WESCAN GOLDFIELDS INC.

(A Development Stage Entity)

Management Discussion & Analysis
December 31, 2006

MANAGEMENT'S DISCUSSION & ANALYSIS

The following Management Discussion and Analysis is prepared as of April 17, 2007 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2006 and December 31, 2005. Wescan Goldfields Inc. ("Wescan" or "the Company") prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"). All amounts are reported in Canadian dollars unless otherwise indicated.

Overview

In 2006 Wescan continued to acquire and consolidate prospective mining properties. Exploration activities included an active drilling program at the Jasper site on the Fork Lake property and an extensive airborne geophysical survey of the uranium properties in the Athabasca region of Saskatchewan.

Jojay Property

The Jojay gold property was first discovered by Cominco in the 1960's and then explored by SMDC and Claude Resources in the 1980's. Little exploration has been done since then and the property eventually came to be owned jointly by Wescan (25%) and Claude Resources (75%). In the fourth quarter of this year Wescan acquired Claude's 75% interest to bring the Company's position to 100% of the property. Under the terms of the transaction, Wescan acquired Claude's interest by the issuance of 3.5 million Wescan shares valued at $1,365,000 on the transaction close date of October 24, 2006. This acquisition further enhances the Company's stated strategy to consolidate and develop its gold holdings in northern Saskatchewan. Jojay is an advanced stage exploration project located in the Greenstone Belt of northern Saskatchewan and approximately 11 road kilometers from an existing licensed gold processing plant. The acquisition allows the Company to aggressively progress to the next phase of exploration to commence in 2007, conceptionally including; upgrading the existing access road to permit all weather access, additional surface drilling, a scoping study to evaluate an underground exploration program and commencing environmental baseline work leading to permitting an underground exploration program.

Athabasca Basin Properties

In early 2006, Wescan acquired an additional 50% interest in five claims in the same area as the Company's previously acquired uranium interests in the Athabasca Basin region. These additions brought the total land package in the area to 159,965 hectares. During the second quarter of 2006, the Wescan-Santoy Joint Venture completed a helicopter-borne time domain electromagnetic survey of the Black Lake block (Fir Island project) and an airborne magnetic and MEGATEM survey of the Hozempa Lake, Pattyson Lake-Umpherville Lake, Dowler Lake and Richards Lake blocks. Late in the third quarter of 2006, interpretation and evaluation of the geophysical results were carried out by Santoy Resources Ltd. (the Operator) and formed the basis for developing a 2007 follow-up exploration program. The program is expected to include staking the exploration permits to convert to claims, carrying out line-cutting and follow-up ground based geophysical surveys and some drilling of identified anomalies.

Fork Lake Property

During the first quarter of 2006, Wescan spent approximately $1.0 million advancing a drill program at the Jasper site on the Fork Lake Property. The results showed that the previously discovered Deep Jasper Zone (DJ) had a strike length of over 250 meters and a vertical extent of approximately 250 meters. The Company was encouraged by the drilling and as a result planned an additional 9,500 meter drill program. The focus of this phase of program was to continue to outline the Deep Jasper ("DJ") Zone to the north-east and to further evaluate the JN Footwall, the JN East Zone (footwall zones of the DJ Zone), the Roxy Zone and certain targets of the Transect Zone. During the third quarter of 2006, Wescan drill-tested the continuation of the Boulder zone, intersected earlier this year by drill hole DL-06-03 which contained encouraging results of 12.07 grams/tonne over 1 meter down hole. Extensive soil sampling programs were conducted over 1.4 x 3.4 km and 0.8 x 1.3 km grids in areas southwest of the Boulder and Jasper zones to identify continuity of these zones and the potential for new zones. The preliminary results from this soil sampling program were very encouraging and indicated there were at least eleven new areas that require drilling. The focus of the 2007 exploration program will be the follow-up of the drill targets identified and further soil sampling to identify additional anomalies.

