

TORONTO, March 29, 2016 /CNW/ - [Wesdome Gold Mines Ltd.](#) (TSX: WDO) today announces financial and operational results for the fourth quarter and full year 2015.

## 2015 FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Gold production of 50,470 ounces
  - Eagle River Underground production of 41,013 ounces at a recovered grade of 7.4 grams per tonne ("gpt")
  - Mishi Open Pit mine production of 9,457 ounces at a recovered grade of 2.2 gpt
- Total mill throughput of 305,227 tonnes averaging 836 tonnes per day
- Total revenue of \$73.5 million on gold sales of 49,804 ounces at an average price of CAD\$1,475 per ounce
- Mine operating profit of CAD\$17.7 million
- Operating cash flow of CAD\$10.1 million, or \$0.09 per share (after adjusting for Kiena care and maintenance costs operating cash flow of CAD\$12.8 million or \$0.11 per share)
- Net income after adjusting for Kiena costs was \$CAD3.2 million or \$0.03 per share; before Kiena adjustment net loss of CAD(\$4.7 million) or (\$0.04) per share
- Mine cash costs of CAD\$1,115 per ounce, AISC costs of CAD\$1,542 per ounce
- Cash and cash equivalents of \$CAD15.4 million

## 2015 FOURTH QUARTER HIGHLIGHTS

- Gold production of 13,570 ounces
  - Eagle River gold production of 11,625 ounces at a recovered grade of 8.7 gpt
  - Mishi gold production of 1,945 ounces at a recovered grade of 1.9 gpt
- Revenue of CAD\$23.6 million on gold sales of 16,023 ounces at an average sales price of CAD\$1,474 per ounce
- Mine cash costs of CAD\$1,029 per ounce, AISC costs CAD\$1,388 per ounce
- Operating cash flow of CAD\$5.2 million
- Net income of CAD\$1.1 million or \$0.01 per share
- All fourth quarter figures are before Kiena care and maintenance cost adjustments

Mr. Rolly Uloth, President and CEO commented, "The fourth quarter demonstrated an improvement in financial performance as recovered grades improved at the Eagle River Underground Mine. Despite 2015 full year production being a lower grade cycle, the Eagle River Complex operations were profitable once adjusted for Kiena costs. We are encouraged on many other fronts by the progress made this year to position the Company with production flexibility and long term mine planning at the Eagle River Complex. With the recent exploration success at the Eagle River underground mine, new drill bays have been created to test and expand the 300 and 7 parallel zones, and potentially bring the 7 zone into the mining plan earlier than originally expected. The Company will also follow up on this exploration success with a significant exploration program in 2016 consisting of 90,000 exploration metres, compared to 22,000 exploration metres in 2015."

"Reserves have doubled over the last three years to 431,000 ounces (net of 149,000 ounces of depletion) which enabled the Company in 2015 to lay out a 4-year production guidance growth plan based on a modest mill expansion to profitably increase mining rates primarily at the Mishi Open Pit. Expansion programs will be completed over the course of 2016 and 2017, resulting in significantly higher production in years 2018 and 2019 of 72,000 &#8211; 82,000 ounces per year.

## 2015 EXPLORATION HIGHLIGHTS

- Eagle River Mineral Reserves increase 13% to 300,000 ounces
- Mishi Mineral Reserves increase 8% to 131,000 ounces
- Eagle River Inferred Mineral Resources increase 112% to 170,000 ounces reflecting drilling successes of new parallel zones
- Major drilling program launched to include up to 7 drills in 2016 to assess potential to significantly expand Mineral Resources

## 2015 CORPORATE HIGHLIGHTS

- Charles Page, P. Geo appointed as independent director, appointed as Chairman subsequent to year end
- Nadine Miller, P. Eng appointed as independent director
- Hemdat Sawh appointed as Chief Financial Officer

