GOLDSOURCE MINES INC.
INTERIM FINANCIAL STATEMENTS
(*Prepared by Management*)

SEPTEMBER 30, 2007
THIRD QUARTER

Notice of no Auditor review of Interim Financial Statements.

The accompanying unaudited interim financial statements of the company have been prepared by and are the responsibility of the company's management.

The company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

GOLDSOURCE MINES INC.
INTERIM BALANCE SHEETS
(Unaudited - Prepared by Management)

	September 30, 2007	December 31, 2006 (audited)
ASSETS	$	$
Current		
Cash and cash equivalents	37,940	4,213,837
Short term investments	3,863,733	-
Amounts receivable and prepaid expenses	19,651	20,256
	3,921,324	4,234,093
Mineral properties		
Mineral property interests (note 3)	4,055,834	3,790,015
	$ 7,977,158	$ 8,024,108
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 54,730	$ 23,850
Future Income Taxes	689,710	689,710
Shareholders' Equity		
Share capital (note 5)	8,918,024	8,901,524
Contributed surplus (note 5)	4,779,299	4,769,924
Deficit	(6,464,605)	(6,360,900)
Total Shareholders' Equity	7,232,718	7,310,548
	$ 7,977,158	$ 8,024,108

See accompanying notes

On behalf of the Board:

"J. Scott Drever" Director
DIRECTOR'S SIGNATURE

"Graham C. Thody" Director
DIRECTOR'S SIGNATURE

GOLDSOURCE MINES INC.
INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited - Prepared by Management)

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
EXPENSES				
Administrative services	$ 9,700	$ 9,900	$ 29,900	$ 29,700
General exploration	-	4,000	-	5,408
Investor relations	-	11,982	-	88,972
Management fees	22,500	22,425	67,500	67,425
Office and general	6,463	8,536	30,555	23,243
Professional fees	11,006	7,832	44,979	48,712
Rent and telephone	6,135	6,772	18,549	19,149
Shareholder communications	401	(40)	1,817	10,674
Stock-based compensation	-	4,687	9,375	53,687
Trade shows and conferences	3,137	12,858	9,995	54,381
Transfer agent and regulatory fees	1,227	3,526	10,909	17,260
Travel	-	232	1,029	232
Loss before other items	(60,569)	(92,710)	(224,608)	(418,843)
Other items				
Interest income	39,236	49,981	120,903	135,728
NET LOSS FOR THE PERIOD	(21,333)	(42,729)	(103,705)	(283,115)
Deficit, beginning of the period	(6,443,272)	(6,337,574)	(6,360,900)	(6,097,188)
Deficit, end of the period	$ (6,464,605)	$ (6,380,303)	$ (6,464,605)	$ (6,380,303)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.02)
Weighted average number of shares outstanding	17,698,181	17,314,703	17,679,683	16,969,884

See accompanying notes

GOLDSOURCE MINES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
(Unaudited – Prepared by Management)

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
CASH FLOW FROM OPERATING ACTIVITIES				
Loss for the period	$ (21,333)	$ (42,729)	$ (103,705)	$ (283,115)
Stock-based compensation	-	4,687	9,375	53,687
Accrued interest	(38,754)	(40,573)	(113,733)	(115,798)
Changes in operating assets and liabilities				
Amounts receivable and pre-paid expenses	744	(16,234)	605	(54,766)
Accounts payable and accrued liabilities	(16,978)	(92,548)	(13,608)	(35,528)
	(76,321)	(187,397)	(221,066)	(435,520)
CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) redemption of short term investments	-	400,000	(3,750,000)	700,000
Mineral property expenditures	(2,517)	(755,477)	(204,831)	(1,841,584)
	(2,517)	355,477	(3,954,831)	(1,141,584)
CASH FLOW FROM FINANCING ACTIVITIES				
Issuance of share capital	-	287,000	-	330,750
DECREASE IN CASH AND CASH EQUIVALENTS	(78,838)	(255,874)	(4,175,897)	(1,246,354)
CASH AND CASH EQUIVALENTS, beginning of the period	116,778	341,664	4,213,837	1,332,144
CASH AND CASH EQUIVALENTS, end of the period	$ 37,940	$ 85,790	$ 37,940	$ 85,790
Supplemental cash flow information				
Interest paid	$ -	$ -	$	$ -
Income taxes paid	-	-		-
Issuance of share capital for mineral property interests	$ -	$ -	$ 16,500	$ 30,000

See accompanying notes

1. NATURE OF OPERATIONS

Goldsource Mines Inc. (the "Company") is exploring its mineral properties and has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. The recoverability of the carrying values of mineral properties is dependent upon the discovery of economically recoverable ore reserves in its mineral properties and the Company obtaining the necessary financing to complete exploration, development and construction of processing facilities, obtaining government approvals and attaining future profitable production of the mineral resources.

