INTERIM FINANCIAL STATEMENTS
(*Unaudited – Prepared by Management*)

SEPTEMBER 30, 2008
THIRD QUARTER

Notice of no Auditor review of Financial Statements.

The accompanying unaudited 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 financial statements by an entity's auditor.

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

	September 30, 2008	December 31, 2007
		(audited)
ASSETS	$	$
Current		
Cash and cash equivalents	120,796	9,625
Short term investments (note 3)	12,097,574	3,799,238
Refundable permit applications (note 4c)	3,200,000	-
Amounts receivable and prepaid expenses	198,278	16,128
	15,616,648	3,824,991
Mineral property interests (note 4)	4,510,205	4,083,789
Advance on drilling contract (note 5)	403,375	-
	$ 20,530,228	$ 7,908,780
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 560,060	$ 29,307
Future Income Taxes (note 8)	-	643,316
Shareholders' Equity		
Share capital (note 6)	24,836,969	8,918,024
Contributed surplus (note 6)	6,030,767	4,779,299
Deficit	(10,897,568)	(6,461,166)
Total Shareholders' Equity	19,970,168	7,236,157
	$ 20,530,228	$ 7,908,780

Subsequent Event (note 10)

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.
STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited - Prepared by Management)

	Three Months Ended September 30		Nine Months Ended September 30	
	2008	**2007**	**2008**	**2007**
EXPENSES				
Administrative services	$ 11,400	$ 9,700	$ 33,300	$ 29,900
Investor relations	6,999	-	9,110	-
Management fees	22,500	22,500	67,500	67,500
Office and general	22,196	6,463	34,525	30,555
Professional fees	53,083	11,006	137,678	44,979
Rent and telephone	7,118	6,135	19,481	18,549
Shareholder communications	9,900	401	19,944	1,817
Stock-based compensation (note 6 (d))	74,125	-	293,625	9,375
Trade shows and conferences	2,747	3,137	5,495	9,995
Transfer agent and regulatory fees	2,047	1,227	14,205	10,909
Travel	17,382	-	19,980	1,029
Loss before under-noted	(229,497)	(60,569)	(654,842)	(224,608)
Other items				
Interest income	107,027	39,236	172,054	120,903
Write-off of mineral property expenditures (note 4)	(4,596,930)	-	(4,596,930)	-
Loss before future tax recovery	(4,719,400)	(21,333)	(5,079,718)	(103,705)
Future income tax recovery (note 8)	643,316	-	643,316	-
Net and comprehensive loss for the period	(4,076,084)	(21,333)	(4,436,402)	(103,705)
DEFICIT, beginning of the period (note 6 (d))	(6,821,484)	(6,443,272)	(6,461,166)	(6,360,900)
DEFICIT, end of the period	$ (10,897,568)	$ (6,464,605)	$ (10,897,568)	$ (6,464,605)
Basic and diluted loss per share	$ (0.22)	$ (0.00)	$ (0.24)	$ (0.00)
Weighted average number of shares outstanding	19,310,442	17,698,181	18,284,203	17,679,683

See accompanying notes

GOLDSOURCE MINES INC.

STATEMENTS OF CASH FLOW

(Unaudited – Prepared by Management)

	Three Months Ended September 30		Nine Months Ended September 30	
	2008	**2007**	**2008**	**2007**
OPERATING ACTIVITIES				
Loss for the period	$ (4,076,084)	$ (21,333)	$ (4,436,402)	$ (103,705)
Stock-based compensation	74,125	-	293,625	9,375
Accrued interest	(73,555)	(38,754)	51,664	(113,733)
Write-off of mineral property expenditures	4,596,930	-	4,596,930	-
Future income tax recovery	(643,316)	-	(643,316)	-
Changes in operating assets and liabilities		-		-
Amounts receivable and pre-paid expenses	(156,689)	744	(182,150)	605
Refundable permit applications	(3,200,000)	-	(3,200,000)	-
Accounts payable and accrued liabilities	(50,831)	(16,978)	29,174	13,608
	(3,529,420)	(76,321)	(3,490,475)	(221,066)
FINANCING ACTIVITIES				
Issuance of share capital pursuant to the exercise of stock options	2,700	-	5,850	-
Issuance of share capital pursuant to a private placement	-	-	18,001,000	-
Share issuance costs incurred, excluding non-cash item	(22,765)	-	(1,142,813)	-
	(20,065)	-	16,864,037	-
INVESTING ACTIVITIES				
Mineral property expenditures, excluding acquisition costs incurred by the issuance of shares	(760,705)	(2,517)	(4,509,016)	(204,831)
Advance on drilling contract, net	96,625	-	(403,375)	-
(Purchase) redemption of short term investments	3,110,000	-	(8,350,000)	(3,750,000)
	2,445,920	-	(13,262,391)	(3,954,831)
CHANGE IN CASH AND CASH EQUIVALENTS, beginning of the period	(1,103,565)	(78,838)	111,171	(4,175,897)
CASH AND CASH EQUIVALENTS, beginning of the period	1,224,361	116,778	9,625	4,213,837
CASH AND CASH EQUIVALENTS, end of the period	$ 120,796	$ 37,940	$ 120,796	$ 37,940

