



Goldsource Announces Updated Mineral Resource Estimate for Eagle Mountain Project; MRE Expanded to 848,000 Ounces of Gold (Indicated Resource) and 868,000 Ounces of Gold (Inferred Resource)

(TSX-V: GXS) (OTCQB: GXSFF) (FWB: G5M)

For Immediate Release

VANCOUVER, BC – February 22, 2021 – Goldsource Mines Inc. (“Goldsource” or the “Company”) is pleased to announce the results of an updated Mineral Resource Estimate (“MRE”) for its 100%-owned Eagle Mountain Gold Project (“Project”) in Guyana, South America. Details of the Mineral Resource Estimate, which include the Eagle Mountain and Salbora deposits, will be provided in a Technical Report prepared in accordance with National Instrument 43-101 (“NI 43-101”) filed under the Company’s SEDAR profile within 45 days of the release with an effective date of February 17, 2021. The updated MRE was prepared by CSA Global (“CSA”) in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition.

Highlights:

- Estimated 23 million tonnes (“Mt”) grading 1.14 grams per tonne (“gpt”) gold for 848,000 ounces (“oz”) of gold contained in Indicated Resources and 25 Mt grading 1.09 gpt gold for 868,000 oz of gold in Inferred Resources.
- The MRE includes the Eagle Mountain and Salbora deposits, both of which feature gold mineralization starting at surface in saprolite (soft rock) and extending into the underlying fresh rock. The saprolite is estimated to contain 42% of the gold in Indicated Resources and 16% of the gold in Inferred Resources.
- Mineral resources, employing cut-off grades of 0.30 gpt gold for the saprolite and 0.50 gpt gold for the fresh rock, are contained within a conceptual open pit. Gold in surficial saprolite and the shallow sub-horizontal zones of the Eagle Mountain deposit result in a low average strip ratio. The strip ratio of the saprolite is estimated to be below 1:1.
- The updated MRE is defined by a total of 674 core holes for 57,550 metres drilled, as well as 158 auger drill holes for 532 metres drilled, which includes infill and exploration drilling up to November 6, 2020.
- In comparison to the 2014 Preliminary Economic Assessment (“PEA”)¹, the updated MRE delivers a 349% increase in gold contained in Indicated Resources and a 9% increase in gold contained in Inferred Resources.
- Additional infill and expansion drilling since the 2014 PEA contributed to the significant increase in Indicated Resources, while the discovery of the Salbora deposit and extensions to the Eagle Mountain deposit with the Friendly and No. 1 Hill areas being added to mineral resources.
- The Company is planning a second resource update in the second half of 2021. This will incorporate results from expansionary and infill drilling at the Eagle Mountain deposit, including the Baboon and Ounce Hill areas, and exploration drilling along the prospective Salbora-Powis trend targeting Salbora-style mineralization. Three drill rigs are currently active on the property.

Steve Parsons, P.Eng., CEO of Goldsource, commented, “This updated resource estimate is a very strong result both in terms of the increase in contained ounces of gold and the quality of the resource. Specifically, the ounces are hosted within a conceptual open pit that is shallow and features soft-rock saprolite at surface. These attributes point to a project that offers the potential for resource scale and tangible opportunities for production scalability.”

¹ Preliminary Economic Assessment of the Eagle Mountain Saprolite Gold Prospect, Guyana, June 15, 2014.

We look forward to our second resource update planned for later in 2021. This resource will reflect the results of drilling after the MRE cut-off date of November 6, 2020 and include the impact of step-out drilling at the Eagle Mountain deposit and further exploration drilling along the Salbora-Powis trend. The second update will form the basis for a Pre-feasibility Study ("PFS") which is intended to be completed in 2022. The Company's in-country team in Guyana continues to deliver, growing the scale and quality of Eagle Mountain."

Yannis Tsitos, President of Goldsource, added, "Since 2019, Goldsource has had a stated objective of building a mineral resource of 1.3 to 1.6 million ounces of gold in a shallow open pit configuration with a grade greater than 1.0 gpt gold. The Company has delivered with a resource exceeding the top end of that range through expansion of the Eagle Mountain deposit to the Friendly and No. 1 Hill areas and with the inclusion of the recently discovered Salbora deposit. Furthermore, newly announced discoveries provide opportunities to grow and enhance the quality of the resource. These opportunities will be the subject of further drilling in 2021."

Mineral Resources:

Together, the Eagle Mountain and Salbora deposits contain an estimated 23 Mt of Indicated Mineral Resources grading 1.14 gpt gold, and 25 Mt of Inferred Mineral Resources grading 1.09 gpt gold. Table 1 shows Project total updated mineral resources and resources per deposit and by weathering type (saprolite and fresh rock).

