



MAY 14 2015  
TSX:WDO

PRESS  
RELEASE

**WESDOME GOLD MINES ANNOUNCES FIRST QUARTER FINANCIAL RESULTS**

**Toronto, Ontario – May 14, 2015** – Wesdome Gold Mines Ltd. (TSX: WDO) today announces financial results for the first quarter of 2015. All figures within the release are stated in Canadian dollars unless otherwise stated.

Mr. Rolly Uloth, President and CEO commented, “During the first quarter, emphasis was placed on accelerating underground development to the high grade 300 zone on multiple levels. We expect to break into the 300 zone on the 870 metre level near the end of Q2, 2015 where grades and widths from diamond drilling have determined exceptionally high grade reserves. Mill throughput ramp up continues to improve with the first quarter averaging 657 tonnes per day, a 26% improvement from 2014’s rate of 522 tonnes per day despite eight days of mill shut downs. The second quarter thus far has averaged over 900 tonnes per day. Together with higher production rates and higher grades for the balance of the year, we expect to deliver on our 55,000 – 57,000 ounce production guidance.”

**HIGHLIGHTS**

- Eagle River mine produced 39,815 tonnes at a head grade of 7.4 grams per tonne (“g/t”) with a mill recovery rate of 94.3% to produce 8,903 ounces (7.0 g/t recovered grade).
- Mining operations resumed at Mishi in the first quarter and 19,288 tonnes at a recovered grade of 2.0g/t of ore was processed to produce 1,237 ounces of gold. For the balance of 2015, we are expecting to process 450 tonnes per day of 2.5g/t-3.0g/t from the Mishi pit.
- Mill throughput increased during the quarter to average 657 tonnes per day, a 26% increase over 2014’s average of 522 days, despite 8 days of mill shut down. During the mill downtime, maintenance work was completed which resulted in the mill throughput increasing by over 200 tonnes per day. In Q2 2015, the mill has averaged over 900 tonnes per day.
- Total production for the quarter was 10,140 ounces. Ounces sold were 9,633 at an average sales price of CAD\$1,499 per ounce.
- Revenue for the quarter was \$14.4 million.
- Net income for the quarter was (CAD\$0.8 million) or (CAD\$0.01) per share.
- Operating costs were CAD\$1,338 per ounce, an increase of 32% compared with the prior quarter (CAD\$1,012 per ounce). Lower grades and gold sales figures are the primary drivers in the increase of cash costs per ounce. Improved grades and mill throughput will significantly reduce unit cash costs for the balance of the year.

- We continued to invest aggressively and a total of \$4.8 million was spent on our tailings management area, Eagle River exploration & development to access the 300 zone high grade lenses, Mishi exploration and stripping in the first quarter.
- All-in Sustaining Costs were CAD\$1,971 per ounce, an increase of 44% compared to the previous quarter's figure of CAD\$1,370 per ounce. Mining costs were \$12.9 million for the quarter, which was down 16% from the previous quarter figure of \$15.4 million. While fewer ounces produced in Q1 2015 versus Q4 2014 raised the cost per ounce, mining costs have been stable.
- Free cash flow for the quarter was (CAD\$4.8 million) or (CAD\$0.04) per share.
- Cash and cash equivalents at the end of the quarter were CAD\$9.9 million compared to CAD\$15.4 million in the previous quarter due to investment in the Eagle River mine's future.

## ABOUT WESDOME

Wesdome Gold Mines Ltd. is in its 28<sup>th</sup> year of continuous gold mining operations in Canada that employ a profit growth approach. The Company is currently producing from its Eagle River and Mishi gold mines in Wawa, Ontario, which have earned consistent free cash flow during times of low gold prices. Wesdome's corporate goal is to build a profitable, long-life, sustainable gold mining Company with modest initial capital costs. This strategy has enabled the Company to acquire strategic property and infrastructure assets in two politically stable and historically proven mining camps. Wesdome has significant upside through ownership of its two other properties, the Kiena Mine Complex in Val d'Or, Quebec and the Moss Lake gold deposit located 100 kilometres west of Thunder Bay, Ontario. These assets are being explored and evaluated to be developed in the appropriate gold price environment. The Company has approximately 111.0 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

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*This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results,*

performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances, management's estimates or opinions should change, except as required by securities legislation. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements. The Company has included in this news release certain non-IFRS performance measures, including, but not limited to, mine operating profit, mining and processing costs and cash costs. Cash costs per ounce reflect actual mine operating costs incurred during the fiscal period divided by the number of ounces produced. These measures are not defined under IFRS and therefore should not be considered in isolation or as an alternative to or more meaningful than, net income (loss) or cash flow from operating activities as determined in accordance with IFRS as an indicator of our financial performance or liquidity. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow

## Wesdome Gold Mines Ltd.

### Condensed Interim Consolidated Statements of Financial Position

(Unaudited, expressed in thousands of Canadian dollars)

