

TORONTO, ON--(Marketwired - September 15, 2016) - [Wesdome Gold Mines Ltd.](#) (TSX: WDO) is pleased to update exploration and development results at its producing mines and advanced exploration projects.

EAGLE RIVER GOLD MINE

Underground exploration and development work to date is proving up continuity and expanding the footprint of recently recognized parallel structures (No. 7 and 300 Zones) in the western portion of the mine north of the main 8 Zone structure. Recent development and drilling results suggest potential for significant extensions up-plunge to shallower depths. Both zones remain open at depth and have been traced to 1,200 metres depth.

Surface drilling is providing a first pass evaluation of the potential of the previously untested north portion of the mine diorite at 200 metre intervals over a 1.6 km strike length.

As a result of the operations review conducted by newly appointed President and CEO Duncan Middlemiss, the Company is revising its 2016 production guidance to range between 45,000 - 50,000 ounces (previously 54,000 - 60,000 ounces). The Company will continue its focus on development into higher grade areas of the mine with initial stope production from the 7 Zone expected in the 4th quarter of 2016, well ahead of schedule. This will enable stope production from multiple high grade areas within the Eagle River Mine earlier than expected.

Mr. Middlemiss commented, "The decision to prioritize the development of higher grade ore zones will provide future enhanced production flexibility on a consistent basis ahead of schedule. Management believes it is pertinent to focus on the longer term production planning, however some short term objectives will be deferred. This approach, along with a weak first quarter has regrettably resulted in a reduction in 2016's production guidance. We have already experienced improvements in recovered grades as a result of this strategy, and we look forward to updating the market on our third quarter progress."

UNDERGROUND DEVELOPMENT AND DRILLING

The No. 7 zone was recently undercut on the 945 metre level with strong grades and increasing widths (890 metre level was 42.0 metres; Grade: 33.15 g/t or 11.26 g/t, cut to 60 g/t; Average Width of 1.50 metres).

945 m Level Drift (No. 7 Zone)

- Length: 63.0 metres
- Grade: 22.63 g/t (grams per tonne) or 12.37 g/t (cut to 60 g/t)
- Average Width: 3.32 metres

Following the previously announced successful extension of the No. 7 structure to shallower depths, (Press Release February 23, 2016) an examination of a similar up-plunge extension of the 300 Zone structure is underway. Initial results are encouraging (Figure 1). Both zones are open to the west and our development provides an opportunity to drill these targets.

A recently completed drift on the 942 metre level, had encountered the 300 Zone with encouraging lengths and grades. The structure remains open to the west.

942 m Level Drift (300 Zone)

- Length: 141.0 metres
- Grade: 19.34 g/t or 16.54 g/t (cut to 140 g/t)
- Average Width: 1.61 metres

Drilling is planned up-plunge towards the recent hole 350-E-09 which intersected 18.56 g/t (18.56 g/t cut to 140 g/t) over 3.29 metres true width (Figures 2 and 3). Essentially, this is a duplication of the successful No. 7 Zone up-plunge drilling program.

SURFACE DRILLING

Eagle River surface drilling is continuing with 2 drill rigs. A systematic evaluation of the north portion of the mine diorite and associated hanging wall stratigraphy over a 1.6 km previously untested strike length is ongoing (Figure 4).

Drilling on 200 m spaced sections has produced some encouraging results. Narrow high grade gold veins are demonstrating potential continuity and broad extent in what is currently interpreted may be the No. 7 Zone structure. Follow-up drilling will be required subsequently to determine continuity with sufficient confidence to block out potential resources.

Additional hanging wall structures have been identified and will be projected to intersect the mine diorite contact at depth and guide long term exploration targeting. Of particular interest is an iron formation in the hanging wall in which visible gold occurrences in very narrow seams and veinlets have been observed to date (Figure 6: Photo ERN-2016-04).

Early results from this systematic program are encouraging (see Table 1). The drilling program for this phase of additional near mine exploration is expected to be completed late this fall. Highlights of the surface drilling includes:

- ERM-2016-10: 14.56 g/t over 2.0 metres
- ERM-2016-20: 33.92 g/t over 2.1 metres
- ERM-2016-27: 32.39 g/t over 4.8 metres

Table 1: Selected results from Surface Drill Program at Eagle River Mine (ERM) and Eagle River North (ERN)

Hole No.	Section	Grade *(Au g/t)	Length **(m)	Depth Structure(m)
ERN-2016-02	9020 E	2.81	1.4	132
ERN-2016-04	9030 E	7.16	0.3	330
ERN-2016-07	9210 E	0.26	2.0	198
ERM-2016-04	8987 E	4.16	0.3	233
ERM-2016-04	8987 E	8.86	1.2	224
ERM-2016-04	8992 E	2.24	0.9	140
ERM-2016-10	9015 E	14.56	2.0	244
ERM-2016-11	9013 E	7.59	0.9	269
ERM-2016-11	9020 E	14.60	1.0	71
ERM-2016-12	9010 E	2.52	0.3	220
ERM-2016-03	9025 E	2.14	1.4	160
ERM-2016-01	9057 E	21.52	0.6	55
ERM-2016-08	9065 E	14.68	0.5	266
ERM-2016-07	9093 E	2.44	0.3	100
ERM-2016-17	9225 E	16.06	0.6	195
ERM-2016-18	9220 E	1.90	1.3	230
ERM-2016-42	9230 E	1.37	1.2	180
ERM-2016-19	9430 E	12.49	2.1	215
ERM-2016-20	9414 E	33.92	2.1	204
ERM-2016-24	9600 E	14.51	2.7	345
ERM-2016-24	9600 E	9.28	0.3	275
ERM-2016-23	9597 E	34.55	0.9	265
ERM-2016-27	9774 E	32.39	4.8	120
ERM-2016-27	9789 E	2.29	2.9	520
ERM-2016-40	10592 E	29.69	1.2	355

* Grade Au g/tonne uncut

** True widths estimated at 60-90% of core lengths pending final interpretation

MISHI SURFACE DRILLING

Two drills are nearing completion of a systematic evaluation of the Mishibishu Deformation Zone with 200 metre spaced drill fences across the 3.0 km strike length west of open pit mining operations (Figure 5).

