



Wesdome Announces 2021 Fourth Quarter and Full Year Financial Results

TORONTO, March 10, 2022 (GLOBE NEWSWIRE) -- Wesdome Gold Mines Ltd. (TSX: WDO) ("Wesdome" or the "Company") today announces fourth quarter ("Q4 2021") and full year financial results. All figures are stated in Canadian dollars unless otherwise noted.

Key Highlights:

- Record full year production at the Eagle River Complex of 101,403 ounces
- Decreased Eagle River cash costs by 6%
- Increased revenues and cash margins by 22%
- Increased operating cash flows by 28%
- Increased Eagle River reserve grade by 15%
- Increased Eagle River resources (exclusive of reserves) by 25%
- Kiena Mine embarked on a construction and mining ramp up as per the May 2021 Pre-Feasibility study – fully funded from internally generated cash flow
- Successfully restarted Kiena in Q3, producing 22,440 pre-commercial ounces
- Increased Kiena Measured and Indicated Resources (exclusive of reserves) by 7%

Mr. Duncan Middlemiss, President and CEO commented, "Q4 2021 demonstrated strong operating and financial performance with total gold production of 41,559 ounces and 37,544 ounces sold. Operating cash flows increased by 274% to \$48.2 million or \$0.34 per share¹ (Q4 2020: \$12.9 million or \$0.09 per share). Net income and net income (adjusted)¹ for the quarter were \$24.8 million or \$0.18 per share (2020: \$8.5 million or \$0.06 per share).

We are very pleased with both our operating and financial results in 2021. Total gold production of 123,843 ounces was pre-released, and both cash and all-in sustaining costs ("AISC") of \$990 and \$1,408 respectively, within guidance of \$900 - \$1000 and \$1,300 - \$1,450 per ounce. Operating cash flows increased by 28% to \$131.0 million (2020: \$102.3 million) and cash margins increased by 22% to \$145.4 million (2020: \$119.3 million). We successfully restarted the Kiena operation fully funded by internally generated cash flow, spending \$99.6 million during the year and producing our first ounces in Q3 2021. Kiena precommercial production generated \$17.6 million of cash margin. We ended the year with \$56.8 million in cash, sufficient to carry out all exploration and project work in 2022.

We have determined the 2021 year end resources using a 3D block model, in accordance with the industry best practises and standards. At Eagle, current reserves stand at 524,000 ounces of gold from 1.1 M tonnes at an average grade of 15.3 g/t Au. Reserve ounces declined modestly by 10% after depleting Eagle's record year of production, but saw a significant grade increase of 15% compared to 2020, which will improve mine margins going forward. A record Inferred Resource inventory of 255,000 ounces, an increase of 24% compared to 2020, provides a platform for potential increased Reserve replacement for YE 2022. Near term infill drilling is expected to increase confidence of current resources which could be deemed economic for reserve inclusion next year."

At Kiena, the Kiena Deep geological interpretation was improved on from the PFS model with additional drilling and silling along the zone in 2021, the new interpretation provided higher confidence in the Resource and will add to the successful mining of the zone. Due to successful infill and step out drilling the MI&I Resource (inclusive of reserves) increased 11% from the 2021 PFS, with a 7% increase in M&I leading to an overall Reserve increase by 8% with a very small decrease in grade due to bringing additional material from A1 and A2 zones which are lower grade compared to the A Zone.

Full MRMR data can be found in the Eagle River Complex and Kiena reserves and resources section below.

In 2022, production guidance is 160,000 – 180,000 ounces, and consolidated cash cost per ounce sold guidance to range between \$875 - \$970 per ounce (US \$700 - \$775), and AISC to range between \$1,270 and \$1,400 per ounce (US\$ 1,015 – \$1,125), slightly lower than 2021's results."

Key operating and financial highlights of the full year 2021 results include:

- Gold production of 123,843 ounces, which includes 22,440 Kiena pre-commercial ounces, is a 37% increase over the same period in the previous year (2020: 90,278 ounces):
 - Eagle River Underground 228,759 tonnes at a head grade of 13.8 grams per tonne for 99,120 ounces produced, 13% increase over the previous year (2020: 87,560 ounces).
 - Mishi Open Pit 36,508 tonnes at a head grade of 2.4 grams per tonne for 2,283 ounces produced (2020: 2,718 ounces).
 - Kiena 68,470 tonnes at a head grade of 10.4 grams per tonne for 22,440 pre-commercial ounces produced.
- Revenue² of \$262.9 million, a 22% increase over the previous year (2020: \$215.5 million).
- Ounces sold³ were 116,708 at an average sales price of \$2,250/oz (2020: 91,229 ounces at an average price of \$2,360/oz).
- Cash margin^{1,2,4} of \$145.4 million, a 22% increase over the previous year (2020 - \$119.3 million).
- Operating cash flows^{2,4} increased by 28% to \$131.0 million or \$0.93 per share¹ as compared to \$102.3 million or \$0.74 per share for the same period in 2020.
- Free cash outflow of \$21.3 million, net of an investment of \$99.6 million in Kiena, or (\$0.15) per share¹ (2020: free cash flow of \$29.0 million or \$0.21 per share).
- Net income^{2,4} of \$131.3 million or \$0.94 per share (2020: \$50.7 million or \$0.36 per share) and Net income (adjusted)^{1,2,4} of \$69.9 million or \$0.50 per share (2020: \$50.7 million or \$0.36 per share).
- Cash position at the end of the year of \$56.8 million.