Establishment of Subsidiary Company

In 2006 the Company created a wholly owned Mexican subsidiary, Minera Abundancia, which has been registered in the Mexican state of Chihuahua. Establishment of this subsidiary is a step in achieving Wescan's strategic plan of establishing itself in the international mining community. The creation of the Mexican subsidiary allows Wescan to pursue and potentially acquire advanced exploration projects in Mexico. In 2006 Wescan reviewed several opportunities to acquire properties in Mexico but to date a suitable acquisition target has not been found.

Selected Annual Information

Selected financial information of the Company by year is summarized as follows:

	2006 **$**	**2005** **$**	**2004** **$**
Revenues	201,800	95,085	7,629
Net loss	575,517	85,491	228,400
Net loss per share [(1)]	0.01	0.00	0.02
Total assets	11,261,212	7,848,941	2,445,633
Working capital	5,178,281	6,092,520	2,120,391

(1) Basic and diluted.

Year to Date

Results of Operations

For the year ended December 31, 2006, the Company had a net loss of $575,517 ($0.01 per share) compared to a net loss of $85,491 ($0.00 per share) for the same period in 2005. For the period ended December 31, 2006 the Company generated increased interest income from investing surplus cash, however, this increase was offset by additional administration, professional and consulting fees incurred. The Company had an income tax recovery as a result of federal and provincial governments corporate tax rate reductions and renunciation of flow-through share expenditures. The Company has recorded a future income tax recovery of $613,550 for the year-ended December 31, 2006. The Company's loss before income taxes was $1,189,067 which is $764,576 over the 2005 loss before income taxes. The increase in loss can be explained by increased professional fees incurred reviewing potential exploration projects and increased personnel and executive compensation costs.

Revenues

For the year ended December 31, 2006 the Company reported interest revenue of $201,800 as compared to $95,085 for the year ended December 31, 2005. The $201,800 in interest revenue in 2006 is the result of having surplus cash for investing after the completion of equity financings during late in the fourth quarter of 2006 as well as the third and fourth quarters of 2005.

Expenses

Total operating expenses for the year ended December 31, 2006 were $1,390,867 compared to $519,576 for the same period of 2005. This represents an increase of $871,291 or 167%. Administration expense increased $615,634 from $340,467 in 2005 to $956,101 in 2006. The increase in expenditures predominately related to an increase in personnel costs, an increase in executive compensation, an increase in the fair-value of stock based compensation and additional office space requirements. Consulting fees remained relatively stable from period to period, increasing by $13,855 or 12.2% over the same period last year. Finally, professional fees increased from $39,966 in 2005 to $260,263 in 2006. The large increase in 2006 was primarily related to professional fees associated with reviewing potential exploration projects in Canada and Mexico.

Investing

Mineral properties cash additions totaled $3.0 million for 2006 compared to $1.1 million for 2005. The additions for year ended December 31, 2006 predominately relate to the on-going drill program for the Fork Lake property and airborne geophysics surveys on the Company's uranium properties located in the Athabasca Basin region of Northern Saskatchewan. Approximately $2.5 million out of the $3.0 million was incurred on the Fork Lake property and this is where the Company has been focusing their efforts for the short-term. In addition, the Company issued 3.5 million common shares valued at $1.365

million to acquire Claude Resource's 75% interest in the Jojay gold property which is a few kilometers to the north-west of the Jasper gold property.

Financing

During the year ended December 31, 2006, the Company completed one private placement for 5,916,428 units at a price of $0.35 per unit for gross proceeds of $2,070,749. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share in the capital of Company for a period of 12 months from closing at a price of $0.45 per share. The Company paid finders' fees equal to 5% of the gross proceeds and issued 66,194 finders' warrants equal to 5% of the gross proceeds sold by such a finder pursuant to the offering. The finders' warrants have the same rights attached to them as the other warrants in this placement. Proceeds from this placement will be applied to further exploration including drilling on Wescan's 100% owned Jojay and Fork Lake properties, for further exploration of the Company's 50% owned uranium prospecting permits in the Athabasca Basin, for exploration on the Company's other properties in Northern Saskatchewan, and for general working capital purposes.

