $0.05 per share as compared to $11.5 million or $0.08 per share for the same period in 2020.

For a reconciliation of adjusted net income to net income as presented in the financial statements in accordance with IFRS, see *Non-IFRS Financial Performance Measures* in this MD&A.

In $000s	Q1 2021	Q1 2020	Change	
Revenues	**45,973**	57,332	(11,359)	(20)%
Costs and expenses				
Cost of sales[2]	**30,264**	37,590	(7,326)	(19)%
Corporate and general	**2,391**	1,971	420	21%
Stock-based compensation	**310**	404	(94)	(23)%
	32,965	39,965	(7,000)	
Operating income	**13,008**	17,367	(4,359)	(25)%
Interest and other income (expenses)	**(672)**	(85)	(587)	
Income before taxes	**12,336**	17,282	(4,946)	
Mining and income tax expense	**5,233**	5,769	(536)	
Net income	**7,103**	11,513	(4,410)	(38)%
Operating cash flows[2]	**22,033**	33,491	(11,458)	(34)%
Free cash flows[1,2]	**99**	16,734	(16,635)	

[1] *Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.*

[2] *Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.*

Revenues

In $000s	Q1 2021	Q1 2020	Change	
Revenues from operations				
Gold	**45,934**	57,295	(11,361)	(20)%
Silver	**39**	37	2	
	45,973	57,332	(11,359)	(20)%

[1] Excludes $3.9 million of revenue from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021. The incidental revenue was credited against the cost of the Kiena exploration asset.

In Q1 2021, Wesdome generated $46.0 million in gold sales revenue from the sale of 20,664 ounces of gold at an average realized price of $2,223 (US$1,756) per ounce; as compared to the sale of 26,500 ounces of gold at $2,162 (US$1,608) per ounce for revenue of $57.3 million in Q1 2020. The 20% decrease in sales revenues is due to lower ounces sold; partially offset by a stronger Canadian dollar realized price.

Cost of Sales

In $000s	Q1 2021	Q1 2020	Change	
Cost of Sales				
Mining and processing costs				
Mining	**11,165**	10,477	688	
Processing	**4,601**	4,540	61	
Site administration and camp costs	**7,254**	6,782	472	
Covid-19	**855**	-	855	
Change in inventories[1,2]	**(663)**	6,889	(7,552)	
	23,212	28,688	(5,476)	
Royalties	**985**	1,025	(40)	
Depletion and depreciation	**6,067**	7,877	(1,810)	
	30,264	37,590	(7,326)	(19)%

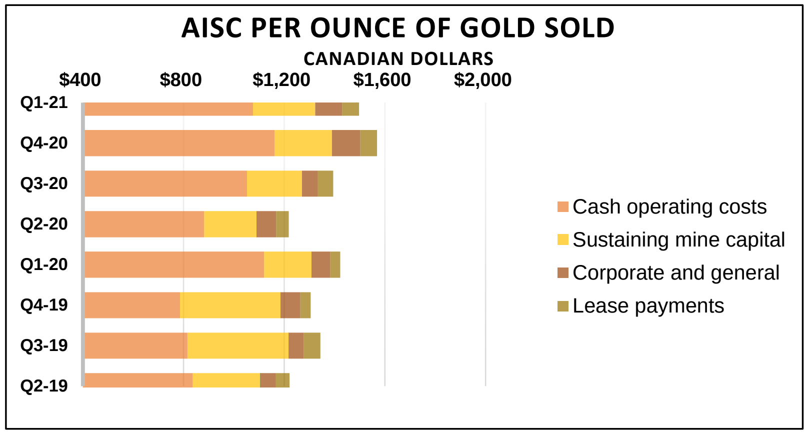
[1] See Note 16 of the Company's financial statements for a breakdown of stockpile and in-circuit inventory adjustments for the three-month period ended March 31, 2021 and 2020.

[2] Q1 2021 includes a charge of $0.4 million for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.

Cost of sales of $30.3 million in Q1 2021 decreased by 19% or $7.3 million mainly due to: (i) a $7.5 million increase in ore stockpile and bullion inventory, resulting from inventory level changes; (ii) an increase of $2.0 million in operating costs because of higher costs incurred for development, equipment fleet and surface infrastructure improvements, Covid-19 safety protocols; and (iii) a decrease of $1.8 million in non-cash depletion and depreciation as a result of inventory level changes.

Cash cost and AISC per ounce of gold sold in Q1 2021 were $1,076 (US$850) and $1,497 (US$1,182) per ounce; as compared to cash cost and AISC per ounce of gold sold in Q1 2020 of $1,120 (US$833) and $1,423 (US$1,058), respectively.

(Refer to the section entitled "non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements).



Corporate and General

Corporate and general expenditures in Q1 2021 increased by 21% to $2.4 million primarily due to increased corporate activities and the increase in technical staff at the corporate level. The corporate and general expenditure level is expected to be between $2.2 and $2.4 million on a quarterly basis in 2021.

Stock-based payments

In Q1 2021, the Company granted 379,934 stock options, 82,853 Restricted Share Units ("**RSUs**") and 165,706 Performance Share Units (**"PSUs"**) to its employees and officers under its 2020 Omnibus Equity Plan. All of the stock options and RSUs have a three-year vesting term, with the first tranche vesting on March 26, 2022. The PSUs have cliff vesting terms contingent on continued employment at the end of the three-year performance period.

Tax Expense

In $000s	Q1 2021	Q1 2020	Change	
Mining and income tax expense				
Current	**1,096**	2,270	(1,174)	
Deferred	**4,137**	3,499	638	
	5,233	5,769	(536)	(9)%

The effective tax rate for Q1 2021 was 42.4% as compared to 33.4% for Q1 2020.The Company anticipates the effective tax rate will be approximately between 38.0% and 41% for 2021. Wesdome is currently subject to mining tax liability for any resource profits earned in Ontario as the majority of the tax deduction pools have been previously utilized.

EAGLE RIVER COMPLEX

The Eagle River Complex, located 50 kilometres due west of Wawa, Ontario, consists of the Eagle River Underground Mine (producing since 1995) and a mineral processing facility, located adjacent to the former Mishi Open Pit, permitted at 1,200 tonnes per day. Commercial production at the Eagle River Mine to March 31, 2021, totals 4.5 million tonnes of ore averaging 9.8 g/t Au, totaling approximately 1.4 million oz Au. The Mishi Open Pit Mine, which began operations in 2002 was mined out in Q4 2020 and only stockpiled ore will be processed in 2021.

The Eagle River Complex produced 22,564 ounces of gold in Q1 2021 as compared to 25,122 ounces in Q1

2020.