- ▮ Cash costs^{1,4,5} of \$990/oz or US\$789/oz, a 6% decrease over the same period in 2020 (2020: \$1,053/oz or US\$785/oz);
- ▮ AISC^{1,5} increased by 1% to \$1,408/oz or US\$1,123/oz (2020: \$1,396 or US\$1,040 per ounce) due to higher sustaining capital, corporate and general expenses and lease payments.
- ▮ Eagle River Proven and Probable reserves of 1.1 M tonnes at an average grade of 15.3 grams per tonne for 524,000 ounces
- ▮ Eagle River Measured and Indicated Resources (exclusive of reserves) of 465,000 tonnes grading 10.2 for 153,000 ounces
- ▮ Eagle River Inferred Resources (exclusive of reserves) 596,000 tonnes grading 13.3 g/t for 255,000
- ▮ Kiena Proven and Probable Reserves of 1.8 M tonnes at 11.1 g/t for 651,000 ounces
- ▮ Kiena Measured and Indicated Resources (exclusive of reserves) of 734,000 tonnes grading 4.8 g/t for 113,000 ounces
- ▮ Kiena Inferred Resources (exclusive of reserves) of 4 M tonnes grading 5.9 g/t for 761,000 ounces

Other Achievements for 2021 include:

- ▮ Combined revenue from gold sales of \$262.6 million (which excludes an additional \$3.9 million from a bulk sample at the Kiena Mine).
- ▮ Published Kiena Pre-Feasibility Study (“PFS”); IRR 98%.
- ▮ Monetized Moss Lake via vend-in transaction with Goldshore Resources for aggregate consideration of \$57 million including \$12.5 million upfront in cash and 30% of issued and outstanding shares at closing
- ▮ Included in TMX 30 recognition program for the third consecutive year. This flagship program showcases the TSX’s 30 top-performing stocks based on dividend adjusted share price appreciation.

Key operating and financial highlights of Q4 2021 results include:

- ▮ Gold production of 41,559 ounces, which includes 16,929 Kiena pre-commercial ounces, is a 108% increase over the same period in the previous year (Q4 2020: 20,006 ounces):
 - ▮ Eagle River Underground 56,159 tonnes at a head grade of 13.7 grams per tonne for 24,267 ounces produced, 23% increase over the previous year (Q4 2020: 19,667 ounces).
 - ▮ Mishi Open Pit 6,215 tonnes at a head grade of 2.1 grams per tonne for 363 ounces produced (Q4 2020: 339 ounces).
 - ▮ Kiena 38,000 tonnes at a head grade of 14.1 grams per tonne for 16,929 pre-commercial ounces produced.
- ▮ Revenue of \$85.5 million, a 77% increase over the previous year (Q4 2020: \$48.4 million).
- ▮ Ounces sold were 37,544 at an average sales price of \$2,275/oz (Q4 2020: 19,889 ounces at an average price of \$2,430/oz).
- ▮ Cash margin¹ of \$47.7 million, an 89% increase over the previous year (Q4 2020 - \$25.2 million).
- ▮ Operating cash flows increased by 274% to \$48.2 million or \$0.34 per share¹ as compared to \$12.9 million or \$0.09 per share for the same period in 2020.
- ▮ Free cash outflow of \$3.2 million, net of an investment of \$35.5 million in Kiena, or (\$0.02) per share¹ (Q4 2020: free cash outflow of \$8.8 million or (\$0.06) per share).
- ▮ Net income and Net income (adjusted)¹ of \$24.8 million or \$0.18 per share (2020: \$8.5 million or \$0.06 per share).
- ▮ Cash costs¹ of \$1,005/oz or US\$797/oz, a 14% decrease over the same period in 2020 (Q4 2020: \$1,162/oz or US\$892/oz);
- ▮ AISC¹ decreased by 10% to \$1,412/oz or US\$1,121/oz (Q4 2020: \$1,567 or US\$1,203 per ounce).

1. Refer to the Company’s 2021 Annual Management Discussion and Analysis section entitled “Non-IFRS Performance Measures” for the reconciliation of these non-IFRS measurements to the consolidated financial statements.
2. FY 2021 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.
3. FY 2021 excludes 1,793 ounces from the Kiena bulk sample, which was processed in Q4 2020 and sold in Q1 2021.
4. 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.
5. 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.