Supplemental disclosure with respect to cash flows (Note 9)

See accompanying notes

1. NATURE OF OPERATIONS

Goldsource Mines Inc. (the "Company") is subject to the jurisdiction of the Province of British Columbia pursuant to the British Columbia Business Corporations Act.

The Company is in the process of exploring its mineral properties and has not yet identified a commercial resource. The recoverability of the carrying values of mineral properties is dependent upon the discovery of an economically recoverable resource 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 2 to the audited financial statements for the year ended December 31, 2007 and have been consistently followed in the preparation of these interim financial statements except that the company has adopted the following CICA standards effective for the Company's first quarter commencing January 1, 2008.

i) Assessing Going Concern (Section 1400)

The Accounting Standards Board (AcSB) amended the Section 1400, to include requirements for management to assess an entity's ability to continue as a going concern and to disclose material uncertainties related to events or conditions that may cast doubt upon the entity's ability to continue as a going concern. The adoption of this standard did not have an impact on these financial statements.

ii) Capital Disclosures (Section 1535)

This new pronouncement establishes standards for disclosing information about an entity's capital and how it is managed. Section 1535 also requires the disclosure of any externally-imposed capital requirements, whether the entity has compiled with them, and if not, the consequences (See Note 7).

iii). Financial Instruments – Disclosure (Sections 3862) and Presentation (Section 3863)

These new standards require additional disclosures to enable users to evaluate the significance of financial instruments for an entity's financial position and performance. In addition, qualitative and quantitative disclosures are provided to enable users to evaluate the nature and extent of risks arising from financial instruments (See Note 7).

iv). Determining whether a contract is routinely denominated in a single currency

This new standard considers 1) how the term "routinely denominated" in Section 3855.A34(d) should be interpreted, and 2) what factors can be used to determine whether a contract for the purchase or sale of a non-financial item such as a commodity is routinely denominated in a particular currency in commercial transactions around the world. The adoption of this standard did not have impact in these financial statements.

Effective January 1, 2009, the Company is required to adopt the following accounting standards update issued by the CICA:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i). Goodwill and intangible assets (Section 3064)

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets". This new standards provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the adoption of this standard, EIC 27, "Revenue and Expenditures in the Pre-operating Period", will be withdrawn. The impact of this new accounting standard on future financial statements is currently being assessed.

3. SHORT-TERM INVESTMENTS

Short-term investments comprise highly liquid Canadian dollar denominated guaranteed investment certificates with term to maturity of greater than 90 days but not more than one year. Short-term investment is carried at the lower of cost or recoverable amount. The counter-parties include Canadian based financial institutions. At September 30, 2008 the investments were yielding an interest rate of 3.10% with a maturity of June 26, 2009.

The fair market value of the Company's short-term investments approximate their carrying value at the balance sheet dates.

4. 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.

Upon completion of an exploration program the Company abandoned the mineral claims and has accordingly written-off all related mineral property expenditures.

(b) Border, Crossroads and Ballantyne Properties, Saskatchewan

By agreement ("MPI Agreement") dated April 12, 2006 with Minera Pacific Inc., ("Minera") the Company acquired 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 minerals.

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 totalling $160,000 ($160,000 paid) and issue a total of 325,000 common shares of the Company (175,000 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. The next payment is due on or before April 12, 2009 and will be for $100,000 as an advance against the Feasibility Payment and the issuance of 75,000 common shares.

4. MINERAL PROPERTIES (continued)

(b) Border, Crossroads and Ballantyne Properties, Saskatchewan

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.

