Financial Statements
(Expressed in Canadian Dollars)

WELLSTAR ENERGY CORP.

(Formerly RCOM Venture Corp.)

For the six month period July 31, 2005

The accompanying unaudited Interim Financial Statement for the six month period ended July 31, 2005 have not been reviewed or audited by the Company's Auditors.

WELLSTAR ENERGY CORP.
(Formerly RCOM Venture Corp.)
Balance Sheet
(Unaudited - Prepared by Management)

ASSETS

	July 31, 2005 Unaudited	January 31, 2005 Audited
	$	$
Current assets		
Cash and cash equivalents	96,333	21,776
Refundable deposits	148,000	-
Amounts receivable and prepaid expenses	55,276	1,960
	299,609	23,736
Investment in resources properties (Note 3)	206,599	-
Computer equipment (Note 4)	3,041	-
	509,249	23,736

LIABILITIES

Current liabilities		
Accounts payable and accrued liabilities	2,716	3,500

SHAREHOLDERS' EQUITY

Capital stock (Note 5)	5,473,632	4,820,565
Option compensation (Note 6)	276,272	66,372
Contributed surplus	124,422	124,422
Deficit	(5,367,793)	(4,991,123)
	506,533	20,236
	509,249	23,736

Continuing Operations (Note 1)

Approved by the Directors:

s/"Andrew Rees"
_____________________Director

s/"Michael Cartmel"
_____________________Director

See Accompanying Notes to Financial Statements

WELLSTAR ENERGY CORP.
(Formerly RCOM Venture Corp.)
Statement of Operations and Deficit
(Unaudited - Prepared by Management)

	Unaudited			
	3 months		6 months	
	2005	2004	2005	2004
Administrative Expenses:				
Amortization	252	-	296	-
Audit and accounting fees	3,560	10,392	4,060	11,354
Consulting fees	17,246	600	31,074	2,100
Filing and transfer agent fees	6,395	1,363	10,145	4,629
Investor and shareholder information	2,174	-	2,136	-
Legal fees	-	-	706	-
Management fees	15,000	-	30,000	-
Office services and supplies	5,242	5,866	8,750	6,243
Office rent	1,200	4,500	2,400	4,500
Salaries	21,150	-	21,150	-
Travel & accommodation	17,027	-	18,639	-
Less: bank interest	(148)	(14)	(366)	(52)
	(89,098)	(27,707)	(128,990)	(28,774)
Miscellaneous property investigation and evaluation	(9,925)	-	(37,780)	-
Stock based compensation	(209,900)	-	(209,900)	-
Loss for the period	(308,923)	(27,707)	(376,670)	(28,774)
Deficit, beginning of period	(5,058,870)	(4,650,872)	(4,991,123)	(4,644,805)
Deficit, end of period	(5,367,793)	(4,673,579)	(5,367,793)	(4,673,579)
Loss per share	$(0.08)	$(0.01)	$(0.10)	$(0.01)
Weighted average number of shares	3,693,689	3,443,698	3,715,397	3,443,698

See Accompanying Notes to Financial Statements

WELLSTAR ENERGY CORP.
(Formerly RCOM Venture Corp.)
Statement of Cash Flows
(Unaudited - Prepared by Management)

	Unaudited			
	3 months		6 months	
	2005	2004	2005	2004
CASH PROVIDED BY (USED IN)				
Operating Activities:				
Loss for the period	(308,923)	(22,707)	(376,670)	(28,774)
Items not requiring cash:				
Amortization of computer equipment	252	-	296	-
Stock option compensation	209,900	-	209,900	-
	(98,771)	(22,707)	(166,474)	(28,774)
Changes in non-cash working capital Items:				
Amounts receivable and prepaid expense	(52,582)	-	(37,128)	-
Accounts payable and accrued liabilities	(1,876)	8,749	(16,972)	39,192
Refundable deposits	(98,000)	-	(148,000)	-
	(251,229)	(13,958)	(368,574)	10,418
Investing Activities:				
Resource property investment	(206,599)	(16,746)	(206,599)	(17,322)
Purchase of computer	-	-	(3,337)	-
	(206,599)	(16,746)	(209,936)	(17,322)
Financing Activities:				
Share issuance net of costs	653,067	-	653,067	-
Share subscriptions	(325,710)	-	-	-
	327,357	-	653,067	-
Increase (decrease) in cash in the period	(130,471)	(30,704)	74,557	(6,904)
Cash, beginning of period	226,804	32,954	21,776	9,154
Cash, end of period	96,333	2,250	96,333	2,250

See Accompanying Notes to Financial Statements

1. Nature and Continuance of Operations

The Company is in the development stage and is in the process of exploring its resource properties and has not determined whether these properties contain reserves which are economically recoverable. The recoverability of amounts shown for resource property costs is dependent upon the discovery of economically recoverable reserves and the ability to obtain the necessary financing to complete their exploration and development.