Eagle River Complex Reserves and Resources

MINERAL RESERVES – EAGLE RIVER (see notes)		December 31, 2021			December 31, 2020		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
Eagle River	Proven	116	11.3	42,000	370	12.6	150,000
	Probable	951	15.8	482,000	982	13.7	431,000
	Proven + Probable	1,066	15.3	524,000	1,352	13.4	581,000

Notes:

1. Mineral reserves are founded on measured and indicated mineral resources with an effective date of December 31, 2021
2. The Qualified Person for the Mineral Reserves estimate as per NI 43-101 is Gary Poxleitner P. Eng, SRK Consulting, and independent of the Company
3. Mineral Reserves are reported using a 5.5 g/t Au cut off
4. Mineral Reserves demonstrated economic viability with the following parameters:

- a. gold price of C\$1,820 (US\$1,400) per ounce for the Reserves, with a USD:CAD exchange rate of 1.3.
 - b. a 1.5 m minimum width,
 - c. 1.0 m of external dilution (0.5m in HW, 0.5m in FW),
 - d. 90% mine recovery,
 - e. mining cost of C\$161.7/t,
 - f. milling cost of C\$64.3/t,
 - g. surface and G&A cost of C\$78.2/t,
 - h. Royalty of 2% of gold sold,
 - i. selling cost of C\$7.65/oz and
 - j. metallurgical recoveries of 97.0%.
 - k. A bulk density factor of 2.7 tonnes per cubic m (t/m³)
5. Mineral Reserves have been estimated in accordance with the Standards of the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM")
 6. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and metal content

MINERAL RESOURCES (Exclusive of Mineral Reserves) (see notes)		December 31, 2021			December 31, 2020		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
EAGLE RIVER	Measured	126	13.4	54,000	23	12.1	9,000
	Indicated	339	9.1	99,000	320	9.0	93,000
	Measured + Indicated	465	10.2	153,000	343	9.2	102,000
	Inferred	596	13.3	255,000	510	12.5	205,000

1. The effective date of the estimate is December 31, 2021
2. The estimate was prepared by Sandeep Prakash, P. Geo., Senior Resource Geologist of the Company, under the supervision of the André M. Deiss, BSc (Hons), Pri.Sci.Nat. of SRK Consulting (Canada) Inc., who is a "Qualified Person" under NI 43-101
3. Mineral resources are reported exclusive of mineral reserves; mineral resources that are not mineral reserves do not have demonstrated economic viability
4. Mineral resources are considered for underground extraction and have been reported within potentially mineable volumes without external dilution. Must take material inside these volumes below the stated block grade cut-off has been included in the total.
5. A bulk density factor of 2.7 tonnes per cubic m (t/m³) was applied
6. Resources have been reported considering mining progress as of December 31, 2021
7. Resources are reported using a 4.22 g/t Au cut-off grade
8. Economic parameters for the determination of the cut-off grade include:
 - a. a gold price of US\$1,500 per ounce, a USD/CAD exchange rate of 1.30 (resulting in C\$1,950 per ounce gold price);
 - b. mining cost C\$107.6/t milled;
 - c. processing cost C\$64.3/t;
 - d. G&A C\$78.2/t milled;
 - e. 97.0% mill recovery
 - f. Royalty of 2% of gold sold, and
 - g. selling cost at C7.65\$/oz
9. Mineral resources are classified in accordance with CIM standards
10. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and metal content

MINERAL RESOURCES (Exclusive of Mineral Reserves) (see notes)		December 31, 2021			December 31, 2020		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
MISHI	Open pit						
		Indicated	-	-	-	-	-
	Inferred	2,300	1.6	120,000	2,808	1.6	147,000
Underground	Indicated	-	-	-	-	-	-
	Inferred				373	5.4	65,000
MISHI TOTAL	Indicated	-	-	-	-	-	-
	Inferred	2,300	1.6	120,000	3,182	2.1	212,000

Notes – Mishi

1. The effective date of the estimate is December 31, 2021
2. The estimate was prepared by Dr. Lars Weiershäuser, P. Geo., Director, Geology of the Company, who is a "Qualified Person" under NI 43-101
3. Mineral resources are reported exclusive of mineral reserves; mineral resources that are not mineral reserves do not have

- demonstrated economic viability
4. Mineral resources are amenable for open pit extraction and have been reported within a conceptual pit shell.
 5. A bulk density factor of 2.7 tonnes per cubic m (t/m³) was applied
 6. Resources have been reported considering mining progress as of December 31, 2021
 7. Resources are reported using an in-situ marginal cut-off grade of 0.52 g/t
 8. Ounces are contained ounces
 9. Economic parameters for the determination of the cut-off grade include:
 1. a gold price of US\$1,500 per ounce, a USD/CAD exchange rate of 1.30 (resulting in C\$1,950 per ounce gold price);
 2. Mining cost C\$5.00/t;
 3. Processing cost C\$21.00/t including base processing, sustaining CAPEX, variable and G&A
 4. Refining and transport cost \$7.65/oz gold recovered
 5. Royalty of 2% of gold sold and
 6. 82% mill recovery
 10. Assumed pit slope angles between 36.8 and 52.4 degrees
 11. Mineral resources are classified in accordance with CIM standards
 12. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and metal content

