



# WESDOME ANNOUNCES 2019 FOURTH QUARTER AND FULL YEAR FINANCIAL RESULTS

TORONTO, March 10, 2020 (GLOBE NEWSWIRE) -- Wesdome Gold Mines Ltd. (TSX: WDO) ("Wesdome" or the "Company") ("Q4 2019") and full year 2019 financial results. The Company's full consolidated financial statements and management discussion & analysis are available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.wesdome.com](http://www.wesdome.com). All figures are stated in Canadian dollars unless otherwise noted.

## Key highlights of 2019:

- | **Production increased by 28% over 2018.**
- | **Cash costs decreased by 9% over 2018.**
- | **Eagle River Complex free cash flow generation of \$48.4 million.**
- | **Company free cash flow<sup>1</sup> generation of \$6.6 million, net of investing \$25.1 million into the Kiena Complex.**
- | **Net income increased 2.7 times over 2018 and adjusted net income<sup>1</sup> increased 2.5 times over 2018.**
- | **Operating cash flow increased by 1.5 times over 2018.**
- | **Increased Eagle River reserves by 36% net of 91,066 ounces of depletion.**
- | **Increased Eagle River reserve grade by 20% to 14.4 grams per tonne**
- | **Increased Eagle River Measured and Indicated Resources by 258%, or 3.6 times over 2018.**
- | **Increased Kiena Mineral Indicated Resources at the Deep A Zone by 4.1 times over 2018.**
- | **Concluded a \$45.0 million Secured Credit Facility.**

<sup>1</sup> Refer to the Company's 2019 Annual Management Discussion and Analysis on pages 29 – 36, entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

Mr. Duncan Middlemiss, President and CEO commented, "In 2019, we continued to decrease costs and build up free cash flow, largely driven by an almost doubling of production at Eagle River over the last three years. Cash costs of \$825 per ounce (US\$621 per ounce) and all-in sustaining costs of \$1,293/oz (US\$975) per ounce were both below guidance, due to higher grades.

Eagle River reserves increased by 36% net of production, and reserve grade increased by 20%. Measured and Indicated resources increased by 258%. Looking ahead, in 2020 we plan to further increase production at Eagle River Complex, with guidance of 90,000 – 100,000 ounces, and increase the exploration and definition drilling to 105,500 metres (2019: 71,000 metres).

The Eagle River operations generated \$48.4 million of free cash flow, of which the majority was reinvested in major exploration programs at Kiena.

Kiena indicated resources at the Deep A Zone increased by 308% over the initial estimate in 2018. The Kiena project is also advancing very well. The PEA is on track to be completed in Q2 2020, and concurrently we are drilling 85,000 metres in 2020 (2019: 59,000 metres). After the PEA, we plan to update our resource statement to incorporate an additional 60,000 metres of drilling since our last update and complete a pre-feasibility study which will establish reserves.

Company-wide in 2019 we generated \$6.6 million in free cash flow, or \$0.05 per share, compared to \$2.8 million or \$0.02 per share in 2018. On behalf of management and the board of directors, I would like to thank both teams at Eagle River and Kiena for a job done very well and safely. We experienced a 30% improvement in our safety performance and of all the achievements in 2019 we are especially proud of that one."

## Operating and financial highlights of the full year 2019 results include:

- | Gold production of 91,688 ounces from the Eagle River Complex (2018: 71,625 ounces):
  - | Eagle River Underground 122,405 tonnes at a head grade of 23.1 grams per tonne ("**g/t**") Au for 88,617 ounces produced (2018: 67,315 ounces).
  - | Mishi Open Pit 46,405 tonnes at a head grade of 2.5 g/t Au for 3,072 ounces produced (2018: 4,310 ounces).
- | Revenue of \$164.0 million (2018: \$116.0 million) from 88,423 ounces of gold sold at an average sales price of \$1,853/oz (2018: 70,480 ounces at an average price of \$1,645/oz).
- | Cash costs<sup>1</sup> of \$825/oz or US\$621/oz (2018: \$905/oz or US\$699/oz).
- | All-in sustaining costs<sup>1</sup> ("**AISC**") of \$1,293/oz or US\$975/oz (2018: \$1,276/oz or US\$985/oz).
- | Earned mine profit<sup>1</sup> of \$90.9 million (2018 - \$52.1 million).
- | Operating cash flow of \$71.1 million or \$0.52 per share<sup>1</sup> (2018: \$46.3 million or \$0.34 per share).
- | Free cash flow<sup>1</sup> of \$6.6 million or \$0.05 per share<sup>1</sup> (2018: \$2.8 million or \$0.02 per share).