Summary of Quarterly Results

	2006				2005			
	Qtr 4 $	Qtr 3 $	Qtr 2 $	Qtr 1 $	Qtr 4 $	Qtr 3 $	Qtr 2 $	Qtr 1 $
Revenues (1)	44,680	51,228	53,417	52,475	44,979	21,765	15,474	12,867
Net income (loss)(2)	(273,544)	(176,017)	(272,672)	146,716	(85,843)	(69,568)	(179,834)	249,754
Net income (loss)/share (3)	(0.00)	(0.00)	(0.01)	0.00	(0.00)	(0.00)	(0.01)	0.01
Capital expenditures (4)	482,901	627,071	781,588	1,225,172	523,911	378,637	232,967	81,163
Shares outstanding (5)	59,045,166	49,628,738	49,620,338	49,101,638	46,802,464	44,663,357	34,524,493	34,324,493

(1) The Company's revenues come from interest earned on cash balances as well as administration fees for acting as operator on certain joint ventures. The overall increasing and stable trend related to revenue is due to interest from the cash proceeds from equity offerings during the first, third and fourth quarters of 2005 as well as the last quarter of 2006; the proceeds of which have been invested in short-term instruments intended to maximize return while being readily available for ongoing operational and exploration activities. Even though the company continues to advance its mineral properties through expending resources, the expected negative impact on interest revenues is mitigated due to an increase in interest rates.

(2) Basic and diluted.

(3) The additions in the first quarter of 2005 related to the acquisition of a 50% interest in 7 uranium properties located in the Athabasca Basin region of northern Saskatchewan. The additions in the last three quarters of 2005 and the first quarter of 2006 are primarily due to exploratory drill programs at the Fork Lake property. The first quarter of 2006 also had expenditures related to the acquisition of a 50% interest in 5 additional uranium properties located in the same proximity of the properties acquired during 2005 as well as airborne geophysics survey costs related to the uranium claims. The additions in the second, third and fourth quarters of 2006 relate to continued drilling on the Fork Lake property, surveying costs related to the Company's 50% interest of its uranium claims in northern Saskatchewan, additional staking done in the Limestone Lake area and the acquisition costs related to the purchase of the remaining 75% interest in the Jojay gold deposit from the Company's joint venture partner which closed on October 24, 2006.

(4) Private placements in the first, third and fourth quarters of 2005 and also in late 2006, in addition to exercise of warrants, broker warrants and options combined with the purchase of the remaining 75% interest in the Jojay gold deposit from the Company's joint venture partner in exchange for shares resulted in the remaining changes to the common shares issued and outstanding.

Liquidity

The Company does not currently operate any producing properties and; as such, is dependent upon the issuance of new equity to finance its ongoing obligations and advance its exploration properties. Although the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company’s working capital at December 31, 2006 is $5.2 million and is sufficient to cover all currently contemplated exploration programs for the Company’s properties. Until the Company’s surplus cash is required to fund exploration or development activities it is being invested in relatively risk-free, short-term instruments with maturities not exceeding 3 months.

The Company’s contractual obligations are as follows:

(Canadian dollars in millions)

	Payment due by period				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	Thereafter
Operating lease obligations	**$405,900**	**$81,180**	**$243,540**	**$81,180**	**$ -**

Capital Resources

As at December 31, 2006, the Company has working capital of $5.2 million as compared to $6.1 million at December 31, 2005. As at April 17, 2007, the Company had a total of 59,045,166 common shares issued and outstanding as well as 2,958,214 warrants, 66,194 broker warrants and 3,100,000 options. In the event all warrants, broker warrants and options were exercised, the Company would be required to issue a further 6,175,128 common shares for gross cash proceeds of $3.1million.

