



Wesdome Announces Third Quarter 2023 Financial Results

TORONTO, Nov. 08, 2023 -- Wesdome Gold Mines Ltd. (TSX: WDO) (“Wesdome” or the “Company”) today announces third quarter (“Q3 2023”) financial results. Management will host a conference call tomorrow, Thursday November 9, 2023, at 10:00 a.m. Eastern time to discuss the results. Dial-in details for the call can be found near the end of this press release.

Third Quarter 2023 Highlights

- Payable gold production in the third quarter was 27,760 ounces at cash costs per ounce¹ of \$1,755 (US\$1,308) and all-in sustaining costs (“AISC”) per ounce¹ of \$2,711 (US\$2,021). Q3 was forecasted as the lightest cash flow quarter of the year due to timing of capital outlays and planned downtime at Eagle River.
- At Kiena, development of the ramp to the 129-level mining horizon tracked ahead of schedule. Delineation drilling to date has also confirmed the continuity, thickness, and high grade of the A zone at depth, as per the reserve block model.
- Cash margins¹ were \$22.2 million, and free cash flow¹ was \$10.7 million. During the quarter Wesdome received a \$12.5 million tax refund.
- Quarterly net loss of \$3.2 million (\$0.02) per share in the third quarter of 2023 and adjusted net loss¹ of \$2.6 million (\$0.02) per share. Positive operating cash flow of \$45.1 million (\$0.30 per share).
- Available liquidity of \$142.6 million, including \$31.6 million in cash and \$111 million of undrawn availability under the Company’s revolving credit facility.
- Reaffirming consolidated 2023 production guidance of 110,000 to 130,000 ounces as well as cost guidance for cash costs, all-in sustaining costs and capital expenditures.

Anthea Bath, President and CEO, commented, “In the recent quarter, we made solid progress in advancing development and de-risking our future strategic plans. Eagle River reported consistent results after the completion of mill and infrastructure upgrades during an annual shutdown, and Kiena’s ramp development remains ahead of schedule, with access to the 129-metre level achieved after quarter end in November. Elevated cost levels during the quarter were due to planned downtime and timing of capital outlays.

Reaching the 129-level metre at Kiena was an important milestone for Wesdome as it will enable access to the higher-grade Deep A zone stopes in the first half of next year. Also, efforts continue to further de-risk our 2024 mine plans, with delineation drilling reinforcing our block model and overall mine strategy. Site preparation for the Presqu’île ramp portal and related infrastructure is also underway following the receipt of permits at the end of the quarter.

At Eagle River, performance on various fronts continues to exceed budget. An asset optimization initiative is being launched internally to optimize the unit cost structure of the asset with a view to value by investigating alternative mining and material handling methods, cut-off grade levels, and planning methodologies.

We are expecting a strong finish to this year and based on our year-to-date performance, we are well positioned to deliver on the mid-point of production and cost guidance. Looking ahead, preliminary plans for 2024 continue to point to a production and operating cash flow rebound which will support total capital investment levels similar to this year.”

Financial and Operating Highlights

A summary of the Company’s consolidated financial and operating results for the nine months ended September 30, 2023 are presented below:

<i>(in thousands of Canadian dollars, unless otherwise indicated)</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Financial Results				
Revenues	69,696	61,823	230,952	190,448
Cost of sales	71,450	56,294	216,916	152,374
Cash margin ¹	22,233	16,993	85,393	69,208
Net loss attributable to shareholders	(3,248)	(3,899)	(8,607)	(11,179)
Net income (\$/sh)	(0.02)	(0.03)	(0.06)	(0.08)
Adjusted attributable net loss ¹	(2,573)	(3,899)	(4,330)	(2,329)

Adjusted attributable net loss ¹ (\$/sh)	(0.02)	(0.03)	(0.03)	(0.02)
Operating cash flow	45,076	12,945	64,175	54,939
Operating cash flow (\$/sh)	0.30	0.09	0.44	0.39
Cash flow from financing activities	(2,370)	21,961	7,367	20,128
Cash flow from investing activities	(33,191)	(33,681)	(73,145)	107,090
Free cash flow ¹	10,672	(23,193)	(14,204)	(58,565)
Free cash flow ¹ (\$/sh)	0.07	(0.16)	(0.10)	(0.41)
Operating Results				
Gold produced (oz)	27,760	22,883	87,119	75,734
Gold sold (oz)	27,000	27,500	89,000	81,500
Average realized gold price (\$/oz)	2,579	2,246	2,592	2,334
Average realized gold price (US\$/oz)	1,923	1,720	1,926	1,819
Cash costs ¹ (\$/oz)	1,755	1,628	1,633	1,485
All-in sustaining costs ¹ (\$/oz)	2,711	2,217	2,293	1,975
All-in sustaining costs ¹ (US\$/oz)	2,021	1,698	1,704	1,539
Financial Position				
Cash and cash equivalents	31,582	24,741	31,582	24,741
Working capital	(18,839)	(35,457)	(18,839)	(35,457)
Total assets	605,364	578,762	605,364	578,762
Current liabilities	87,577	93,733	87,577	93,733
Total liabilities	180,981	190,542	180,981	190,542

