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DEVELOPING SASKATCHEWAN'S COAL RESOURCE

WHY INVEST IN GOLDSOURCE?

Thermal Coal	Discovery of New Coal Deposits Emerging Major Energy Source World-Class Potential Resources
Excellent Infrastructure	Hudson Bay Community Nearby Power & Water Readily Available CN Railway Transects Border Property
March 2011	Preliminary Economic Assessment Updated NI 43-101 Technical Report

COAL BASICS

Coal Generates 40% of the World's Electricity (50% in North America)
 World's Largest Coal Producer is USA - Canada ranks 14th
 Forecasted Growth of World Energy Usage > 50% over 20 years
 Global Community Focused on "Clean Coal" Technology



★ GOLDSOURCE PROPERTIES

INITIAL BORDER COAL RESOURCES

Indicated	79.1 million tonnes
Inferred	34.9 million tonnes
Speculative	61.1 million tonnes



drill results have revealed coal zones as thick as 126 metres

(actual image: Powder River Basin, Peabody Energy)



Above: example of 20m of coal. A recent Goldsource discovery revealed coal thickness of 100m.



Border Property: permitted area, plus proximity to infrastructure



Border Coal Core

PROPERTIES

BORDER PROPERTY – The Border Property is Goldsource Mines’ flagship property and the focus of a major coal discovery in 2008. It is located on the eastern edge of mining-friendly central Saskatchewan, about 50 kilometers north of the town of Hudson Bay. The Border Property consists of approximately 130,000 hectares or approximately 35 by 35 kilometres. It is situated along the Durango Coal Trend, which continues to the southeast and northwest of the property. Infrastructure around the Border Property is excellent. The town of Hudson Bay has approximately 2000 inhabitants with a skilled labor force. A major road transects the property and power and water are readily available. A CN railroad line also runs through the property, adjacent to the recent discovery.

EXPLORATION PROGRESS

To date, drilling has identified 17 coal deposits at Border, with the recent Fugro airborne gravity surveys indicating good potential for additional coal discoveries and the expansion of several existing deposits.

The new discoveries are confirmation that the geophysical techniques used by the

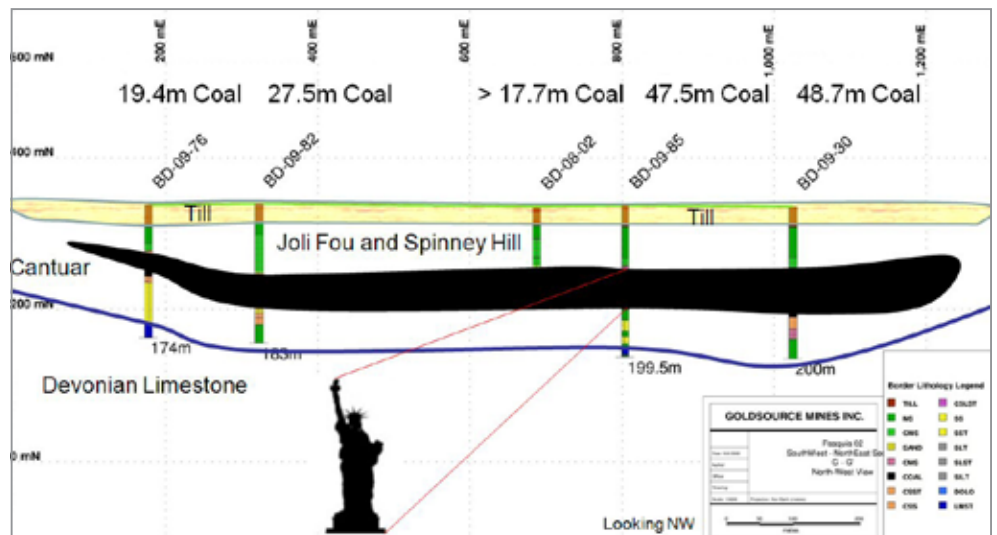
company are successful in identifying coal bearing sub-basins and will continue to be used in identifying other areas for drilling.

The coal is located approximately 80 metres below surface and is potentially open pitable. The coal is ranked as sub bituminous thermal coal. The calorific value of the coal ranges from 17,800 Kj/Kg (7684 BTU/lb) to 21,300 Kj/Kg (9,159 BTU/lb) on an “Air Dried” basis. The average calorific value of the coal is similar to the major

producers of the Alberta Plains and the Powder River Basin.