- | Adjusted net income<sup>1</sup> of \$38.6 million or \$0.28 per share (2018: \$14.9 million or \$0.11 per share).
- | Earnings before interest, taxes and depreciation and amortization (“**EBITDA**”) for 2019 of \$80.7 million (2018: \$43.3 million).
- | Cash position at the end of the year of \$35.7 million.
- | Mineral Reserves at Eagle River of 550,000 contained gold ounces (1,186,000 tonnes at 14.4 g/t Au), of which 72% is located in the high grade 300 Zone.
- | Indicated & Measured Mineral Resources at Eagle River increased to 111,000 contained gold ounces (380,000 tonnes at 9.0 g/t Au).
- | Mineral Reserves at Mishi of 10,500 contained gold ounces (116,000 tonnes at 2.8 g/t Au).

**Operating and financial highlights of Q4 2019 results include:**

- | Eagle River Complex gold production of 21,332 ounces (Q4 2018: 17,254 ozs).
  - | Eagle River Underground 23,257 tonnes at a head grade of 28.6 g/t Au for 20,894 ounces produced (Q4 2018: 16,712 ounces).
  - | Mishi Open Pit 9,108 tonnes at a head grade of 1.9 g/t Au for 438 ounces produced (Q4 2018: 542 ounces).
- | 22,100 gold ounces sold (Q4 2018: 18,077 ozs).
- | Cash costs<sup>1</sup> of \$786/oz (US\$595/oz) (Q4 2018: \$937/oz or US\$710/oz).
- | AISC<sup>1</sup> of \$1,305/oz or US\$988/oz (Q4 2018: \$1,371/oz or US\$1,038/oz).
- | Earned mine profit<sup>1</sup> of \$25.8 million (Q4 2018: \$12.5 million).
- | Operating cash flow of \$15.8 million or \$0.11 per share<sup>1</sup> (Q4 2018: \$8.6 million or \$0.06 per share).
- | Free cash outflow<sup>1</sup> of \$3.3 million or \$(0.02) per share (Q4 2018: free cash outflow of \$4.5 million or \$(0.03) per share).
- | Adjusted net income<sup>1</sup> of \$12.1 million or \$0.09 per share (Q4 2018: \$2.6 million or \$0.02 per share).

<sup>1</sup>. Refer to the Company's 2019 Annual Management Discussion and Analysis on pages 29 – 36, entitled “Non-IFRS Performance Measures” for the reconciliation of these non-IFRS measurements to the financial statements.

**EXECUTIVE MANAGEMENT CHANGE**

Ben Au, will retire as the Company's Chief Financial Officer on March 31, 2020 and his responsibilities will transfer to Scott Gilbert, the Company's Vice President – Financial Systems and Cost Control since December 2018, will be appointed as the Chief Financial Officer effective on March 31, 2020. Scott has worked very closely with Mr. Au to ensure a seamless transition. Mr. Gilbert has over 25 years of financial experience in the mining industry. His portfolio of experience includes companies such as Kinross, Centerra Gold, IAMGOLD, St Andrew's Goldfield's and Harte Gold. Scott has held several senior finance positions and continually achieved strong financial results through leadership and experience.

Duncan Middlemiss, President and CEO commented, "I am very grateful to have spent over 10 years working with Ben at various mining companies where he consistently and impressively, led our organization's financial department. Ben has done an outstanding job as Wesdome's Chief Financial Officer, where he was instrumental in implanting stronger systems and cost controls. While we all will miss working with him, his retirement is well-deserved and we wish him all the very best.

In addition, I look forward to the contributions that Scott will bring to Wesdome in our next chapter and I am confident in his abilities and experience as the next CFO. Scott has mentored with Ben for years and they bring similar strengths to our team."