Widespread pyrite-ankerite-sericite zones have been traced to date which carry strongly anomalous gold values.

The highlight to date is hole BC16-80, located 1.7 kilometres west of the open pit.

Hole No.	From (m)	To (m)	Core length (m)	True Width (m)	Grade (g/t)
BC16-80	316.0	330.0	14.0	13.5	4.28
including	320.5	326.5	6.0	5.8	7.65

The drills are completing the systematic coverage and moving in to follow-up on the more interesting results at 100 metre centres.

KIENA UNDERGROUND DRILLING

Early success (Press Release August 24, 2016) will likely lead to an extended drilling program targeting a potential repetition of the S-50 and new zones of gold mineralization. More drilling results will be announced as assays are received and compiled as plans to accelerate this program are underway. Two drills are currently operating underground at Kiena with two additional underground rigs planned to be added to the program in the short term.

The previously announced S-50 zone intersection in hole U-6125 (223.12 g/t Au or 18.80 g/t Au with high assays cut to 34.28 g/t Au) over a core length of 14.25 m has been extended by 2.70 m. The resulting intersection averages 192.95 g/t Au or 18.80 g/t Au with high assays arbitrarily cut to 1.0 oz/ton (34.28 g/t) over a core length of 16.95 metres. Assays for drill hole U-6125 have been received and are tabulated below in Table 2.

Table 2: Individual fire assays for drill hole U-6125

From (m)	To (m)	Core Length (m)	Assay g/t Au	Cut Grade* g/t Au
694.22	695.05	0.83	1.18	1.18
695.05	695.80	0.75	183.23	34.28
695.80	697.00	1.20	0.71	0.71
697.00	698.00	1.00	0.11	0.11
698.00	699.00	1.00	0.11	0.11
699.00	699.90	0.90	0.29	0.29
699.90	700.90	1.00	186.30	34.28
700.90	701.90	1.00	5.79	5.79
701.90	702.90	1.00	28.24	28.24
702.90	703.50	0.60	442.67	34.28
703.50	704.10	0.60	2769.58	34.28
704.10	704.60	0.50	529.60	34.28
704.60	705.60	1.00	32.43	32.43
705.60	706.90	1.30	24.22	24.22
706.90	707.60	0.70	772.81	34.28
707.60	708.60	1.00	11.27	11.27
708.60	709.30	0.70	17.19	17.19
709.30 *	710.10	0.80	80.94	34.28
710.10 *	711.00	0.90	12.57	12.57
711.00 *	712.00	1.00	15.07	15.07
TOTAL	695.05-712.00	16.95	192.95	18.80

* New Results

MOSS LAKE / COLDSTREAM

Following Wesdome's recent land consolidation in the Shebandowan greenstone belt 100 kilometres west of Thunder Bay, Ontario (Press Release May 27, 2016), the Company has secured all necessary exploration permits and commenced line-cutting and geophysical survey work.

The Company intends to rapidly assess potential to add to the existing resources base at Moss Lake as defined in our PEA study dated May 31, 2013 (www.sedar.com). Additionally, there is similar potential to expand previous NI43-101 resources (Foundation Resources, www.sedar.com) in the East Coldstream area.

The Company's strategy is to complete IP (induced polarization) orientation surveys over existing resources and extend wing lines outwards covering the newly consolidated, and previously untested, land position. Plans and budget for fall - winter drilling are currently being formulated.

TECHNICAL DISCLOSURE

The technical disclosure in this press release has been reviewed and approved by Marc Ducharme, P.Geo., Chief Exploration Geologist of Wesdome, George Mannard, P.Geo, Vice President, Exploration, and Philip Ng, P.Eng. Chief Operating Officer, all "Qualified Persons" as defined by National Instrument 43-101. Eagle River and Mishi assays are performed by fire assay methods at the mine assay office. Core from Kiena was assayed at Techni-Lab (ActLabs) in Ste-Germaine-BoulÃ©, Quebec (a certified commercial laboratory). Rigorous QA/QC methods involving insertion of laboratory and blind duplicates, standards and blanks.

ABOUT WESDOME

[Wesdome Gold Mines Ltd.](http://www.wesdome.com) 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 129 million shares issued and outstanding and trades on the Toronto Stock Exchange under the symbol "WDO".

This news release includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable securities legislation. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "suspects", "intends", "estimates", "projects", "targets", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Such statements are not guarantees of future performance and actual results or developments may differ materially from those expressed in, or implied by, this forward-looking information. Factors that could cause actual results to differ materially from those in forward-looking statements include such matters as market prices, exploitation and exploration results, continued

availability of capital and financing, and general economic, market or business conditions. Any forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date and neither Wesdome nor Canoe Mining undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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