The Company was incorporated under the laws of the Yukon Territory on December 7, 1983 and effective August 3, 2005 was continued into the jurisdiction of the Province of British Columbia pursuant to the British Columbia Business Corporations Act.

These financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern and do not reflect adjustments related to the carrying values and balance sheet classification of assets and liabilities that would be necessary, were the going concern assumption inappropriate.

These interim financial statements have been prepared using the same accounting policies as used in the financial statements for the year ended December 31, 2006 and should be read in conjunction with the audited financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim financial statements should be read in conjunction with the most recent audited annual financial statements. The significant accounting policies follow that of the most recently reported annual financial statements.

Cash and Cash Equivalents and Short-Term Investments

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

Short-term investments comprise highly liquid Canadian dollar denominated guaranteed investment certificates with terms to maturity greater than ninety days, but not more than one year, on the date of purchase that are readily convertible to contracted amounts of cash.

Short-term investments are carried at the lower of cost or recoverable amount.

Mineral Properties

The Company capitalizes all acquisition, exploration and development costs related to exploration and development of mineral properties on a property-by-property basis. The costs of abandoned properties are charged to income in the year of abandonment or when it is determined that potential for discovery of economic mineralization is limited.

2. SIGNIFICANT ACCOUNTING POLICIES continued

The costs of producing properties are amortized using the unit of production method based upon estimated reserves. The amounts recorded as mineral properties represent costs to date and do not necessarily reflect present or future values.

Flow-through Shares

The Company issued flow-through shares in 2005 to finance some of its exploration activities. Such shares were issued for cash in exchange for the Company giving up the tax benefits arising from the exploration expenditures. The amount of these tax benefits are renounced to investors in accordance with Canadian tax legislation. The Company records issuances of flow-through shares by crediting share capital for the full value of cash consideration received. The cost of the future tax benefits arising at the time that the Company renounces the eligible expenditures to the investors, is accounted for as a share issue cost.

The Company records future income tax assets that are caused by the renouncement of tax benefits as a recovery of income tax expense.

3. MINERAL PROPERTIES

(a) Big River Property, Saskatchewan

On October 25, 2005 the Company finalized an agreement with BEC International Corporation ("BEC") of Saskatoon, Saskatchewan to acquire a 90% interest in two blocks of mineral claims in the Big River Area of Saskatchewan (the "Property"). The Company will carry all costs of exploration and development on the Property to the conclusion of a positive Bankable Feasibility Study as defined in the purchase agreement. BEC may then elect to back-in to a 25% working interest in the Property by reimbursing to the Company 25% of all past expenditures, or retain a 10% carried working interest in the Property whereby the Company will fund BEC's share of capital and operating costs to be recovered solely from 80% of BEC's share of cash flow from any future production from the Property.

As consideration for the 90% interest in the Property, the Company paid BEC $55,000 in cash and issued 2.0 million common shares at an issue price of $0.40 per share, the fair market value. In connection with the transaction, the Company also issued 188,750 common shares as a finder's fee at an issue price of $0.40 per share.

As the Big River property was acquired through Section 85 of the income tax act, the tax basis is less than the accounting basis. Accordingly, in accordance with CICA Section 3465.44 a tax basis gross up on the property was recorded and offset by a future tax liability.

(b) Border and Crossroads Properties, Saskatchewan

On April 12, 2006 the Company finalized an agreement with Minera Pacific Inc., ("Minera") for the exclusive rights to use certain information generated from Minera's proprietary UMSERT Methodology which will assist the Company in identifying areas in Saskatchewan and Manitoba that may be prospective for diamonds.

In order to maintain the exclusive rights to use the Information, the Company has agreed to pay staged cash payments over a period of two years to Minera totaling $160,000 ($85,000 paid) and issue a total of 325,000 common shares of the Company (100,000 shares issued) over a period of four years and, by the end of the fifth year, pay an additional $500,000 or issue 250,000 common shares, whichever is the lesser, as determined by the Company in its sole discretion. In order to maintain the agreement in good standing, a payment of $75,000 and 75,000 common shares must be made on or before April 12, 2008.

3. MINERAL PROPERTIES continued

(b) Border and Crossroads Properties, Saskatchewan continued

The Company has also agreed to pay to Minera $1,000,000 (Feasibility Payment) in the event that the Company completes an independent feasibility study on any property acquired by the Company as a result of the UMSERT Methodology. The Company has agreed to make non-refundable payments to Minera of $100,000 in each of the third, fourth and fifth years from the effective date of the Agreement as advances against the Feasibility Payment. Minera is further entitled to receive a 2% gross overriding royalty ("GOR") on commercial production from any such property, and the Company is entitled at any time to purchase one-half of the GOR for $2,000,000.

