

WESCAN GOLDFIELDS INC.



NEWS RELEASE

Stock Symbol: WGF: TSX-V

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Saskatoon, Saskatchewan

WESCAN GOLDFIELDS INC. ANNOUNCES SECOND QUARTER RESULTS

Wescan Goldfields Inc. (“Wescan” or the “Company”) reports that the unaudited results of Wescan’s operations for the quarter ended June 30, 2011 will be filed today on SEDAR and may be viewed at www.sedar.com once posted. A summary of key financial and operating results for the quarter is as follows:

Highlights

- Commenced drill programs on the Company’s Jojay and Jasper gold properties
- Initiated airborne geophysical survey at Munro Lake gold property
- Issued and outstanding shares of 112,452,121 at June 30, 2011

Overview of activities

During the first half of 2011, Wescan focused on reviewing historical drill, geological and geotechnical data in order to plan the 2011 exploration activities on its portfolio of gold and coal properties. Based on this review, the Company undertook the raising of sufficient capital during the first quarter in order to finance a significant portion of the planned 2011 exploration programs. Following the completion of a \$1.6 million financing on February 24, 2011, Wescan announced certain exploration programs for the year. The programs commenced in June of 2011 on the Company’s portfolio of gold properties in the La Ronge Gold Belt in northern Saskatchewan. The Company’s large parcel of coal permits has also been reviewed and the Company intends to focus future coal exploration programs on certain areas of high potential.

Quarterly Results

For the quarter ended June 30, 2011 the Company recorded a net loss of \$734,615 (\$0.01 per share) compared to a net loss of \$303,910 (\$0.00 per share) for the same period in 2010. The difference between the quarter ended June 30, 2011 and 2010 is primarily the result of the impairment of certain coal evaluation and exploration assets.

Year to Date Results

For the six months ended June 30, 2011, the Company recorded a net loss of \$837,136 (\$0.01 per share) compared to a net loss of \$477,414 (\$0.01 per share) for the same

period in 2010. The difference from 2011 to 2010 is primarily the result of the impairment of certain coal exploration and evaluation assets.

Selected financial highlights include:

| Condensed Consolidated Balance Sheets | As at June 30, 2011 | As at December 31, 2010 |
|--|------------------------------------|--|
| Current assets | \$ 1,553,628 | \$ 517,599 |
| Capital and other assets | 6,561,457 | 7,077,897 |
| Current liabilities | 202,939 | 145,786 |
| Long-term liabilities | 163,853 | 75,520 |
| Future income tax liability | 58,248 | 163,336 |
| Shareholders' equity | 7,690,045 | 7,210,854 |

| Condensed Consolidated Statements of Loss and Comprehensive Loss | Three Months Ended June 30, 2011 | Three Months Ended June 30, 2010 | Six Months Ended June 30, 2011 | Six Months Ended June 30, 2010 |
|---|---|---|---|---|
| Interest and other income | \$ 13,699 | \$ 9,934 | \$ 24,233 | \$ 19,821 |
| Operating expenses | 166,054 | 313,844 | 279,109 | 497,235 |
| Loss before other items | (152,355) | (303,910) | (254,876) | (477,414) |
| Impairment of exploration and evaluation assets | (700,265) | - | (700,265) | - |
| Flow-through share premium recovery | 12,917 | - | 12,917 | - |
| Deferred income tax recovery | 105,088 | - | 105,088 | - |
| Net and comprehensive loss for the period | (734,615) | (303,910) | (837,136) | (477,414) |
| Net and comprehensive loss per share | (0.01) | (0.00) | (0.01) | (0.01) |

| Condensed Consolidated Statements of Cash Flows | Six Months Ended June 30, 2011 | Six Months Ended June 30, 2010 |
|--|---|---|
| Cash flows from operating activities | \$ (219,987) | \$ (522,561) |
| Cash flows from investing activities | (220,801) | (62,471) |
| Cash flows from financing activities | 1,416,293 | 442,619 |
| Increase (decrease) in cash and cash equivalents | 975,505 | (142,413) |
| Cash and cash equivalents – beginning of period | 499,115 | 289,605 |
| Cash and cash equivalents – end of period | 1,474,620 | 147,192 |

Outlook

With the significant escalation in the price of gold, the Company believes the timing is right to focus exploration efforts on the properties with known gold mineralization. This focus on gold properties will include exploration work on the Jojay, Jasper and Munro Lake properties. The Company's success in raising additional flow-through financing during the first quarter of 2011 has allowed it to begin exploration programs on this portfolio of gold properties in the La Ronge Gold Belt in northern Saskatchewan. The Company also remains committed to its coal holdings near Hudson Bay, Saskatchewan and has determined additional exploration and evaluation work is warranted based on the review conducted. 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 exploration activities in 2011.

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 gold and coal 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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