Notes:

1. Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements

Eagle River, Ontario

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Ore milled (tonnes)				
Eagle River	55,153	52,247	167,959	165,428
Mishi	-	3,595	6,150	23,153
Total Ore Milled	55,153	55,842	174,109	188,581
Head grade (grams per tonne, "g/t")				
Eagle River	11.9	10.7	12.1	10.6
Mishi	-	2.8	2.3	3.2
Total head grade	11.9	10.2	12.1	9.7
Recoveries (%)				
Eagle River	96.7	96.6	96.7	96.6
Mishi	-	83.0	72.5	83.5
Total Gold recovery	96.7	96.3	96.7	96.0
Gold production (ounces)				
Eagle River	20,391	17,405	63,395	54,495
Mishi	-	270	332	2,005
Total Gold Production	20,391	17,675	63,727	56,500
Production sold (ounces)	19,600	18,800	66,100	57,600
Production costs per tonne milled ¹	503	475	485	412
Cash margin ¹ (\$/oz)	1,134	774	1,202	966

Cash costs ¹ (\$/oz)	1,442	1,473	1,380	1,377
All-in sustaining costs ¹ (\$/oz)	2,467	2,259	2,039	1,989

For the three months ended September 30, 2023 and 2022, production increased by 15% from Q3 2022 to 20,391 ounces due to a 16% increase in head grade offset by a 1% decrease in throughput; higher grades and lower tonnes processed are due in part to the Mishi Pit stockpile being fully depleted in Q1 2023, therefore not contributing to 2023 Q3 production. In 2022, Mishi had contributed 3,595 tonnes grading 2.82g/t to production. Higher grades were also achieved from the underground mine as a result of strong performances in the Falcon and 300 zones, in line with expectations. The mill performed its annual two weeks maintenance in July.

Q3 2023 cash cost of \$1,442 (US\$1,075) per ounce of gold sold¹ decreased by 2% or \$31 per ounce from Q3 2022 primarily due to a 4% increase in ounces sold.

Q3 2023 AISC of \$2,467 (US\$1,839) per ounce of gold sold¹ increased by 9% or \$208 per ounce from Q3 2022 due to higher cash costs and site infrastructure spending; partially offset by a 4% increase in ounces sold.

Generated \$2.1 million in cash margin net AISC¹ in Q3 2023 compared to \$(0.2) million in Q3 2022 primarily due to the 4% increase in ounces sold and the higher average Canadian dollar gold price; partially offset by the 2% increase in overall aggregate site operating costs and the 50% increase in site infrastructure spending.

Kiena, Quebec

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Ore milled (tonnes)	47,351	16,112	141,499	63,752
Head grade (grams per tonne, "g/t")	4.9	10.2	5.2	9.5
Recoveries (%)	98.4	98.5	98.0	98.4
Gold production (ounces)	7,369	5,208	23,392	19,234
Production sold (ounces)	7,400	8,700	22,900	23,900
Production costs per tonne milled ¹	402	869	419	643
Cash margin ¹ (\$/oz)	0	280	258	568
Cash costs ¹ (\$/oz)	2,585	1,963	2,365	1,746
All-in sustaining costs ¹ (\$/oz)	3,359	2,126	3,027	1,941

For the three months ended September 30, 2023 and 2022, production increased by 41% from Q3 2022 to 7,369 ounces due to a 194% increase in throughput offset by a 52% decrease in head grade; the lower grades achieved so far in 2023 are the result of mining lower grade ore from the Martin and S50 zones to supplement limited production from Kiena Deep. Positive reconciliation continued into Q3, with the newly commissioned A2 zone (satellite zone running parallel to A Zone on levels 118, 116 and 114 and located entirely in the footwall schists) being a significant contributor. Development of the ramp to the 129 level mining horizon continued to track ahead of schedule during Q3 2023, positioning the mine to ramp up gold production in 2024. Delineation drilling into the 129 level horizon was initiated during the quarter from the ramp, and preliminary results confirm the continuity, thickness and high grade of the A zone at depth, as per the reserve block model.