Kiena Complex Mineral Reserves and Resources

MINERAL RESERVES – KIENA (see notes)			December 31, 2021			May 26, 2021 Pre-Feasibility Study		
			Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
Kiena	Proven	71	13.2	30,000	95	4.1	12,000	
	Probable	1,758	11.0	621,000	1,387	13.0	577,000	
	Proven and Probable	1,829	11.1	651,000	1,574	12.0	602,000	

1. Mineral reserves are founded on measured and indicated mineral resources with an effective date of December 31, 2021
2. The Qualified Person for the Mineral Reserves estimate as per NI 43-101 is Simon Fontaine P. Eng, Mining Engineer at Kiena Mine and employee of the Company
3. Mineral Reserves are reported using a 3.7 g/t Au cut off
4. Mineral Reserves demonstrated economic viability with the following parameters:
 - a. gold price of C\$1,820 (US\$1,400) per ounce for the Reserves, with a USD:CAD exchange rate of 1.3.
 - b. a 2.1 m minimum width,
 - c. 15% external dilution in the A Zone, H1ZA1, BZA1, BZA2, S50, and Martin, 12% external dilution in the VC Zone and 25% external dilution in the A1 and A2 Zones,
 - d. S50 considers a dilution grade of 0.7 g/t Au, all other zones consider 0.0 g/t Au dilution grade.
 - e. 90% mine recovery,
 - f. mining cost of C\$113.7/t,
 - g. milling cost of C\$40.3/t,
 - h. surface and G&A cost of C\$58.3/t,
 - i. selling cost of C\$ 1.59/t, and 97% metallurgical processing recovery for the S50, VC & Martin Zones and 98.5% for the Kiena Deep Zones
 - j. A bulk density factor of 2.8 tonnes per cubic m (t/m³)
5. Kiena Deep incorporates, Zone A, A1, A2, H1ZA, BZA1, BZA2
6. Mineral Reserves have been estimated in accordance with the Standards of the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”)
7. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and metal content.

MINERAL RESOURCES (Exclusive of Mineral Reserves) (see notes)		December 31, 2021			December 31, 2020		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
KIENA	Measured	21	9.6	6,000	-	-	-
	Indicated	713	4.6	106,000	643	7.6	157,000
	Measured + Indicated	734	4.8	113,000	643	7.6	157,000
	Inferred	4,011	5.9	761,000	3,404	5.9	649,000

Notes:

1. The effective date of the estimate is December 31, 2021
2. The estimate was prepared by Karine Brousseau, P. Eng., Senior Engineer – Mineral Resources of the Company, who is a “Qualified Person” under NI 43-101
3. Mineral resources are reported exclusive of mineral reserves; mineral resources that are not mineral reserves do not have demonstrated economic viability

4. Mineral resources are considered for underground extraction and have been reported below a 100m crown pillar and within potentially mineable volumes without external dilution. Must take material inside these volumes below the stated block grade cut-off has been included in the total.
5. A bulk density factor of 2.8 tonnes per cubic m (t/m³) was applied
6. Resources have been reported considering mining progress as of December 31, 2021
7. Resources are reported using a 3.0 g/t Au cut-off grade
8. Economic parameters for the determination of the cut-off grade include:
 - a. a gold price of US\$1,500 per ounce, a USD/CAD exchange rate of 1.30 (resulting in C\$1,950 per ounce gold price);
 - b. mining cost C\$85.7/t milled;
 - c. processing cost C\$40.3/t;
 - d. G&A C\$58.3/t milled;
 - e. 98.5% mill recovery and
 - f. selling cost at C1.59\$/oz
9. Mineral resources are classified in accordance with CIM standards
10. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and metal content.