**EAGLE RIVER COMPLEX RESERVES AND RESOURCES**

MINERAL RESERVES – EAGLE RIVER (see notes)		December 31, 2019			December 31, 2018		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
Eagle River	Proven	331	15.5	165,000	188	14.7	89,000
	Probable	855	14.0	385,000	860	11.4	315,000
	Proven + Probable	1,186	14.4	550,000	1,048	12.0	404,000

MINERAL RESERVES – MISHI		December 31, 2019			December 31, 2018		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces

<b>Mishi</b>	Proven	<b>8</b>	<b>1.9</b>	<b>500</b>	14	2.2	1,000
	Probable	<b>108</b>	<b>2.9</b>	<b>10,000</b>	110	2.9	10,000
	Proven + Probable	<b>116</b>	<b>2.8</b>	<b>10,500</b>	124	2.8	11,000

<b>MINERAL RESOURCES (Exclusive of Mineral Reserves) (see notes)</b>		December 31, 2019			December 31, 2018		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
<b>Eagle River</b>	Measured	<b>25.0</b>	<b>10.1</b>	<b>8,000</b>	<b>11.0</b>	<b>10.4</b>	<b>4,000</b>
	Indicated	<b>355.0</b>	<b>9.0</b>	<b>103,000</b>	<b>97.0</b>	<b>8.8</b>	<b>28,000</b>
	Measured + Indicated	<b>380.0</b>	<b>9.0</b>	<b>111,000</b>	<b>109.0</b>	<b>9.0</b>	<b>31,000</b>
	Inferred	<b>403.0</b>	<b>12.3</b>	<b>159,000</b>	<b>433.0</b>	<b>11.4</b>	<b>159,000</b>

<b>MINERAL RESOURCES (Exclusive of Mineral Reserves) (see notes)</b>		December 31, 2019			December 31, 2018		
		Tonnes (000s)	Grade (g/t Au)	Contained ounces	Tonnes (000s)	Grade (g/t Au)	Contained ounces
<b>Mishi</b>	Open pit	Indicated	-	-	-	-	-
		Inferred	<b>2,808</b>	<b>1.6</b>	<b>147,000</b>	<b>2,808</b>	<b>1.6</b>
Underground		Indicated	-	-	-	-	-
		Inferred	<b>373</b>	<b>5.4</b>	<b>65,000</b>	<b>373</b>	<b>5.4</b>
<b>Mishi Total</b>		Indicated	-	-	-	-	-
		Inferred	<b>3,182</b>	<b>2.1</b>	<b>212,000</b>	<b>3,182</b>	<b>2.1</b>

### EAGLE RIVER PROVEN AND PROBABLE RESERVE BREAKDOWN BY ZONE<sup>1</sup>

The following table provides a breakdown of Mineral Reserves and Resources at Eagle River by structure to illustrate the growing significance of these recent developments.

Structure	December 31, 2019				December 31, 2018			
	Tonnes (000s)	Grade (g/t Au)	Contained Ounces	Percent	Tonnes (000s)	Grade (g/t Au)	Contained Ounces	Percent
No.300	798	15.5	397,000	72	503	12.4	201,000	50
No. 7	267	12.9	110,500	20	300	13.1	126,000	31
No. 8	103	11.6	38,500	7	135	11.1	48,000	12
Other	18	6.9	4,000	1	110	8.2	29,000	7
<b>TOTAL</b>	<b>1,186</b>	<b>14.4</b>	<b>550,000</b>	<b>100</b>	<b>1,048</b>	<b>12.0</b>	<b>404,000</b>	<b>100</b>