Eagle River Mill

In Q1 2021, the mill processed 70,759 t or 786 tpd of Eagle River and Mishi ore as compared to 66,921 t or 735 tpd in Q1 2020. Higher mill availability allowed for additional tonnes to be processed from Mishi.

The mill availability was 90% in Q1 2021 and 89% in Q1 2020.

The mill recovery in Q1 2021 for Eagle ore was 97.1% and 84.8% for Mishi ore as compared to 97.3% for the Eagle ore and 74.8% for the Mishi ore in Q1 2020. Mishi mill recovery was higher mainly due to increased throughput.

Eagle River Underground Mine

Development and Drilling

The past discovery of at least two new significant parallel zones in the west portion of the mine (i.e. the 300 and 7 Zones) and more recently the Falcon zone located in volcanic rocks outside of the historically mined diorite host rock, have helped increase Mineral Reserves and Mineral Resources and have stimulated an increased pace of exploration drilling over the past several years.

Exploration drilling rate has increased throughout 2020 and Q1; however, it continues to operate at a reduced capacity due to COVID-19 restrictions, with four underground drills and two surface drills operating in Q1.

Definition drilling is focused at 311W, 300E, Falcon Zone, and down dip on the 711 and 811 zones. Meanwhile, underground exploration drilling is being completed down plunge at the 300E zone, as well as west of 7 Zone along the diorite contact and up plunge from the 311 Zone. Additional underground exploration is ongoing further to the east of the current mining areas, in the east-central area of the mine, to test for parallel zones north of the historic 8 and 6 zones. A comprehensive structural study is underway to assist the exploration targeting.

Ongoing extension and definition drilling of the 300E Zone has continued to return high grade gold intersections and has now been extended to the 1,400 m-level. Testing the down plunge extension remains a priority.

The Falcon 7 Zone was originally discovered from surface drilling located in volcanic rocks approximately 200 metres (“m”) west of the mine diorite. It is interpreted that the Falcon 7 Zone now extends from surface down a steep easterly plunge approximately 1,000 m and is part of the up plunge extension of the 7 Zone currently being mined near the 1,000 m elevation. Definition drilling continues at the Falcon Zone and initial sill development is expected to commence in Q2, thereby providing an opportunity to assess the gold mineralization of the Falcon Zone in the volcanic rocks.

The Company is continuing to develop and explore the 311W Zone along the western margin of the mine diorite. The zone has transitioned from the diorite into the adjacent mafic volcanics, again highlighting the potential of the volcanic rocks to host gold mineralization, similar to that observed at the neighbouring Falcon 7 zone.

Surface Exploration

Surface drilling is ongoing both east and west of the mine to follow up on anomalous values returned from regional drilling program in 2020. A comprehensive analysis of the structural geology is being completed at the mine and the surrounding volcanic rocks to aid in exploration targeting.

Total metres drilled in 2021 are budgeted to range between 164,000 and 174,000 m for five underground and three surface drill rigs, including underground exploration of 60,000 – 70,000 m, underground definition drilling of 50,000 m, and surface exploration drilling 54,000 m. Drilling is currently behind schedule given the restrictions for COVID-19 protocols.

TAILINGS AND WATER MANAGEMENT

The Eagle site has not experienced any water management issues during the spring freshet. As the Mishi Pit has now been mined out, it will be used to manage the excess of water at the reclaim pond, near the Eagle mill. The Stage 5 lift will start in Q2 2021 and will continue over the next few years. $0.2 million of engineering work for the Stage 5 lift was incurred in Q1 2021.The Company is also working on a new project that will allow for the discharge of water further down the existing watershed, where water volumes are significantly increased. This will ensure minimal impacts to the environment. The design and permitting process are ongoing.

VENTILATION PROJECT

To increase production to over 600 tonnes per day (**"tpd"**), the ventilation system has been upgraded by developing the 640 m ramp to provide a connection with the main ramp, a new ventilation raise underground, installation of a second fan and booster fans. A total of $4.7 million has been allocated to this project, with $4.5 million incurred to date and $0.2 million expected to be spent in Q2 2021. Additional work is planned in 2021 to increase the ventilation flow underground with the addition of a main booster fan underground.

KIENA COMPLEX

The Kiena Mine Complex is a fully permitted, integrated mining and milling infrastructure which includes a 930 m production shaft and 2,000 tpd capacity mill. From 1981 to 2013 the mine produced 1.75 million ounces of gold from 12.5 million tonnes at a grade of 4.5 g/t Au. The bulk of this production came from the S-50 Zone between depths of 100 and 1,000 m. In 2013, operations were suspended due to a combination of declining gold prices and lack of developed reserves. The infrastructure has been well preserved on care and maintenance status. Since 2015, Wesdome has been continuously exploring the Kiena deposit and in 2016 discovered the Kiena Deep A Zone, which remains a focus of underground exploration. When Kiena was placed on care and maintenance in 2012, an impairment charge of $60.9 million was recorded. Subsequently, an additional impairment charge of $5.9 million was recorded. Upon a successful pre-feasibility study and restart decision, some or all of the impairment charges may be reversed.

EXPLORATION DRILLING AND DEVELOPMENT

Over the past year, underground drilling was focused on definition drilling of the A Zone, which successfully upgraded a large portion of inferred resources to the indicated category, (see press release dated December 15, 2020). Drilling has since refocused on expansion drilling, not only at the A Zone and VC Zone, but at other prospective targets within the mine area. As part of this exploration focus, initial drilling via seven underground drill rigs has already successfully expanded the size of known mineralized zones, with follow-up drilling expected to contribute to future resource updates.

Initial exploration drilling has discovered a new zone in the footwall of the Kiena Deep A Zone that could significantly add to the current resource base.

Kiena Deep A Zone Drilling

Recent drilling continues to better define and expand the Kiena Deep A Zone predominantly along the lateral extensions of the zone (See press release dated March 23, 2021). The high grades intersected will be included in future resource updates and are expected to add to the current resource base as the intercepts are located outside the December 2020 mineral resource estimate.

Highlights of the recent A Zone drilling are listed below.

- Hole 6739W3: 46.2 g/t Au over 24.2 m core length (36.6 g/t Au cut, 6.7 m true width) A1 Zone
- Hole 6742W6: 135.8 g/t Au over 7.5 m core length (26.5 g/t Au cut, 4.0 m true width) A1 Zone
- Hole 6742W2: 142.4 g/t Au over 22.2 m core length (22.3 g/t Au cut, 6.0 m true width) A2 Zone

All assays cut to 90.0 g/t Au. True widths are estimated.