Production and Exploration Highlights	Achievements
Eagle River	<ul style="list-style-type: none"> FY 2021 Eagle River underground ore production increased by 13% from 2020 to 99,120 ounces of gold, due to a 16% increase in total throughput; offset partially by a 3% decrease in head grade. Head grade at Eagle River in 2021 averaged 13.8 g/t. FY 2021 cash cost of \$978 (US\$780) per ounce of gold sold¹ decreased by 7% or \$74 from FY 2020 primarily due to a 10% increase in ounces sold. FY 2021 AISC of \$1,456 (US\$1,162) per ounce of gold sold¹ increased by 4% or \$60 from FY 2020 primarily due to higher mine development and infrastructure spending; partially offset by a 10% increase in ounces sold. Generated \$127.7 million in cash margin in FY 2021 compared to \$119.3 million in FY 2020, despite the average realized Canadian gold price being 5% lower at \$2,250/oz (2020 - \$2,360/oz). Current mineral reserves at Eagle River as of December 31, 2021 are 525,000 ounces of gold from 1.1 Mt at an overall grade of 15.3 g/t Au. Measured and Indicated resources were impacted by reduced definition drilling and a revised, more conservative classification criteria, leading to a slightly smaller, higher grade reserve estimate for YE 2021. Reserve ounces declined modestly 11% after depleting Eagle's record year of production, but saw a significant grade increase of 15% compared to 2020 further improving the mines margin. A record Inferred Resource inventory of 255,000 ounces provides a platform for potential increase Reserve replacement for YE 2022. Near term infill drilling is expected to increase confidence of current resources which could be deemed economic for reserve inclusion next year. Current strategy for the corporation is to have production from the Eagle River operations to be in the 100,000 ounces per annum range by focused exploration and development of the Eagle River Mine thereby generating higher margin tonnes. This is supplemented by a growing production profile at Kiena. Underground exploration is focused on extending the high grade 300 E and Falcon zones and targeting parallel zones in the volcanic rocks. Additionally, drilling is planned at the recently discovered North Contact zone. Surface drilling is ongoing with 2 drills both east and west of the mine to follow up on anomalous values returned from the regional drilling program in 2021.
Kiena	<ul style="list-style-type: none"> In Q2 2021, based on the positive results of the Preliminary Feasibility Study ("PFS"), a Kiena restart decision was made. In H2 2021, Kiena produced 22,240 pre-commercial ounces. Total throughput was 68,470 tonnes or 372 tpd and the head grade averaged 10.4 g/t. The mill start-up in July went according to plan with no major issues. Mine operations were halted for 18 days in September for upgrading of the hoist system which has now been completed. Progress on the paste fill plant and tailings management area construction is on schedule. All key mobile equipment has been ordered and the mine has already received four underground haulage trucks with the remainder of the equipment scheduled to arrive by Q2 of 2022. Despite the planned low pre-commercial production levels, FY 2021 cash cost was \$1,052 (US\$839) per ounce of gold sold¹ and AISC was \$1,138 (US\$908) per ounce of gold sold¹. Generated \$17.6 million in cash margin despite the high cash costs of \$1,052 per ounce of gold sold¹ due to planned low pre-commercial production levels.

- | Successful underground exploration at Kiena resulted in a 11% increase in the 2021 MI&I Resource (inclusive of reserves) from the 2021 PFS MI&I Resource at a slightly lower grade on average. An increase in the Measured and Indicated resources lead to an 8% increase of Reserves.
- | Current mineral reserves at Kiena as of December 31, 2021 are 651,000 ounces of gold from 1.8 Mt at an overall grade of 11.1 g/t Au.
- | Kiena Deep continues to show potential to add additional ounces in the resource base and additional ounces are planned for conversion to reserves with 2022 drilling, particularly at the Footwall Zone where an inferred resource has been defined.
- | The discovery of a new Footwall Zone was initially announced in March of this year. To date, the Footwall Zone is defined by new intersections of gold mineralization located within a 50 metre ('m') wide corridor adjacent to the footwall of the A2 Zone. The Footwall Zone corridor remains open laterally and down plunge. The location of new gold intercepts in recent holes suggest that the Footwall Zone extends over 300 m along plunge. The deepest hole returned 41.2 g/t Au (uncapped) over 51.2 m core length.
- | Ongoing drilling also 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. One hole returned 132.1 g/t Au over 7.4 m core length (27.6 g/t Au capped, 3.9 m true width).
- | Initial surface drilling has focused on the Presqu'île and Shawkey areas located northwest and southeast of the Kiena Mine, respectively. Since July 2021, two drills on barges have been testing the continuity of some gold anomalies in the Jacola Formation which host the Kiena mine. Recent drilling at Presqu'île zones returned 1515.0 g/t Au over 0.5 m core length.
- | Wesdome finalized the purchase of the Tarmac Gold Property from Globex Mining Enterprises. The Property consists of 6 claims covering 94 hectares located entirely within Wesdome's Kiena Mine Complex and less than 2 kilometers northeast of the Kiena underground mine, all located beneath Lac De Montigny.

Technical Disclosure

The technical content of this release has been compiled, reviewed and approved by Jacqueline Wheeler, P. Eng, Director, Corporate Development and Technical Projects and Michael Michaud, P.Geo., Vice President, Exploration of the Company and each a "Qualified Person" as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Cautionary Note to United States Investors Concerning Estimates of Reserves and Resources

The mineral reserve and resource estimates reported in this news release were prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) as required by Canadian securities regulatory authorities. The United States Securities and Exchange Commission (the “**SEC**”) applies different standards in order to classify and report mineralization. This news release uses the terms “measured”, “indicated” and “inferred” mineral resources, as required by NI 43-101. Readers are advised that although such terms are recognized and required by Canadian securities regulations, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC. Readers are cautioned not to assume that any part or all of the mineral deposits in these categories constitute or will ever be converted into mineral 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 exists, is economically or legally mineable or will ever be upgraded to a higher category of mineral resource.