## OUTLOOK

Production in 2016 at the Eagle River Complex was forecasted to range between 54,000 &#8211; 60,000 ounces of gold with 43,000 &#8211; 47,000 ounces from the Eagle River Mine and 11,000 &#8211; 13,000 ounces attributed to the Mishi Mine. At present, the Company anticipates achieving the lower range of its 2016 overall production forecast. We forecast Q1 overall production of approximately 8,300 ounces with 5,500 ounces from Eagle River and 2,800 ounces from Mishi; and Q2 overall production of approximately 12,000 ounces with 9,000 ounces coming from Eagle River and 3,000 ounces from Mishi. Due to the

Eagle River mining sequence, we expect grade and tonnage to increase from current levels in the second half of this year. Q1 2016 production from Eagle was constrained to the extraction of lower grade remnant reserve blocks in the upper parts of the mine as development of higher grade reserve blocks was slower than anticipated due to scooptram mechanical issues. In order to improve development and production at Eagle River, the Company will continue its sustaining capital program including adding rental equipment to supplement its mobile fleet while it awaits the delivery of budgeted scooptrams in Q2 2016. Faulty blasting equipment was also replaced in Q1 to ensure successful blast initiations. Mishi Mine production continues to deliver on target with an ore stockpile of around 35,000 tonnes at the mill. The Company is examining its exploration success at the 7 Zone at Eagle River to quickly determine if it can be fully developed to supplement this year's production, two years ahead of schedule.

## Consolidated Financial Information

Financial Results &#8211; 4 <sup>th</sup> Quarter and Annual				
	Quarter ended December 31		Year ended December 31	
	2015	2014	2015	2014
(in \$000, except per share amounts)				
Revenue	23,622	20,922	73,465	82,441
Mine operating profit	7,767	5,545	17,680	28,614
Net income (loss)	1,110	2,589	(4,701)	11,876
Net income adjusted for Kiena	1,977	2,889	3,186	13,737
Basic net income (loss) per share	0.01	0.02	(0.04)	0.11
Basic net income per share adjusted for Kiena	0.02	0.03	0.03	0.13
Cash flows from operating activities	5,153	4,192	10,055	23,269
Cash flows from operating activities adjusted for Kiena	5,783	4,492	12,771	25,130
Cash and cash equivalents	15,424	15,408	15,424	15,408
Working capital	12,507	12,565	12,507	12,565
Operational results &#8211; 4 <sup>th</sup> Quarter and Annual				
	Quarter ended December 31		Year ended December 31	
	2015	2014	2015	2014
Eagle tonnes milled	42,185	27,798	173,189	123,374
Mishi tonnes milled	33,100	31,859	132,038	67,149
Total tonnes milled	75,285	59,657	305,227	190,523
Eagle grade (gpt)	8.7	12.5	7.4	12.1
Mishi grade (gpt)	1.9	1.8	2.2	2.1
Eagle ounces produced	11,625	11,183	41,013	48,190
Mishi ounces produced	1,945	1,798	9,457	4,567
Total ounces produced	13,570	12,981	50,470	52,757
Ounces sold	16,023	15,188	49,804	58,230
Average realized price (CAD\$/oz)	1,474	1,378	1,475	1,416
Average realized price (US\$/oz)	1,104	1,185	1,153	1,272
Production cash costs (CAD\$/oz)	1,029	1,011	1,115	955
Production cash costs/oz (US\$/oz)	770	869	872	858
All-in-sustaining costs (CAD\$/oz)	1,388	1,428	1,542	1,345
All-in-sustaining costs (US\$/oz)	1,039	1,229	1,206	1,210

#### ABOUT WESDOME

[Wesdome Gold Mines Ltd.](#) is in its 28th year of continuous gold mining operations in Canada. The Company is currently

producing gold at the Eagle River Complex located near Wawa, Ontario from the Eagle River and Mishi gold mines. Wesdome's goal is to expand current operations at both mines over the next four years through mill expansion and exploration. 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 118 million shares issued and outstanding and which trade 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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