VC1 Zone Drilling

Drilling of the VC1 zone has continued to return a number of high grade intersections and has now confirmed the previous interpretation that the VC1 zone is a separate structure having a different orientation than the A Zone. The mineralization of the VC1 zone has transitioned from a more sulphide-rich variety found in the upper extents of the mine, to a quartz-rich environment with visible gold present at depth. The VC1 zone extends 475 m down plunge from 67 Level to 107 Level, where development and drilling are presently being completed (Figure 2). Hole 6531 (previously released) returned 31.1 g/t Au over 5.1 m (24.3 g/t Au cut over 3.9 m TW) and illustrates the higher grade potential of the VC1 at depth. Recent drill hole 6738C confirms these results, returning 20.0 g/t Au over 4.6 m core length (20.0 g/t Au cut, 4.1 m TW). The VC1 zone remains open at depth and will be a focus for ongoing drilling.

New Footwall Zones

Up until only recently, definition drilling of the A Zone was focused on converting the large inferred resource to indicated as part of the ongoing prefeasibility ("PFS") study. This recent shift to focus the drilling on exploration resulted in drilling holes through the A zones into the untested footwall rocks. Improved drilling practices and the use of drilling wedges permitted the drills to effectively penetrate this footwall area and resulted in the discovery of at least two new zones of high grade gold mineralization.

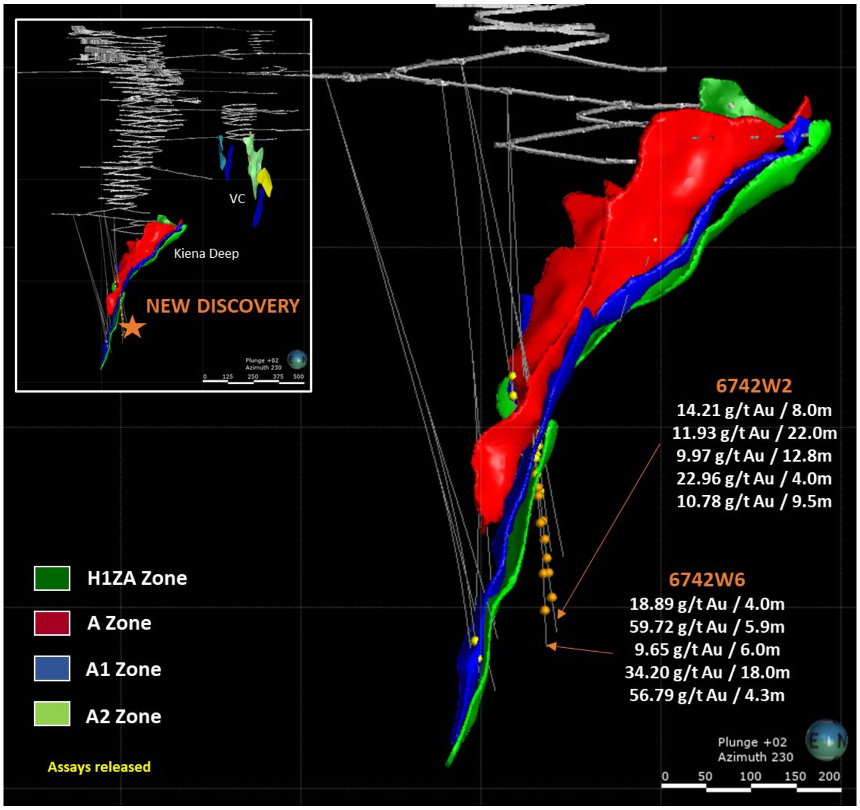
Given the limited drilling, the orientation and geometry of the mineralization is not known with any certainty; however, it is interpreted that this area consists of at least two lenses and is open laterally and at depth. The mineralization occurs within 50 m of the A2 zone and is located within amphibolitized ultramafic rocks demonstrating good geotechnical strength properties.

Highlights of the recent drilling are listed below.

- Hole 6742W2: 11.9 g/t Au over 22.0 m core length (11.9 g/t Au cut)
- Hole 6742W6: 59.7 g/t Au over 5.9 m core length (28.9 g/t Au cut)
- Hole 6742W6: 34.2 g/t Au over 18.0 m core length (16.7 g/t Au cut)

All assays cut to 90.0 g/t Au. True widths are unknown at this time.

The discovery of additional high grade gold mineralization within 50 m of the footwall of the A zone could have significant positive impacts on the resources, the ounces per vertical metre, and the overall project economics. This drilling highlights the potential to add ounces not only in this area but illustrates the untested potential of the entire gold system around the Kiena mine. This footwall zone will be one of the zones of focus for the continuing drilling.



Bulk Sample

Wesdome completed the final gold reconciliation of a bulk sample processed in late 2020 from the Kiena Deep A Zone (see press release dated April 12, 2021). The bulk sample provided an opportunity to confirm the geologic interpretation of the deposit, test for spatial and grade continuity of the mineralized structures, validate key assumptions of the mineral resource estimate and assess the rock quality characteristics. The bulk sample can be summarized as follows:

- A total of 7,032 tonnes were processed from the bulk sample at the Kiena mill. The 7,032 tonnes milled as part of the bulk sample represents the planned area of the bulk sample. Additional lower grade material outside of the planned area of the bulk sample was stockpiled on surface.
- Successfully tested an area within the December 15, 2020 Mineral Resource Estimate and confirmed the continuity of the high-grade gold mineralization within the A and A1 Zones.
- The bulk sample recovered 6% more gold than the MRE with a feed grade of 15.7 g/t versus model grade of 14.7 g/t.
- Geotechnical conditions were sound overall and allowed the Company to assess and optimize development protocols.
- Total gold produced was 3,479 ozs with gold recovery in the Kiena mill of 98.2%.
- To date, 3,293 ozs of gold have been sold, which includes 1,500 oz of gold in Q4 2020 and 1,793 oz in Q1 2021 with the remaining to be sold by Q3 2021.
- Recommissioning and performance of the Kiena mill with gold recovery in excess of 98%.

Preliminary Feasibility Study ("PFS")

A Preliminary Economic Assessment ("**PEA**") study was completed in Q2 2020. The PEA demonstrates a low-cost and high margin operation, with low capital requirements and a short payback period, while minimizing risks and maximizing shareholders' return.

An updated resource estimate was released in Q4 2020 to be followed by the execution of a pre-feasibility study ("**PFS**"). The PFS is expected to be completed in Q2 2021, with a scheduled re-start decision shortly thereafter.

Surface Exploration Drilling

A 42,000 m surface drilling program has commenced to test regional targets from surface. These initial targets are located along the Marbenite Fault (within 1.5 km from Kiena Mine Complex).