Wesdome Gold Mines 2021 Fourth Quarter and Full Year Financial Results Conference Call

March 11, 2022 at 10:00 am ET

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International Dial-In Number: +1 (703) 639-1272

Conference ID: 1763095

Webcast link: <https://edge.media-server.com/mmc/p/yynhs6r8>

The webcast can also be accessed under the News and Events section of the Company's website (www.wesdome.com)

COVID-19

The health and safety of our employees, contractors, vendors, and consultants is the Company's top priority. In response to the COVID-19 outbreak, Wesdome has adopted all public health guidelines regarding safety measures and protocols at all of its mine operations and corporate office. In addition, our internal COVID-19 Taskforce continues to monitor developments and implement policies and programs intended to protect those who are engaged in business with the Company.

Through care and planning, to date the Company has successfully maintained operations, however there can be no assurance that this will continue despite our best efforts with the emergence of new, highly contagious variants such as Omicron. To date the company has been impacted by this most recent variant outbreak, with employees at both operations and corporate office becoming infected. Impacts of significant numbers of employees being absent have been limited so far however future conditions may warrant reduced or suspended production activities which could negatively impact our ability to maintain projected timelines and objectives. Consequently, the Company's actual future production and production guidance is subject to higher levels of risk than usual. We are continuing to closely monitor the

situation and will provide updates as they become available.

ABOUT WESDOME

Wesdome is Canadian focused with two producing underground gold mines. The Company's goal is to build Canada's next intermediate gold producer, producing over 200,000 ounces from two mines in Ontario and Québec. The Eagle River Underground Mine in Wawa, Ontario is currently producing gold at a rate of 92,000 – 105,000 ounces per year. The recently re-started Kiena Complex in Val d'or, Quebec is a fully permitted underground mine and milling operation Wesdome is actively exploring both underground and on surface within the mine areas and more regionally at both the Eagle River and Kiena Complex. The Company also retains meaningful exposure to the Moss Lake gold deposit, located 100 kilometres west of Thunder Bay, Ontario through its equity position in Goldshore Resources Inc. The Company has approximately 141.9 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO," with a secondary listing on the OTCQX under the symbol "WDOFF."

For further information, please contact:

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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. Summarized Operating and Financial Data

(Unaudited, expressed in thousands of Canadian dollars, except per share and per unit amounts and otherwise indicated)

	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2021	2020	2021	2020
Operating data				
Milling (tonnes)				
Eagle River	56,159	53,551	228,759	196,441
Mishi	6,215	3,555	36,508	39,856
Kiena	38,000	0	68,470	0
Throughput ²	100,374	57,106	333,737	236,297
Head grades (g/t)				
Eagle River	13.7	11.7	13.8	14.2
Mishi	2.1	3.5	2.4	2.7
Kiena	14.1	0.0	10.4	0.0
Recovery (%)				
Eagle River	97.8	98.0	97.5	97.7
Mishi	88.1	84.5	82.4	77.8
Kiena	98.1	0.0	98.0	0.0
Production (ounces)				
Eagle River	24,267	19,667	99,120	87,560

Mishi	363	339	2,283	2,718
Kiena	16,929	0	22,440	0
Total gold produced ²	41,559	20,006	123,843	90,278
Total gold sales (ounces) ⁴	37,544	19,889	118,501	91,229

Eagle River Complex (per ounce of gold sold)¹

Average realized price	\$ 2,279	\$ 2,430	\$ 2,250	\$ 2,360
Cash costs	\$ 1,017	\$ 1,162	\$ 978	\$ 1,053
Cash margin	\$ 1,262	\$ 1,268	\$ 1,272	\$ 1,307
All-in Sustaining Costs ¹	\$ 1,608	\$ 1,567	\$ 1,456	\$ 1,396

Mine operating costs/tonne milled ¹	\$ 391	\$ 400	\$ 357	\$ 389
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Average 1 USD → CAD exchange rate	1.2603	1.3030	1.2535	1.3415
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Cash costs per ounce of gold sold (US\$) ¹	\$ 807	\$ 892	\$ 780	\$ 785
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All-in Sustaining Costs (US\$) ¹	\$ 1,276	\$ 1,203	\$ 1,162	\$ 1,041
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Kiena Mine (per ounce of gold sold)¹

Average realized price	\$ 2,267	\$ 0	\$ 2,249	\$ 0
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Cash costs ^{3, 5}	\$ 983	\$ 0	\$ 1,052	\$ 0
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Cash margin	\$ 1,284	\$ 0	\$ 1,197	\$ 0
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All-in Sustaining Costs ^{1, 3, 5}	\$ 1,051	\$ 0	\$ 1,138	\$ 0
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Mine operating costs/tonne milled ¹	\$ 335	\$ 0	\$ 325	\$ 0
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Average 1 USD → CAD exchange rate	1.2603	1.3030	1.2535	1.3415
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Cash costs per ounce of gold sold (US\$) ¹	\$ 780	\$ 0	\$ 839	\$ 0
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All-in Sustaining Costs (US\$) ¹	\$ 834	\$ 0	\$ 908	\$ 0
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Financial Data