Q3 2023 cash cost of \$2,585 (US\$1,927) per ounce of gold sold¹ increased by 32% or \$622 per ounce from Q3 2022 primarily due to a 15% decrease in ounces sold and 12% increase in aggregate mine operating costs.

Q3 2023 AISC of \$3,359 (US\$2,504) per ounce of gold¹ sold increased by 58% or \$1,233 per ounce as compared to Q3 2022 due to the increased cash costs and the sustaining mine exploration and development costs, mine capital equipment costs and a 15% decrease in ounces sold. The costs remain consistent with the plan and will decrease as the mine increases gold production levels in 2024.

Q3 2023 cash margin net AISC¹ of negative \$5.7 million decreased by \$6.7 million compared to \$1.0 million in Q3 2022 due to the increased overall aggregate cash cost, the inclusion of sustaining development and exploration costs and a 15% decrease in ounces sold; offset partially by the higher average Canadian dollar gold price.

Exploration Updates

Eagle River

Recent exploration drilling within the mine diorite, has extended the 300 East Zone to the 1,600 m-level and remains open down plunge.

The drilling has confirmed the continuity of the mineralization at depth, thus suggesting that many other similar parallel zones, such as 808, 811, 818, 711 and 7 East, have this same potential to continue at depth and will be tested with ongoing drilling.

Initial surface and underground exploration drilling, commenced in July 2023 to test the volcanic rocks west of the mine diorite, has returned high grades within 200 metres from surface, while the first underground hole 750 metres down plunge has also intersected similar mineralization. Highlights of the initial surface drilling of the volcanic rocks returned 64.4 g/t Au over 0.4 m core length. These intersections suggest that a newly defined shoot could be located in this area.

Kiena

Underground exploration drilling has been focused on better delineating Kiena Deep A zones in advance of the planned mining. Limited exploration has been completed to extend and better define the deeper portion of the Kiena Deep zones. This drilling will be increased in the future once more optimal drill platforms are established.

Recent surface drilling at the Presqu'île zone has confirmed not only the continuity of the gold mineralization and the validity of the geologic model, but also the potential for down plunge extensions towards the east. Highlights of recent in-fill drilling include 32.5 g/t over 3.0 m core length. The drilling will be used to convert resources into reserves at year end.

The excavation of an exploration ramp from surface to access the near-surface Presqu'île Zone will be underway in Q4 2023 now that the necessary permits have been secured.

2023 Outlook

	2023 Guidance	YTD 2023 Performance
Gold production		
Eagle River	80,000 – 90,000 ounces	63,395 ounces
Mishi	-	332 ounces
Kiena	30,000 – 40,000 ounces	23,392 ounces
Total	110,000 – 130,000 ounces	87,119 ounces
Head grade (g/t Au)		
Eagle River	11.5 – 12.5	12.1
Mishi	-	2.3
Kiena	3.7 – 4.7	5.2
Cash cost per ounce 1	\$1,500 - \$1,670 (US\$1,150 – US\$1,290)	\$1,633 (US\$1,214)
AISC per ounce 1	\$2,100 - \$2,340 (US\$1,620 – US\$1,800)	\$2,293 (US\$1,704)

¹ Operating cost per ounce sold and all-in sustaining cost per ounce are non-IFRS measures, please reference the Company's interim management discussion and analysis for the period ended September 30, 2023

Third Quarter 2023 Conference Call and Webcast

The financial statements and management discussion and analysis will be available on the company's website at www.wesdome.com and on SEDAR+ www.sedarplus.ca. A conference call and webcast to discuss these results will be held on November 9, at 10:00 am ET.

- Participants may register for the call at the link below to obtain dial in details. Preregistration is required for this event. It is recommended you join 10 minutes prior to the start of the event.
- Participant Registration Link: <https://register.vevent.com/register/BI342316b2dae64c7fa72b789b4ffcb8a1>
- Webcast Link: <https://edge.media-server.com/mmc/p/4bu4ty2t>
- The webcast can also be accessed under the news and events section of the company's website

Technical Disclosure

The technical content of this release has been compiled, reviewed and approved by Frédéric Langevin, Eng, Chief Operating Officer of the Company 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.