The Agreement may be terminated by the Company at any time upon written notice to Minera, in which case Minera may elect to receive an assignment of any properties acquired by the Company as a result of the UMSERT Methodology.

MINERAL PROPERTY EXPENDITURES

SEPTEMBER 2007	BIG RIVER, PROPERTY	BORDER PROPERTY	CROSSROADS PROPERTY	TOTAL 2007
Balance, beginning of the period	$ 3,097,504	$ 657,176	$ 35,335	$ 3,790,015
Additions:				
Acquisition	-	33,250	33,250	66,500
Deficiency deposit on mineral claims	150,528	-	-	150,528
Exploration costs:				
Exploration and other	2,420	-	-	2,420
Technical consulting	16,240	16,775	13,356	46,371
	169,188	50,025	46,606	265,819
Balance, end of the period	$ 3,266,692	$ 707,201	$ 81,941	$ 4,055,834

2006	BIG RIVER, PROPERTY	BORDER PROPERTY	CROSSROADS PROPERTY	TOTAL 2006
Balance, beginning of the year	$ 1,601,786	$ -	$ -	$ 1,601,786
Additions				
Acquisition and staking costs	56,043	116,847	22,968	195,858
Exploration costs:				
Assays and laboratory	1,581	-	-	1,581
Drilling	573,696	-	-	573,696
Exploration and other	1,520	-	-	1,520
Geophysical surveys	781,401	516,343	-	1,297,744
Technical consulting	81,477	23,986	12,367	117,830
	1,495,718	657,176	35,335	2,188,229
Balance, end of the year	$ 3,097,504	$ 657,176	$ 35,335	$ 3,790,015

4. RELATED PARTY TRANSACTIONS

During the three month period ended September 30, 2007, the Company paid management fees of $22,500 (2006 - $22,500) to a company owned by an officer and director of the Company.

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS

Authorized

Unlimited number of common shares without nominal or par value
Unlimited Class "A" preference shares without nominal or par value (none outstanding)
Unlimited Class "B" preference shares without nominal or par value (none outstanding)

Issued and fully paid - common shares

	Share Capital		Contributed Surplus
	Number	**Amount**	**Amount**
December 31, 2004	4,689,431	$ 2,392,643	$ 4,243,287
Issued pursuant to acquisition of the Big River Mineral Property	2,188,750	875,500	-
Exercise of warrants	225,000	78,750	-
Issued pursuant to a private placement of flow-through shares	1,550,000	1,085,000	-
Issued pursuant to a private placement			
- for cash	7,932,500	4,759,500	-
- for services	67,500	40,500	-
Share issue costs	-	(320,917)	69,262
Stock-based compensation	-	-	399,000
December 31, 2005	16,653,181	8,910,976	4,711,549
Exercise of warrants	945,000	330,750	-
Issuance pursuant to acquisition of the Border Property	50,000	30,000	-
Future income taxes on renunciation of flow through shares	-	(370,202)	-
Stock-based compensation	-	-	58,375
December 31, 2006	17,648,181	8,901,524	4,769,924
Issued pursuant to acquisition of the Border and Crossroads Properties	50,000	16,500	-
Stock-based compensation	-	-	9,375
September 30, 2007	17,698,181	$ 8,918,024	$ 4,779,299

Stock Options

The Company has a stock option plan under which it is authorized to grant stock options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The exercise price of each option equals the market price of the Company's stock as calculated on the date of the grant. The options can be granted for a maximum term of 5 years.

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS continued

There were no stock option transactions for the nine months ended September 30, 2007.

At September 30, 2007, stock options were outstanding, enabling holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
300,000	$0.35	July 08, 2009
100,000	$0.30	December 08, 2009
800,000	$0.90	December 23, 2010
75,000	$0.60	October 10, 2007
1,275,000		

Warrants

There were no Warrant transactions for the nine months ended September 30, 2007.

At September 30, 2007 share purchase warrants were outstanding enabling holders to acquire common shares as follows:

Number of shares	Exercise price	Expiry date
3,047,500	$0.75	December 01, 2007
137,500	$0.75	December 09, 2007
1,057,370	$0.75	December 20, 2007
4,242,370		

Stock Based Compensation

The stock based compensation expense recognized based on vesting for the nine month period was $9,375 (2006 - $53,687) leaving an unamortized balance of $NIL (2006 - $14,063).