GOLDSOURCE MINES INC.

MANAGEMENT'S DISCUSSION & ANALYSIS

QUARTERLY HIGHLIGHTS

SEPTEMBER 30, 2017

1. OVERVIEW

Goldsource Mines Inc. (the "Company" or "Goldsource") is headquartered in Vancouver, BC and its common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol GXS. This Interim Management's Discussion and Analysis – Quarterly Highlights ("Interim MD&A") is an overview of all material information about the Company's operations, liquidity and capital resources for the three and nine months ended September 30, 2017. The Interim MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2017 and 2016 and the related notes contained therein which have been prepared under International Accounting Standard 34 – Interim Financial Reporting as issued by the International Accounting Standards Board. The following should also be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2016 and 2015, and the related notes contained therein. All amounts are stated in Canadian dollars unless otherwise indicated. Additional information related to the Company is available for view on SEDAR at www.sedar.com and on the Company's website www.goldsourcemines.com.

The first, second, third, and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4", respectively. All amounts are stated in Canadian dollars unless otherwise indicated.

The effective date of this Interim MD&A is November 16, 2017. This Interim MD&A contains forward looking information. Reference to section "7. Cautionary Statements and Disclaimers" is advised.

2. HIGHLIGHTS

a. Eagle Mountain Gold Project

The Company's main focus is its Eagle Mountain Gold Project ("Eagle Mountain") located on its 100% owned Eagle Mountain Property (the "Property"), which consists of an area of approximately 5,050 hectares (12,480 acres) in central Guyana, South America.

EXPLORATION

- Goldsource's current objective is to increase saprolite resources to a minimum of 600,000 ounces grading 1.0 to 1.5 grams per tonne ("gpt") gold with a strip ratio of less than 1:1 (waste:ore). The Company believes that this will support the completion of a Pre-Feasibility Study ("PFS") on a low cost large-scale, 4,000 to 5,000 tpd, open pit gravity-cyanidation operation.
- Currently, the Company's resources[1] at Eagle Mountain are as follows:

Category	Tonnes	Gold Grade (gpt)*	Contained Ounces Gold
Indicated	**3,921,000**	**1.49**	**188,000**
Inferred	**20,635,000**	**1.19**	**792,000**

The following table shows only saprolite resources:

Category	Tonnes	Gold Grade (gpt)*	Contained Ounces Gold
Indicated	**1,590,000**	**1.45**	**74,100**
Inferred	**7,202,000**	**1.32**	**305,600**

*Estimated at 0.5 gpt cut-off for gold.

[1] Refer to Technical Report titled "Preliminary Economic Assessment of the Eagle Mountain Saprolite Gold Project, Guyana", dated September 12, 2014 ("PEA"). The Company cautions that the PEA is preliminary in nature in that it is based on inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the results or recommendation of the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

- To expand total saprolite resources as per above and re-categorize current saprolite resources from the Inferred category to the Indicated category, Goldsource has defined exploration targets within the Property and commenced a drill program as of May 2017.
- The Company announced initial drill results on August 28, 2017 and November 16, 2017. The most significant drill intercept from initial drilling is in hole EMCR17-32, with 19 metres grading 3.04 gpt gold from surface. Also notable is hole EMCR17-06, with 6.7 metres grading 7.51 gpt gold. Please refer to August 28 and November 16 news releases for more details.
- Originally the Company's drill program consisted of an estimated 75 core holes, totaling 1,500 metres, and 450 holes with manual auger drills, totaling 2,700 metres, to be completed by end of Q4, 2017. Upon receipt of initial drill results and an assessment of the progress to date, Goldsource has now revised the program to drill an estimated total of 2,500 metres in core drilling and total of 1,800 metres in auger drilling and has scheduled to complete drilling by the end of February 2018.
- The Company has drilled 91 core holes and 224 auger holes to date. Results for 13 holes are pending. The Company has increased its planned core drilling program from 150 holes to approximately 225 holes, to be completed by the end of February 2018.
- Expansion core drilling has identified mineralized saprolite between the current resource pits, while expansion auger drilling has defined a continuous northeast-southwest mineralized trend measuring approximately 600 metres by 300 metres, as well as an area northwest of Pit #4 and Pit #5 (see figures of the Company's November 16, 2017 news release). The Company plans to follow up these newly discovered mineralized saprolite areas with deeper core drilling utilizing the recently purchased diamond drill. The 2 core drills will continue on potential expansion of mineralization and in-fill holes. The focus of the auger drilling will shift towards the east, south and southeast directions, where historical results have indicated possible extensions of the saprolite gold mineralization.
- In addition to both core and auger drilling, the Company, under the supervision of Tetra Tech Engineering Inc., is conducting ongoing cost estimation studies and metallurgical studies, while it has completed geotechnical studies, with results pending. A preliminary review of the report by the Company is positive for Eagle Mountain's geotechnical parameters.
- Upon completion of the drill program and studies, the Company plans to provide an updated resource estimate (anticipated for the first half of 2018, extended from the original timing of a release by end of year 2017), with a subsequent PFS (estimated to be completed in 2018).
- The Company anticipates that exploration and operating activities will cost approximately US$120,000 per month, net of revenue.