About Wesdome

Wesdome is a Canadian focused gold producer with two high grade underground assets, the Eagle River mine in Ontario and the recently commissioned Kiena mine in Quebec. The Company’s primary goal is to responsibly leverage this operating platform and high-quality brownfield and greenfield exploration pipeline to build Canada’s next intermediate gold producer. Wesdome trades on the Toronto Stock Exchange under the symbol “WDO,” with a secondary listing on the OTCQX under the symbol “WDOFF.”

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Cautionary Note Regarding Forward-Looking Information and Statements

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.

FINANCIAL AND OPERATIONAL RESULTS

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Operating data				
Milling (tonnes)				
Eagle River	64,672	59,964	112,805	113,181
Mishi	0	7,685	6,150	19,558
Kiena	51,824	26,478	94,148	47,640
Throughput ²	116,496	94,127	213,103	180,379
Head grades (g/t)				
Eagle River	11.4	9.6	12.3	10.6
Mishi	0.0	2.8	2.3	3.3
Kiena	5.0	10.6	5.4	9.3
Recovery (%)				
Eagle River	96.5	95.6	96.7	96.6
Mishi	0.0	81.2	72.5	83.6
Kiena	97.7	98.5	97.8	98.3

Production (ounces)				
Eagle River	22,845	17,756	43,004	37,090
Mishi	0	570	332	1,735
Kiena	8,147	8,914	16,024	14,026
Total gold produced ²	30,992	27,240	59,360	52,851
Total gold sales (ounces)	32,000	26,000	62,000	54,000

Eagle River Complex (per ounce of gold sold) ¹

Average realized price	\$ 2,625	\$ 2,382	\$ 2,584	\$ 2,389
Cash costs	1,526	1,395	1,353	1,330
Cash margin	\$ 1,099	\$ 987	\$ 1,231	\$ 1,059
All-in Sustaining Costs ¹	\$ 2,019	\$ 1,940	\$ 1,859	\$ 1,858

Mine operating costs/tonne milled ¹	\$ 503	\$ 387	\$ 474	\$ 386
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Average 1 USD → CAD exchange rate	1.3428	1.2768	1.3477	1.2715
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Cash costs per ounce of gold sold (US\$) ¹	\$ 1,136	\$ 1,093	\$ 1,004	\$ 1,046
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All-in Sustaining Costs (US\$) ¹	\$ 1,504	\$ 1,519	\$ 1,379	\$ 1,461
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Kiena Mine (per ounce of gold sold) ¹

Average realized price	\$ 2,676	\$ 2,372	\$ 2,642	\$ 2,355
Cash costs ^{3, 5}	2,257	2,018	2,261	1,622
Cash margin	\$ 419	\$ 354	\$ 381	\$ 733
All-in Sustaining Costs ¹	\$ 2,755	\$ 2,284	\$ 2,868	\$ 1,834

Mine operating costs/tonne milled ¹	\$ 379	\$ 557	\$ 430	\$ 567
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Average 1 USD → CAD exchange rate	1.3428	1.2768	1.3477	1.2715
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Cash costs per ounce of gold sold (US\$) ¹	\$ 1,681	\$ 1,581	\$ 1,678	\$ 1,276
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All-in Sustaining Costs (US\$) ¹	\$ 2,052	\$ 1,789	\$ 2,128	\$ 1,442
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Financial Data

Cash margin ¹	\$ 28,722	\$ 21,873	\$ 63,130	\$ 52,215
Net loss	\$ (5,014)	\$ (14,331)	\$ (5,359)	\$ (7,280)
Net income (loss) adjusted ¹	\$ (5,014)	\$ (5,481)	\$ (1,757)	\$ 1,570

Earnings before interest, taxes, depreciation and amortization ¹	\$ 22,020	\$ 8,844	\$ 48,144	\$ 29,494
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Operating cash flow	\$ 13,979	\$ 12,101	\$ 19,099	\$ 41,994
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Free cash outflow ¹	\$ (5,279)	\$ (28,576)	\$ (24,876)	\$ (35,372)
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Per share data

Net income	\$ (0.03)	\$ (0.10)	\$ (0.04)	\$ (0.05)
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Adjusted net income ¹	\$ (0.03)	\$ (0.04)	\$ (0.01)	\$ 0.01
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Operating cash flow ¹	\$ 0.09	\$ 0.08	\$ 0.13	\$ 0.30
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Free cash flow ¹	\$ (0.04)	\$ (0.20)	\$ (0.17)	\$ (0.25)
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Wesdome Gold Mines Ltd.
Condensed Interim Statements of Financial Position
(Unaudited, expressed in thousands of Canadian dollars)

