

TORONTO, ON--(Marketwired - January 17, 2017) - [Wesdome Gold Mines Ltd.](#) (TSX: WDO) ("Wesdome" or the "Company") today announces fourth quarter ("Q4") and full year 2016 production results and 2017 guidance.

2016

- Q4 combined production at the Eagle River Complex was 11,887 ounces.
 - Eagle River Underground Mine ore milled in Q4 was 42,607 tonnes at a head grade of 8.2 grams per tonne ("g/t") to produce 10,595 ounces.
 - Mishi Open Pit Mine ore milled in Q4 was 30,714 tonnes at a head grade of 1.6 g/t to produce 1,292 ounces.
- Full Year combined production at the Eagle River Complex was 47,737 ounces.
 - Eagle River Underground Mine ore milled was 170,369 tonnes at a head grade of 7.9 g/t to produce 40,252 ounces.
 - Mishi Open Pit Mine ore milled was 138,668 tonnes at a head grade of 2.0 g/t to produce 7,485 ounces.
- Ounces sold in Q4 were 13,490 ounces at an average sales price of CAD\$1,655 per ounce for revenue of CAD\$22.3 M.
- Full Year 2016 combined ounces sold from the Eagle River Complex were 48,680 ounces at an average sales price of CAD\$1,676 per ounce for revenue of CAD\$81.6 M.

2017

- Combined gold production from the Eagle River Underground Mine and the Mishi Open Pit Mine to range between 52,000 and 58,000 ounces.
 - Eagle River Underground Mine 45,000 - 49,000 ounces @ 8.8 - 9.2 g/t.
 - Mishi Open Pit Mine 7,000 - 9,000 ounces @ 1.8 - 2.2 g/t.
- Combined Operating Cost per ounce CAD\$1,030 - \$1,130 per ounce (USD\$765 - \$835 per ounce).
- Combined All In Sustaining Costs per ounce sold CAD\$1,450 - \$1,550 per ounce (USD\$1,075 - \$1,150).
- Sustaining Capex rates to remain similar to 2016 rate of CAD\$13 - 17 M per year.
- Growth/Project Capex of approximately CAD\$3 M.
- Exploration spend of approximately CAD\$13 M at Eagle River, Mishi, Kiena Complex, and Moss Lake, the breakdown summarized in Table 1.

Mr. Duncan Middlemiss, President and CEO commented, "We are very pleased to have achieved the midpoint of our revised guidance range of 45,000 - 50,000 ounces. 2016 got off to a slow start but production in the second half of the year was strong with 27,553 ounces produced, and operations are in good shape to get off to a strong start in 2017."

"This year, we will make some modest investments at the Eagle River Complex to further optimize the Wawa operations and lower costs. Of the estimated \$3 M project capital spend, approximately \$1.2 M will be spent on the road at Mishi, which will lower trucking costs, and \$1.7 M will be spent on an underground ventilation raise which will allow us to open more working faces and provide additional production flexibility at Eagle River. Further cost saving initiatives include upgrading underground equipment, which will reduce maintenance costs and downtime, and assist with dilution control."

"At Mishi, we will be conducting scoping studies to determine if an expansion scenario will enhance profitability and maximize shareholder value. Wesdome does not expect to spend any significant expansion capex at the mill this year. We expect to publish our reserve and resource updates on both Eagle and Mishi later in the first quarter and this will be the embarkation point to determine the appropriate open pit scenario."

"During 2017, the company will remain aggressive on the exploration front, with continued exploration at the Eagle River Complex in Wawa, Ontario, the Kiena Complex in Val d'Or, Quebec, and finally the Moss Lake Property near Shebandowan, Ontario."

At the Eagle River Complex, drilling will continue on surface and underground within the Eagle River Mine and along the Mishi Open Pit mineralized trend.

"Our drilling budget at the Kiena Complex is comparable to 2016's rates. Pending exploration results, the Company is evaluating ramp development at this project to the 1100 metre level in order to improve the drilling platforms. This will allow the Company to drill shorter and more effective holes."

"Finally Wesdome is conducting a full-year drilling program at Moss Lake in order to evaluate our new land position with the goal of generating additional resources."

Table 1: Exploration Drilling Budget

Property	Metres	Cost
Eagle Underground	25,000	\$1.5M
Eagle Surface	15,000	\$1.5M

Mishi	15,000	\$1.5M
Moss Lake	40,000	\$5.0M
Kiena Complex	45,000	\$3.6M
TOTAL	140,000	\$13.1

The technical and scientific disclosure in this press release has been prepared and approved by Philip Ng, P. Eng, Chief Operating Officer of Wesdome and "Qualified Person" as defined by National Instrument 43-101 disclosure standards.

ABOUT WESDOME

Wesdome Gold Mines is in its 29th 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 130 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

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