

WESCAN GOLDFIELDS INC.

(\$0.88; WGF: TSX-V)

Recommendation: Speculative Buy (No Change)

Target Prices: 1-Year: \$1.25 (No Change)

3-Year: \$3.25 (No Change)

RECENT DEVELOPMENT: COAL PERMITS RECEIVED

Wescan Goldfields has received an initial package of 83 coal permits from the Saskatchewan Ministry of Energy and Resources. The permits are adjacent to Goldsource Mines' recent coal discovery in Saskatchewan (see the June 11, 2008 eResearch Update Report, which includes a map showing Wescan's coal application locations).

The initial 83 permits cover an area of about 60,080 hectares; 268 coal applications comprising 192,640 hectares remain to be issued.

In our Update Report, we noted that the Company is focused on gold, uranium, base metals and coal, and that coal has the greatest upside potential for shareholders. The price of metallurgical coal has risen significantly, and Wescan is positioning itself to be an industry participant.

Drilling on the coal properties is expected to begin in late summer or fall 2008. Primary drilling will focus on Wescan's southeasterly permits, adjacent to Goldsource.

Market Action

Goldsource Mines' update on the first hole at its Border property near Hudson Bay, Saskatchewan (see July 21, 2008 Goldsource news release on the company's website at www.goldsourcemines.com) resulted in a substantial drop in the stock, which touched \$3.77 per share on July 24, having been as high as \$19.50 a month earlier. The stock has recovered somewhat, having closed on July 29 at \$8.75. A second hole was reported on July 28 (see news release also available on the Goldsource website).

Wescan stock was affected by the Goldsource news, dropping to as low as \$0.35 per share on July 21 but recovering to as high as \$1.10 on July 28 and currently sitting at \$0.88 (July 29).

COMMENT: *Teck Cominco's \$14 billion offer for the 48% of the Elk Valley Coal Partnership that it does not own signifies a bullish long-term outlook for coal and companies, like Wescan, with promising coal prospects.*

THE COMPANY

Wescan Goldfields Inc., with headquarters in Saskatoon, is a junior mineral exploration company, focused on gold, uranium, base metals and coal in Saskatchewan, and gold in Ontario.

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RECOMMENDATION

We recently increased our 1-Year Target Price from \$0.60 to \$1.25 and our 3-Year Target Price from \$1.75 to \$3.25, and retained our Speculative Buy Recommendation, all of which remain unchanged. The shares are recommended for risk-tolerant investors.

COMMENT: *We expect to see significant volatility in the share prices of all of the participants with coal permits or applications in the vicinity of the Goldsource discovery over the coming months.*

RATINGS HISTORY

Date	Report Type	Recommendation	Stock Price	Target Price
Nov. 5, 2007	Initiating	Speculative Buy	\$0.34	1-Year: \$0.60 3-Year: \$1.75
Nov. 26, 2007	Bulletin	Unchanged	\$0.27	No Change
April 23, 2008	Bulletin	Unchanged	\$0.21	No Change
June 11, 2008	Update	No Change	\$0.67	1-Year: \$1.25 (Up) 3-Year: \$3.25 (Up)
July 30, 2008	Bulletin	No Change	\$0.88	No Change

High-Low Since Initiating: \$1.10-\$0.15.

NOTE: *eResearch reports on Wescan Goldfields Inc. and other companies are available FREE on our website at www.eresearch.ca.*

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