	As at	As at
	September	December 31,
Assets	30, 2023	2022

Current			
Cash	\$	31,582	\$ 33,185
Receivables and prepaids		9,962	12,755
Inventories		25,636	22,119
Income and mining tax receivable		-	6,494
Share consideration receivable		1,558	2,994
Total current assets		<u>68,738</u>	<u>77,547</u>
Restricted cash		2,718	1,176
Deferred financing costs		1,014	1,411
Mining properties, plant and equipment		525,649	525,860
Exploration properties		1,339	1,139
Marketable securities		480	960
Share consideration receivable		1,425	2,576
Investment in associate		4,001	8,458
Total assets	\$	<u>605,364</u>	\$ <u>619,127</u>
Liabilities			
Current			
Payables and accruals	\$	43,056	\$ 54,734
Borrowings		38,766	54,697
Income and mining tax payable		2,317	-
Current portion of lease liabilities		3,438	6,160
Total current liabilities		<u>87,577</u>	<u>115,591</u>
Lease liabilities		1,453	3,126
Deferred income and mining tax liabilities		72,670	82,950
Decommissioning provisions		19,281	18,941
Total liabilities		<u>180,981</u>	<u>220,608</u>
Equity			
Equity attributable to owners of the Company			
Capital stock		237,922	205,361
Contributed surplus		9,749	7,359
Retained earnings		178,332	186,939
Accumulated other comprehensive loss		(1,620)	(1,140)
Total equity attributable to owners of the Company		<u>424,383</u>	<u>398,519</u>
Total liabilities and equity	\$	<u>605,364</u>	\$ <u>619,127</u>

Wesdome Gold Mines Ltd.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited, expressed in thousands of Canadian dollars except for per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	\$ 69,696	\$ 61,823	\$ 230,952	\$ 190,448
Cost of sales	<u>(71,450)</u>	<u>(56,294)</u>	<u>(216,916)</u>	<u>(152,374)</u>
Gross profit	<u>(1,754)</u>	<u>5,529</u>	<u>14,036</u>	<u>38,074</u>
Other expenses				
Corporate and general	4,707	2,918	12,376	9,514
Stock-based compensation	328	823	3,653	2,453
Retirement costs	-	-	1,190	-
Exploration and evaluation	2,935	5,273	5,162	12,442
(Gain) loss on disposal of mining equipment	(5)	74	312	62

Total other expenses	<u>7,965</u>	<u>9,088</u>	<u>22,693</u>	<u>24,471</u>
Operating (loss) income	(9,719)	(3,559)	(8,657)	13,603
Impairment of investment in associate	(900)	-	(3,600)	(11,800)
Interest expense	(1,114)	(588)	(3,598)	(1,167)
Fair value adjustment on share consideration receivable	(1,010)	(1,552)	(2,587)	(7,391)
Share of (loss) income of associate	(328)	155	(994)	(388)
Accretion of decommissioning provisions	(269)	(239)	(759)	(618)
(Loss) gain on dilution of ownership	(91)	(35)	137	(669)
Other income (expense)	363	(1,420)	508	(1,363)
Loss before income and mining taxes	<u>(13,068)</u>	<u>(7,238)</u>	<u>(19,550)</u>	<u>(9,793)</u>
Income and mining tax expense (recovery)				
Current	(4,202)	325	(662)	4,601
Deferred	(5,618)	(3,664)	(10,281)	(3,215)
Total income and mining tax expense (recovery)	<u>(9,820)</u>	<u>(3,339)</u>	<u>(10,943)</u>	<u>1,386</u>
Net loss	\$ (3,248)	\$ (3,899)	\$ (8,607)	\$ (11,179)
Other comprehensive loss				
Change in fair value of marketable securities	(120)	(360)	(480)	(1,260)
Total comprehensive loss	\$ (3,368)	\$ (4,259)	\$ (9,087)	\$ (12,439)
Loss per share				
Basic	\$ (0.02)	\$ (0.03)	\$ (0.06)	\$ (0.08)
Diluted	\$ (0.02)	\$ (0.03)	\$ (0.06)	\$ (0.08)
Weighted average number of common shares (000s)				
Basic	148,952	142,487	147,155	142,260
Diluted	148,952	142,487	147,155	142,260

Wesdome Gold Mines Ltd.
Condensed Interim Statements of Changes in Equity
(Unaudited, expressed in thousands of Canadian dollars)

