



GOLDSOURCE CLOSES FINAL TRANCHE OF PRIVATE PLACEMENT

TSX-V: GXS

For Immediate Release

VANCOUVER, B.C. December 21, 2005 – Goldsource Mines Inc. (the "Company") is pleased to announce that it has closed the third and final tranche of \$978,000 of the private placement of Units announced November 23, 2005 by issuing a further 1,630,000 Units of the over-allotment portion. The Company exercised its over-allotment option to issue an additional 2,000,000 Units, a portion of which was included in the first and second closings.

Each Unit was priced at \$0.60 and was comprised of one common share of the Company and one-half of one common share purchase warrant ("Warrant"). Each whole Warrant may be exercisable for one common share for a period of two years at a price of \$0.75. If the closing trading price for the Company's shares is at or exceeds \$1.25 per share for any 20 consecutive trading days during the second year of the term of the Warrants, the Company may elect to provide notice to holders of the Warrants and the Warrants will then expire thirty days after the date on which the notice was given. The common shares and warrants comprising the Units are subject to a hold period of four months from the date of closing.

Gross proceeds from the non-brokered private placement of 8,000,000 Units at \$0.60 per Unit and a concurrent non-brokered offering of 1,550,000 common shares at \$0.70 per share ("Flow-Through Shares") issued on a 'flow-through' basis pursuant to the Income Tax Act (Canada) totaled \$5,885,000. The Company paid finder's fee of 6% cash and 6% Warrants on a portion of the private placement.

The net proceeds from the private placement will be used for exploration and development of the Company's Saskatchewan diamond project, acquisitions and working capital.

J. Scott Drever, President stated, "The size and speed with which this private placement was closed, is an indication of the level interest in our Big River diamond property in Saskatchewan. I believe this property presents a particularly unique opportunity in the diamond industry and coupled with a strong treasury of approximately \$6.5 million, Goldsource is well positioned to accelerate its development as a Canadian diamond explorer."

GOLDSOURCE MINES INC.

"J. Scott Drever"

J. Scott Drever, President

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