Cash margin ¹	\$ 47,681	\$ 25,211	\$ 145,354	\$ 119,250
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Net income	\$ 24,762	\$ 8,491	\$ 131,288	\$ 50,715
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Net income adjusted ¹	\$ 24,762	\$ 8,491	\$ 69,903	\$ 50,715
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Earnings before interest, taxes, depreciation and amortization ¹	\$ 44,235	\$ 18,017	\$ 132,199	\$ 102,342
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Operating cash flow	\$ 48,160	\$ 12,893	\$ 130,958	\$ 102,292
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Free cash flow ¹	\$ (3,172)	\$ (8,813)	\$ (21,291)	\$ 29,009
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Per share data

Net income	\$ 0.18	\$ 0.06	\$ 0.94	\$ 0.36
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Adjusted net income ¹	\$ 0.18	\$ 0.06	\$ 0.50	\$ 0.36
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Operating cash flow ¹	\$ 0.34	\$ 0.09	\$ 0.93	\$ 0.74
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Free cash flow ¹	\$ (0.02)	\$ (0.06)	\$ (0.15)	\$ 0.21
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1. Refer to the Company's 2021 Annual Management Discussion and Analysis section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the consolidated financial statements.

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

3. FY 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.

4. FY 2021 includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020

5. 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.

	As at December 31, 2021	As at December 31, 2020 ¹
Assets		
Current		
Cash and cash equivalents	\$ 56,764	\$ 63,480
Receivables and prepaids	13,793	8,974
Share consideration receivable	4,560	-
Inventories	17,918	12,451
Total current assets	<u>93,035</u>	<u>84,905</u>
Restricted cash	657	657
Deferred financing cost	758	827
Mineral properties, plant and equipment	212,394	128,670
Mines under development	214,089	-
Exploration properties	1,139	133,221
Marketable securities	1,860	-
Share consideration receivable	10,729	-
Investment in associate	19,058	-
Total assets	<u>\$ 553,719</u>	<u>\$ 348,280</u>
Liabilities		
Current		
Payables and accruals	\$ 40,093	\$ 21,123
Income and mining tax payable	5,490	3,481
Current portion of lease liabilities	7,789	5,901
Total current liabilities	<u>53,372</u>	<u>30,505</u>
Lease liabilities	6,786	5,604
Deferred income and mining tax liabilities	77,195	33,532
Decommissioning provisions	21,191	22,270
Total liabilities	<u>158,544</u>	<u>91,911</u>
Equity		
Equity attributable to owners of the Company		
Capital stock	187,911	179,540
Contributed surplus	5,859	6,472
Retained earnings	201,645	70,357
Accumulated other comprehensive loss	(240)	-
Total equity attributable to owners of the Company	<u>395,175</u>	<u>256,369</u>
Total liabilities and equity	<u>\$ 553,719</u>	<u>\$ 348,280</u>

¹. Refer to the Company's 2021 consolidated financial statements for details regarding changes in the Company's accounting policies which impacted the balances from prior periods.

Wesdome Gold Mines Ltd.
Consolidated Statements of Income and Comprehensive Income
(Expressed in thousands of Canadian dollars except for per share amounts)

	Three Months Ended December 31		Years Ended December 31	
	2021	2020	2021	2020
Revenues	\$ 85,505	\$ 48,362	\$ 262,907	\$ 215,466
Cost of sales	(45,945)	(30,483)	(145,619)	(125,386)

Gross profit	39,560	17,879	117,288	90,080
Other expenses				
Corporate and general	2,817	2,231	10,614	7,378
Stock-based compensation	533	524	2,604	2,786
Exploration and evaluation	471	-	471	-
Reversal of impairment charges	-	-	(58,563)	-
(Gain) loss on disposal of mining equipment	-	-	(3)	-
Write-down of mining equipment	-	427	-	427
Impairment charge on exploration properties	-	2,034	7,507	2,034
	3,821	5,216	(37,370)	12,625
Operating income	35,739	12,663	154,658	77,455
Gain on sale of Moss Lake exploration properties	-	-	34,330	-
Interest expense	(339)	(294)	(1,194)	(1,096)
Accretion of decommissioning provisions	(146)	(89)	(556)	(354)
Share of loss of associate	(393)	-	(497)	-
Fair value adjustment on share consideration receivable	1,038	-	1,947	-
Other expenses	(124)	(902)	(363)	(1,105)
Income before income and mining taxes	35,775	11,378	188,325	74,900
Income and mining tax expense				
Current	4,720	4,425	13,375	10,660
Deferred	6,293	(1,538)	43,662	13,525
Total income and mining tax expense	11,013	2,887	57,037	24,185
Net income	\$ 24,762	\$ 8,491	\$ 131,288	\$ 50,715
Other comprehensive loss				
Change in fair value of marketable securities net of tax effect	(240)	-	(240)	-
Total comprehensive income	\$ 24,522	\$ 8,491	\$ 131,048	\$ 50,715
Earnings per share				
Basic	\$ 0.18	\$ 0.06	\$ 0.94	\$ 0.36
Diluted	\$ 0.17	\$ 0.06	\$ 0.92	\$ 0.36
Weighted average number of common shares (000s)				
Basic	141,156	139,482	140,195	139,045
Diluted	143,200	142,874	142,787	142,569