	<u>Capital Stock</u>	<u>Contributed Surplus</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Total Equity</u>
Balance, December 31, 2021	\$ 187,911	\$ 5,859	\$ 201,645	\$ (240)	\$ 395,175
Net loss for the period ended September 30, 2022	-	-	(11,179)	-	(11,179)
Other comprehensive loss	-	-	-	(1,260)	(1,260)
Exercise of options	3,031	-	-	-	3,031
Value attributed to RSUs exercised	638	(638)	-	-	-
Stock-based compensation	-	2,453	-	-	2,453
Balance, September 30, 2022	<u>\$ 192,753</u>	<u>\$ 6,501</u>	<u>\$ 190,466</u>	<u>\$ (1,500)</u>	<u>\$ 388,220</u>
Balance, December 31, 2022	\$ 205,361	\$ 7,359	\$ 186,939	\$ (1,140)	\$ 398,519
Net loss for the period ended September 30, 2023	-	-	(8,607)	-	(8,607)
At-the-Market offering: Common shares issued for cash	31,988	-	-	-	31,988

Agents' fees and issuance costs	(1,366)	-	-	-	(1,366)
Other comprehensive loss	-	-	-	(480)	(480)
Exercise of options	676	-	-	-	676
Value attributed to options exercised	276	(276)	-	-	-
Value attributed to RSUs exercised	616	(616)	-	-	-
Value attributed to PSUs exercised	371	(371)	-	-	-
Stock-based compensation	-	3,653	-	-	3,653
Balance, September 30, 2023	<u>\$ 237,922</u>	<u>\$ 9,749</u>	<u>\$ 178,332</u>	<u>\$ (1,620)</u>	<u>\$ 424,383</u>

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating Activities				
Net loss	\$ (3,248)	\$ (3,899)	\$ (8,607)	\$ (11,179)
Depreciation and depletion	23,987	11,464	71,327	31,134
Stock-based compensation	328	823	3,653	2,453
Accretion of decommissioning provisions	269	239	759	618
Deferred income and mining tax recovery	(5,618)	(3,664)	(10,281)	(3,215)
Amortization of deferred financing cost	133	99	397	268
Interest expense	1,114	588	3,598	1,167
(Gain) loss on disposal of mining equipment	(5)	74	312	62
Impairment of investment in associate	900	-	3,600	11,800
Fair value adjustment on share consideration receivable	1,010	1,552	2,587	7,391
Share of loss (income) of associate	328	(155)	994	388
Loss (gain) on dilution of ownership	91	35	(137)	669
Foreign exchange loss (gain) on borrowings	4	1,569	(3)	1,460
Net changes in non-cash working capital	13,275	6,978	(13,498)	25,884
Mining and income tax refund (paid)	12,508	(2,758)	9,474	(13,961)
Net cash from operating activities	<u>45,076</u>	<u>12,945</u>	<u>64,175</u>	<u>54,939</u>
Financing Activities				
Proceeds from At-the-Market offering	-	-	31,988	-
Agents' fees and issuance costs	(35)	-	(1,366)	-
Proceeds from revolving credit facility	10,000	25,928	10,000	40,884
Repayment of revolving credit facility	(10,013)	-	(25,931)	(14,810)
Exercise of options	-	-	676	3,031
Repayment of lease liabilities	(1,208)	(2,300)	(4,402)	(6,731)
Deferred financing costs	-	(1,079)	-	(1,079)
Interest paid	(1,114)	(588)	(3,598)	(1,167)
Net cash (used in) from financing activities	<u>(2,370)</u>	<u>21,961</u>	<u>7,367</u>	<u>20,128</u>
Investing Activities				
Additions to mining properties	(31,654)	(11,058)	(72,235)	(24,380)
Additions to mines under development	-	(22,780)	-	(82,393)
Purchase of exploration property	-	-	(200)	-
Funds held against standby letter of credit	(1,542)	(25)	(1,542)	(519)
Proceeds on disposal of mining equipment	5	182	832	202
Net cash used in investing activities	<u>(33,191)</u>	<u>(33,681)</u>	<u>(73,145)</u>	<u>(107,090)</u>
Increase (decrease) in cash	9,515	1,225	(1,603)	(32,023)
Cash - beginning of period	22,067	23,516	33,185	56,764
Cash - end of period	<u>\$ 31,582</u>	<u>\$ 24,741</u>	<u>\$ 31,582</u>	<u>\$ 24,741</u>

Cautionary Note Regarding Non-GAAP Financial Measures

Average realized price per ounce of gold sold

Average realized price per ounce of gold sold is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Average realized price per ounce of gold sold is calculated by dividing gold sales proceeds received by the Company for the relevant period by the ounces of gold sold. It may not be comparable to information in other gold producers' reports and filings.