- Numbers reflect rounding to nearest 1,000 tonnes and ounces.
- Mineral Resources are exclusive of reserves.
- Mineral Resources are not in the current mine plan and therefore do not have demonstrated economic viability.
- All Mineral Reserves and Mineral Resources estimates have been made in accordance with the Standards of the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") and NI 43-101 and assume a gold price of \$1,750 (US\$1,363) per ounce for the reserves and a gold price of \$1,900 (US\$1,474) per ounce for the resources, with a \$1 USD → CAD exchange rate of \$1.3).
- Mineral Resources are reported in-situ with no dilution provision.
- A density or tonnage factor of 2.7 tonnes per cubic m (t/m<sup>3</sup>) is applied at both Eagle River Mine and Mishi Mine.
- At Eagle River Mine, all high assays are cut to either 60.0 – 140.0 g/t Au for individual zones.
- All Mineral Reserves at Eagle River employ a 1.5 m minimum width, a 3.0 g/t Au minimum grade for continuity and include 1.0 m of external dilution and 10% lost ore and metallurgical recoveries of 96.5%.
- Falcon Zone mineral resources are included as part of Eagle River Mineral Resources.
- At Mishi the 7 lenses considered in the Mineral Resource calculations are cut between 6.0 to 45.0 g/t Au. All high blasthole assays are cut to 10 g/t Au.
- All In-Pit Mineral Reserves at Mishi employ a 1.0 g/t cut-off grade and a 3.0 m minimum width. Estimates provide for 10% dilution, 10% lost ore and metallurgical recoveries of 83%.

12. Mishi Mineral Reserves currently have a life of mine stripping ratio of 2.2 tonnes of waste per tonne of ore.
13. Mishi In-Pit Mineral Resources extend to a depth of 110.0 m, employing a 0.5 g/t cut-off grade, a 3.0 m minimum width and are reported in-situ with no dilution or lost ore provisions.
14. Mishi Underground Mineral Resources are reported in-situ employing a 3.0 g/t cut-off grade and a 1.5 m minimum mining width.
15. Qualified Persons for the Mineral Reserves and Mineral Resources estimates as per NI 43-101 include Marc-André Pelletier P. Eng, COO, and Michael Michaud, P.Geo., VP Exploration of Wesdome.

## PRODUCTION AND EXPLORATION HIGHLIGHTS

Mine or Projects	Achievements
<b>Eagle River</b>	<ul style="list-style-type: none"> <li>▮ Ongoing extension and definition drilling of the 300 East Zones. In particular, the 303 Lens, has continued to return high grade gold intersections. The 303 Lens defines a zone where increased widths and grades have been returned. This zone has now been extended an additional 300 m down plunge to the 1,300 m-level.</li> <li>▮ Surface drilling continues to extend and better define the Falcon Zones, located in volcanic rocks approximately 200 m west of the mine diorite. Surface drilling has continued to expand the zone of mineralization to a depth of 4400 m elevation (i.e. 600 vertical m below surface) and over a strike of 200 m.</li> <li>▮ In order to better test the down plunge extension of the Falcon Zones, a drill rig has been positioned underground on the 772 m elevation. Initial drilling from underground has intersected visible gold mineralization in quartz veining approximately 70 m down plunge of the Falcon Zones. Assaying of this hole returned 160.5 g/t Au over 3.9 m. Given the steep easterly plunge defined by the recent drilling, it is interpreted that the Falcon 7 Zone now extends an additional 500 m down plunge and is the up-plunge extension of the 7 Zone currently being mined near the 1,000 m elevation. This down plunge extension of the Falcon Zones is located proximal to existing mine infrastructure, and as such, remains one of the priorities for surface and underground drilling in the first half of 2020. The Falcon Zones have the potential to provide additional workplaces required to increase the throughput rate from Eagle River underground.</li> <li>▮ A 33,500 m surface drilling program is planned for 2020 to concentrate on better defining and expanding the Falcon Zones and later in the year focus on regional targets west of the mine diorite where recent surface sampling has returned numerous anomalous gold values.</li> </ul>
<b>Kiena</b>	<ul style="list-style-type: none"> <li>▮ Seven underground drills are now in operation completing the infill and up and down plunge extension drilling of the Kiena Deep A Zone. This drilling has continued to confirm the overall continuity of the geometry and the high-grade gold mineralization of the Kiena Deep A Zone and identify additional mineralization outside of the most recent resource estimate. Recent drilling has extended the gold mineralization of the A Zone an additional 100 m down plunge and now extends a total in excess of 830 m.</li> <li>▮ The 79 Level Ramp has been completed in early 2020. It provides optimal drill platforms for testing the up-plunge extension of the Kiena Deep A Zone between the 670 m-level and the 1050 m-level and will serve as a haulage drift for any future production from this area as it accesses the main shaft level dump pocket. Initial drilling on 79 Level intersected a new zone of gold mineralization in a previously untested area along strike from the S50 Zone.</li> <li>▮ Increased Kiena Deep A Zone Indicated resources from 99,300 ounces to 405,100 ounces and resource grade from 9.95 g/t Au to 18.55 g/t Au. Increased Kiena Deep A Zone inferred resources from 241,100 ounces to 332,000 ounces and resource grade from 11.43 g/t Au to 15.27 g/t Au.</li> <li>▮ The Preliminary Economic Assessment (“<b>PEA</b>”) study is ongoing and is expected to be completed in Q2 2020.</li> <li>▮ The completed PEA and subsequent resource update will lead into a more detailed Pre-Feasibility Study (“<b>PFS</b>”) based upon positive results and exploration success. The intention of the PFS is to come to a production decision and restart the Kiena Mine as Wesdome’s second operating mine, thereby significantly de-risking the Company.</li> </ul>

