



Wesdome Announces 2021 Third Quarter Financial Results

Kiena Progresses Towards Commercial Production

TORONTO, Nov. 10, 2021 (GLOBE NEWSWIRE) -- Wesdome Gold Mines Ltd. (TSX: WDO) ("Wesdome" or the "Company") today announces third quarter ("Q3 2021") financial results. All figures are stated in Canadian dollars unless otherwise noted.

Achievements for Q3 include:

- Eagle River Complex production of 23,833 ounces Au and YTD production of 76,773 ounces Au sets up well for achieving mid to high end of 2021 guidance (92,000 ounces Au – 105,000 ounces Au)
- Kiena pre commercial production of 5,511 ounces ramping up as planned. Good progress made on Tailings Management Facility enhancements, Paste Fill Plant construction, and mobile equipment procurement advancing this asset towards commercial production status
- The company remains well funded with \$69.5 M of cash on hand which allows for organically funding the Kiena restart and aggressive company wide exploration program

Mr. Duncan Middlemiss, President and CEO commented, "During the quarter, the Company completed a significant milestone with the successful restart of the Kiena mill, the commencement of underground mining, and the increase in mine construction activities associated with the mine restart. The restart at Kiena has been entirely internally funded, with no debt or dilution to the Company. We produced 5,511 pre-commercial production ounces, and expect 2021's total production from the asset to be within guidance range of 15,000 – 25,000 ounces. As expected, due to initial start up focused on the lower grade S50 zone, located closest to existing development, Kiena cash costs of \$1,844 (US\$1,463 per ounce) and AISC of \$1,891 (US\$1,501) per ounce, are not reflective of the asset long term. We expect to be in full commercial production at this asset in Q2 2022. As we continue to ramp up our production, we continue to expect costs to trend downward.

At Eagle, cash costs of \$987 (US\$783) per ounce and AISC of \$1,451 (US\$1,152) per ounce were within our guidance range. Operating cash flows were \$33.9 million or \$0.24 per, and cash margin was \$35.3 million. Free cash outflow of \$9.1 million was incurred, net of an investment of a \$41.1 million investment into the operations, including \$27.5 million at Kiena. Year to date, production at Eagle River of 76,773 ounces, leaves us very well positioned to meet the mid to high point of our guidance range of 92,000 ounces – 105,000 ounces.

With the higher costs realized in Q3 from the Kiena start up, year to date combined cash costs of \$983 (US\$785) per ounce and AISC cost of \$1,406 (US\$1,123) are slightly above our US cost guidance range of \$900 - \$1,000 (US\$680 - \$770) per ounce for cash costs and \$1,300 - \$1,450 (US\$980 - \$1090) per ounce AISC. The Kiena costs are pre-commercial production and we expect to achieve full year production guidance. We expect reductions in unit costs as Kiena comes progresses towards commercial production, expected mid next year.

Q3 2021 was a very successful quarter in terms of achieving our stated corporate goals. We now are on the path to having our second operating high-grade underground gold mine, de-risking the Company's single asset producer status, and bringing us that much closer to our objective of becoming Canada's next intermediate gold producer."

The Company also announces today the resignation of Marc-Andre Pelletier, Chief Operating Officer, effective January 15, 2022. Marc will be pursuing another opportunity in a more senior role, a natural progression in his career trajectory. We wish to sincerely thank him for his extensive contributions to the Company, and his key role in the reopening of the Kiena mine, and wish him all the best in his new endeavour."

Key operating and financial highlights of the Q3 2021 results include:

- Gold production of 29,344 ounces, which includes 5,511 Kiena pre-commercial ounces, is a 47% increase over the same period in the previous year (Q3 2020: 20,008 ounces):
 - Eagle River Underground 56,003 tonnes at a head grade of 13.4 grams per tonne for 23,621 ounces produced, 22% increase over the previous year (Q3 2020: 19,319 ounces).
 - Mishi Open Pit 3,727 tonnes at a head grade of 2.3 g/t Au for 212 ounces produced (Q3 2020: 689 ounces).
 - Kiena 30,470 tonnes at a head grade of 5.8 grams per tonne for 5,511 pre-commercial ounces produced.
- Revenue of \$67.5 million, a 23% increase over the previous year (Q3 2020: \$55.0 million).
- Ounces sold were 30,000 at an average sales price of \$2,249/oz (Q3 2020: 21,700 ounces at an average price of \$2,532/oz).
- Cash margin¹ of \$35.3 million, a 10.0% increase over Q3 2020 (Q3 2020 - \$32.1 million).
- Operating cash flows increased by 33% to \$33.9 million or \$0.24 per share¹ as compared to \$25.6 million or \$0.18 per share for the same period in 2020.
- Free cash outflow of \$9.1 million, net of an investment of \$27.5 million in Kiena, or (\$0.06) per share¹ (Q3 2020: free cash flow of \$3.3 million or \$0.02 per share).
- Net income of \$15.3 million or \$0.11 per share (Q3 2020: \$14.6 million or \$0.10 per share) and Net income (adjusted)¹ of \$18.3 million or \$0.13 per share (Q3 2020: \$14.6 million or \$0.10 per share).

- | Cash position increased to \$69.5 million compared to \$67.8 million in the previous quarter.
- | Cash costs¹ of \$1,072/oz or US\$851/oz, a 2% increase over the same period in 2020 (Q3 2020: \$1,052/oz or US\$790/oz) due to the inclusion of the higher cost Kiena pre-commercial ounces (\$1,844 (US\$1,463) per ounce), which increased the cash cost per ounce sold by \$85 (US\$67) per ounce;
- | All-in sustaining costs ("AISC")¹ increased by 7% to \$1,495/oz or US\$1,186/oz (Q3 2020 - \$1,395 (US\$1,047) per ounce) due to the inclusion of the higher cost Kiena pre-commercial ounces (\$1,891 (US\$1,501) per ounce), which increased the AISC per ounce sold by \$44 (US\$35), combined with higher sustaining capital, corporate and general expenses and lease payments.

1 Refer to the Company's 2021 Third Quarter Management Discussion and Analysis, section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

Production and Exploration Highlights	Achievements
Eagle River	<ul style="list-style-type: none"> Q3 2021 Eagle River production increased by 22% from Q3 2020 to 23,621 ounces of gold, due to a 25% increase in total throughput; offset partially by a 3% decrease in head grade. Head grade at Eagle River in Q3 2021 averaged 13.4 g/t. Q3 2021 Cash cost of \$987 (US\$783) per ounce of gold sold¹ decreased by 6% or \$66 from Q3 2020 primarily due to a 24% increase in ounces sold. Q3 2021 AISC of \$1,451 (US\$1,152) per ounce of gold sold¹ increased by 6% or \$56 from Q3 2020 primarily due to higher mine development and infrastructure spending; partially offset by a 24% increase in ounces sold. Generated \$34.2 million in cash margin in Q3 2021 compared to \$32.1 million in the same period in 2020, despite the average realized Canadian gold price being 11% lower at \$2,249/oz (Q3 2020 - \$2,532/oz). The Eagle River underground ore processed was slightly lower in Q3 2021 due to two weeks of scheduled downtime for the installation of a new cone crusher and the annual mill maintenance. Production in Q4 is expected to increase to 650 tpd as no project maintenance downtime is planned. Ventilation improvements continue at depth, which has increased the air flow in the deepest section of the ramp area. Production from the Falcon Zone started late in Q3 and will continue in Q4, providing a new high-grade area. Initial sill development has been completed on the Falcon 7 zone on the 622 and 635 levels in support of the current mining. Chip sampling and test holes taken on these two horizons during the initial development confirms earlier exploration drill results by returning high gold grades over continuous strike length. 622 level chip sampling yielded 54.3 grams of gold per tonne (g/t Au) (uncapped) and 37.9 g/t Au (capped at 125 g/t Au) over an average thickness of 2.1 metres (m) over a continuous strike length of 75.6 m. Also, 635 level chip sampling yielded 67.3 g/t Au (uncapped) and 34.3 g/t Au (capped) over an average thickness of 1.9 m over 61.0 m. Additionally 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. 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 has been completed and is being utilized to assist the exploration targeting. 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 2020.
Kiena	<ul style="list-style-type: none"> During Q3 2021, operations at the Kiena Mine commenced, producing 5,511 ounces from the lower grade S-50 zone. 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 we have already received four underground haulage trucks with the remainder of the equipment scheduled to arrive by Q2 of 2022. Total throughput was 30,470 tonnes or 331 tpd and the head grade averaged 5.8 g/t. Generated \$1.1 million in cash margin despite the high cash costs of \$1,844 per ounce of gold sold¹ due to low pre-commercial production levels. Late in Q3, first stope production began at the higher grade A Zone, and this is expected to