OPERATIONS

- In Q3, the Company intermittently operated the Eagle Mountain plant[2] at a reduced throughput rate (~50 tpd). These test operations are designed to optimize the processing parameters to be incorporated into the PFS for the Eagle Mountain Project. Operations tested: (1) the wet mining system for potential large-scale mining, (2) cyclone optimization, and (3) mining and metallurgical test work.
- The Company continues to monitor and expand the tailings facility on an as-needed basis.
- Capital and sustaining costs spent to date on the Eagle Mountain Phase I pilot plant for testing and optimizing gravity recovery is estimated at $523,789 (US$400,645).

b. Corporate

During Q3, 2017, the Company did not have any significant corporate activity to report. For more information on the Company's financing (completed February, 2017), stock options granted during the first half of 2017, and results of the Company's annual general meeting (held May 31, 2017), please refer to the Company's Interim MD&A for the period ended June 30, 2017 available on the Company's website www.goldsourcemines.com.

SUBSEQUENT EVENTS

- Subsequent to September 30, 2017, 5,909,621 warrants expired unexercised.

[2] Management's production decision for Eagle Mountain was not based on a feasibility study of mineral reserves demonstrating economic and technical viability. This project has a much higher risk of economic or technical failure and may adversely impact the Company's projected profits, if any.

- The Company sold 33,500 Westcore Energy Ltd. and 300,000 Para Resources Inc. common shares for net proceeds of $49,195.

3. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

During the three and nine months ended September 30, 2017, comprehensive losses were $845,437 and $2,796,173, respectively, compared to $1,378,303 and $3,808,095 for the three and nine months ended September 30, 2016. The significant variations between periods ended September 30, 2017 and Q3, 2016 included the following:

- Borrowing costs decreased to $Nil (Q3, 2016 – $39,435) during Q3, 2017, for a total of $22,443 in the first nine months of 2017 (first nine months of 2016 – $131,869), as the Company repaid the loan in early February 2017.
- Exploration and evaluation expenditures decreased to $609,299 (Q3, 2016 – $968,570) during Q3, 2017, for a total of $1,813,838 in the first nine months of 2017 (first nine months of 2016 – $2,746,560). This difference was due to reduced activity at Eagle Mountain as the Company focused work on the optimization of the processing plant and recoveries.
- Remuneration expense decreased to $62,184 (Q3, 2016 – $127,844) during Q3, 2017, for a total of $291,926 in the first nine months of 2017 (first nine months of 2016 – $398,416). The change was primarily from the decrease in allocation of corporate staff time that is shared between the Company and SilverCrest Metals Inc. ("SilverCrest") in 2017.
- Rent and communications decreased to $20,635 (Q3, 2016 – $30,325) during Q3, 2017, for a total of $63,157 in the first nine months of 2017 (first nine months of 2016 – $88,746) as the Company and SilverCrest agreed to amend its operating lease agreement to change the allocation of shared rent.
- Share-based compensation decreased to $3,587 (Q3, 2016 – $8,717) during Q3, 2017, for a total of $213,962 in the first nine months of 2017 (first nine months of 2016 – $54,445). The Company granted 2,325,000 (March 31, 2016 – 385,000) incentive stock options during the first quarter 2017, with a weighted average fair value per option granted of $0.17 (2016 – $0.14) for total value of $230,144 (March 31, 2016 – $53,453).
- Unrealized loss on held-for-trading securities decreased to $3,900 (Q3, 2016 –$11,550) during Q3, 2017, for a total of $14,850 in the first nine months of 2017 (first nine months of 2016 – gain of $39,300) because of the change in the market value of securities.