Moss Lake Project

On January 26, 2021, Wesdome entered into a definitive purchase agreement (**the "Agreement"**) with Goldshore Resources Inc. (**"Goldshore"**) to monetize its Moss Lake Project (**"Moss Lake"**) located in Ontario, Canada (the "Transaction"). Pursuant to the Agreement, Goldshore will acquire all of Wesdome's property, assets and rights related to Moss Lake. The Closing of the Transaction (**"Closing"**) is expected to occur in Q2 2021. Following the closing, Goldshore will hold a 100% interest in Moss Lake.

Under the terms of the Agreement, Wesdome will receive minimum initial aggregate consideration of $57 million, comprised of the following:

- $12.5 million in cash upon Closing;
- Shares of Goldshore in an amount equal to the greater of a) $19.5 million and b) 30% of the issued and outstanding common shares at Closing;
- $20 million in shares of Goldshore in the form of milestone payments consisting of:
  - $5 million within 12 months of Closing;
  - $7.5 million upon the earlier of (i) Goldshore completing an updated PEA or pre-feasibility study; and (ii) 30 months from Closing;
  - $7.5 million upon the earlier of (i) Goldshore completing a feasibility study, (ii) the date on which Goldshore makes a development decision on Moss Lake; and (iii) 48 months from Closing;
- The grant to Wesdome of a 1.00% NSR royalty on all metal production from Moss Lake. Goldshore shall have the right to repurchase the NSR royalty for (i) $5 million within 30 months of Closing; or (ii) $7.5 million between 30 – 48 months from Closing. The royalty buyback rights shall expire if not exercised within 48 months of Closing.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2021, Wesdome had working capital of $60.9 million compared to $54.4 million at December 31, 2020. Cash and cash equivalents at March 31, 2021 was $63.9 million as compared to $63.5 million at the beginning of the year. An abbreviated cash flow statement is as follows:

In Millions (Canadian dollar)	Q1 2021	Q1 2020	Change
Eagle River			
Cash Margin[1]	$21.8	$27.6	($5.8)
Sustaining capital and mine exploration	(5.4)	(5.0)	(0.4)
Tailings management facility	(0.2)	(0.0)	(0.2)
Ventilation project	(0.8)	0.0	(0.8)
Capitalized exploration	(1.4)	(1.5)	0.1
Lease payments	(1.5)	(1.1)	(0.5)
	12.5	20.0	(7.5)
Kiena			
Investment in exploration & evaluation[2]	(12.6)	(9.2)	(3.4)
	(12.6)	(9.2)	(3.4)
Corporate	(2.4)	(2.0)	(0.4)
Stock options exercised	0.3	0.7	(0.4)
Mining tax paid	(0.2)	(1.3)	1.1
Borrowings	0.0	(3.6)	3.6
Net change in working capital and other	2.8	9.0	(6.2)
Net increase in cash	$0.4	$13.7	($13.3)
Cash, beginning of period	$63.5	$35.7	
Cash, end of period	**$63.9**	**$49.4**	

[1] Cash margin is a non-IFRS performance measure. Please refer to the disclosures of non- IFRS measures in this MD&A.
[2] Net of incidental gold sales credit of $3.9 million from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.

Eagle River mine profits[1] for Q1 2021 decreased by 21% from Q1 2020 primarily due to the decrease in the number of ounces of gold sold; partially offset by a higher realized gold price. The Company invested a total of $14.8 million in the Kiena asset, Eagle River surface exploration, and the ventilation project in Q1 2021 as compared to $10.7 million in Q1 2020.

The following table identifies the significant movements in operating cash flow for the three months ended March 31, 2021 and 2020 as follows:

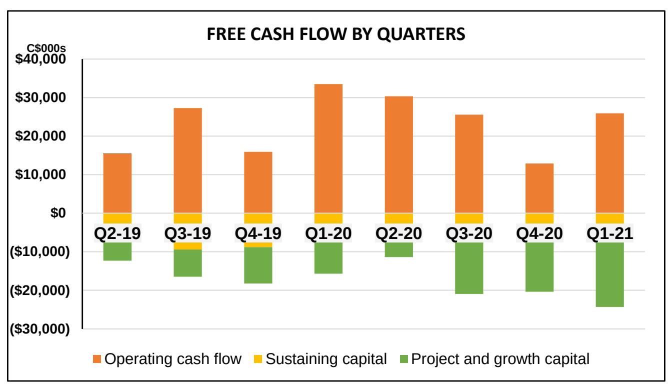
In $000s	Q1 2021	Q1 2020	Change	
Operating cash flow, previous period	**12,893**	15,907	(3,014)	(19)%
Increase (decrease) in cash margin from mine operations	**(2,448)**	1,803	(4,251)	
Decrease (increase) in other operating expenditures	**(166)**	(226)	60	
Mining and income tax recovery (payments)	**6,838**	(2,114)	8,952	
Net change in working capital balances	**4,209**	17,436	(13,227)	
Other	**707**	685	22	
Net increase (decrease) in operating cash flows	**9,140**	17,584	(8,444)	
Operating cash flow, current period	**22,033**	33,491	(11,458)	(34)%

The net change in working capital balances is primarily due to the increase in ore stockpile and bullion inventory resulting from inventory level changes.

Capital and exploration and evaluation expenditures incurred in Q1 2021 totaled $20.4 million as compared to $15.7 million in Q1 2020. A breakdown of the capital expenditures for the three months ended March 31, 2021 and 2020 are as follows:

In $000s	Q1 2021	Q1 2020	Change	
Mining properties and plant and equipment				
Eagle River				
Capitalized exploration costs	**2,089**	1,495	594	
Sustaining mine development costs	**4,312**	4,765	(453)	
Mining equipment and infrastructure upgrades	**394**	196	198	
Tailings management facility	**194**	34	160	
Ventilation project	**834**	-	834	
	7,823	6,490	1,333	
Corporate Office	**-**	-	-	
Kiena				
Exploration equipment	**696**	56	640	
Additions to Mining properties	**8,519**	6,546	1,973	30%
Exploration and evaluation expenditures				
Eagle River	**-**	**-**	-	
Kiena	**11,886**	9,148	2,738	
Moss Lake	**13**	6	7	
Additions to Exploration properties	**11,899**	9,154	2,745	30%
Total capital investments	**20,418**	15,700	4,718	30%

Wesdome generated $0.1 million of free cash flow[1] in Q1 2021 compared to $16.7 million in Q1 2021. The decrease in free cash flow [1] was mainly due to the decrease in the number of ounces sold, additional capital spending at Kiena, and the increase in ore stockpile and bullion inventory resulting from inventory level changes.