## Technical Disclosure

The technical content of this release has been compiled, reviewed and approved by Marc-André Pelletier, P. Eng, Chief Operating Officer, 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.

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## ABOUT WESDOME

Wesdome Gold Mines is in its 30<sup>th</sup> year of continuous gold mining operations in Canada. The Company is 100% Canadian focused with a pipeline of projects in various stages of development. The Eagle River Complex in Wawa, Ontario is currently producing gold from two mines, the Eagle River Underground Mine and the Mishi Open pit, from a central mill. Wesdome is actively exploring its brownfields asset, the Kiena Complex in Val d'Or, Quebec. The Kiena Complex is a fully permitted former mine with a 930 metre shaft and 2,000 tonne per day mill. The Company has further upside at its Moss Lake gold deposit, located 100 kilometres west of Thunder Bay, Ontario, which is being explored and evaluated to be developed in the appropriate gold price environment. The Company has approximately 138.0 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. 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 December 31,		Years Ended December 31,	
	2019	2018	2019	2018
<b>Operating data</b>				
<b>Milling (tonnes)</b>				
Eagle River	23,257	50,536	122,405	185,171
Mishi	9,108	8,478	46,405	70,633
Throughput <sup>2</sup>	32,365	59,014	168,809	255,804
<b>Head grades (g/t)</b>				
Eagle River	28.6	10.6	23.1	11.7
Mishi	1.9	2.4	2.5	2.3
<b>Recovery (%)</b>				
Eagle River	97.6	97.0	97.3	96.4
Mishi	77.1	81.9	82.4	82.4
<b>Production (ounces)</b>				
Eagle River	20,894	16,712	88,617	67,315

Mishi	438	542	3,072	4,310
<b>Total gold produced</b> <sup>2</sup>	<b>21,332</b>	17,254	<b>91,688</b>	71,625
<b>Total gold sales</b> (ounces)	<b>22,100</b>	18,077	<b>88,423</b>	70,480

**Eagle River Complex** (per ounce of gold sold)<sup>1</sup>

Average realized price	\$ 1,954	\$ 1,628	\$ 1,853	\$ 1,645
Cash costs	786	937	825	905
Cash margin	\$ 1,168	\$ 691	\$ 1,028	\$ 741
All-in Sustaining Costs <sup>1</sup>	\$ 1,305	\$ 1,371	\$ 1,293	\$ 1,276
Mine operating costs/tonne milled <sup>1</sup>	\$ 470	\$ 306	\$ 424	\$ 250
Average 1 USD → CAD exchange rate	1.3200	1.3204	1.3269	1.2957
Cash costs per ounce of gold sold (US\$) <sup>1</sup>	\$ 595	\$ 710	\$ 621	\$ 699
All-in Sustaining Costs (US\$) <sup>1</sup>	\$ 988	\$ 1,038	\$ 975	\$ 985

