

West Red Lake Gold Announces Positive Pre-Feasibility Study for Madsen

West Red Lake Gold Mines (TSX.V: WRLG)

Announced the results of the pre-feasibility study prepared in accordance with National Instrument 43-101 for the imminent restart of its 100% owned Madsen Mine project in the Red Lake Gold District of northwestern Ontario, Canada.

BRAND NEW MILL- **Madsen Gold Project**



	West Red Lake Gold Mines	TSX.V : WRLG
	Stage	Exploration / Development

	Metals	Gold
	Market cap	C\$178 m @ 56 cents
	Location	Ontario, Canada
	Website	www.westredlakegold.com

West Red Lake Gold Announces Positive Pre-Feasibility Study Results for Madsen Gold Mine with \$315M After-Tax NPV and \$70M Average Annual Free Cash Flow

West Red Lake Gold Mines Ltd. (“West Red Lake Gold” or the “Company”) (**TSXV: WRLG**) is pleased to announce the results of the pre-feasibility study (“PFS”) prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) for the imminent restart of its 100% owned Madsen Mine project in the Red Lake Gold District of northwestern Ontario, Canada.

West Red Lake Gold will hold a conference call on January 8th at 11:00am ET, followed by a question-and-answer period. To access the call, please register here: <https://www.amvestcapital.com/webinar-directory/westredlakegoldmines010725>. The webinar will be archived for viewing at www.westredlakegold.com

All dollar amounts in this news release are in Canadian dollars (\$) unless otherwise indicated.

The effective date of the PFS is December 31, 2024, and a technical report relating to the PFS will be filed on SEDAR+ within 45 days of this news release.

Madsen Mine PFS Highlights:

- **Strong Value Underlines Mine Restart Rationale:** *Post-tax net present value ("NPV") (5%) of \$315 million at a long-term gold price of US\$2,200 per oz.* reinforces the rationale to restart the Madsen Mine imminently based on this initial mine plan; potential for Madsen to grow beyond this initial plan with further definition and exploration drilling strengthens the rationale
- **High Grade Mine:** Diluted head grade averages 8.2 g/t gold
- **Average Annual Production:** *67,600 oz. gold per year over 6 years of full production, within a 7.2-year mine life*
- **Strong Free Cash Flows:** \$69.5 million average annual free cash flow from an operation with average total operating cost of US\$919 per oz. and average all-in sustaining cost ("AISC") of US\$1681 per oz.
- **Construction and Capital Investment to Mine Startup Substantially Complete.** Bulk sample currently being mined; mill startup to process bulk sample planned in March; 21 km of modern underground development (since

2019) provides good mining access and represents significant time and cost savings

- **Production Start Date: Q2 2025**
- **Actual Costs:** The Company has been operating underground for 16 months and the mill operated in 2022, which enabled a PFS based on realized costs for most operating metrics.
- **Significant Upside Potential:** There are multiple opportunities to extend mine life and enhance the economic returns of the Madsen Mine, including 1.1 million ounces of indicated resource that remain outside of this initial mine plan, resource growth near reserves and existing infrastructure, discovering new high-grade, near mine zones that add to the mine plan such as the Upper 8 Zone, and using a higher reserve cut-off price (the PFS used US\$1680 per oz.).

Shane Williams, President and CEO of West Red Lake Gold Mines said,

“West Red Lake Gold has worked intensely over the last 16 months to greatly improve our knowledge of the orebody and de-risk the project with the objective of executing a successful restart of the Madsen Mine, and this PFS is the culmination of that effort.

“This initial reserve mine plan only taps well defined and tightly drilled parts of the deposit relatively close to existing workings and still generates robust margins based on a production rate of approximately 70,000 oz. per year that

generate almost \$400 million in post-tax free cash flow over a 7-year mine life.

“Initial capital is low because the capital projects needed for restart are well advanced or already complete. That is unusual for a ‘PFS-level’ project, as is having already completed 58,000 metres of definition drilling and detailed engineering to define 18 months of mineable inventory on a stope-by-stope level.

“We are excited to deliver a PFS that solidifies Madsen as a rare high-grade gold mine starting production in 2025. We built a realistic and achievable plan for this first mining opportunity at Madsen that we are confident we can deliver and that will justify returning the mine to production.

“Beyond that, we strongly believe Madsen has potential to grow well beyond this initial plan in the coming years as we source new resources and reserves near existing infrastructure while also gaining access to the deeper parts of the system, where notable upside optionality remains untapped.”

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Disclosure

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