In 000s, except per unit amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenues per financial statements	69,696	61,823	230,952	190,448
Silver revenue from mining operations	(77)	(54)	(233)	(203)
Gold revenue from mining operations (a)	69,619	61,769	230,719	190,245
Ounces of gold sold (b)	27,000	27,500	89,000	81,500
Average realized price gold sold CAD (c) = (a) ÷ (b)	2,579	2,246	2,592	2,334
Average 1 USD → CAD exchange rate (d)	1.3414	1.3056	1.3456	1.2828
Average realized price gold sold USD (c) ÷ (d)	1,923	1,720	1,926	1,819

Cash costs per ounce of gold sold

Cash cost per ounce of gold sold is a non-IFRS performance measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. The Company has included this non-IFRS performance measure throughout this document as Wesdome believes that this generally accepted industry performance measure provides a useful indication of the Company's operational performance. 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. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of total cash costs per ounce of gold sold to cost of sales per the financial statements for each of the last eight quarters:

In 000s, except per unit amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Cost of sales per financial statements	71,450	56,294	216,916	152,374
Depletion and depreciation	(23,987)	(11,464)	(71,327)	(31,134)
Silver revenue from mining operations	(77)	(54)	(233)	(203)
Cash costs (a)	47,386	44,776	145,356	121,037
Ounces of gold sold (b)	27,000	27,500	89,000	81,500
Cash costs per ounce of gold sold (c) = (a) ÷ (b)	1,755	1,628	1,633	1,485
Average 1 USD → CAD exchange rate (d)	1.3414	1.3056	1.3456	1.2828
Cash costs per ounce of gold sold USD (c) ÷ (d)	1,308	1,247	1,214	1,158

Production costs per tonne milled

Mine-site cost per tonne milled is a non-IFRS performance measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. As illustrated in the table below, this measure is calculated by adjusting cost of sales, as shown in the statements of income for non-cash depletion and depreciation, royalties and inventory level changes and then dividing by tonnes processed through the mill. Management believes that mine-site cost per tonne milled provides additional information regarding the performance of mining operations and allows Management to monitor operating costs on a more consistent basis as the per tonne milled measure reduces the cost variability associated with varying production levels. Management also uses this measure to determine the economic viability of mining blocks. As each mining block is evaluated based on the net realizable value of each tonne mined, the estimated revenue on a per tonne basis must be in excess of the production cost per tonne milled in order to be economically viable. Management is aware that this per tonne milled measure is impacted by fluctuations in throughput and thus uses this evaluation tool in conjunction with production costs prepared in accordance with IFRS. This measure supplements production cost information prepared in accordance with IFRS and allows investors to distinguish between changes in production costs resulting from changes in production versus changes in operating

performance.

In 000s, except per unit amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Cost of sales per financial statements	71,450	56,294	216,916	152,374
Depletion and depreciation	(23,987)	(11,464)	(71,327)	(31,134)
Royalties	(1,029)	(766)	(3,199)	(2,491)
Inventory adjustments	384	(3,518)	382	35
Mining and processing costs, before inventory adjustments (a)	46,818	40,546	142,772	118,784
Ore milled (tonnes) (b)	102,505	71,954	315,608	252,333
Production costs per tonne milled (a) ÷ (b)	457	563	452	471

Cash margin

Cash margin is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS, as well it may not be comparable to information in other gold producers' reports and filings. It is calculated as the difference between gold sales revenue from mining operations and cash mine site operating costs (see Cash cost per ounce of gold sold under this Section above) per the Company's Financial Statements. The Company believes it illustrates the performance of the Company's operating mines and enables investors to better understand the Company's performance in comparison to other gold producers who present results on a similar basis.

In 000s, except per unit amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Gold revenue from mining operations (per above)	69,619	61,769	230,719	190,245
Cash costs (per above)	47,386	44,776	145,356	121,037
Cash margin	22,233	16,993	85,363	69,208
Per ounce of gold sold (Canadian dollar):				
Average realized price (a)	2,579	2,246	2,592	2,334
Cash costs (b)	1,755	1,628	1,633	1,485
Cash margin (a) – (b)	824	618	959	849

All-in sustaining costs

All-in sustaining costs ("AISC") include mine site operating costs incurred at Wesdome mining operations, sustaining mine capital and development expenditures, mine site exploration expenditures and equipment lease payments related to the mine operations and corporate administration expenses. The Company believes that this measure represents the total costs of producing gold from current operations and provides Wesdome and other stakeholders with additional information that illustrates the Company's operational performance and ability to generate cash flow. This cost measure seeks to reflect the full cost of gold production from current operations on a per-ounce of gold sold basis. New project and growth capital are not included.