	March 31 2015	December 31 2014
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 9,929	\$ 15,408
Receivables	2,444	1,834
Inventory	5,537	4,603
<b>Total current assets</b>	<b>17,910</b>	<b>21,845</b>
Restricted funds	3,629	3,106
Deferred income taxes	11,295	10,492
Mining properties, plant and equipment	50,385	47,042
Exploration properties	34,695	34,122
<b>Total assets</b>	<b>\$ 117,914</b>	<b>\$ 116,607</b>
<b>Liabilities</b>		
Current		
Payables and accruals	\$ 10,139	\$ 8,061
Current portion of obligations under finance leases	1,166	1,219
<b>Total current liabilities</b>	<b>11,305</b>	<b>9,280</b>
Obligations under finance leases	2,247	2,501
Convertible debentures	6,333	6,262
Decommissioning provisions	2,522	2,501
<b>Total liabilities</b>	<b>22,407</b>	<b>20,544</b>
<b>Equity</b>		
Equity attributable to owners of the Company		
Capital stock	129,573	129,270
Contributed surplus	1,948	2,088
Equity component of convertible debentures	951	932
Deficit	(36,965)	(36,227)
<b>Equity attributable to owners of the Company</b>	<b>95,507</b>	<b>96,063</b>
Non-controlling interest	-	-
<b>Total equity</b>	<b>95,507</b>	<b>96,063</b>
<b>Total liabilities and equity</b>	<b>\$ 117,914</b>	<b>\$ 116,607</b>

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

(Unaudited, expressed in thousands of Canadian dollars)

Three months ended March 31	2015	2014
<b>Revenue</b>		
Gold and silver bullion	\$ 14,442	\$ 23,133
<b>Operating expenses</b>		
Mining and processing	12,885	13,411
Depletion of mining properties	1,317	2,033
Production royalties	262	346
Corporate and general	687	690
Share based payments	116	27
Kiena care and maintenance costs	493	467
<b>Total operating expenses</b>	<b>15,760</b>	<b>16,974</b>
(Loss) income from operations	(1,318)	6,159
Interest expense and other income	18	(15)
Interest on long-term debt	(234)	(192)
Accretion of decommissioning provisions	(21)	(24)
(Loss) income before income tax	(1,555)	5,928
Income tax (recovery) expense		
Deferred	(784)	1,757
Income tax (recovery) expense	(784)	1,757
<b>Net (loss) income and total comprehensive (loss) income</b>	<b>\$ (771)</b>	<b>\$ 4,171</b>
Net (loss) income and total comprehensive (loss) income attributable to:		
Non-controlling interest	\$ -	\$ (26)
Owners of the Company	(771)	4,197
	<b>\$ (771)</b>	<b>\$ 4,171</b>
Basic and diluted (loss) earnings per share		
Basic	\$ (0.01)	\$ 0.04
Basic and diluted weighted average number of common shares (000s)		
Basic	111,073	105,449

## Wesdome Gold Mines Ltd.

### Condensed Interim Consolidated Statements of Cash Flows

(Unaudited, expressed in thousands of Canadian dollars)

Three months ended March 31	2015	2014
<b>Operating activities</b>		
Net (loss) income	\$ (771)	\$ 4,171
Depletion of mining properties	1,317	2,033
Accretion of discount on convertible debentures	71	63
Loss on sale of equipment	-	24
Share-based payments	116	27
Deferred income taxes	(784)	1,757
Interest paid	163	129
Accretion of decommissioning provisions	21	24
	<u>133</u>	<u>8,228</u>
Net changes in non-cash working capital	475	(1,013)
Funds provided by operating activities	<u>608</u>	<u>7,215</u>
<b>Financing activities</b>		
Funds paid to repurchase common shares under NCIB	(43)	-
Exercise of options	122	14
Share issue cost to acquire Moss Lake Gold Mines Ltd. minority shareholders	-	(494)
Repayment of obligations under finance leases	(307)	(224)
Interest paid	(163)	(129)
Funds used by financing activities	<u>(391)</u>	<u>(833)</u>
<b>Investing activities</b>		
Additions to mining properties	(4,842)	(3,611)
Additions to exploration properties	(573)	(6)
Proceeds on sale of equipment	-	34
Funds held against standby letters of credit	(523)	(5)
	<u>(5,938)</u>	<u>(3,588)</u>
Net changes in non-cash working capital	242	(564)
Funds used by investing activities	<u>(5,696)</u>	<u>(4,152)</u>
(Decrease) increase in cash and cash equivalents	(5,479)	2,230
Cash and cash equivalents, beginning of period	<u>15,408</u>	<u>5,651</u>
Cash and cash equivalents, end of period	<u>\$ 9,929</u>	<u>\$ 7,881</u>
Cash and cash equivalents consist of:		
Cash	\$ 8,425	\$ 7,881
Banker's Acceptances (1.15%)	1,504	-
	<u>\$ 9,929</u>	<u>\$ 7,881</u>