

# WESCAN GOLDFIELDS INC.



## NEWS RELEASE

Stock Symbol: WGF: TSX-V

August 26, 2010

Saskatoon, Saskatchewan

## WESCAN GOLDFIELDS INC. ANNOUNCES SECOND QUARTER RESULTS

Wescan Goldfields Inc. (“Wescan” or the “Company”) reports the unaudited results of Wescan’s operations for the quarter ended June 30, 2010 have been filed and may be viewed at [www.sedar.com](http://www.sedar.com).

### Overview of activities

During the quarter, Wescan announced the successful completion of a private placement. The Company issued 3,461,539 units for \$0.13 per unit for gross proceeds of \$450,000; each unit consisted of one common share and one-half of one common share purchase warrant. The proceeds from this financing will be used partially for working capital requirements and also for the continued advancement of the Company’s highly prospective coal properties.

### Results of Operations

For the quarter ended June 30, 2010, the Company recorded a net loss of \$306,018 (\$0.00 per share) compared to a net loss of \$215,244 (\$0.00 per share) for the same period in 2009. For the six-month period ended June 30, 2010, the Company recorded a net loss of \$491,579 (\$0.01 per share) compared to a net loss of \$370,562 (\$0.00 per share) for the same period in 2009. The difference from 2010 to 2009 is primarily the result of future income tax recoveries recorded during 2009.

### Selected financial highlights include:

<b>Consolidated Balance Sheets</b>	<b>As at June 30, 2010</b>	<b>As at December 31, 2009</b>
Current assets	\$ 200,202	\$ 416,799
Capital and other assets	7,116,857	7,095,356
Current liabilities	434,777	738,725
Future income tax liability	163,336	-
Share capital and warrants	15,367,361	15,088,078
Contributed surplus	1,801,667	1,643,855
Deficit	10,450,082	9,958,503

<b>Consolidated Statements of Loss and Comprehensive Loss</b>	<b>Three months Ended June 30, 2010</b>	<b>Three months Ended June 30, 2009</b>	<b>Six months Ended June 30, 2010</b>	<b>Six months Ended June 30, 2009</b>
Interest and other income	\$ 9,934	\$ 6,840	\$ 19,821	\$ 9,375
Operating expenses	315,952	316,391	511,400	546,225
Net and comprehensive loss for the period	(306,018)	(215,444)	(491,579)	(370,562)
Loss per share	(0.00)	(0.00)	(0.01)	(0.00)

<b>Consolidated Statements of Cash Flows</b>	<b>Three months Ended June 30, 2010</b>	<b>Three months Ended June 30, 2009</b>	<b>Six months Ended June 30, 2010</b>	<b>Six months Ended June 30, 2009</b>
Cash flows from (used in) operating activities	\$ (430,631)	\$ 72,334	\$ (522,561)	\$ (136,391)
Cash flows from investing activities	(14,985)	(376,110)	(62,471)	(368,291)
Cash flows from financing activities	442,619	-	442,619	-
Decrease in cash and cash equivalents	(2,997)	(303,776)	(142,413)	(504,682)
Cash and cash equivalents – beginning of period	150,189	2,348,529	289,605	2,549,435
Cash and cash equivalents – end of period	147,192	2,044,753	147,192	2,044,753

## Outlook

Wescan's focus for the remainder of 2010 will be the continued exploration on the Hudson Bay and Pinehouse Lake coal projects. The Company is currently evaluating financing options to allow it to pursue exploration programs on these highly prospective coal properties as well as to continue exploration on its portfolio of gold properties. The Company will also continue to evaluate the potential for the acquisition of other mineral properties that fit its strategic direction. Management is confident the Company will have sufficient access to financial markets to continue its planned activities in 2010.

## Technical Information

All technical information in this report has been prepared under the supervision of Kirsten Marcia, Professional Geoscientist in the Province of Saskatchewan, and is the Company's "Qualified Person" under the definition of NI 43-101.

## Caution Regarding Forward-looking Information

This press release contains forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of Canadian Securities legislation and the United States Private Securities Litigation Reform Act of 1995. 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, and, in particular, statements regarding Wescan's future operations, future exploration and development activities or other development plans contain forward-looking statements. Forward-looking statements in this press release include, but are not limited to, the ability to raise funds to pursue exploration activities, the use of such funds, and the acquisition and exploration of additional properties.

These forward-looking statements are based on Wescan's current beliefs as well as assumptions made by and information currently available to it and involve inherent risks and uncertainties, both general and specific. Risks exist that forward-looking statements will not be achieved due to a number of factors including, but not limited to, developments in world coal and 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, 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 and operational risks and the additional risks described in Wescan's most recently filed annual and interim MD&A, news releases and technical reports. Wescan's anticipation of and success in managing the foregoing risks could cause actual results to differ materially from what is anticipated in such forward-looking statements.

Although management considers the assumptions contained in forward-looking statements to be reasonable based on information currently available to it, those assumptions may prove to be incorrect. When making decisions with respect to Wescan, investors and others should not place undue reliance on these statements and should carefully consider the foregoing factors and other uncertainties and potential events. Unless required by applicable securities law, Wescan does not undertake to update any forward-looking statement that may be made.

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