[1] Free cash flow is a non-IFRS performance measure. Please refer to the disclosures of non- IFRS measures in this MD&A

Secured Credit Facility and Lease Facilities

Secured Credit Facility

On March 29, 2021, Wesdome extended the current maturity date of the $45 million senior secured revolving credit facility ("**NBF Facility**"), led by National Bank Financial Inc. ("**NBF**") from September 27, 2022 to March 29, 2024. During Q1 2021, the Company was in compliance with the financial covenants stipulated under the NBF Facility. The NBF Facility, which will be used for general corporate and working capital purposes, is secured by all of the Company's present and future real and personal property. The NBF Facility is available by way of (i) Canadian dollar Prime Rate or U.S. dollar Base Rate, with interest rates ranging from 2.5% to 3.5% over NBF's Prime Rate or Base Rate, as applicable, (ii) Canadian dollar Bankers' Acceptances at acceptance fees ranging from 3.5% to 4.5%, and (iii) U.S. dollar LIBOR with interest rates ranging from 3.5% to 4.5% over LIBOR. The actual spread or rate will be determined based on the Company's net leverage ratio (as defined). The NBF Facility is also available for letters of credit. At March 31, 2021 the entire $45.0 million facility was available.

Leasing Facility

The Company currently has a leasing facility ("**C$ Leasing Facility**") with a chartered Canadian bank and a leasing facility ("**US$ Leasing Facility**") with a U.S. based leasing company. As at March 31, 2021, $9.6 million and US$2.3 million was owing under the C$ Leasing Facility and US$ Leasing Facility, respectively.

Reclamation Bonds

The Company currently has an agreement with a financial institution whereby the financial institution has issued surety bonds, on an unsecured basis to satisfy the Company's reclamation obligations for the Eagle River Complex. During Q1 2020, the financial institution increased the surety bond for the Eagle River Complex by $8.0 million. As at March 31, 2021, the total reclamation bonds issued to government environmental agencies amounted to $16.6 million (December 31, 2020 - $16.6 million).

The final closure plans were submitted during Q4 2019, for the Eagle River Complex to the Ontario Ministry of Energy, Northern Development and Mines ("**MENDM**") for approval. The MENDM approved the closure plan for the Eagle River Mill in Q1 2020 and the closure plans for the Eagle River Mine and the Mishi-Magnacon Mine are still being reviewed. The Company has obtained financial commitment from the financial institution to amend the surety bonds for the anticipated increase in financial assurance to be provided to the government for the estimate of the financial assurance requirements.

The Company will be submitting an updated Closure Plan for the Kiena Complex in Q2 2021, which will include the planned upgrades to the site's Tailings Management Area. The Company anticipates, and is prepared for, increased financial assurance to be required under the updated Closure Plan.

SUMMARY OF SHARES ISSUED

As of May 12, 2021, the Company had securities outstanding as follows:

Shares outstanding	000s
Common shares issued	139,674
Common share purchase options	3,996
Deferred Share Units	315
Performance Share Units	255
Restricted Share Units	206

CONTRACTUAL OBLIGATIONS

The following table shows the timing of cash outflows relating to contractual obligations as at March 31, 2021:

In $000s	Total	Within 1 year	1 - 2 Years	3 – 5 Years	Beyond 5 years
Payables and accruals	25,117	$25,117	-	-	-
Mining and income liabilities	4,378	4,378	-	-	-
Lease liabilities	12,512	6,630	4,262	1620	-
Purchase and work commitments	12,110	12,110	-	-	-
Decommissioning liabilities	24,254	-	7,027	-	17,227
	$78,371	**$48,235**	**$11,289**	**$1,620**	**$17,227**

NON-IFRS PERFORMANCE MEASURES

Average realized price per ounce of gold sold

Average realized price per ounce of gold sold is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Average realized price per ounce of gold sold is calculated by dividing gold sales proceeds received by the Company for the relevant period by the ounces of gold sold. It may not be comparable to information in other gold producers' reports and filings.

In 000s, except per unit amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Revenues per financial statements	**45,973**	48,362	55,000	54,772	57,332	43,223	45,940	42,276
Silver revenue from mining operations	**(39)**	(40)	(47)	(48)	(37)	(40)	(49)	(38)
Gold revenue from mining operations (a)	**45,934**	48,322	54,953	54,724	57,295	43,183	45,891	42,238
Ounces of gold sold (b)	**20,664**	19,889	21,700	23,140	26,500	22,100	23,450	24,113
Average realized price gold sold CAD (c) = (a) ÷ (b)	**2,223**	2,430	2,532	2,365	2,162	1,954	1,957	1,752
Average 1 USD → CAD exchange rate (d)	**1.2660**	1.3030	1.3321	1.3853	1.3449	1.3200	1.3204	1.3377
Average realized price gold sold USD (c) ÷ (d)	**1,756**	1,865	1,901	1,707	1,608	1,480	1,482	1,309

Cash costs per ounce of gold sold

Cash cost per ounce of gold sold is a non-IFRS performance measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. The Company has included this non-IFRS performance measure throughout this document as Wesdome believes that this generally accepted industry performance measure provides a useful indication of the Company's operational performance. 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. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of total cash costs per ounce of gold sold to cost of sales per the financial statements for each of the last eight quarters:

In 000s, except per unit amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Cost of sales per financial statements[1]	**30,264**	30,483	30,487	26,826	37,590	22,804	25,246	26,571
Covid-19	**-**	(987)	(1,281)	(556)	-	-	-	-
Depletion and depreciation	**(6,067)**	(6,345)	(6,322)	(5,802)	(7,877)	(5,397)	(6,076)	(6,350)
Silver revenue from mining operations	**(39)**	(40)	(47)	(48)	(37)	(40)	(49)	(38)
Cash costs (a)	**24,158**	23,111	22,837	20,420	29,676	17,367	19,121	20,183
Ounces of gold sold[2] (b)	**22,457**	19,889	21,700	23,140	26,500	22,100	23,450	24,113
Cash costs per ounce of gold sold (c) = (a) ÷ (b)	**1,076**	1,162	1,052	882	1,120	786	815	837
Average 1 USD → CAD exchange rate (d)	**1.2660**	1.3030	1.3321	1.3853	1.3449	1.3200	1.3204	1.3377
Cash costs per ounce of gold sold USD (c) ÷ (d)	**850**	892	790	637	833	595	618	626

[1] Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.
[2] Q1 2021 includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.