Table 1: Eagle Mountain Project Mineral Resources (Combined Eagle Mountain and Salbora Deposits)

Classification	Tonnes (000 t)	Gold (gpt)	Ounces Au (oz)
Indicated			
Saprolite	11,000	0.95	353,000
Fresh rock	12,000	1.32	495,000
Total	23,000	1.14	848,000
Inferred			
Saprolite	5,000	0.82	140,000
Fresh rock	20,000	1.16	728,000
Total	25,000	1.09	868,000

Eagle Mountain Deposit Mineral Resource

Classification	Tonnes (000 t)	Gold (gpt)	Ounces Au (oz)
Indicated			
Saprolite	11,000	0.95	346,000
Fresh rock	11,000	1.23	436,000
Total	22,000	1.09	782,000
Inferred			
Saprolite	5,000	0.81	134,000
Fresh rock	19,000	1.15	701,000
Total	24,000	1.08	835,000

Salbora Deposit Mineral Resource

Classification	Tonnes (000 t)	Gold (gpt)	Ounces Au (oz)
Indicated			
Saprolite	150	1.45	7,000
Fresh rock	660	2.82	60,000
Total	810	2.57	67,000
Inferred			

Saprolite	200	0.99	6,000
Fresh rock	500	1.74	27,000
Total	700	1.52	33,000

- Numbers have been rounded to reflect the precision of a Mineral Resource Estimate. Totals may vary due to rounding.
- Gold cut-off has been calculated based on a gold price of US\$1,500/oz, mining costs of US\$1.5/tonne (“t”) for saprolite and US\$2.0/t for fresh rock, processing costs of US\$6/t for saprolite and US\$12/t for fresh rock, and mine-site administration costs of US\$3/t. Metallurgical recoveries of 95% are based on prior test work.
- Mineral Resources conform to NI 43-101, and the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines and 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves.
- The Company is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing or political factors that might materially affect these Mineral Resource estimates.
- Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured Resources, however, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Table 2: MRE Sensitivity to Gold Cut-Off Grade (Combined Eagle Mountain and Salbora Deposits)

	Classification	Cut off (Au gpt)	Tonnes (000 t)	Gold (gpt)	Ounces Au (000 oz)
Saprolite	Indicated	0.2	14,000	0.84	370
		0.3	11,000	0.95	353
		0.4	9,000	1.08	330
		0.5	8,000	1.21	307
		0.6	7,000	1.34	284
	Inferred	0.2	7,000	0.71	150
		0.3	5,000	0.82	140
		0.4	4,000	0.95	127
		0.5	3,000	1.07	116
		0.6	3,000	1.22	103
Fresh Rock	Indicated	0.3	15,000	1.1	542
		0.4	14,000	1.19	524
		0.5	12,000	1.32	495
		0.6	10,000	1.47	462
	Inferred	0.3	27,000	0.95	828
		0.4	24,000	1.04	788
		0.5	20,000	1.16	728
		0.6	16,000	1.28	671

- Numbers have been rounded to reflect the precision of a Mineral Resource Estimate. Totals may vary due to rounding.
- Gold cut-off has been calculated based on a gold price of US\$1,500/oz, mining costs of US\$1.5/tonne (“t”) for saprolite and US\$2.0/t for fresh rock, processing costs of US\$6/t for saprolite and US\$12/t for fresh rock, and mine-site administration costs of US\$3/t. Metallurgical recoveries of 95% are based on prior test work.
- Mineral Resources conform to NI 43-101, and the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines and 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves.
- The Company is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing or political factors that might materially affect these Mineral Resource estimates.
- Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured Resources, however, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The mineral resource estimate is based on the Company’s exploration programs and validated historical results. Mineral Resources are classified as Indicated and Inferred based on CIM Definition Standards. The effective date for the Mineral Resource Estimate is February 17, 2021. The most significant component of the data, collected by Goldsource and others, and validated by CSA and previous qualified persons represents 674 drill holes (57,550 metres), as well as 158 auger drillholes (532 metres) used in a portion of the Eagle Mountain deposit where core drilling was widely spaced. This auger data has been subject to similar quality assurance and quality control (“QA/QC”, see section below) to the core drilling. Details of

the Company drill results can be found in various press releases from August 28, 2017 to the cut-off date of November 6, 2020 and the 2014 PEA.