Related Party Transactions

During 2006 Shore Gold Inc. purchased an additional 3,000,000 common shares in the Company for cash consideration of $1,050,000. As at December 31, 2006 Shore Gold Inc. holds 11,474,086 common shares of the Company representing a 19.4% (2005 - 18.1%) interest in the Company.

During the year management and consulting fees of $157,024 (2005 - $114,500) were paid to directors, officers and companies controlled by common directors; $85,024 (2005 - $114,500) of these fees were included as consulting fees and $72,000 (2005 - $0) was included as administration expense.

During the year, the Company paid $473,944 (2004 - $61,587) to Shore Gold Inc. for rent of office space, administration services, and rental of equipment.

The above transactions were in the normal course of operations and are measured at an amount agreed to by the related parties. The fair-value of stock-based compensation was determined using the Black-Scholes model.

Fourth Quarter Results

For the quarter ended December 31, 2006, the Company recorded a net loss of $273,544 or $0.00 per share compared to a net loss of $85,843, or $0.00 per share for the same period in 2005. The major difference between the quarter ended December 31, 2006 and 2005 is predominately related to an increase in personnel costs, an increase in executive compensation, an increase in the fair-value of stock based compensation and additional office space requirements.

The Company generated $44,680 in interest revenue during the fourth quarter compared to $44,979 for the corresponding period in 2005. The balance remains relatively unchanged due to the Company having more cash on hand after the completion of three financings during 2005 and one in late in the fourth quarter of 2006.

During the fourth quarter the Company incurred $405,915 in mineral property additions the majority of which related to the Company's uranium properties and to Fork Lake.

In December 2006, the Company completed a private placement for 5,916,428 units at a price of $0.35 per unit for gross proceeds of $2,070,749. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share in the capital of Company for a period of 12 months from closing at a price of $0.45 per share. The financing raised will be spent on advancing the Company's exploration properties.

Critical Accounting Estimates

Wescan's consolidated financial statements are prepared in conformity with Canadian generally accepted accounting principles ("GAAP"). The Company's accounting policies are described in note 2 to the annual consolidated financial statements. Certain of these policies involve critical accounting estimates because they require Management to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. The uncertainties related to these areas could significantly impact the Company's results of operations, financial condition and cash flows.

Management considers the following polices to be the most critical in understanding the judgments that are involved in preparing the Company's financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows.

Mineral properties

Subject to compliance with provincial mineral regulations, the Company holds the right to explore for and develop mineral resources on various Crown property dispositions within the Province of Saskatchewan. These rights are classified as mineral properties for financial statement purposes.

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against future income of the project using the unit of production method over estimated recoverable reserves. Management periodically assesses carrying values of non-producing properties and if management determines that the carrying values cannot be recovered or the carrying values are related to properties that are allowed to lapse, the unrecoverable amounts are expensed.

The recoverability of the carried amounts of mineral properties is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of such reserves and the success of future operations. The Company has not yet determined whether any of its mineral properties contain economically recoverable reserves. Amounts capitalized as mineral properties represent costs incurred to date, less write-downs and recoveries, and does not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

Stock-based compensation plans

Options granted under the share option plan are accounted for using the fair-value of the options on the date of grant, which is determined by using an option-pricing model. The fair value estimate of the options is dependent on the assumptions of the expected term, volatility, risk-free rate of return and expected dividend yield which may be imprecise and depend partly on statistical inferences drawn from past experience. The estimated value of options can vary dramatically depending on the assumptions used and the actual value of the options may be materially different from the estimated value. Regardless of the actual value of the options or changes that may occur in any of the factors used in estimating the fair value, the expense recorded for stock compensation will not be adjusted.

