



Trading Symbol: BMC - TSX-V
Shares Outstanding: 112,127,490

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**BUCHANS MINERALS CORPORATION ANNOUNCES
COMPLETION OF A NON-BROKERED PRIVATE PLACEMENT
WITH THE MINERALFIELDS GROUP**

Buchans Minerals Corporation (BMC-TSX-V) ("**Buchans Minerals**" or the "**Company**") is pleased to announce that it completed a private placement offering ("**Offering**") of \$1,000,000 of units ("**Units**") at \$0.08 per Unit to MineralFields Group. Each Unit consists of one flow through share and one-half common share purchase warrant ("**Warrant**"). Each Warrant entitles the holder thereof to purchase one common share of the Company for a period of 24 months following the closing of the Offering at a price of \$0.12 at any time before 12 months following the closing and at a price of \$0.15 at any time thereafter until their expiry. Buchans Minerals intends to use the proceeds of the offering to fund mineral exploration expenses on its Long Range and Buchans North properties which are held by the Company's wholly owned subsidiary, Buchans River Ltd. The Offering is subject to the receipt of all necessary regulatory and stock exchange approvals.

"We are very pleased to be commencing this relationship with MineralFields Group," said Warren MacLeod, President and CEO of Buchans Minerals. "This is an important milestone in the growth of the Company and we look forward to working with MineralFields Group as we develop our holdings in Atlantic Canada."

The Company will pay a cash finders' fee in the amount of \$54,000 in connection with certain subscriptions under the Offering to First Canadian Securities® ("**First Canadian**"), a non-arm's length party with MineralFields Group. The Company will also issue to First Canadian 787,500 non-transferable finders warrants ("**Finders Warrants**"). Each Finders Warrant will be exercisable into one common share of the Company until October 15, 2012 at an exercise price of \$0.12 at any time before October 15, 2011 and at a price of \$0.15 at any time thereafter until their expiry.

All of the securities issued in connection with the Offering will be subject to a four month hold period from the date of issue.

About Buchans Minerals:

Buchans Minerals is an Atlantic Canada based resource company that is focused on exploring and developing mineral properties in New Brunswick and the historic Buchans mining camp in central Newfoundland, Canada.

About MineralFields, Pathway and First Canadian Securities®

MineralFields Group, (a division of Pathway Asset Management), based in Toronto, Montreal, Calgary and Vancouver, is a mining fund with significant assets under administration that offers its tax-advantaged super flow-through limited partnerships to investors throughout Canada as well as hard-dollar resource limited partnerships to investors throughout the world. Pathway Asset Management also specializes in the manufacturing and distribution of structured products and mutual funds (including the Pathway Multi Series Funds Inc. corporate-class mutual fund series). Information about MineralFields Group is available at www.mineralfields.com. First Canadian Securities® (a division of Limited Market Dealer Inc.) is active in leading resource financings (both flow-through and hard dollar PIPE financings) on competitive, effective and service-friendly terms, and offers investment banking, mergers and acquisitions, and mining industry consulting, services to resource companies. MineralFields and Pathway have financed several hundred mining and oil and gas exploration companies to date through First Canadian Securities®.

Forward Looking Statements:

Certain information contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Company believes the expectations reflected in such forward-looking statements are reasonable, they can give no assurance that such expectations will prove to have been correct. The Company cautions that actual performance will be affected by a number of factors, many of which are beyond their control, and that future events and results may vary substantially from what the Company currently foresees. The Company's forward looking statements are expressly qualified in their entirety by this cautionary statement.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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