These financial statements have been prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future. No assurances can be given that the company will be able to continue as a going concern. These financial statements do not include any adjustments that might be necessary if the Company were unable to continue operations.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do no guarantee, the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, and non-compliance with regulatory requirements.

2. Interim Reporting

These unaudited interim financial statements have been prepared in accordance with the accounting principles generally accepted in Canada for interim financial information and, follow the same accounting policies and methods of their application as the Company's most recent annual financial statements. These interim financial statements do not include all of the disclosure included in the annual financial statements, and accordingly, they should be read in conjunction with the annual Audited financial statements for the year ended January 31, 2005. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The results of operations for the interim periods are not necessarily indicative of the results of operations for the entire year.

3. Investment in Resource Properties

a) Virgo/Zama, Alberta, Canada

During the period the Company entered into a Participation Agreement with Warburg Resources Inc. Under the terms of the agreement, the Company has been granted the right to earn a 50% interest Before Pay Out ("BPO") and a 32.5 % interests After Pay Out ("APO") in three properties, and a 45% and 30% interest in a fourth property subject to Crown and farmor royalties ranging from 5% to 22.5%. Pursuant to the terms of the Agreement, and in order for the Company to maintain its interest, the Company has paid $125,000 and is required to make further payments in October and November 2005 to re-enter and/or drill and case four Keg River wells which are estimated at $839,052 and $1,058,577 respectively. This transaction is to regulatory approval.

3. Investment in Resource Properties, continued

b) Paddle River, Alberta, Canada

The Company has entered into a Participation Agreement with Tara Leigh Consulting Ltd., subject to regulatory approval, whereby the company may earn certain interests in a property located in Alberta. Under the terms of the agreement, the company can earn a 50-per-cent interest before payout, a 41-per-cent interest after payout, and 41 per cent of the Paddle River property, subject to royalties. The participation cost for such interest is 50 per cent of the estimated costs to drill and case the test well, being $180,000 (net), but does not include costs to complete and equip the test well. During the period the Company made payment of $75,000 under the terms of this Agreement.

c) Investment in resource properties consist of the following:

Balance, January 31, 2005	-
Virgo/Zama, Alberta	$125,000
Paddle River, Alberta	81,599
Balance, July 31, 2005	$206,599

Oil and gas investments are unproven properties and are therefore currently not subject to depletion. The Company expects to incur further oil and gas expenditures during the year of approximately $2,000,000 to further develop these properties. The Company expects to finance these expenditures through farm out agreements and equity financing. There is no guarantee that these properties will generate revenue.

4. Computer Equipment

	July 31, 2005			January 31, 2005
	Cost	Accumulated Amortization	Net Value	Net Value
Computer	$ 3,337	$ 296	$ 3,041	$ -

5. Share Capital

a) Authorized: Unlimited number of common shares without par value.

b) Issued:

	Number of shares	Amount
Balance, January 31, 2005	3,693,689	$ 4,820,565
Issued in the period:		
For cash:		
by private placements	1,302,473	716,360
Less: cost of issue	-	(63,293)
Balance, July 31, 2005	4,996,162	$ 5,473,632

c) Private Placement

During the period the Company completed a private placement involving the issuance of 1,302,473 units at a price of $0.55 per unit. Each unit consisted of one common share and a ½ share purchase warrant entitling the holder to purchase an additional common share in the company for each full warrant at a price of $0.75 per share for a period of one year. The Company paid finder fees of $63,293 in connection with this financing.

d) Share purchase warrants

The continuance of the Company's outstanding warrants at July 31, 2005 is as follows:

Expiry Date	Exercise Price	Balance January 31, 2005	Granted	Exercised	Balance July 31, 2005
June 29/06	$0.75	Nil	601,237	Nil	601,237
July 6/06	$0.75	Nil	50,000	Nil	50,000

e) Stock Options

During the period the Company granted 499,616 incentive stock options at an exercise price of $0.55 per share expiring July 11, 2010 and 340,000 options were cancelled.

5. Share Capital

f) Stock Options

The continuance of the Company's outstanding options at July 31, 2005 is as follows:

Expiry dates	Exercise prices	Balance January 31, 2005	Granted	Exercised/ Cancelled	Balance July 31, 2005
April 1, 2006	$0.335	340,000	-	(340,000)	-
July 11, 2010	$ 0.55	-	499,616	-	499,616

6. Stock Based Compensation

In the period ended July 31, 2005 a charge to compensation costs of $209,900 was recorded against income. The charge includes the estimated fair value of 499,616 share purchase options granted to directors, employees and consultants of the Company as compensation.