4. LIQUIDITY AND CAPITAL RESOURCES

a. Assets

At September 30, 2017, Goldsource held cash and cash equivalents of $397,090 (December 31, 2016 – $291,219). Goldsource continues to monitor cash resources against anticipated expenditures associated with advancing Eagle Mountain. Other current assets totalling $238,226 consist primarily of prepaid expenses of $127,348 (December 31, 2016 – $22,346) and held-for-trading securities, valued at $81,000 (December 31, 2016 – $95,850) including 300,000 common shares of Para Resources Inc. and 135,000 common shares of Westcore Energy Ltd.

The Company has a deposit of $242,914 (US$194,540) which is pledged as a reclamation site bond in the form of a non-interest-bearing bank guarantee deposit to the Guyana Geology and Mines Commission for exploration permits on the Property.

Property, plant and equipment decreased to $4,598,618 (December 31, 2016 – $4,949,760), primarily due to depreciation offsetting equipment purchases. The significant items incurred during the first nine months of 2017 were the purchase and installation of the Krebs cyclone, Marok pump, and other equipment (including a drill) totalling $264,493. In comparison, during the same period in 2016, significant additions included Phase I processing plant construction in progress of $691,928, offset by gold sales of $269,303; change in estimate of rehabilitation provision of $62,710; and other equipment, including two generators, a pump, and an excavator, of $492,293.

b. Liabilities

At September 30, 2017, current liabilities include accounts payable and accrued liabilities of $251,288 (December 31, 2016 – $520,616), which relate to various contractual commitments in the normal course of business. A loan payable of $1.8 million outstanding as of December 31, 2016 was fully repaid in February 2017.

As at September 30, 2017, the Company recorded a rehabilitation provision of $372,372 (December 31, 2016 – $301,361), which was also included in property, plant and equipment. The present value of rehabilitation provision, using an effective discount rate of 5%, is currently estimated at US$258,724 (December 31, 2016 – US$212,589), reflecting anticipated cash flows to be incurred over approximately the next six years. The undiscounted value of these obligations is $393,283 (US$315,500) (December 31, 2016 – $376,419 (US$282,000)), calculated using a long-term inflation rate assumption of 2% (December 31, 2016 – 0.8%).

c. Liquidity Outlook and Risks

As at September 30, 2017, the Company had cash and cash equivalents of $397,090 (December 31, 2016 – $291,219), accumulated losses of $47.0 million (December 31, 2016 – $44.3 million) and working capital of $384,028 (December 31, 2016 – working capital deficiency of $1.9 million). During Q1, 2017, the Company received gross proceeds of $4.5 million upon the closing of a private placement. The Company used part of the proceeds to fully repay a loan of $1.8 million. Goldsource has and continues to use the remaining proceeds for operating, exploration and improvements at Eagle Mountain and for working capital. Despite the completion of the Private Placement the Company will require substantial additional funds to maintain its operations and meet its working capital requirements in the immediate future. These factors represent a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern. Please refer to Note 1 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2017.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets which are revised periodically based on the results of its exploration and development programs, availability of financing and industry conditions. The Company's ability to continue as a going concern is dependent on its ability to raise debt or equity financing, profitably operate Eagle Mountain and discover additional economically viable mineral deposits. Ongoing exploration work at Eagle Mountain may be delayed or disrupted, will require substantial additional financing and is subject to a number of factors many of which are beyond the Company's control. Although the Company has been successful in raising funds to date, there is no assurance that future equity capital or debt facilities will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all.

5. RELATED PARTY TRANSACTIONS

During the first nine months of 2017, the Company entered into the following transactions with related parties:

Legal fees

Legal fees of $17,417 (September 30, 2016 – $30,169), included in professional fees, and capital stock issuance costs of $45,396 (September 30, 2016 – $Nil) were paid or accrued to Koffman Kalef LLP, a law firm of which an officer of the Company is a partner, of which $1,949 (December 31, 2016 – $11,857) was payable at September 30, 2017.