increase significantly in the coming quarters. The reconciliation of the A zone bulk sample that was processed in Q4 2020 recovered 6% more gold than the MRE with a feed grade of 15.7 g/t Au versus model grade of 14.7 g/t Au. Total gold produced from the 7,032 tonnes milled was 3,479 ounces with gold recovery in the Kiena mill of 98.2%.

- | The 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 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) A Zone.
- | 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 Marc-Andre 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.

Wesdome Gold Mines 2021 Third Quarter Financial Results Conference Call

November 11, 2021 at 10:00 am ET

North American Toll Free: + 1 (844) 202-7109
International Dial-In Number: +1 (703) 639-1272
Conference ID: 1534619

Webcast link: <https://edge.media-server.com/mmc/p/8rk2xyk3>

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

ABOUT WESDOME

Wesdome is Canadian focused with two producing underground gold mines. The Company's strategy is to build Canada's next intermediate gold producer, producing 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 Kiena Complex is a fully permitted mine with a 930-metre shaft and 2,000 tonne-per-day mill, and a restart of operations was announced on May 26, 2021. The Company has completed a PFS in support of the production restart decision. Wesdome is actively exploring both underground and on surface within the mine area 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 140.0 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		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Operating data				
Milling (tonnes)				
Eagle River	56,003	44,667	172,600	142,890
Mishi	3,727	11,533	30,293	36,301
Kiena	30,470	0	30,470	0
Throughput ²	90,200	56,200	233,363	179,191
Head grades (g/t)				
Eagle River	13.4	13.8	13.8	15.1
Mishi	2.3	2.5	2.4	2.7
Kiena	5.8	0.0	5.8	0.0
Recovery (%)				
Eagle River	97.9	97.7	97.5	97.6
Mishi	78.0	74.7	81.4	77.8
Kiena	97.9	0.0	97.9	0.0
Production (ounces)				
Eagle River	23,621	19,319	74,853	67,893
Mishi	212	689	1,920	2,379
Kiena	5,511	0	5,511	0
Total gold produced ²	29,344	20,008	82,284	70,272
Total gold sales (ounces) ⁴	30,000	21,700	80,957	71,340

Eagle River Complex (per ounce of gold sold) ¹

Average realized price	\$ 2,254	\$ 2,532	\$ 2,240	\$ 2,341
Cash costs	987	1,052	966	1,022
Cash margin	\$ 1,267	\$ 1,480	\$ 1,274	\$ 1,319
All-in Sustaining Costs ¹	\$ 1,451	\$ 1,395	\$ 1,413	\$ 1,348
Mine operating costs/tonne milled ¹	\$ 388	\$ 389	\$ 347	\$ 385
Average 1 USD → CAD exchange rate	1.2600	1.3321	1.2513	1.3541
Cash costs per ounce of gold sold (US\$) ¹	\$ 783	\$ 790	\$ 772	\$ 755
All-in Sustaining Costs (US\$) ¹	\$ 1,152	\$ 1,047	\$ 1,129	\$ 995
Kiena Mine (per ounce of gold sold) ¹				
Average realized price	\$ 2,210	\$ 0	\$ 2,210	\$ 0
Cash costs ³	1,844	0	1,243	0
Cash margin	\$ 366	\$ 0	\$ 967	\$ 0
All-in Sustaining Costs ^{1, 3}	\$ 1,891	\$ 0	\$ 1,288	\$ 0
Mine operating costs/tonne milled ¹	\$ 335	\$ 0	\$ 335	\$ 0
Average 1 USD → CAD exchange rate	1.2600	1.3321	1.2513	1.3541
Cash costs per ounce of gold sold (US\$) ¹	\$ 1,463	\$ 0	\$ 993	\$ 0
All-in Sustaining Costs (US\$) ¹	\$ 1,501	\$ 0	\$ 1,029	\$ 0