Production costs per tonne milled

Mine-site cost per tonne milled is a non-IFRS performance measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. As illustrated in the table below, this measure is calculated by adjusting cost of sales, as shown in the statements of income for non-cash depletion and depreciation, royalties and inventory level changes and then dividing by tonnes processed through the mill. Management believes that mine-site cost per tonne milled provides additional information regarding the performance of mining operations and allows Management to monitor operating costs on a more consistent basis as the per tonne milled measure reduces the cost variability associated with varying production levels. Management also uses this measure to determine the economic viability of mining blocks. As each mining block is evaluated based on the net realizable value of each tonne mined, the estimated revenue on a per tonne basis must be in excess of the production cost per tonne milled in order to be economically viable. Management is aware that this per tonne milled measure is impacted by fluctuations in throughput and thus uses this evaluation tool in conjunction with production costs prepared in accordance with IFRS. This measure supplements production cost information prepared in accordance with IFRS and allows investors to distinguish between changes in production costs resulting from changes in production versus changes in operating performance.

In 000s, except per unit amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Cost of sales per financial statements[1]	**30,264**	30,483	30,487	26,826	37,590	22,804	25,246	26,571
Covid-19	**-**	(987)	(1,281)	(556)	-	-	-	-
Depletion and depreciation	**(6,067)**	(6,345)	(6,322)	(5,802)	(7,877)	(5,397)	(6,076)	(6,350)
Royalties	**(985)**	(925)	(952)	(1,111)	(1,025)	(797)	(1,074)	(701)
Inventory adjustments[1]	**487**	631	(43)	(774)	(215)	(1,407)	5,023	(1,063)
Mining and processing costs, before inventory adjustments (a)	**23,699**	22,857	21,889	18,583	28,473	15,203	23,119	18,457
Ore milled (tonnes) (b)	**70,759**	57,106	56,200	56,070	66,922	32,365	39,657	47,377
Production costs per tonne milled (a) ÷ (b)	**335**	400	389	331	425	470	583	390

[1] *Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.*

Cash margin

Cash margin is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. It is calculated as the difference between gold sales revenue from mining operations and cash mine site operating costs (see Cash cost per ounce of gold sold under this Section above) per the Company's Financial Statements. The Company believes it illustrates the performance of the Company's operating mines and enables investors to better understand the Company's performance in comparison to other gold producers who present results on a similar basis.

In 000s, except per unit amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Gold revenue from mining operations (per above)	**45,934**	48,322	54,953	54,724	57,295	43,183	45,891	42,238
Cash costs[1] (per above)	**24,158**	23,111	22,837	20,420	29,676	17,367	19,121	20,183
Cash margin	**21,776**	25,211	32,116	34,304	27,619	25,816	26,770	22,055
Per ounce of gold sold (Canadian dollar):								
Average realized price (a)	**2,223**	2,430	2,532	2,365	2,162	1,954	1,957	1,752
Cash costs (b)	**1,076**	1,162	1,052	882	1,120	786	815	837
Cash margin (a) – (b)	**1,147**	1,268	1,480	1,483	1,042	1,168	1,142	915

[1] Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.

All-in sustaining costs

All-in sustaining costs (**"AISC"**) include mine site operating costs incurred at Wesdome mining operations, sustaining mine capital and development expenditures, mine site exploration expenditures and equipment lease payments related to the mine operations and corporate administration expenses. The Company believes that this measure represents the total costs of producing gold from current operations and provides Wesdome and other stakeholders with additional information that illustrates the Company's operational performance and ability to generate cash flow. This cost measure seeks to reflect the full cost of gold production from current operations on a per-ounce of gold sold basis. New project and growth capital are not included.

In 000s, except per unit amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Cost of sales, per financial statements[1]	**30,264**	30,483	30,487	26,826	37,590	22,804	25,246	26,571
Covid-19	**-**	(987)	(1,281)	(556)	-	-	-	-
Depletion and depreciation	**(6,067)**	(6,345)	(6,322)	(5,802)	(7,877)	(5,397)	(6,076)	(6,350)
Silver revenue from mining operations	**(39)**	(40)	(47)	(48)	(37)	(40)	(49)	(38)
Cash costs	**24,158**	23,111	22,837	20,420	29,676	17,367	19,121	20,183
Sustaining mine exploration and development	**4,965**	3,471	2,480	4,299	4,765	5,634	5,515	4,696
Sustaining mine capital equipment	**394**	877	849	122	196	323	(43)	221
Tailings management facility	**194**	158	1,415	389	34	2,863	3,950	1,509
Corporate and general	**2,391**	2,231	1,371	1,805	1,971	1,745	1,417	1,498
Payment of lease liabilities[2]	**1,516**	1,316	1,322	1,152	1,057	901	1,558	1,316
All-in Sustaining costs (AISC) (a)	**33,618**	31,164	30,274	28,187	37,699	28,833	31,518	29,423
Ounces of gold sold[3] (b)	**22,457**	21,389	21,700	23,140	26,500	22,100	23,450	24,113
AISC (c) = (a) ÷ (b)	**1,497**	1,457	1,395	1,218	1,423	1,305	1,344	1,220
Average 1 USD → CAD exchange rate (d)	**1.2660**	1.3030	1.3321	1.3853	1.3449	1.3200	1.3204	1.3377
AISC USD (c) ÷ (d)	**1,182**	1,118	1,047	879	1,058	988	1,018	912

[1] Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.
[2] The payment of the lease liabilities excludes the cancellation payment of $3.9 million in Q3 2019.
[3] Q1 2021 includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.

Free cash flow and operating and free cash flow per share

Free cash flow is calculated by taking net cash provided by operating activities less cash used in capital expenditures and lease payments as reported in the Company's financial statements. Free cash flow per share is calculated by dividing free cash flow by the weighted average number of shares outstanding for the period.

Operating cash flow per share is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Operating cash flow per share is calculated by dividing cash flow from operating activities in the Company's Financial Statements by the weighted average number of shares outstanding for each year. It may not be comparable to information in other gold producers' reports and filings.

In 000s, except per share amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Net cash provided by operating activities per financial statements[1] (c)	**22,033**	12,893	25,560	30,348	33,491	15,907	27,275	15,400
Sustaining mine exploration and development	**(4,965)**	(3,471)	(2,480)	(4,299)	(4,765)	(5,634)	(5,515)	(4,696)
Sustaining mine capital equipment	**(394)**	(877)	(849)	(122)	(196)	(323)	43	(221)
Tailings management facility	**(194)**	(158)	(1,415)	(389)	(34)	(2,863)	(3,950)	(1,509)
Ventilation project	**(834)**	(2,718)	(964)	-	-	-	-	-
Leasehold improvements and IT fixtures	**-**	-	-	-	-	-	-	110
Capitalized exploration and evaluation expenditures	**(11,899)**	(11,406)	(13,962)	(5,958)	(9,154)	(8,312)	(5,872)	(5,498)
Exploration capital equipment	**(696)**	(279)	-	(70)	(56)	(32)	-	-
Surface exploration at Eagle River	**(1,436)**	(1,481)	(1,273)	(565)	(1,495)	(1,053)	(1,194)	(488)
Funds held against standby letters of credit	**-**	-	-	-	-	-	(30)	(627)
Payment of lease liabilities[2]	**(1,516)**	(1,316)	(1,322)	(1,152)	(1,057)	(901)	(1,558)	(1,316)
Free cash flows (a)	**99**	(8,813)	3,295	17,793	16,734	(3,211)	9,199	1,155
Weighted number of shares (000s) (b)	**139,732**	139,482	139,308	138,918	138,464	137,867	137,302	136,740
Per Share data								
Operating cash flow (c) ÷ (b)	**0.16**	0.09	0.18	0.22	0.24	0.12	0.20	0.11
Free cash flow (a) ÷ (b)	**0.00**	(0.06)	0.02	0.13	0.12	(0.02)	0.07	0.01

[1] Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.
[2] The payment of the lease liabilities excludes the cancellation payment of $3.9 million in Q3 2019.