Future income taxes

Future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying value of existing assets and liabilities and their respective tax basis. Future income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is recognized in earnings in the period which includes the enactment date. Future income tax assets and liabilities are recorded in the financial statements if realization is considered more likely than not. The valuation of future income taxes is adjusted, if necessary, by the use of a valuation allowance to reflect the estimated recoverable amount.

New accounting pronouncements

Financial Instruments – Recognition and Measurement

In January 2005, the CICA released new Handbook Section 3855, "Financial Instruments – Recognition and Measurement", effective for annual and interim periods beginning on or after October 1, 2006. This new section establishes standards for the recognition and measurement of all financial instruments, provides a characteristics-based definition of a derivative financial instrument, provides criteria to be used to determine when a financial instrument should be recognized, and provides criteria to be used when a financial instrument is to be extinguished. The Company is reviewing the guidance to determine the potential impact these new standards will have on its financial position and results of operations.

Comprehensive Income and Equity

In January 2005, the CICA released new Handbook Section 1530, "Comprehensive Income", and section 3251, "Equity", effective for annual and interim periods beginning on or after October 1, 2006. Section 1530 established standards for reporting comprehensive income. These standards require that an enterprise present comprehensive income and its components, in a separate financial statement that is displayed with the same prominence as other financial statements. Section 3251 establishes standards for the presentation of equity and changes in equity during the reporting period. The requirements in Section 3251 are in addition to Section 1530. The Company is reviewing the guidance to determine the potential impact these new standards will have on its financial position and results of operations.

Stock-based compensation for employees eligible to retire before the vesting date

In July 2006, the CICA's Emerging Issues Committee issued guidance on how to account for the compensation cost attributable to a stock-based award for a compensation plan containing provision which allow an employee's award to continue vesting after the employee has retired. The implementation of this guidance is effective January 1, 2007, and is not expected to have a material impact on the Company's financial position and results of operations.

Disclosure Controls and Procedures

The Company evaluated the effectiveness and design of its disclosure controls and procedures for the period ended December 31, 2006, and based on this evaluation (which included testing of the key controls by examining evidence demonstrating their existence on a test basis) have determined these controls to be effective.

The Corporation's financial reporting procedures and practices have enabled the certification of the Company's annual filings in compliance with Multilateral Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings". Management has designed such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements and other annual filings in accordance with Canadian Generally Accepted Accounting Principles.

Management is aware that given the limited number of employees involved in the design of internal controls over financial reporting that in-house expertise to deal with complex taxation, accounting and reporting issues may not always be sufficient. The Company obtains outside assistance and advice on new accounting pronouncements and complex accounting and reporting issues, which is common with companies of a similar size.

There have been no significant changes to the Company's internal control over financial reporting during the most recent period that would have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Outlook

As at April 19, 2007, the Company has $4.7 million in cash and cash equivalents that will partially be used to continue exploration programs on the Jojay and Fork Lake gold properties, fund its 50% share of future exploration programs on the Company's uranium property interests, and evaluate the potential for acquisition of more mineral properties in Canada and internationally.

Caution Regarding Forward-looking Information

From time to time, Wescan makes written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the Ontario Securities Act. Wescan may make such statements in this MD&A, in other filings with Canadian regulators, in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to Wescan's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding Wescan's future operations, future exploration and development activities or other development plans contain forward-looking statements.

All forward-looking statements and information are based on Wescan's current beliefs as well as assumptions made by and information currently available to Wescan concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, developments in world gold markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration, development or mining plans due to exploration results and changing budget priorities of Wescan or its joint venture partners; the effects of competition in the markets in which Wescan operates; the impact of changes in the laws and regulations regulating mining exploration and development; judicial or regulatory judgments and legal proceedings; operational and infrastructure risks and the additional risks described in Wescan's most recently filed annual and interim MD&A and Wescan's anticipation of and success in managing the foregoing risks.

Wescan cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Wescan, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Wescan does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by Wescan or on our behalf.

Further information relating to the Company has been filed on SEDAR and may be viewed at www.sedar.com.