By amendments dated May 1 and May 15, 2008, the MPI Agreement was extended whereby MPI will use its ability, knowledge and technical methodology to assist the Company in locating properties in other areas in Saskatchewan and Manitoba which may be prospective for minerals. In consideration for this, the Company agreed to pay MPI $100,000 for each area acquired by the Company, payable as to $25,000 within 30 days of the date of acquisition of the first property and a further $75,000 on the first anniversary of the initial payment on condition that the Company continues to hold at that time a property within such area.

Upon completion of an exploration program the Company abandoned the Crossroads mineral properties and has accordingly written-off all related mineral property expenditures.

(c) Manitoba Properties

The Company has applied for Quarry Coal Permits located in the Province of Manitoba. The applications comprise several separate properties of interest and required deposits totaling $4,252,752. Subsequent to the initial applications, the Company reconfigured and reduced the hectares applied for such that $3,200,000 of the initial deposits will be refunded.

When granted, the permits will be subject to the terms of the Minera Pacific Inc. agreements. The Manitoba quarry permit application deposits are refundable upon completion of a qualifying work program.

Mineral Property Expenditures

	Saskatchewan				Manitoba	
SEPTEMBER 2008	**Big River, Property**	**Border Property**	**Crossroads Property**	**Ballantyne Property**	**Manitoba Properties**	**Total 2008**
Balance, December 31, 2007	$ 3,282,255	$ 708,207	$ 93,327	$ -	$ -	$ 4,083,789
Additions						
Coal and quarry permit applications	-	189,341	-	215,913	1,052,752	1,458,006
Acquisition costs	-	43,875	43,875	-	-	87,750
Assays	14,346	9,006	-	-	-	23,352
Drilling and logistics	703,972	2,052,886	429,862	-	-	3,186,720
Exploration and other	4,415	2,508	330	-	-	7,253
Technical services and consulting	21,929	235,717	2,619	-	-	260,265
	744,662	2,533,333	476,686	215,913	1,052,752	5,023,346
Mineral property expenditures written-off	(4,026,917)	-	(570,013)	-	-	(4,596,930)
Balance, September 30, 2008	$ -	$ 3,241,540	$ -	$ 215,913	$ 1,052,752	$ 4,510,205

4. MINERAL PROPERTIES (continued)

Mineral Property Expenditures

	Saskatchewan			
2007	**Big River, Property**	**Border Property**	**Crossroads Property**	**Total 2007**
Balance, beginning of the year	$ 3,097,504	$ 657,176	$ 35,335	$ 3,790,015
Additions				
Acquisition and staking costs	-	33,250	33,250	66,500
Deficiency deposit	150,528	-	-	150,528
Exploration costs:				
Exploration and other	16,097	-	5,640	21,737
Technical consulting	18,126	17,781	19,102	55,009
	184,751	51,031	57,992	293,774
Balance, end of the year	$ 3,282,255	$ 708,207	$ 93,327	$ 4,083,789

5. ADVANCE ON DRILLING CONTRACT

The Company has advanced $500,000 as a deposit on a drilling contract. The advance will be applied on a usage basis to future drilling contracts and consequently has been recorded as a long term asset. Amounts not consumed by May 27, 2009 maybe recoverable by the Company. The advance is secured by a registered charge on equipment.

	September 30, 2008	**December 31, 2007**
Advance on drilling contract	$ 500,000	$ -
Less amounts recovered	(96,625)	-
Carrying value	403,375	-

6. SHARE CAPITAL AND CONTRIBUTED SURPLUS

(a) 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, 2006	17,648,181	$ 8,901,524	$ 4,769,924
Issued pursuant to acquisition of Mineral Properties	50,000	16,500	-
Stock-based compensation	-	-	9,375
December 31, 2007	17,698,181	8,918,024	4,779,299
Issuance pursuant to acquisition of Mineral Properties	75,000	12,750	-
Issuance pursuant to exercise of stock options	6,500	9,490	(3,640)
Issuance pursuant to private placement	1,532,000	18,001,000	-
Share issuance costs	-	(2,104,295)	961,483
Stock-based compensation	-	-	293,625
September 30, 2008	19,311,681	$ 24,836,969	$ 6,030,767

6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

On June 27, 2008 the Company issued 1,532,000 common shares pursuant to a private placement, at a price of $11.75 per share for gross proceeds of $18,001,000. The Agent received a cash commission of $980,060 plus a reimbursement of $58,009 for legal and other expenses relating to the private placement. In addition the Agent was granted a non-transferable compensation warrant entitling the Agent to purchase up to 91,920 common shares of the Company at an exercise price of $13.50 per share until June 27, 2009. The fair value of the Agent's compensation warrants, calculated using the Black Scholes method, of $961,483 was allocated to share issuance costs and contributed surplus.