**Financial Data**

Mine profit <sup>1</sup>	\$ 25,816	\$ 12,495	\$ 90,900	\$ 52,124
Net income	\$ 12,077	\$ 2,643	\$ 40,945	\$ 14,858
Net income adjusted <sup>1</sup>	\$ 12,077	\$ 2,643	\$ 38,576	\$ 14,858
Earnings before interest, taxes, depreciation and amortization <sup>1</sup>	\$ 23,276	\$ 10,329	\$ 80,722	\$ 43,266
Operating cash flow	\$ 15,821	\$ 8,632	\$ 71,077	\$ 46,300
Free cash flow	\$ (3,297)	\$ (4,491)	\$ 6,628	\$ 2,824
Per share data				
Net income	\$ 0.09	\$ 0.02	\$ 0.30	\$ 0.11
Adjusted net income <sup>1</sup>	\$ 0.09	\$ 0.02	\$ 0.28	\$ 0.11
Operating cash flow <sup>1</sup>	\$ 0.11	\$ 0.06	\$ 0.52	\$ 0.34
Free cash flow <sup>1</sup>	\$ (0.02)	\$ (0.03)	\$ 0.05	\$ 0.02

Notes

1. Refer to the Company's 2019 Annual Management Discussion and Analysis on pages 29 – 35, 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.

**Wesdome Gold Mines Ltd.**  
**Consolidated Statements of Financial Position**  
(Expressed in thousands of Canadian dollars)

	As at December 31, 2019	As at December 31, 2018
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 35,657	\$ 27,378
Receivables and prepaids	1,996	548
Sales tax receivable	3,344	2,342
Inventories	19,667	8,302
Total current assets	60,664	38,570
Restricted cash	657	-
Deferred financing cost	988	-
Mineral properties, plant and equipment	116,765	89,643
Exploration properties	106,644	81,424
Total assets	\$ 285,718	\$ 209,637
<b>Liabilities</b>		
Current		
Borrowings	\$ 3,636	\$ -
Payables and accruals	19,219	22,526

Income and mining tax payable	1,419	180
Current portion of lease liabilities	3,781	4,552
<b>Total current liabilities</b>	<b>28,055</b>	<b>27,258</b>
Lease liabilities	5,889	5,248
Deferred income and mining tax liabilities	23,829	8,259
Decommissioning provisions	21,443	11,663
<b>Total liabilities</b>	<b>79,216</b>	<b>52,428</b>
<b>Equity</b>		
Equity attributable to owners of the Company		
Capital stock	174,789	166,387
Contributed surplus	5,590	5,777
Retained earnings (deficit)	26,123	(14,955)
<b>Total equity attributable to owners of the Company</b>	<b>206,502</b>	<b>157,209</b>
	<b>\$ 285,718</b>	<b>\$ 209,637</b>

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

	Three Months Ended		Years Ended	
	December 31		December 31	
	2019	2018	2019	2018
<b>Revenues</b>	\$ 43,223	\$ 29,462	\$ 163,974	\$ 116,042
<b>Cost of sales</b>	(22,804)	(22,162)	(94,806)	(81,930)
<b>Gross profit</b>	20,419	7,300	69,168	34,112
<b>Other expenses</b>				
Corporate and general	1,745	1,337	6,668	5,259
Stock-based compensation	346	349	2,987	2,614
Kiena care and maintenance	-	565	-	1,695
Write-down of mining equipment	247	-	247	290
	2,338	2,251	9,902	9,858
<b>Operating income</b>	18,081	5,049	59,266	24,254
Quebec exploration credits refund	-	-	2,867	-
Interest expense	(315)	(83)	(679)	(274)
Accretion of decommissioning provisions	(71)	(99)	(372)	(412)
Interest and other income	(131)	184	351	1,412
<b>Income before income and mining taxes</b>	17,564	5,051	61,433	24,980
<b>Income and mining tax expense</b>				
Current	1,440	842	4,918	2,713
Deferred	4,047	1,566	15,570	7,409
	5,487	2,408	20,488	10,122
<b>Net income and total comprehensive income</b>	\$ 12,077	\$ 2,643	\$ 40,945	\$ 14,858
<b>Earnings per share</b>				
Basic	\$ 0.09	\$ 0.02	\$ 0.30	\$ 0.11
Diluted	\$ 0.09	\$ 0.02	\$ 0.29	\$ 0.11
<b>Weighted average number of common shares (000s)</b>				
Basic	137,867	135,132	136,931	134,577
Diluted	141,670	138,531	140,550	136,451

