GOLDSOURCE MINES INC.
(formerly International Antam Resources Ltd.)
MANAGEMENT DISCUSSION AND ANALYSIS - FORM 51
For the period ended June 30, 2004

The Management Discussion and Analysis (MDA) is an overview of the activities of GOLDSOURCE MINES INC. (the "Company") for the six month period ended June 30, 2004 The MDA should be read in conjunction with the Company's unaudited consolidated financial statements for the period ended June 30, 2004 and the notes attached thereto. The effective date of this Management Discussion & Analysis is August 20, 2004.

OVERALL PERFORMANCE

The Company is a natural resource company engaged in the acquisition, exploration and development of mineral properties.

At a Special Meeting of shareholders held on December 23, 2003 approval was received to change the Company's name to Goldsource Mines Inc. The name change and new trading symbol "GXS" became effective January 23, 2004 upon which date the common shares of Goldsource Mines Inc. commenced trading on TSX Venture Exchange and the common shares of International Antam Resources Ltd. were de-listed. The Company is classified as a "Mining (Non-Oil & Gas) and Exploration/Development company."

Until September 30, 2003, the Company's principal business activity was the production and sale of gold and silver from its Cikidang mine in Java, Indonesia. The Company was also involved in the exploration and development of mineral properties in Indonesia. Effective September 30, 2003 the Company disposed of all its Indonesian assets and operations (See "Corporate Restructuring" below). Its principal business activity is now the exploration for and the development of precious metal deposits in North, and Central America.

The Company currently has one mineral property interest in British Columbia in which it may earn an 80% interest by making certain cash mineral payments and completing certain work requirements. A stage 1 exploration program was commenced during the period with the completion mapping, geochemical sampling and an IP Geophysical survey (See "Results of Operations" below). The Company is actively seeking other property interests and business opportunities which will advance its corporate goal of acquiring or discovering significant gold based assets. In order to assist in the financing of these activities and subsequent to the period, the Company completed a private placement of 1.5 million units at 0.25 per unit with a two year warrant attached to raise gross proceeds of $375,000 (see subsequent events below).

The proposed business objectives of the Company involve a high degree of risk and there is no assurance that future acquisitions or participations will be identified. Moreover, if potential acquisitions or participations are identified, the Company may determine that the current market, pricing conditions or terms of participation may make the acquisition or participation unattractive. The Company will be in competition with others with greater resources. The Company may find that, even if the terms of the acquisition or participation are reasonable, additional funds may be required to complete the acquisition or participation, and the Company may not be able to obtain financing on the terms acceptable to the Company, or at all. Where an acquisition or participation is financed by the issuance of shares from the treasury, control of the Company may change and shareholders may suffer dilution to their investment.

CORPORATE RESTRUCTURING

On October 2, 2003, the Company agreed to a major corporate restructuring of the Company with its majority shareholder, PT Antam TBK ("Antam") whereby the Company would transfer all of its Indonesian mineral properties interests and other cash and liquid assets to Antam in exchange for the surrender by Antam of 11,428,571 common shares of the Company for cancellation.

CORPORATE RESTRUCTURING (cont'd….)

Completion of the Transaction was subject to the approval of the TSX Venture Exchange, such other approvals as were required and compliance with all mandatory requirements of the Related Party Transaction Rules, including minority shareholder approval. The Company received approval for the transaction from minority shareholders at a Special Meeting of the shareholders of the Company held December 23, 2003 and from the TSX Venture Exchange on December 29, 2003.

The transaction was effected, in part by the transfer to Antam of the Company's Indonesian subsidiary, PT Antam Resourcindo (PTAR) through which the Company held its Indonesian mineral property interests. These interests were originally acquired from Antam in 1997 in exchange for shares of the Company that gave Antam a controlling 81.9% interest in the Company.

In addition to the shares of PTAR, Antam received cash and other liquid assets of $1,484,877 million, which in aggregate represented its proportionate share of the net asset value of the Company as at September 30, 2003. The cash remaining in the Company at closing approximated the minority shareholder's 18.1% interest in the net asset value of the Company as at September 30, 2003, as determined by the Company's independent financial valuator.

Since the Company and Antam were "related parties" for the purposes of applicable Canadian securities laws and under related party transaction rules, the acquisition of the Assets by Antam was a "related party transaction". The Company established an Independent Committee of the board of directors to consider, and if thought fit, to approve the transaction. The Company received an independent valuation report prepared by Snowden Mining Consultants as to the value of the mineral property assets. The Independent Committee retained Forum Capital Partners as independent financial advisors who provided an opinion that the consideration to be paid by Antam was fair, from a financial point of view, to the minority shareholders of the Company. On the basis of this opinion and full consideration of the other aspects of the transaction, some of which are set out below, the Independent Committee approved the transaction.