By Ordinary Resolution of the shareholders on June 26, 2008 the shareholders ratified a shareholder rights plan adopted by the Board of Directors May 8, 2008. The Rights Plan has the following main objectives:

- To provide the Board of Directors time to consider value-enhancing alternatives to a take-over bid and to allow competing bids to emerge;
- To ensure that shareholders of the Company are provided equal treatment under a take-over bid; and
- To give adequate time for shareholders to properly assess a take-over bid without undue pressure.

(b) 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.

During the period 6,500 stock options were exercised at a price of $0.90 for proceeds of $5,850

At September 30, 2008, 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
793,500	$0.90	December 23, 2010
555,000	$0.38	April 23, 2013
100,000	$6.45	June 02, 2103
1,848,500		

1,571,000 currently exercisable

(c) Warrants

At September 30, 2008 share purchase warrants were outstanding enabling holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
91,920	$13.80	June 27, 2009

6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(d) Stock Based Compensation

The stock based compensation expense recognized based on vesting for the nine month period was $293,625(2007 - $9,375) leaving an unamortized balance of $370,625 (2007 - $Nil). The Company revised the amortization of a certain unvested stock option grants made in the period ended June 30, 2008. This had the effect of reducing the amount of stock based compensation expense charged to that period and correspondingly, the deficit carried forward from the June 30, 2008 period by $404,250.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

September 30, 2008	**2008**	**2007**
Annualized volitility	140%	-
Risk-free interest rate	3.17%	-
Dividend rate	-	-
Expected life of options	3.4 years	-

7. RELATED PARTY TRANSACTIONS

During the nine month period ended September 30, 2008, the Company paid management fees of $67,500 (2007 - $67,500) to a company owned by an officer and director of the Company.

8. FUTURE INCOME TAXES

	2008	**Year ended 2007**
Balance, beginning of the period	$ 643,316	$ 689,710
Deficiency deposit	-	46,664
Reduction in future corporate tax rates	-	(93,058)
Recovery of future income taxes as a result of the	-	-
write-off of mineral property expenditures	(643,316)	-
Balance, end of the period	$ -	$ 643,316

9. FINANCIAL INSTRUMENTS RISK EXPOSURE AND MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, and interest rate risk. Where material these risks are reviewed and monitored by the Board of Directors.

a. Capital Risk Management

The Company manages it capital to safeguard the Company's ability to continue as a going concern, to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in the shareholder's equity as capital. The Company manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets, incur debt, or return capital to shareholders. As of September 30, 2008 the Company did not have any debt and is not subject to externally imposed capital requirements.

8. FINANCIAL INSTRUMENTS RISK EXPOSURE AND MANAGEMENT (continued)

b. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is invested in business accounts with quality financial institutions and which is available on demand for the Company's programs, and is not invested in any asset backed commercial paper.

c. Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet it contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and equivalents and amounts receivable. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and equivalents with high-credit quality financial institutions.

The majority of the Company's cash and cash equivalents and short term investment are held with major Canadian based financial institutions.

d. Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash and cash equivalents. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash and cash equivalents as they are generally held with large financial institutions.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2008	2007
Cash paid during the period for income taxes	-	-
Cash paid during the period for interest	-	-

Significant non-cash transactions for the nine months ended September 30, 2008 consisted of:

a. The Company paid an Agent's commission of 91,920 warrants. The fair value of the agent's warrant, calculated using the Black-Scholes method, of $961,483 was allocated to share issuance costs and contributed surplus.

b. The Company recorded a transfer of $3,640 for stock options exercised during the year to share capital from contributed surplus.

c. Included in mineral property costs is $501,580 which relates to accounts payable and accrued liabilities.

d. Included in mineral property costs is $12,750 incurred by the issuance of common shares pursuant to a property agreement.

10. SUBSEQUENT EVENT

On October 9, 2008 the Company reserved 50,000 common shares for granting to a future employee. On the same date the Company granted a stock option to acquire 100,000 common shares at $2.20 per share for a fiver year term and vesting over an eighteen month period, to a director of the Company. Certain of these granted options will not be exercisable unless they, together with common shares of the Company reserved for issuance under the Company's share option plan, do not in the aggregate constitute more than 10% of the outstanding common shares of the Company at the time of purchase or exercise.