**Consolidated Statements of Total Equity**  
(Expressed in thousands of Canadian dollars)

	<b>Capital Stock</b>	<b>Contributed Surplus</b>	<b>Retained Earnings/ (Deficit)</b>	<b>Total Equity</b>
Balance, December 31, 2017	\$ 164,161	\$ 3,967	\$ (29,905)	\$ 138,223
Net income for the year ended December 31, 2018	-	-	14,858	14,858
Exercise of options	1,514	-	-	1,514
Value attributed to options exercised	712	(712)	-	-
Value attributed to options expired	-	(92)	92	-
Stock-based compensation	-	2,614	-	2,614
Balance, December 31, 2018	\$ 166,387	\$ 5,777	\$ (14,955)	\$ 157,209
Net income for the year ended December 31, 2019	-	-	40,945	40,945
Exercise of options	5,361	-	-	5,361
Value attributed to options exercised	2,613	(2,613)	-	-
Value attributed to options expired	-	(133)	133	-
Value attributed to DSUs redeemed	175	(175)	-	-
Value attributed to RSUs exercised	253	(253)	-	-
Stock-based compensation	-	2,987	-	2,987
Balance, December 31, 2019	\$ 174,789	\$ 5,590	\$ 26,123	\$ 206,502

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

	<b>Three Months Ended</b>		<b>Years Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Operating Activities</b>				
Net income	\$ 12,077	\$ 2,643	\$ 40,945	\$ 14,858
Depreciation and depletion	5,397	5,195	21,732	18,012
Stock-based compensation	346	349	2,987	2,614
Accretion of decommissioning provisions	71	99	372	412
Deferred income and mining tax expense	4,047	1,566	15,570	7,409
Interest on long-term debt and other	325	83	703	274
Write-down of mining equipment	247	-	247	290
Loss on disposal of equipment	52	24	52	24
	<b>22,562</b>	<b>9,959</b>	<b>82,608</b>	<b>43,893</b>
Net changes in non-cash working capital	(5,271)	1,184	(7,851)	5,611
Mining tax paid	(1,470)	(2,511)	(3,680)	(3,204)
<b>Net cash from operating activities</b>	<b>15,821</b>	<b>8,632</b>	<b>71,077</b>	<b>46,300</b>
<b>Financing Activities</b>				
Exercise of options	1,716	515	5,361	1,514
Debt issue less of deferred cost	(656)	-	2,648	-
Repayment of lease liabilities	(901)	(1,086)	(5,030)	(3,632)
Termination of lease arrangements	-	-	(3,952)	-
Interest paid	(312)	(83)	(676)	(274)
<b>Net cash used in financing activities</b>	<b>(153)</b>	<b>(654)</b>	<b>(1,649)</b>	<b>(2,392)</b>
<b>Investing Activities</b>				
Additions to mining properties	(9,905)	(6,338)	(33,542)	(18,349)
Additions to exploration properties	(8,312)	(5,699)	(25,220)	(21,495)
Funds held against standby letter of credit	-	-	(657)	-
Net changes in non-cash working capital	(405)	723	(1,730)	1,222
<b>Net cash used in investing activities</b>	<b>(18,622)</b>	<b>(11,314)</b>	<b>(61,149)</b>	<b>(38,622)</b>

Increase (decrease) in cash and cash equivalents	<b>(2,954)</b>	(3,336)	<b>8,279</b>	5,286
Cash and cash equivalents - beginning of year	<b>38,611</b>	30,714	<b>27,378</b>	22,092
Cash and cash equivalents - end of year	<b>\$ 35,657</b>	\$ 27,378	<b>\$ 35,657</b>	\$ 27,378
Cash and cash equivalents consist of:				
Cash	<b>\$ 35,657</b>	\$ 13,378	<b>\$ 35,657</b>	\$ 13,378
Term deposits	-	14,000	-	14,000
	<b>\$ 35,657</b>	\$ 27,378	<b>\$ 35,657</b>	\$ 27,378

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