

# WESCAN GOLDFIELDS INC.



## **NEWS RELEASE**

**Stock Symbol: WGF: TSX-V**

**April 27, 2009**

**Saskatoon, Saskatchewan**

## **WESCAN GOLDFIELDS INC. ANNOUNCES YEAR END RESULTS**

Wescan Goldfields Inc. (“Wescan”) reports the audited results of Wescan’s operations for the year ended December 31, 2008 have been filed and may be viewed at [www.sedar.com](http://www.sedar.com). A summary of key financial and operating results for the year follows:

### **Highlights**

- Extensive package of coal permits received for areas around Hudson Bay and Pinehouse Lake, Saskatchewan.
- Completion of the winter drill program on its 100% owned Jojay gold project in the La Ronge greenstone belt in northern Saskatchewan.
- Further work completed on the exploration program on the Munro Lake joint venture in northern Saskatchewan.
- Successful financings that raised in excess of \$2.8 million.
- Working capital of \$2.3 million at year end.
- Issued and outstanding shares of 75,121,390 at December 31, 2008.

### **Coal Projects**

In the second quarter of 2008, immediately following the announcement of a significant coal discovery in the east central area of Saskatchewan, Wescan applied for an extensive package of coal dispositions. Coal permit applications covering approximately 253,000 hectares in this region were submitted in accordance with the *Coal Disposition Act* of Saskatchewan.

During the third quarter of 2008, Wescan announced it had received an initial tranche of 229 coal permit certificates from the Saskatchewan Ministry of Energy and Resources. These permits comprised a total area of 161,777 hectares (1,618 square kilometres) in the Hudson Bay area which will allow the Company to actively explore the area for coal (see Wescan news releases dated July 30 and September 18, 2008).

In the fourth quarter of 2008 Wescan received 95 additional coal permit certificates comprised of 52 from the Hudson Bay area and 43 from the Pinehouse Lake area of northern Saskatchewan located west of La Ronge. A total of 324 coal permits have now been issued to the Company encompassing a total area of 190,992 hectares (1,910 square

kilometres) in the Hudson Bay region and 33,008 hectares (331 square kilometres) in the Pinehouse Lake area. The permits cover a period of one year with two possible six-month extensions and thereafter convertible to a 15-year lease.

A review of regional geophysics and detailed topographic data is currently underway to define drill targets. Applications for environmental permitting with the Saskatchewan Ministry of Environment for an exploration program are also currently in progress. Upon receipt of these permits, the Company plans to test several anomalies within the permit areas through a multi-hole core drilling program.

### **Jojoy Project**

Drilling on Wescan's advanced stage Jojoy project continued in the first quarter of 2008. This program commenced after the completion of the drill program on the Company's Fork Lake project in late 2007. The 2007-2008 Jojoy drill program included 6,336 metres of core drilling over 22 holes and was completed in late February, 2008. This drill program focused on infill drilling required for a resource estimate. In addition, drilling down plunge of the known mineralized zone resulted in a significant overall deepening of the deposit. The northern mineralized zone was extended from 200 metres to 300 metres from surface and the southern mineralization was extended from 150 metres to 250 metres from surface. These drill results demonstrate the significant increase of potential at Jojoy.

### **Munro Lake**

In 2008, the Company commenced work on the summer line-cutting and soil geochemistry program on the Munro Lake joint venture project. The 2008 exploration program aimed to study the extent of gold mineralization on the property. Exploration was targeted on the mafic metavolcanics that extend from the southern claim boundary north-westwards through Munro Lake. This program, which commenced in the second quarter of 2008, included line-cutting, soil geochemical sampling (25 metre intervals), prospecting and mapping. Initial data interpretation from this program is currently underway. The Company's project partner Shane Resources Inc. chose not to fund their portion of the 2008 exploration program and as a result their participating interest was reduced in accordance with the joint venture agreement resulting in Wescan now owning 86.5%.

### **Mud Lake Option Agreement**

The Company exercised its right to terminate its obligations pursuant to the Option Agreement between Wescan and Alto Ventures Ltd ("Alto"). As a result, Wescan forfeited its interest of any description in the mineral dispositions of the property in the Beardmore-Geraldton Gold Belt of northern Ontario and has written down all capitalized costs associated with the Mud Lake property.

Under the terms of the 2007 Option Agreement, Wescan had an exclusive and irrevocable option to acquire an undivided 50% interest in Alto's Mud Lake Project by making \$600,000 in exploration expenditures and issuing 150,000 Wescan shares to Alto over a two year period.

### **Athabasca Basin Properties**

Wescan elected not to fund its portion of the current year exploration program related to the Company's co-owned uranium exploration properties in the Athabasca basin of northern Saskatchewan. As a result of this decision, Wescan had its interest diluted in the eleven properties in accordance with the joint operating agreement. The Company's interest in the properties had been reduced to a non-participating, non-voting Net Smelter Return royalty of 0.5%. As a result, at December 31, 2008 the Company wrote down all capitalized costs associated with the Athabasca basin properties.

### **Selected financial highlights include (as at December 31):**

	2008 (\$)	2007 (\$)
<b><u>Balance Sheets</u></b>		
Current assets	2,724,519	3,526,360
Property and equipment	9,453,030	8,440,082
Current liabilities	381,548	528,085
Future income tax liability	-	25,500
Share capital and warrants	14,799,329	12,308,919
Contributed surplus	1,444,117	1,148,301
Deficit	4,447,445	2,044,363
<b><u>Statements of Loss</u></b>		
Interest and other income	103,829	199,248
Operating Expenses	1,678,704	1,589,050
Loss for the period before income taxes	1,574,875	1,389,802
Net loss and comprehensive loss for the period	2,403,082	1,046,802
Loss per share	0.04	0.02
<b><u>Statements of Cash Flows</u></b>		
Cash flows from operating activities	(1,367,651)	(695,561)
Cash flows from investing activities	(2,297,652)	(2,563,461)
Cash flows from financing activities	2,801,463	1,448,023
Decrease in cash and cash equivalents	(863,840)	(1,810,099)
Cash and cash equivalents – beginning of year	3,413,275	5,224,274
Cash and cash equivalents – end of year	2,549,435	3,413,275

## Outlook

As at April 24, 2009, the Company has \$2.3 million in cash and cash equivalents that will be used to establish a drill program on the recently acquired coal permit properties as well as continue exploration programs on the Jojay, Fork Lake, and Munro properties. In addition, the Company will continue to evaluate the potential for acquisition of more mineral properties in Canada and internationally. Management has determined that the Company will continue to require additional financing and believes it will have sufficient access to financial markets to continue its planned objectives.

## Caution regarding Forward-looking Statements

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 operation 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. Unless otherwise required by applicable securities laws, 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.

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