A geological model based on all drill holes to date has been developed and initial coal resources of 79.1 million tonnes Indicated, 34.9 million tonnes Inferred and 61.1 million tonnes Speculative have been announced.

Goldsource has incorporated data from the winter 2009 - 2010 drill program into an updated NI 43-101 Technical Report, which includes an updated resource model and revised estimates.



PASQUIA 02 DEPOSIT 47.5m = Cumulative Coal thickness without partings based on Loring Labs analysis, cutoff @ 30% ash. Calorific Values: 15,333 Kj/Kg or 6652 BTU/lb.

Border Drill Program

146 holes completed • 17 deposits discovered

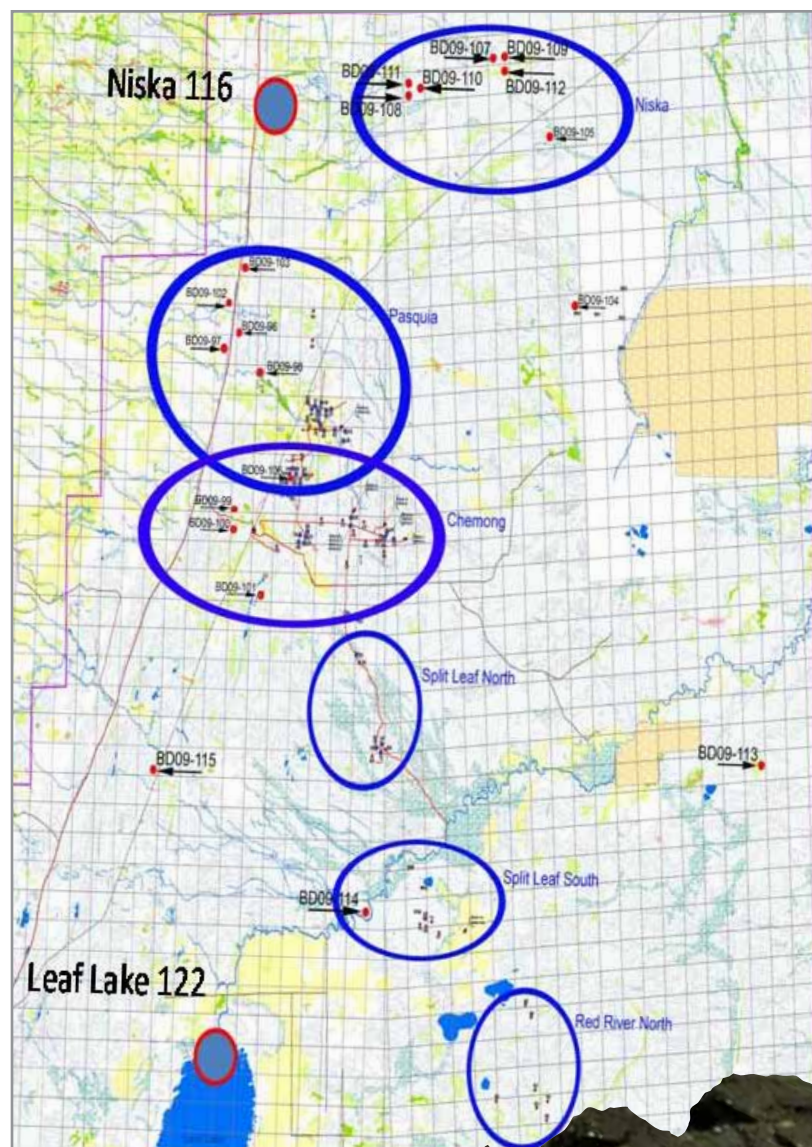
PRELIMINARY ECONOMIC ASSESSMENT

The Preliminary Economic Assessment (“PEA”) has been completed under the direction of Marston Consultants and EBA Engineering Consultants. Initial results from the PEA concluded that:

- The development of the Border Coal Project is technically and economically feasible.
- An on-site clean coal-fired generator is a potential end use of the coal but special design of the coal-fired electric generating plant will be necessary to accommodate the coal quality of the deposits. Abundant biomass resources available in Saskatchewan to offset CO₂ emissions to reduce the carbon footprint can supplement this Border coal. Recent power studies suggest that Saskatchewan’s future power requirements may need additional generating facilities.
- An on-site coal to liquids plant also appears to be an alternative for an end use of the coal. Goldsource has signed confidentiality agreements with providers of this technology which was assessed as part of the PEA. Preliminary analyses show that these technologies may be technologically and economically viable at the current price of oil.
- A coal to liquids processing plant producing 14,000 Bbls of liquids per day would cost \$1.9 billion and generate a 6% rate of return over a 30 year project life.
- A review of potential power generation and coal to liquids partners is underway. In addition, the study will examine mining and capital costs, transportation and potential export markets.

Results from a recent Fugro airborne Falcon gravity survey completed in the spring of 2010 have been received. Initial assessment of the data shows more precise boundaries of existing deposits as well as newly defined targets. The Company believes that the test programs have enhanced its ability to identify new deposits and better define the boundaries of these unique deposits. Depending on the availability of financing, the Company plans to drill these targets to expand near-surface resources and identify potential tonnages of improved coal quality.

Preliminary Economic Assessment Completed in March, 2011



“We believe that we have successfully achieved our main goal of converting Inferred Resources in the Niska deposits to the higher category of Indicated Resources. In doing so, we are nearing the threshold target of 100 million tonnes of Indicated Resources necessary to support a potentially economic operation of significant size. The completion of the Marston Preliminary Economic Assessment has provided guidance as to what options are available for development of the resources and how the significant value of these coal assets can be realized.” - **J. SCOTT DREVER, PRESIDENT**



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SHARE STRUCTURE INFO

As of June, 2011

Issued	27,033,729
Stock Options Outstanding	3,595,000
Warrants Outstanding	3,336,192
Shares Issued, Fully Diluted	33,964,921



Winter Sunset at Border Property



Winter Taxi at Border Property



CN Railway Transecting Border Property

MANAGEMENT & DIRECTORS

J. Scott Drever *President & Director*
 45 years of international business experience with strengths in strategic planning, mergers & acquisitions, and operations for international mining corporations such as Placer Dome Ltd., Blackdome Mining Corp., and Goldsource Mines Inc.

Barney Magnusson, CA
Chief Financial Officer
 Over 30 years of experience as a senior officer and or director of six mining companies that have gone into production. Experienced in corporate finance and public company management.

N. Eric Fier, CPG, P.Eng.,
Chief Operating Officer
 More than 25 years experience in international operations, project evaluation and management including coal.

Donald Berkey *Director*
 Long term career in junior resource financing, financial services and investment banking after a successful career in the RCMP.

Tinus Maree *Director*
 A principal and director of the River Group, an international corporate finance advisory firm with offices in South Africa, Cyprus and Canada. Over 20 years experience in international finance both as a lawyer specializing in mergers and acquisitions and as an investment banker.

Bernard Poznanski
Corporate Secretary
 One of the founding partners of Koffman Kalef, a law firm specialized in business law. Mr. Poznanski is currently the head of the firm's securities group.

Steven B. Simpson *Director*
 A principal of Triton Advisory Group, a mergers and acquisitions, asset management and corporate advisory group in Singapore.

Graham C. Thody *Director*
 Former partner of Nemeth Thody Anderson, Chartered Accountants, focused on audits of reporting companies, IPO's, corporate mergers and acquisitions as well as domestic and international tax matters

"We are extremely pleased with the results of our latest drill program at Border and the results of the initial resource estimates which show tonnages in excess of 170 million tonnes. The success to date, so early in the exploration cycle of this new Canadian coal district, bodes well for the future development of Border."

- J. SCOTT DREVER, PRESIDENT

DISCLAIMER: This document contains forward-looking statements which address future events and conditions which are subject to various risks and uncertainties. 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, undue reliance should not be placed on forward-looking statements. Certain data included in this document may be historical in nature and as such may not conform to the requirements of NI-43-101, may not have been verified by the Company's qualified person and should not be relied upon. N. Eric Fier, CPG, P.Eng., is also the Qualified Person responsible for the preparation of the technical information included in this document and for supervision of field activities related to the Company's projects.



Drilling at Border Property