The fair value of the share purchase options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 4.170%, dividend yield of 0%, volatility factor of 102%, and an expected life of three years.

7. Comparative Figures

Certain of the prior years comparative figures have been reclassified to conform to the presentation adopted for the current year.

8. Related Party Transactions

During the period the Company paid $30,000 to a Director of the Company for Management fees, $3,925 for office services, $2,400 for premises rental and $13,660 for travel expenses.

WELLSTAR ENERGY CORP.

(Formerly RCOM Venture Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the 2nd quarter

JULY 31, 2005

Forward Looking Statements

Except for historical information, the Management's Discussion and Analysis ("MD&A") may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward looking statements.

Business Overview

The Company's principal business activities are the exploration and development of mineral properties. The Company is in the process of exploring and developing its mineral properties and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable ore reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims and leases and upon future profitable production or sufficient proceeds from the disposition of its mineral properties.

The Company is continually investigating new exploration opportunities, and exploration is carried out on properties identified by management of the Company as having favorable exploration potential. Interests in such properties are acquired in various ways. In some cases the Company, through its own efforts, stakes mineral claims or acquires exploration permits. In other cases the Company acquires interests in mineral properties from third parties. An acquisition from a third party is typically made by way of an option agreement which requires the Company to make specified option payments and to incur a specified amount of exploration expenditures on the property within a given time in order to earn an interest in the property. Most option agreements provide that once the Company has made any required option payments and incurred the specified exploration expenditures, the parties will enter into a joint venture requiring each party to contribute towards future exploration and development costs based on its percentage interest in the property, or suffer dilution of its interest.

The Company advances its projects to varying degrees by prospecting, mapping, geophysics and drilling. Once a property is determined to have limited exploration potential the property is abandoned or sold. In cases where exploration work on the property reaches a stage where the expense and risk of further exploration and development are too high the Company may seek a third party to earn an interest by furthering the exploration process. Optioning a property to a third party allows the Company to retain an interest in further exploration and development while limiting its obligation to commit large amounts of capital to any one project. The mineral exploration business is high risk and most exploration projects will not become mines.

Current Operations

Financing

During the quarter the Company completed a private placement involving the issuance of 1,302,473 units at a price of $0.55 per unit. Each unit consisted of one common share and a ½ share purchase warrant entitling the holder to purchase an additional common share in the company for each full warrant at a price of $0.75 per share for a period of one year. The Company paid finder fees of $63,293 in connection with this financing.

Virgo/Zama, Alberta, Canada

During the quarter the Company entered into a Participation Agreement with Warburg Resources Inc. Under the terms of the agreement, the Company has been granted the right to earn a 50% interest Before Pay Out ("BPO") and a 32.5 % interests After Pay Out ("APO") in three properties, and a 45% and 30% interest in a fourth property subject to Crown and farmor royalties ranging from 5% to 22.5%. Pursuant to the terms of the Agreement, and in order for the Company to maintain its interest, the Company has paid $125,000 and is required to make further payments in October and November 2005 to re-enter and/or drill and case four Keg River wells which are estimated at $839,052 and $1,058,577 respectively. This transaction is to regulatory approval.

The Virgo-Zama area has been a prolific producer of oil and gas from Devonian Keg River reefs. The four prospects are all define by 3D seismic and all proposed wells offset former producers in existing pools.

Subsequent to the period, the re-entry program on its first well was completed. 13-22 well was re-entered and successfully completed in the Keg River Formation. Based on information provided by Warburg Resources Inc. (the operator), in a 24 hour production test, the well flowed 72.91 m^3 of clean oil and 7.22 10^3m^3 of gas on a 9.53 mm choke at an average flowing wellhead pressure of 1400 kPa (g). This corresponds to a rate of 459 barrels of oil per day (459 bopd) and 256 thousand cubic feet of gas per day (256 mcf/d) respectively.

The well is currently shut-in awaiting the installation of production equipment. The operator is currently acquiring approvals and equipment to install an oil battery. The company's engineering consultants are currently reviewing the production and reservoir data and will issue an evaluation report in due course.

Paddle River, Alberta, Canada

The Company has entered into a Participation Agreement with Tara Leigh Consulting Ltd., subject to regulatory approval, whereby the company may earn certain interests in a property located in Alberta. Under the terms of the agreement, the company can earn a 50-per-cent interest before payout, a 41-per-cent interest after payout, and 41 per cent of the Paddle River property, subject to royalties. The participation cost for such interest is 50 per cent of the estimated costs to drill and case the test well, being $180,000 (net), but does not include costs to complete and equip the test well. During the period the Company made payment of $75,000 under the terms of this Agreement.