Financial Data

Cash margin ¹	\$ 35,306	\$ 32,116	\$ 97,672	\$ 94,039
Net income	\$ 15,344	\$ 14,614	\$ 110,254	\$ 42,224
Net income adjusted ¹	\$ 18,266	\$ 14,614	\$ 44,467	\$ 42,224
Earnings before interest, taxes, depreciation and amortization ¹	\$ 32,828	\$ 28,564	\$ 84,302	\$ 84,325
Operating cash flow	\$ 33,890	\$ 25,560	\$ 82,798	\$ 89,399
Free cash flow	\$ (9,087)	\$ 3,295	\$ (18,119)	\$ 37,822
Per share data				
Net income	\$ 0.11	\$ 0.10	\$ 0.79	\$ 0.30
Adjusted net income ¹	\$ 0.13	\$ 0.10	\$ 0.32	\$ 0.30
Operating cash flow ¹	\$ 0.24	\$ 0.18	\$ 0.59	\$ 0.64
Free cash flow ¹	\$ (0.06)	\$ 0.02	\$ (0.13)	\$ 0.27

1 Refer to the Company's 2021 Third Quarter Management Discussion and Analysis, 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 YTD 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 YTD 2021 includes 1,793 ounces of gold from the Kiena bulk sample, which was processed in Q4 2020.

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

	As at September 30, 2021	As at December 31, 2020
Assets		
Current		
Cash and cash equivalents	\$ 69,473	\$ 63,480

Receivables and prepaids	12,690	8,974
Share consideration receivable	4,930	-
Inventories	17,780	12,451
Total current assets	104,873	84,905
Restricted cash	657	657
Deferred financing costs	840	827
Mining properties, plant and equipment	203,053	128,670
Mines under development	179,029	-
Exploration properties	10,826	143,524
Share consideration receivable	13,585	-
Investment in associate	19,451	-
Total assets	\$ 532,314	\$ 358,583
Liabilities		
Current		
Payables and accruals	\$ 38,823	\$ 21,123
Income and mining tax payable	3,961	3,481
Current portion of lease liabilities	6,466	5,901
Total current liabilities	49,250	30,505
Lease liabilities	7,753	5,604
Deferred income and mining tax liabilities	75,259	37,354
Decommissioning provisions	21,832	22,270
Total liabilities	154,094	95,733
Equity		
Equity attributable to owners of the Company		
Capital stock	184,849	179,540
Contributed surplus	6,279	6,472
Retained earnings	187,092	76,838
Total equity attributable to owners of the Company	378,220	262,850
	\$ 532,314	\$ 358,583

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		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Revenues	\$ 67,548	\$ 55,000	\$ 177,402	\$ 167,104
Cost of sales	(39,636)	(30,487)	(99,674)	(94,903)
Gross profit	27,912	24,513	77,728	72,201
Other expenses				
Corporate and general	2,565	1,371	7,797	5,147
Stock-based compensation	558	518	2,071	2,262
Reversal of impairment charges	-	-	(58,563)	-
Gain on disposal of mining equipment	(3)	-	(3)	-
Impairment charge on exploration properties	4,394	-	7,507	-
	7,514	1,889	(41,191)	7,409
Operating income	20,398	22,624	118,919	64,792
Gain on sale of Moss Lake exploration properties	-	-	39,143	-
Interest expense	(325)	(263)	(855)	(802)

Accretion of decommissioning provisions	(176)	(88)	(410)	(265)
Share of loss of associate	(15)	-	(104)	-
Fair value adjustment on share consideration receivable	368	-	360	-
Other income (expenses)	464	(294)	(239)	(203)
Income before income and mining taxes	<u>20,714</u>	<u>21,979</u>	<u>156,814</u>	<u>63,522</u>

Income and mining tax expense

Current	3,309	2,195	8,655	6,234
Deferred	2,061	5,170	37,905	15,064
	<u>5,370</u>	<u>7,365</u>	<u>46,560</u>	<u>21,298</u>

Net income and total

comprehensive income	\$ 15,344	\$ 14,614	\$ 110,254	\$ 42,224
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Earnings per share

Basic	\$ 0.11	\$ 0.10	\$ 0.79	\$ 0.30
Diluted	\$ 0.11	\$ 0.10	\$ 0.77	\$ 0.30

Weighted average number of common shares (000s)