Net income (adjusted) and Adjusted net income per share

Adjusted net income (loss) and adjusted net income per share are non-IFRS performance measures and do not constitute a measure recognized by IFRS and do not have standardized meanings defined by IFRS, as well both measures may not be comparable to information in other gold producers' reports and filings. Adjusted net income (loss) is calculated by removing the one-time gains and losses resulting from the disposition of non-core assets, non-recurring expenses and significant tax adjustments (mining tax recognition and exploration credit refunds) not related to current period's income, as detailed in the table below. Wesdome discloses this measure, which is based on its financial statements, to assist in the understanding of the Company's operating results and financial position.

In 000s, except per share amounts	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Net income per financial statements[1]	**7,103**	8,491	14,614	16,097	11,513	12,077	12,449	8,327
	-	-	-	-	-	-	-	-
Net income adjusted (a)	**7,103**	8,491	14,614	16,097	11,513	12,077	12,449	8,327
Weighted number of shares (000s) (b)	**139,732**	139,482	139,308	138,918	138,464	137,867	137,302	136,740
Per Share data								
Net adjusted income (a) ÷ (b)	**0.05**	0.06	0.10	0.12	0.08	0.09	0.09	0.06

[1] Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.

EBITDA

Earnings before interest, taxes and depreciation and amortization ("**EBITDA**") is a non-IFRS financial measure which excludes the following items from net income (loss): interest expense; mining and income taxes and depletion and depreciation expenses. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use EBITDA and as an indicator of Wesdome's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures. EBITDA is intended to provide additional information to investors and analysts and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other producers may calculate EBITDA differently. The following table provides a reconciliation of net income in the Company's consolidated financial statements to EBITDA:

In 000s	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Net income per financial statements[1]	**7,103**	8,491	14,614	16,097	11,513	12,077	12,449	8,327
Adjustments for:								
Mining and income tax expense	**5,233**	2,887	7,365	8,164	5,769	5,487	6,297	4,619
Depletion and depreciation	**6,067**	6,345	6,322	5,802	7,877	5,397	6,076	6,350
Non-recurring expenses (income)	**-**	-	-	-	-	-	-	-
Interest expense	**259**	294	263	284	255	315	138	114
EBITDA	**18,662**	18,017	28,564	30,347	25,414	23,276	24,960	19,410

[1] *Q1 2021 includes a $0.4 million charge for product inventory costs from the sale of 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.*

ACCOUNTING MATTERS

BASIS OF PRESENTATION

The condensed interim consolidated financial statements of Wesdome for the three months ended March 31, 2021 have been prepared in accordance with International Accounting Standard 34 – “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2020.

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s consolidated financial statements for the year ended December 31, 2020.

The preparation of condensed interim consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The interim results are not necessarily indicative of results for a full year. The critical judgments and estimates applied in the preparation of the Company’s condensed interim consolidated financial statements are consistent with those applied and disclosed.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company’s financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

<u>CRITICAL JUDGMENT IN APPLYING ACCOUNTING POLICIES</u>

Exploration and evaluation expenditures

Judgment is required in determining whether the respective costs are eligible for capitalization where applicable, and whether they are likely to be recoverable by future exploration, which may be based on assumptions about future events and circumstances. Estimates and assumptions made may change if new information becomes available.

<u>KEY SOURCES OF ESTIMATION UNCERTAINTY</u>

(i) Reserves and resources

Proven and probable reserves are the economically mineable parts of the Company’s measured and indicated mineral resources that have been incorporated into the mine plan. The Company estimates its proven and probable reserves and measured, indicated and inferred mineral resources based on information compiled by appropriately qualified persons. The information relating to the geological data on the size, depth and shape of the ore body requires complex geological judgments to interpret the data. The estimation of future cash flows related to proven and probable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body.

Changes in the proven and probable reserves or measured, indicated and inferred mineral resources estimates may impact the carrying value of mining properties and equipment, depletion, impairment assessments and the timing of decommissioning and remediation obligations.

(ii) *Depletion*

Mining properties are depleted using the Units of Production ("**UOP**") method over a period not to exceed the estimated life of the ore body based on recoverable ounces to be mined from proven and probable reserves.

The calculation of the UOP rate, and therefore the annual depletion expense, could be materially affected by changes in the underlying estimates. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in the gold price used in the estimation of mineral reserves.

Significant judgment is involved in the determination of useful life and residual values for the computation of depletion and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

(iii) *Provision for decommissioning obligations*

The Company assesses its provision for decommissioning on an annual basis or when new material information becomes available. Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for decommissioning obligations requires management to make estimates of the future costs the Company will incur to complete the decommissioning work required to comply with existing laws and regulations applicable to each mining operation. Also, future changes to environmental laws and regulations could increase the extent of decommissioning work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for decommissioning. The provision represents management's best estimate of the present value of the future decommissioning obligation. Actual future expenditures may differ from the amounts currently provided.

(iv) *Stock-based compensation*

The determination of the fair value of stock-based compensation is not based on historical cost, but is derived based on subjective assumptions input into an option pricing model. The model requires that management make forecasts as to future events, including estimates of the average future hold period of issued stock options before exercise, expiry or cancellation; future volatility of the Company's share price in the expected hold period (using historical volatility as a reference); and the appropriate risk-free rate of interest. Stock-based compensation incorporates an expected forfeiture rate and is estimated based on historical forfeitures and expectations of future forfeitures, and is adjusted if the actual forfeiture rate differs from the expected rate.

The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm's length transaction, given that there is no market for the options and they are not transferable. It is management's view that the value derived is highly subjective and dependent entirely upon the input assumptions made.