In 000s, except per unit amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Cost of sales, per financial statements	71,450	56,294	216,916	152,374
Depletion and depreciation	(23,987)	(11,464)	(71,327)	(31,134)
Silver revenue from mining operations	(77)	(54)	(233)	(203)
Cash costs	47,386	44,776	145,356	121,037
Sustaining mine exploration and development	9,683	5,134	27,191	15,686
Sustaining mine capital equipment	10,360	2,232	15,158	4,298
Tailings management facility	15	3,692	29	3,897
Corporate and general	4,707	2,918	12,376	9,514
Less: Corporate development	(161)	(87)	(402)	(224)
Payment of lease liabilities	1,208	2,300	4,402	6,731
All-in Sustaining costs (AISC) (a)	73,198	60,965	204,110	160,939
Ounces of gold sold (b)	27,000	27,500	89,000	81,500
AISC (c) = (a) ÷ (b)	2,711	2,217	2,293	1,975

Average 1 USD → CAD exchange rate (d)	1.3414	1.3056	1.3456	1.2828
AISC USD (c) ÷ (d)	2,021	1,698	1,704	1,539

Free cash flow and operating and free cash flow per share

Free cash flow is calculated by taking net cash provided by operating activities less cash used in capital expenditures and lease payments as reported in the Company's financial statements. Free cash flow per share is calculated by dividing free cash flow by the weighted average number of shares outstanding for the period.

Operating cash flow per share is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Operating cash flow per share is calculated by dividing cash flow from operating activities in the Company's Financial Statements by the weighted average number of shares outstanding for each year. It may not be comparable to information in other gold producers' reports and filings.

In 000s, except per share amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Net cash provided by operating activities per financial statements (c)	45,076	12,945	64,175	54,939
Sustaining mine exploration and development	(9,683)	(5,134)	(27,191)	(15,686)
Sustaining mine capital equipment	(10,360)	(2,232)	(15,158)	(4,298)
Tailings management facility	(15)	(3,692)	(29)	(3,897)
Ventilation project	-	-	-	(499)
Capitalized development, exploration and evaluation expenditures	-	(5,550)	-	(21,644)
Mines under development capital equipment	-	(17,230)	-	(60,749)
Growth mine exploration and development	(4,111)	-	(12,787)	-
Growth mine capital equipment	(7,485)	-	(17,070)	-
Purchase of mineral properties	-	-	(200)	-
Surface exploration at Eagle River	-	-	-	-
Funds held against standby letters of credit	(1,542)	-	(1,542)	-
Payment of lease liabilities	(1,208)	(2,300)	(4,402)	(6,731)
Free cash flows (a)	10,672	(23,193)	(14,204)	(58,565)
Weighted number of shares (000s) (b)	148,952	142,487	147,155	142,260
Per Share data				
Operating cash flow (c) ÷ (b)	0.30	0.09	0.44	0.39
Free cash flow (a) ÷ (b)	0.07	(0.16)	(0.10)	(0.41)

Net income (adjusted) and Adjusted net income per share

Adjusted net income (loss) and adjusted net income (loss) per share are non-IFRS performance measures and do not constitute a measure recognized by IFRS and do not have standardized meanings defined by IFRS, as well both measures may not be comparable to information in other gold producers' reports and filings. Adjusted net income (loss) is calculated by removing the one-time gains and losses resulting from the disposition of non-core assets, non-recurring expenses and significant tax adjustments (mining tax recognition and exploration credit refunds) not related to current period's income, as detailed in the table below. Wesdome discloses this measure, which is based on its financial statements, to assist in the understanding of the Company's operating results and financial position.

In 000s, except per share amounts	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Net (loss) income per financial statements	(3,248)	(3,899)	(8,607)	(11,179)
Adjustments for:				
Impairment of investment in associate	900	-	3,600	11,800
Retirement costs	-	-	2,102	-
Total adjustments	900	-	5,702	11,800
Related income tax effect	(225)	-	(1,425)	(2,950)
Net (loss) income adjusted (a)	(2,573)	(3,899)	(4,330)	(2,329)
Weighted number of shares (000s) (b)	148,952	142,487	147,155	142,260

Per Share data

Net adjusted (loss) income (a) ÷ (b)	(0.02)	(0.03)	(0.03)	(0.02)
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