

TORONTO, Sept. 14, 2015 /CNW/ - [Wesdome Gold Mines Ltd.](#) (TSX: WDO) announces production guidance and mine plan for years 2016 – 2019 at the Eagle River Complex, consisting of the underground Eagle River mine, the open pit Mishi Mine and the Eagle River Mill. All figures in the release are stated in Canadian dollars unless otherwise noted. The four-year mine plan is based on a gold price of CAD\$1,450/oz.

Over the course of 2016 and 2017, Wesdome plans on doubling its Mishi Open Pit output in conjunction with further mill upgrades, bringing mill capacity to 1,500 tonnes per day. This expansion brings Mishi Mine production to approximately 20,000oz/year and is projected to increase overall margins by more than \$100 per ounce. Concurrently, the Company plans on constructing a new tailings management facility with an operating life of at least ten years to accommodate higher levels of mill throughput as well as provide a modern facility for tailings management.

Mr. Rolly Uloth, President and CEO, commented, "Wesdome's core growth strategy is to expand margins with modest capital outlays. The mill expansion is within this strategy, and is designed to increase output from low cost Mishi ore. Additionally, once the high grade Eagle River Underground Mine development is completed to access all three high grade parallel zones, we expect to deliver strong free cash flow for years to come. Based on a CAD\$1,450 gold price, years 2018 and 2019 free cash flows are projected to range between \$22 million and \$36 million."

Highlights:

Estimates	2016	2017	2018	2019
Total Gold Recovered Ounces	54,000 – 60,000	63,000 – 70,000	74,000 – 82,000	77,000 – 85,000
Mill Processing Rate (tpd)	980	1,180	1,380	1,500
Operating Costs per Ounce	\$1,070-\$1,190	\$900-\$1000	\$775-\$860	\$750-\$850
Operating Cash flow	\$10-19 Million	\$25-\$35 Million	\$41-52 Million	\$45-55 Million
Head Grades (grams Au/tonne)	Eagle: 8.0 – 9.0 Mishi: 2.40	Eagle 9.0 – 10.0 Mishi 2.10	Eagle 10.0 – 11.0 Mishi 2.50	Eagle 11.0 – 12.0 Mishi 2.80
Capital Expenditures (Sustaining and Project)	\$15M Sustaining And \$11M Project	\$15M Sustaining and \$7M Project	\$15M Sustaining and \$3M Project	\$15M Sustaining and \$3M Project

Summary:

The Eagle River underground mine has three known high grade zones, the 811 zone, the 300 zone, and the 7 zone. In 2016-2017, two high grade zones, the 300 zone and the 811 will be in full production. In 2017, the Company will also begin development of the high grade 7 zone, with stope production in the second half of that year. All three high grade zones will be in full production from 2018 onwards. These high grade zones are open at depth and along strike and will be aggressively explored by the Company.

The new tailings management facility will be commissioned by the end of 2016 and the mill will be expanded to 1,500 tpd by mid-2017. The increase mill feed will come from primarily from Mishi.

At year end the Mishi Mine's proven and probable reserves stood at 1,786,000 tonnes at 2.1 gAu/tonne (112,000 contained ounces). Additional Indicated Open Pit resources stood at 3,688,000 tonnes at 2.1 gAu/tonne or 248,000 contained ounces. (Press Release dated January 29, 2015). The gold lenses are open along strike and at depth. Presently, Mishi provides incremental feed to the Eagle mill and with mill expansion, becomes an important pillar of gold production for Wesdome. Recent drilling has established continuity for at least 1 kilometre of strike length, with mineralization encountered 300 metres west and 400 metres east of current operations. (Press release August 18, 2015).

ABOUT WESDOME

[Wesdome Gold Mines Ltd.](#) is in its 28th year of continuous gold mining operations in Canada. The Company is currently producing from its Eagle River and Mishi gold mines in Wawa, Ontario, which have earned consistent free cash flow during times of low gold prices. Wesdome's corporate goal is to build a profitable, long-life, sustainable gold mining Company with modest initial capital costs. This strategy has enabled the Company to acquire strategic property and infrastructure assets in two politically stable and historically proven mining camps. Wesdome has significant upside through ownership of its two other

properties, the Kiena Mine Complex in Val d'Or, Quebec and the Moss Lake gold deposit located 100 kilometres west of Thunder Bay, Ontario. These assets are being explored and evaluated to be developed in the appropriate gold price environment. The Company has approximately 111.0 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

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

SOURCE [Wesdome Gold Mines Ltd.](#)

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