Results of Operations

Year to date (6 months to July 31, 2005)

Assets increased in the quarter from $23,739 at January 31, 2005 to $509,249 at July 31, 2005 on completion of two private placements which financed the acquisition of resource properties as discussed above. Liabilities decreased slightly from $3,500 to $2,719 at July 31, 2005. Share Capital increased from $4,820,565 at January 31, 2005 to $653,067 at July 31, 2005 on the issuance of 1,302,473 common shares, net of issue costs. Option compensation increased by $209,900 on the recognition of the fair value of options granted to directors in the period. The Company recorded losses of $376,670 increasing deficit from $4,991,123 at January 31, 2005 to $5,367,793 at July 31, 2005.

Included in the loss for the period was a charge to operations for compensation costs of $209,900, miscellaneous property investigation of $37,780 and administrative expenses of $128,990. The charge for compensation costs includes the estimated fair value of 499,616 share purchase options granted to directors, employees and consultants of the Company as compensation. The fair value of the share purchase options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 4.170%, dividend yield of 0%, volatility factor of 102%, and an expected life of three years. The miscellaneous property investigation expense incurred as a result of the company was investigating resource property acquisitions.

Administrative expenses for the period were $128,990, an increase from the corresponding period in 2004 of $100,216. As a result of an increase in financing and investing activities undertaken during the period, Management fees, consulting and salaries have increased from $2,100 to $82,224. The increase in travel expenses of $18,639 is also a result of the increased activities in the Company.

Second quarter (3 months to July 31, 2005)

The loss for the quarter ended July 31, 2005 was $308,923 compared to the loss in the previous quarter of $115,662. Included in the loss was $9,925 for investigating properties and conducting due-diligence and $209,900 for the estimated fair value of 499,616 options granted as discussed above. Administrative expenses increased from the previous quarter by $46,492 as a result of an increase in the Company's activities, which required an increase in administrative staff and traveling expenses.

Summary of Quarterly Results

Expressed in Cdn $

	2005			2004				2003
Period	July 31	Apr.30	Jan.31	Oct. 30	Jul. 31,	Apr 30	Jan. 31	Oct. 30
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total Revenue	-	-	-	-	-	-	-	-
Income (loss) before other items	(89,098)	(42,606)	(51,698)	(10,577)	(22,707)	(6,067)	(21,723)	(14,299)
Basic and diluted loss per share	(0.02)	(0.01)	(0.01)	(0.00)	(0.01)	(0.00)	(0.01)	(0.02)
Net Income (loss)	(308,923)	(115,662)	(280,893)	(10,577)	(22,707)	(6,067)	(21,723)	(67,479)
Basic and diluted loss per share	(0.08)	(0.03)	(0.08)	(0.00)	(0.01)	(0.00)	(0.01	(0.02)

Related Party Transactions

During the six months ended July 31, 2005 the Company paid $30,000 to a Director of the Company for Management fees, $3,925 for office services, $2,400 for premises rental and $13,660 for travel expenses.

Share Structure

(a) Authorized: Unlimited number of common shares without par value

(b) Issued: 4,996,162

(c) Stock options outstanding:

The continuance of the Company's outstanding options at July 31, 2005 is as follows:

Expiry dates	Exercise price	Balance January 31, 2005	Granted	Exercised/ Cancelled	Balance July 31, 2005
April 1, 2006	$0.335	340,000	-	(340,000)	-
July 11, 2010	$ 0.55	-	499,616	-	499,616

(d) Share purchase warrants

The continuance of the Company's outstanding warrants at July 31, 2005 is as follows:

Expiry Date	Exercise Price	Balance January 31, 2005	Granted	Exercised	Balance July 31, 2005
June 29/06	$0.75	Nil	601,237	Nil	601,237
July 6/06	$0.75	Nil	50,000	Nil	50,000

Liquidity and Capital Resources

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. The Company has working capital at July 31, 2005 of $296,893. The Company has not received operating revenues and does not anticipate any until the Company is able to find, acquire, place into production and operate a resource property.

The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may adversely affect the Company's ability to raise capital to acquire and explore resource properties.

Critical Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

Competition

The resource industry in which the Company is engaged is, in general, highly competitive. Competitors include well-capitalized resource companies, independent resource companies and other companies having financial and other resources far greater than those of the Company. Thus, a degree of competition exists between those engaged in the resource industry to acquire the most valuable properties.

Risks

Exploration and development involve a high degree of risk and few properties are ultimately developed into revenue generating properties. There is no assurance that the Company's future exploration and development activities will result in any discoveries of economical value.

Financial Instruments

The Company's financial instruments include cash, goods and services tax recoverable, accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair values.

The Company is not exposed to significant interest, credit or currency risk arising from these financial instruments.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.