Basic	140,432	139,308	139,872	138,898
Diluted	143,069	142,969	142,653	142,478

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

	Capital Stock	Contributed Surplus	Retained Earnings	Total Equity
Balance, December 31, 2019	\$ 174,789	\$ 5,590	\$ 26,123	\$ 206,502
Net income for the period ended September 30, 2020	-	-	42,224	42,224
Exercise of options	2,405	-	-	2,405
Value attributed to options exercised	1,103	(1,103)	-	-
Value attributed to RSUs exercised	577	(577)	-	-
Stock-based compensation	-	2,262	-	2,262
Balance, September 30, 2020	<u>\$ 178,874</u>	<u>\$ 6,172</u>	<u>\$ 68,347</u>	<u>\$ 253,393</u>
Balance, December 31, 2020	\$ 179,540	\$ 6,472	\$ 76,838	\$ 262,850
Net income for the period ended September 30, 2021	-	-	110,254	110,254
Exercise of options	3,045	-	-	3,045
Value attributed to options exercised	1,478	(1,478)	-	-
Value attributed to RSUs exercised	786	(786)	-	-
Stock-based compensation	-	2,071	-	2,071
Balance, September 30, 2021	<u>\$ 184,849</u>	<u>\$ 6,279</u>	<u>\$ 187,092</u>	<u>\$ 378,220</u>

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

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Operating Activities				
Net income	\$ 15,344	\$ 14,614	\$ 110,254	\$ 42,224
Depreciation and depletion	7,395	6,322	19,945	20,001
Stock-based compensation	558	518	2,071	2,262
Accretion of decommissioning provisions	176	88	410	265
Deferred income and mining tax expense	2,061	5,170	37,905	15,064
Amortization of deferred financing cost	104	98	328	269
Interest expense	325	263	855	802
Reversal of impairment charges	-	-	(58,563)	-
Gain on sale of Moss Lake exploration properties	-	-	(39,143)	-
Impairment charge on exploration properties	4,394	-	7,507	-
Gain on disposal of mining equipment	(3)	-	(3)	-
Share of loss of associate	15	-	104	-
Fair value adjustment on share consideration receivable	(368)	-	(360)	-
Foreign exchange loss (gain) on lease financing	64	(83)	(15)	94
	<u>30,065</u>	<u>26,990</u>	<u>81,295</u>	<u>80,981</u>
Net changes in non-cash working capital	6,638	2,139	9,677	13,307
Mining and income tax paid	(2,813)	(3,569)	(8,174)	(4,889)
Net cash from operating activities	<u>33,890</u>	<u>25,560</u>	<u>82,798</u>	<u>89,399</u>
Financing Activities				
Exercise of options	1,814	623	3,045	2,405
Deferred financing costs	(5)	-	(339)	(198)
Repayment of borrowings	-	-	-	(3,636)
Repayment of lease liabilities	(1,877)	(1,322)	(5,277)	(3,531)
Interest paid	(325)	(263)	(855)	(802)
Net cash used in financing activities	<u>(393)</u>	<u>(962)</u>	<u>(3,426)</u>	<u>(5,762)</u>
Investing Activities				
Additions to mining properties	(12,620)	(6,981)	(30,492)	(18,972)
Additions to mines under development	(27,481)	-	(40,882)	-
Additions to exploration properties	-	(13,962)	(23,267)	(29,074)
Purchase of exploration property	(1,000)	-	(1,000)	-
Cash proceeds on sale of Moss Lake, net of transaction costs	-	-	11,762	-
Proceeds on disposal of mining assets	73	-	73	-
Net changes in non-cash working capital	9,205	3,125	10,427	2,265
Net cash used in investing activities	<u>(31,823)</u>	<u>(17,818)</u>	<u>(73,379)</u>	<u>(45,781)</u>
Increase in cash and cash equivalents	1,674	6,780	5,993	37,856
Cash and cash equivalents - beginning of the period	67,799	66,733	63,480	35,657
Cash and cash equivalents - end of the period	<u>\$ 69,473</u>	<u>\$ 73,513</u>	<u>\$ 69,473</u>	<u>\$ 73,513</u>
Cash and cash equivalents consist of:				
Cash	\$ 69,473	\$ 73,513	\$ 69,473	\$ 73,513
	<u>\$ 69,473</u>	<u>\$ 73,513</u>	<u>\$ 69,473</u>	<u>\$ 73,513</u>

