



Goldsource Updates Border Coal Drill Program

TSX-V: GXS

For Immediate Release

VANCOUVER, B.C. July 21, 2008 – Goldsource Mines Inc. (the “Company”) announces that it has completed the first drill hole and commenced drilling the second of seven additional core holes on its coal permits of the Border Property near Hudson Bay, Saskatchewan. The first hole drilled in this sequence was BD08-01 which was followed by BD08-04 (see attached drill plan).

Drill hole BD08-01 was drilled approximately 1,300 metres to the south of the initial discovery holes and roughly equidistant between these holes. The hole was drilled to a depth of 110 metres and intersected approximately 7.5 metres (41.0 to 48.5m) of carbonaceous mudstone, coal and sand partings at the base of the overburden followed by Lower Mannville mudstones and Devonian limestones that underlie the coal seam in the discovery holes. It appears that these basal units are about 50 metres higher at this location than in the original sites which suggest a gently undulating paleo-surface. There were also distinct differences in the nature of the overburden which suggests the possibility that an earlier glacial event may have removed a majority of the coal in this specific elevated location.

Drill hole BD08-04 is approximately 2,500 metres south of BD08-01. This hole is being drilled to a planned depth of about 120 metres and intersected approximately 8.3 metres (28.0 to 36.3m) of carbonaceous mudstone, coal seams and sand partings at the base of the overburden followed by Lower Mannville mudstones. The drill rig is currently experiencing mechanical problems. Hole BD08-04 will be completed once the necessary parts are received to complete repairs.

It is expected that drill hole BD08-02, which is approximately 2,500 metres northwest of BD08-03, will be drilled after BD08-04 (see attached map). This hole was located based on a review of the available geophysical data, the apparent geophysical signature of the coal seam and geological data obtained in the first four holes.

J. Scott Drever, President stated; “Our initial assumptions were based on the possibility of a main coal basin with more than one sub-basin. The results of BD08-01 and of BD08-04 so far suggest that these assumptions appear correct and we may be on the eastern margins of one of the sub-basins which contains the discovery holes and which may be flanked by a ridge of Lower Mannville sediments and Devonian limestones. While these holes did not encounter the thickness of coal intercepted in the discovery holes, they are important to help establish the orientation of the sub-basins.”

Mr. Drever continued by stating; “It is, however, extremely important to maintain perspective on what is the very early exploration stage of a discovery. We currently have 3.5 holes in an immense area that we know contains huge intercepts of coal. This is “raw” exploration and we are working from a limited technical database. The constraints of physical access and the limitations imposed by drill site permitting gives the program less flexibility than is optimal. However, we have a number of theories and each drill hole will provide us with better ground proofing of the geophysics and allow us to build a geological model for the deposition of the coal and the impacts of paleo-topography and glaciation on the deposit. We remain confident that this current limited drill program represents only the first step in the delineation of a major coal deposit and will enable us to focus on the areas of greatest potential.”

Independent qualified persons from Norwest Corporation are present for this initial drilling to inspect coal intercepts, establish coal sampling and handling protocols, quality assurance and control and set up a standardized coal logging system. Samples will be shipped to Loring Labs in Calgary for analysis based on Norwest’s recommendations.

N. Eric Fier, CPG, P.Eng. and Qualified Person for this news release has reviewed and approved its contents.

This news release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company’s actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company’s control. These factors include: 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 and reserve estimations, receipt and security of coal permits and mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in commodity product prices; currency fluctuations; 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, undue reliance should not be placed on forward-looking statements.

**On Behalf of the Board of Directors of
Goldsources Mines Inc.**

"J. Scott Drever"

J. Scott Drever, President

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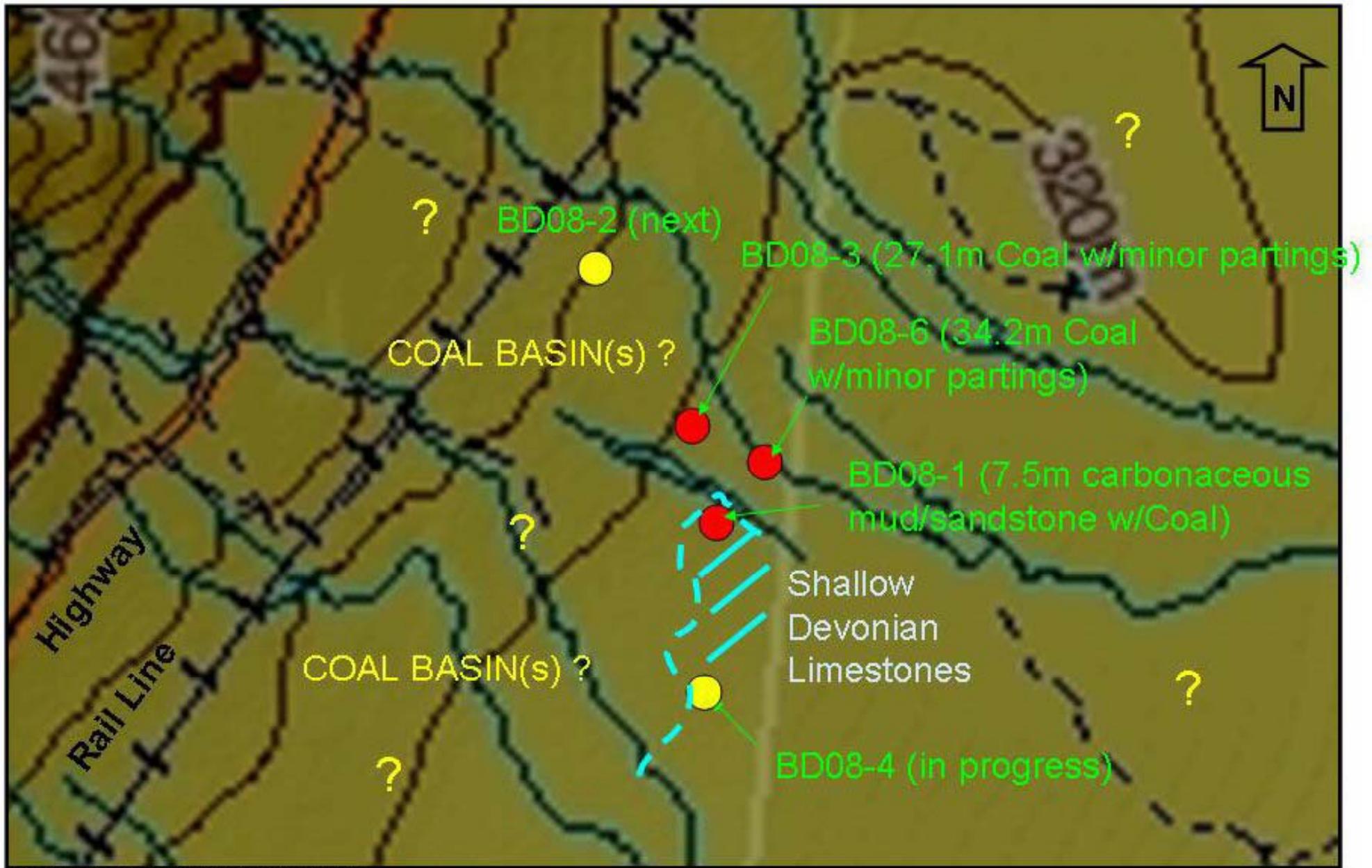
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The TSX-Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.



All locations and scale are approximate

LEGEND

- Completed Hole
- Planned Hole

0 2km



BORDER PROPERTY
 Current Border Drilling Plan & Results
 July 21, 2008