Images showing the resource classification, oxidation type and sub-horizontal zones of the Eagle Mountain deposit are available with the following links:

Figure 1 <https://www.goldsourcemines.com/resources/news/nr-20210222-figure1.jpg>

Figure 2 <https://www.goldsourcemines.com/resources/news/nr-20210222-figure2.jpg>

Figure 3 <https://www.goldsourcemines.com/resources/news/nr-20210222-figure3.jpg>

Images showing the resource classification and oxidation type of the Salbora deposit are available with the following links:

Figure 4 <https://www.goldsourcemines.com/resources/news/nr-20210222-figure4.jpg>

Figure 5 <https://www.goldsourcemines.com/resources/news/nr-20210222-figure5.jpg>

Resource Estimation Parameters and Methodology

Gold cut-off has been calculated based on a gold price of US\$1,500/oz, mining costs of US\$1.5/t for saprolite and US\$2.0/t for fresh rock, processing costs of US\$6.0/t for saprolite and US\$12.0/t for fresh rock, and mine-site administration costs of US\$3.0/t. Metallurgical recoveries of 95% are based on test work.

Gold grades were interpolated based on 10m x 10m x 3m blocks for the Eagle Mountain deposit and 5m x 10m x 5m blocks for Salbora. The interpolation used ordinary kriging for the Eagle Mountain deposit and the inverse of the squared distance ("ID2") for Salbora. Both models used the geological domains and sub domains for mineralized grade shells.

Specific gravity for saprolite is 1.7 t/m³ and 1.6 t/m³ at the Eagle Mountain deposit and Salbora, respectively. Fresh rock specific gravity of granitoid and basaltic units is 2.7 t/m³. Both saprolite and fresh rock figures are based on laboratory test work.

Variography, interpolations and estimate validations were carried out separately for each estimation domain. Estimates were validated visually using sections and 3D visualization, and using swath plots, comparison of averages in drill hole and blocks, and global change of support. For the Eagle Mountain deposit, several estimation methodologies were used for validation including ID2, uniform conditioning, and nearest neighbour estimation.

Resource classification for the Eagle Mountain deposit used blocks with at least three drillholes within 90 metres to classify as Indicated Resources. Blocks between 90 metres and 160 metres from three drillholes were classified as Inferred Resources. For the Salbora deposit, blocks with at least three drillholes used for estimation, and within 30 metres of a drillhole, were classified as Indicated Resources, with remaining blocks classified as Inferred Resources.

Mineral Resources are constrained by a pit shell optimized with the software, SimSched, with block net values estimated using the same price, metal recovery, and cost assumptions used to define the reporting cutoffs (see Table notes), and assuming a maximum pit slope angle of 45°. Resources for both the Eagle Mountain and Salbora deposits are shallow (0 to 160 metres).

2014 Mineral Resource Estimate

The prior mineral resource estimate, as used as the basis for the 2014 PEA saprolite study, comprised 3.9 Mt grading 1.49 gpt gold for 188,000 ounces contained in Indicated Resources and 20.6 Mt grading 1.20 gpt gold for 792,000 ounces contained in Inferred Resources. The grade was higher in both categories due in large part to the use of a 0.5 gpt gold cut-off grade for both saprolite and fresh rock. The effect of a 0.5 gpt cut-off grade on the 2021 MRE is shown in Table 2. All other key parameters and a description of the resource methodology are detailed in the 2014 PEA report (effective date June 15, 2014), which is located on the Company's website (goldsourcemines.com) or SEDAR.com.

Qualified Assurance Program and Quality Control Measures

Goldsource has implemented QA/QC protocols including insertion of duplicate, blank and standard samples in all drill holes. The samples were submitted directly to Actlabs Guyana Inc. in Georgetown, Guyana, for preparation and analysis. Additional duplicate test work has been conducted on mineralized samples to assess variability of coarse reject and pulp samples. A CSA independent qualified person visited the Eagle Mountain Project between 21st to 25th November 2020. Independent sampling was completed. CSA has reviewed the QA/QC work completed by Goldsource and believes the database is reliable for estimating Mineral Resources.

Eagle Mountain Gold Project Geology

The Eagle Mountain Project comprises two gold deposits, Eagle Mountain and Salbora, in addition to several other exploration targets. The deposits are structurally controlled and considered to be part of the same mineralizing system. They are affected by a zone of saprolitic weathering up to 50 metres thick and overprints earlier-formed mineralization in both the granodiorite and basalt but has not resulted in enrichment of gold in the saprolite horizon.