The transaction was completed on December 29, 2003 and made effective September 30, 2003. Upon completion of the transaction, the Company had 2,514,431 million shares outstanding, and Antam's ownership of the Company was reduced to nil.

ANNUAL GENERAL MEETING AND CHANGES TO BOARD OF DIRECTORS

The Company's Annual General Meeting was held on June 22, 2004 in Vancouver. Mr. Donald Berkey joined the previous directors Mssrs. J Scott Drever, Steven B. Simpson and Graham C. Thody, all of whom were elected as Directors until the next AGM. Subsequent to the Meeting Mr. Drever was appointed President of the Company and Mr Thody was appointed Chief Financial Officer. Mr. Berkey has extensive experience in underwriting and financing of junior mining companies, having spent 25 years in the securities industry, most recently with Canaccord Capital as Vice President of sales. Mr. Berkey is a welcome addition to the Board and will provide valuable market insight in the continuing development of Goldsource.

Shareholders also approved the appointment of Ernst & Young as auditors for the company as well as a stock based compensation option plan.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in a strong financial position with $1,149,081 in cash and working capital, including the cash, of $1,068,118. A $375,000 private placement was announced in June, 2004 and $143,750 of share subscriptions were received during the second quarter with the balance of $231,250 being received in July, 2004.

The Company's exploration program on the ROX 1 mining claim was still in progress at June 30th, however the bulk of the planned expenditures has already been incurred. Cash outflows may increase if the current exploration program is expanded or drilling is undertaken or if additional projects are acquired. The Company had sufficient funds to carry out the planned program on the ROX 1 claims as detailed below and has raised additional funds of $375,000 by way of the private placement to supplement its working capital position. The Company will also require this additional capital to implement its planned program of property acquisitions through out North and Central America

The Company currently has no source of income and is entirely reliant upon raising equity capital to funds it operations and general administrative costs.

FINANCIAL SUMMARY

Three months ended June 30, 2004

General and administrative expenses for the three months ended June 30, 2004 were $44,755 compared to general and administrative expenses from continuing operations of $67,435 for the three months ended June 30, 2003. This decrease of $22,680 is attributed mainly to a $15,000 decrease in management fee expense paid to Nemesis and a $6,791 decrease in professional fees.

A foreign exchange gain of $16,691 was realized in the three months ended June 30, 2004 related to the currency valuation of US dollars held by the Company. A foreign exchange loss of $30,787 was recorded in the comparative period.

The corporate restructuring completed in December, 2003 resulted in the reporting of financial results from both continuing and discontinued operations. For comparative purposes the continued segregation of continuing and discontinued operations will be necessary throughout 2004. The net loss from continuing operations for the period ended June 30, 2004 was $27,614 and net income from discontinued operations was zero for a combined net loss for the period ended June 30, 2004 of $27,614. This compared to a net loss from continuing operations of $97,618 and a net income from discontinued operations of $23,768 for a combined net loss for the comparative period ended June 30, 2003 of $73,850.

Six months ended June 30, 2004

General and administrative expenses for the six months ended June 30, 2004 was $123,276. This compares to general and administrative expenses from continuing operations of $112,154 for the six months ended June 30, 2003 The increase of $11,122 in the six months ended June 30, 2004 compared to the comparative period ended June 30 2003 was mainly due to residual expenses related to the corporate restructuring that occurred in the fourth quarter of 2003 and by increased corporate, property, and financing activities. Administrative services increased by $7,594 as a result of Indonesian staffing costs on the transfer of control of the former subsidiary company.

FINANCIAL SUMMARY (cont'd….)

Professional fees increased by $7,200, shareholder communications increased by $8,820, and transfer agent and regulatory fees increased by $8,488 in connection with the Company's reorganization, extraordinary general meeting and change of name. Partially offsetting some of these expense increases was a decrease in management fees of $15,000.

A foreign exchange gain of $23,821 was realized in the six months ended June 30, 2004 related to the currency valuation of US dollars held by the Company. A foreign exchange loss of $30,787 was recorded in the comparative period and was attributed to the weakening of the US dollar against the Canadian dollar.

As explained for the three month period, since there were no results reported from discontinued operations the net loss from continuing operations and net loss for the period ended June 30, 2004 was $98,031 compared to a net loss from continuing operations of $142,337 and net income from discontinued operations of $68,487 for a combined net loss for the comparative period of $73,850.

At June 30, 2004 the Company's working capital had increased by $100,424 to $1,068,118 compared to working capital of $967,694 at December 31, 2003. Cash increased by $157,588 from $991,493 at December 31, 2003 to $1,149,081 at June 30, 2004.

The increase in working capital during the six months ended June 30, 2004, was due primarily to receipt of proceeds of $141,750 from the issuance of share capital related to the exercise of stock options in January and by receipt of $143,750 of share subscriptions in June related to a private placement announced on June 8, 2004 and closed on July 21, 2004. Expenditures on mineral properties were $87,045 for the six months ended June 30, 2004 including $84,593 for the three months ended June 30, 2004 with no expenditures for the comparative periods.