Key management compensation

The Company's key management personnel have the authority and responsibility for planning, directing, and controlling the activities of the Company and include the Company's President, Chief Operating Officer, Chief Financial Officer, and former Chief Executive Officer. Key management personnel compensation is summarized as follows:

	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Management fees[1]	$ 160,729	$ 261,500
Share-based compensation[2]	186,428	29,440
	$ 347,157	$ 290,940

[1] Management fees were paid to companies controlled by the former Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and President of the Company.

[2] Share-based compensation is the fair value of the vested portion of stock options that have been granted to directors and officers of the Company.

Other transactions

The Company paid remuneration of $26,559 (September 30, 2016 – $50,006) and recognized share-based compensation of $6,778 (September 30, 2016 – $4,647) to an employee who is an immediate family member of the Chief Operating Officer. Remuneration and share-based payments incurred to this employee were recorded as exploration and evaluation expenditures.

On October 1, 2015, the Company entered into a cost sharing agreement with SilverCrest, a company related by common directors and officers, whereby the Company shares salaries, administrative services, and other reimbursable expenses. During the first nine months of 2017, the Company was allocated $136,284 (September 30, 2016 – $143,315) for its share of these expenses, of which $29,039 (December 31 2016 – $40,360) was payable to SilverCrest at September 30, 2017.

6. CHANGE IN ACCOUNTING POLICIES

Effective December 31, 2016, the Company voluntarily changed its accounting policy for exploration and evaluation costs under IFRS 6 from capitalization of costs directly related to the exploration and evaluation of mineral properties to expensing these costs as incurred. The Company believes that this change to accounting policy will provide more relevant and useful information to the users of the financial statements. This change in accounting policy has been applied retrospectively. An explanation of how the transition from the amounts previously reported has affected the Company's financial position, financial performance and cash flows is set out in Note 18 of the audited consolidated financial statements for the year ended December 31, 2016 and Note 2 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2017.

7. CAUTIONARY STATEMENTS AND DISCLAIMERS

a. Risk Factors

Readers of this Interim MD&A are directed to read the "Risk Factors" contained in the Company's Annual MD&A dated April 5, 2017, available on www.goldsourcemines.com and under the Company's SEDAR profile on www.sedar.com. Important risk factors to consider among others are:

- Risks inherent in the mining business
- No history of operations or earnings
- Licenses and permits
- Mineral resource estimates
- Mining capital and operating costs
- Financing risks
- Key employees
- Environmental risks and hazards

b. Forward-Looking Statement

This Interim MD&A contains "forward-looking statements" within the meaning of Canadian securities legislation. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In particular, the Interim MD&A contains forward-looking statements pertaining to the following: exploration and drilling programs at Eagle Mountain; information regarding high grade areas projected from sampling results; timing and completion of a PFS on a low cost large scale open pit gravity cyanidation operation; information with respect projected capital and operating costs, the amount of future production of gold over any period, the amount of expected grades and ounces of metals, gold recoveries mine life and gold production rates of Eagle Mountain; and expectations regarding the Company's ability to manage capital resources and meet working capital requirements.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Assumptions have been made regarding, among other things: the conditions in general economic and financial markets; precious metals prices; ability to realize the PEA and develop and finance the project; accuracy of the interpretations and assumptions used in calculating inferred mineral resource estimates; availability of mining equipment; availability of skilled labour; timing and amount of capital expenditures; performance of available laboratory and other related services; effects of regulation by governmental agencies; and future operating costs.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Interim MD&A: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties; the interpretation of drilling results and other geological data; the uncertainties of resource estimations; receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project cost overruns or unanticipated costs and expenses;

uncertainty as to actual capital costs, operating costs, production and economic returns; uncertainty that development will result in a profitable mining operation at Eagle Mountain; reliance on the PEA; operating and hazards risks and limitations on insurance; fluctuations in precious metals prices; currency fluctuations; political and economic risks; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this Interim MD&A if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

c. Qualified Person

Technical information contained in this Interim MD&A has been prepared by or under the supervision of N. Eric Fier, CPG, P.Eng and Chief Operating Officer for Goldsource, who is a 'Qualified Person' for the purpose of NI 43-101.