Eagle Mountain Deposit

Gold mineralization at the Eagle Mountain deposit is associated with a series of tabular to gently undulating, shallow, dip-slope shear zones developed within a granodioritic host rock. The deposit has a lateral extent that covers an area of approximately 2.5 kilometres by 1.0 kilometre. Three discrete zones of alteration and mineralization have been delineated. Zone 1 is shallowest and outcrops at surface across much of the deposit. Zones 2 and 3 lie at depth below Zone 1 separated by low grade material. Zone 1 contains 92% of the gold in the indicated resource category; and 77% of the gold in the inferred resource category. Zone 2 and Zone 3 make up the balance.

Salbora Deposit

Gold mineralization at Salbora is formed by a series of north to northwest-trending, steeply-dipping structures within a basaltic host rocks, on the margin of a monzonite intrusion. These steep structures (shear zones and breccia bodies) coalesce into a broader zone of brecciation that forms a near-surface sub-horizontal lens up to 100 metres thick and approximated 200 metres by 200 metres in area, where higher-grade gold mineralization occurs, and which represents almost 100% of the mineral resources of this deposit.

2021 Drill Program

For 2021, the Company's exploration program has three primary growth objectives:

- 1) Follow-up exploration of several new target areas along the prospective Salbora-Powis trend, such as the Toucan, Powis, Ann and Montgomery prospects where the potential exists for Salbora-style mineralization;
- 2) Testing for new lateral extensions of the dip slope sub-horizontal zones of the Eagle Mountain deposit, notably to the north, west and southwest currently outside of the 2021 MRE; and
- 3) In-fill drilling of the 2021 MRE to upgrade a significant portion of mineralization currently classified as Inferred Resource to the Measured and Indicated categories to be used as the basis for a Pre-feasibility Study.

Three drill rigs are currently operating at the Eagle Mountain Gold Project. In all, the base case budget calls for 16,500 metres to be drilled over 2021, with approximately 40-50% of the budgeted metres earmarked for in-fill drilling of the 2021 MRE. With increased geological knowledge, several areas previously un-explored have become targets and will be tested with surface auger sampling and trenching to concentrate further drilling programs in new areas as discussed above.

Qualified Persons

Adrian Martinez (P.Geo.) of CSA is the independent Qualified Person for the mineral resource estimates presented in this press release, has approved its publication, and will be the principal QP for the NI 43-101 technical report that will be filed on SEDAR within 45 days.

The Company QP under NI 43-101 for this news release is N. Eric Fier, CPG, P.Eng, Executive Chairman and VP Finance for Goldsource, who has reviewed and approved its contents.

ABOUT GOLDSOURCE MINES INC.

Goldsource Mines Inc. (www.goldsourcemines.com) is a Canadian resource company working aggressively to develop its advanced-stage, 100%-owned Eagle Mountain saprolite and hard-rock gold project in Guyana, South America. From 2016 to 2017, through a gravity pilot plant initiative, the Company completed testing on gravity-only gold production and both dry and wet mining open-pit techniques. Goldsource is now focused on expanding gold resources and delivering subsequent studies for decision-making on a large-scale gold production at Eagle Mountain. Goldsource is led by an experienced management team, proven in making exploration discoveries and in project construction.

Steve Parsons
CEO
Goldsource Mines Inc.

For Further Information:

Goldsource Mines Inc.

Contact: Steve Parsons, CEO
Yannis Tsitos, President
Jacy Zerb, Investor Relations
Telephone: +1 (604) 694-1760
Fax: +1 (604) 357-1313
Toll Free: 1-866-691-1760 (Canada & USA)
Email: info@goldsourcemines.com
Website: www.goldsourcemines.com
570 Granville Street, Suite 501
Vancouver, British Columbia V6C 3P1

CAUTIONARY STATEMENT AND FORWARD-LOOKING DISCLAIMER

This news release contains "forward-looking statements" within the meaning of Canadian securities legislation. Such forward-looking statements concern Goldsource's strategic plans, timing of filing of the Technical Report, timing and expectations for release of an updated mineral resource, timing and expectations for the Company's exploration and drilling programs at Eagle Mountain; and information regarding high grade areas projected from sampling results and drilling results. 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: conditions in general economic and financial markets; accuracy of assay results and availability of mining equipment; availability of skilled labour; timing and amount of capital expenditures; performance of available laboratory and other related services; the impact of the COVID 19 pandemic on operations 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 including: the timing and content of work programs; the ultimate impact of the COVID 19 pandemic on operations and results, 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 costs overruns or unanticipated costs and expenses; delays in release of an undated mineral resource, availability of funds 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 news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

Neither TSX-V nor its Regulation Services Provider (as that term is defined in policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.