Wesdome Gold Mines Ltd.
Consolidated Statements of Total Equity
(Unaudited, expressed in thousands of Canadian dollars)

	Capital Stock	Contributed Surplus	Retained Earnings ¹	Accumulated Other Comprehensive Loss	Total Equity ¹
Balance, December 31, 2019	\$ 174,789	\$ 5,590	\$ 19,642	\$ -	\$ 200,021
Net income for the year ended December 31, 2020	-	-	50,715	-	50,715
Exercise of options	2,847	-	-	-	2,847
Value attributed to options exercised	1,327	(1,327)	-	-	-
Value attributed to RSUs exercised	577	(577)	-	-	-
Stock-based compensation	-	2,786	-	-	2,786

Balance, December 31, 2020	\$ 179,540	\$ 6,472	\$ 70,357	\$ -	\$ 256,369
Net income for the year ended December 31, 2021	-	-	131,288	-	131,288
Other comprehensive loss	-	-	-	(240)	(240)
Exercise of options	5,154	-	-	-	5,154
Value attributed to options exercised	2,431	(2,431)	-	-	-
Value attributed to RSUs exercised	786	(786)	-	-	-
Stock-based compensation	-	2,604	-	-	2,604
Balance, December 31, 2021	\$ 187,911	\$ 5,859	\$ 201,645	\$ (240)	\$ 395,175

¹. Refer to the Company's 2021 consolidated financial statements for details regarding changes in the Company's accounting policies which impacted the balances from prior periods.

Wesdome Gold Mines Ltd.
Consolidated Statements of Cash Flows
(Unaudited, expressed in thousands of Canadian dollars)

	Three Months Ended		Years Ended	
	December 31		December 31	
	2021	2020	2021	2020
Operating Activities				
Net income	\$ 24,762	\$ 8,491	\$ 131,288	\$ 50,715
Depreciation and depletion	8,121	6,345	28,066	26,346
Stock-based compensation	533	524	2,604	2,786
Accretion of decommissioning provisions	146	89	556	354
Deferred income and mining tax expense	6,293	(1,539)	43,662	13,525
Amortization of deferred financing cost	84	111	412	370
Interest expense	339	294	1,194	1,096
Reversal of impairment charges	-	-	(58,563)	-
Gain on sale of Moss Lake exploration properties	-	-	(34,330)	-
Impairment charge on exploration properties	-	2,034	7,507	2,034
(Gain) loss on disposal of mining equipment	-	-	(3)	-
Write-down of mining equipment	-	427	-	427
Share of loss of associate	393	-	497	-
Fair value adjustment on share consideration receivable	(1,038)	-	(1,947)	-
Foreign exchange gain on lease financing	(8)	(140)	(23)	(36)
Net changes in non-cash working capital	11,726	(35)	21,403	13,272
Mining and income tax paid	(3,191)	(3,708)	(11,365)	(8,597)
Net cash from operating activities	48,160	12,893	130,958	102,292
Financing Activities				
Exercise of options	2,110	442	5,154	2,847
Deferred financing costs	(4)	-	(342)	(209)
Repayment of borrowings	-	-	-	(3,636)
Repayment of lease liabilities	(3,501)	(1,316)	(8,778)	(4,847)
Interest paid	(339)	(294)	(1,194)	(1,096)
Net cash used in financing activities	(1,734)	(1,168)	(5,160)	(6,941)
Investing Activities				
Additions to mining properties	(12,374)	(8,984)	(42,867)	(27,956)
Additions to mines under development	(35,456)	-	(76,337)	-
Additions to exploration properties	-	(11,406)	(23,267)	(40,480)
Purchase of exploration property	-	-	(1,000)	-
Cash proceeds on sale of Moss Lake, net of transaction costs	-	-	11,762	-
Investment in marketable securities	(2,100)	-	(2,100)	-
Proceeds on disposal of mining assets	-	-	73	-
Net changes in non-cash working capital	(9,205)	(1,367)	1,222	908
Net cash used in investing activities	(59,135)	(21,757)	(132,514)	(67,528)

(Decrease) increase in cash and cash equivalents	(12,709)	(10,033)	(6,716)	27,823
Cash and cash equivalents - beginning of year	69,473	<u>73,513</u>	63,480	<u>35,657</u>
Cash and cash equivalents - end of year	\$ 56,764	<u>\$ 63,480</u>	\$ 56,764	<u>\$ 63,480</u>
Cash and cash equivalents consist of:				
Cash	\$ 56,764	<u>\$ 63,480</u>	\$ 56,764	<u>\$ 63,480</u>
	\$ 56,764	<u>\$ 63,480</u>	\$ 56,764	<u>\$ 63,480</u>