(v) *Income taxes and deferred taxes*

The Company is subject to income tax laws in various jurisdictions. Tax laws are complex and potentially subject to different interpretations by the taxpayer and the relevant tax authority. The provision for income taxes and deferred tax represents management's interpretation of the relevant tax laws and its estimate of current and future income tax implications of the transactions and events during the period. The Company may be required to change its provision for income taxes or deferred tax balances when the ultimate deductibility of certain items is successfully challenged by taxing authorities or if estimates used in determining the amount of deferred tax asset to be recognized changes significantly, or when receipt of new information indicates the need for adjustment in the amount of deferred tax to be recognized. Additionally, future events, such as changes in tax laws, tax regulations, or interpretations of such laws or regulations, could have an impact on the provision for income tax, deferred tax balances and the effective tax rate. Any such changes could materially affect the amounts reported in the consolidated financial statements in the year these changes occur.

Judgment is required to continually assess changing tax interpretations, regulations and legislation, to ensure liabilities are complete and to ensure assets are realizable. The impact of different interpretations and applications could be material.

(vi) Recoverability of mining properties
The Company's management reviews the carrying values of its mining properties on a regular basis to determine whether any write-downs are necessary. The recovery of amounts recorded for mining properties depends on confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. Management relies on life-of-mine ("**LOM**") plans in its assessments of economic recoverability and probability of future economic benefit. LOM plans provide an economic model to support the economic extraction of reserves and resources. A long-term LOM plan and supporting geological model identifies the drilling and related development work required to expand or further define the existing ore body.

(vii) Inventory – ore stockpile
Expenditures incurred and depletion of assets used in mining and processing activities are deferred and accumulated as the cost of ore maintained in stockpiles. These deferred amounts are carried at the lower of cost or Net realizable value ("**NRV**"). Impairments of ore in stockpiles resulting from NRV impairments are reported as a component of current period costs.

The allocation of costs to ore in stockpiles and the determination of NRV involve the use of estimates. There is a significant degree of uncertainty in estimating future milling costs, future milling levels, prevailing and long-term gold and silver prices, and the ultimate estimated recovery for ore.

(viii) Provisions and contingent liabilities
Judgments are made as to whether a past event has led to a liability that should be recognized in the consolidated financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, past experience and the probability of a loss being realized. Several of these factors are sources of estimation uncertainty.

ACCOUNTING PRONOUNCEMENTS

Adoption of New Accounting Standards

The following new standards, and amendments to standards and interpretations, are effective for the first time for the annual periods beginning on or after January 1, 2021 and have been applied in preparing these condensed interim consolidated financial statements:

Property, Plant and Equipment- Proceeds Before Intended Use (Amendments to IAS 16)

The International Accounting Standards Board (IASB) has published *Property, plant and equipment - Proceeds Before Intended Use (Amendments to IAS 16)* regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Amendment to IAS 16 amends the standard to prohibit deducting from cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. Amendment to IAS 16 is effective for annual periods beginning on or after January 1, 2022. Early application is permitted. The Company adopted this standard early beginning from reporting periods on or after January 1, 2021.

New standards and interpretations not yet adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published *Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)* which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments disclosures require the Company to provide information about: a) the significance of financial instruments for the Company's financial position and performance and, b) the nature and extent of risks arising from financial instruments to which the Company is exposed during the period and at the statement of financial position date, and how the Company manages those risks. Please refer to note 19 of the Company's condensed interim consolidated financial statements for a discussion of the factors that affects Wesdome.

RISKS AND UNCERTAINTIES

Risks and uncertainties related to economic and industry factors and the Company's approach to the management of these risks are discussed in detail in the 2020 annual MD&A.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In compliance with the Canadian Securities Administrators' Regulation we have filed certificates signed by the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") that, among other things, report on the design of disclosure controls and procedures and the design of internal controls over financial reporting.

Disclosure Controls and Procedures

The CEO and the CFO have designed disclosure controls and procedures, or have caused them to be designed under their supervision, in order to provide reasonable assurance that:

(i) material information relating to the Corporation has been made known to them; and

(ii) information required to be disclosed in the Corporation's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

There were no changes made to Wesdome's disclosure controls and procedures in Q1 2021.

Internal Control over Financial Reporting

The CEO and the CFO have also designed internal controls over financial reporting ("ICFR") or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control – Integrated Framework (COSO 2013).

Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable, not absolute, assurance with respect to financial statement preparation and presentation. There have been no significant changes in our internal controls during the three months ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, Wesdome's internal control over financial reporting.

Limitations of Controls and Procedures

Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that any design will not succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

RESPONSIBILITY FOR TECHNICAL INFORMATION

The technical and scientific information relating to exploration activities disclosed in this document was prepared under the supervision of and verified and reviewed by Marc-André Pelletier, P. Eng., Chief Operating Officer of Wesdome, and Michael Michaud, P.Geo., Vice President, Exploration of Wesdome, both and a "**Qualified Persons**" as defined in NI 43-101.

Data verification involves data input and review by senior project geologists at site, scheduled weekly and monthly reporting to senior exploration management and the completion of project site visits by senior exploration management to review the status of ongoing project activities and data underlying reported results. All drilling results for exploration projects or supporting resource and reserve estimates referenced in this MD&A have been previously reported in news releases disclosures by the Company, and have been prepared in accordance with NI 43-101 Standards of Disclosure for Mineral Projects. The sampling and assay data from drilling programs are monitored through the implementation of a quality assurance - quality control ("**QA-QC**") program designed to follow industry best practice.

INFORMATION CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES

The mineral reserve and resource estimates were prepared in accordance with NI 43-101 as required by Canadian securities regulatory authorities. For United States reporting purposes, the United States Securities and Exchange Commission ("**SEC**") applies different standards in order to classify mineralization as a reserve. In particular, while the terms "measured," "indicated" and "inferred" mineral resources are required pursuant to NI 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories constitute or will ever be converted into reserves. In addition, “inferred” mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, issuers must not make any disclosure of results of an economic analysis that includes inferred mineral resources, except in rare cases.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

All statements, other than statements of historical fact, constitute “forward-looking statements” and are based on expectations, estimates and projections as of the date of this MD&A. The words – “believe”, “expect”, “anticipate”, “plan”, “intend”, “continue”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements. The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Wesdome to be materially different from the Company’s estimated future results, performance or achievements expressed or implied by the forward-looking statements and the forward-looking statements are not guarantees of future performance. Factors that could cause results or events to differ materially from current expectations expressed or implied are inherent to the gold mining industry and include, but are not limited to, those discussed in the section entitled “Risks and Uncertainties”. The Company does not intend and does not assume any obligation to update these forward-looking statements, whether as a result of new information, future events or results or otherwise except as required by applicable laws.

RISK FACTORS

Refer to the risk factors described in the Company’s 2020 Annual Information Form filed on SEDAR at www.sedar.com.