SELECTED ANNUAL INFORMATION

	2003 **$**	**2002** **$**
Total revenues	-	-
Income (loss) before discontinued operations	(498,401)	(309,026)
Per share	(.045)	(.022)
Net income (loss)	(32,237)	105,419
Per share	(.003)	.008
Total assets	1,022,817	6,805,478
Total long term financial liabilities	-	66,665
Cash dividends per share	-	-

(1) All per share amounts are calculated on a weighted average, basic and fully diluted basis.

(2) Total assets declined in 2003 as a result of the corporate restructuring previously referred to.

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SUMMARY OF QUARTERLY RESULTS

Period	Revenue	Income (loss) before discontinued operations	Income (loss) per Share	Net income (loss)	Net Income (loss) per Share
June 30, 2004	-	(27,614)	(.008)	(27,614)	(.008)
March 31, 2004	-	(70,417)	(.023)	(70,417)	(.023)
Dec. 31, 2003	-	(183,225)	(.017)	(183,225)	(.017)
Sept. 30, 2003	2,313,940	(203,022)	(.145)	150,988	.011
June 30, 2003	1,068,313	(67,435)	(.007)	(73,850)	(.005)
March 31, 2003	932,416	(44,719)	(.003)	-	(0.00)
Dec. 31, 2002	1,818,272	-	-	203,531	.015
Sept. 30, 2002	1,403,843	-	-	109,006	.008

(1)All per share amounts are calculated on a weighted average, basic and fully diluted basis.

OUTSTANDING SHARE CAPITAL

Authorized

Unlimited number of common shares without nominal or par value
Unlimited Class "A" preference shares without nominal or par value
Unlimited Class "B" preference shares without nominal or par value

Issued and fully paid - common shares	**Number**
Balance, December 31, 2003 and 2002	13,943,002
Cancellation of shares *[see Corporate restructuring]*	(11,428,571)
Balance, December 31, 2003	2,514,431
Issued upon exercise of Options	675,000
Balance, June 30, 2004	3,189,431

Refer to subsequent events for a private placement of 1,500,000 units which closed on July 21, 2004 for gross proceeds of $375,000.

STOCK OPTIONS

During January 2004, stock options, to acquire 675,000 common shares at $.21 per share, were exercised for proceeds of $141,750.

Stock options were granted on July 8, 2004, to directors and officers to acquire 300,000 common shares of the Company at an exercise price of $0.35 per share for a term of five years pursuant to the Company's stock option plan.

RELATED PARTY TRANSACTIONS

During the six month period ended June 30, 2004, the Company paid fees of $45,000 (2003 - $60,000) for management services to Nemesis Enterprises Ltd., which is wholly owned and controlled by a Director and Officer of the Company. All but $15,000 of these fees were paid on a month to month basis as approved by the previous board of directors.

Effective March 31, 2004, the Company entered into a management agreement with Nemesis Enterprises Ltd. ("Nemesis") whereby the Company retained Nemesis to provide managerial, administrative and consulting services to the Company and, in particular, to provide the services of J. Scott Drever to serve as President and a Director of the Company. Nemesis is a company wholly-owned by Mr. Drever.

In consideration for the services, the Company is to pay Nemesis fees at the base rate of $60,000 per year plus GST, payable in equal monthly installments. This remuneration is to be adjusted from time to time in accordance with the affairs of the Company and the amount of time and effort required on behalf of Mr. Drever and Nemesis.

The Management Agreement is for a term of three years, subject to the right of either party to terminate the agreement by giving written notice to the other party at least 60 days prior to any Annual General Meeting of its intention to terminate the agreement. In the event that, without Nemesis' prior written consent, the Company terminates or is deemed to terminate the Management Agreement at any time 60 days prior to any Annual General Meeting (or Extraordinary General Meeting) for any reason other than cause, the Company must pay Nemesis a termination fee equal to three times the applicable monthly fee as at the date of termination.

INVESTOR RELATIONS ACTIVITIES

Investor relations activities were handled by the Company and no professional fees were incurred using consultants.

RESULTS OF OPERATIONS

On December 18, 2003 the Company entered into an option agreement to acquire a 100% interest in 20 claim units covering an area of 500 hectares in the Omineca Mining Division of British Columbia. The Company can earn an initial 80% interest in the claims by making staged cash payments of $145,000 and completing exploration expenditures of $500,000 over a four year period. Upon the exercise of the initial option, the Company has a further option to acquire the remaining 20% by paying $750,000 in cash or at the discretion of the Company, a combination of cash and common shares of the Company provided that the share component does not exceed 50% of the value of the total payment. An initial option payment of $20,000 was made upon execution of the agreement.

In December 2003, the Company retained Peter L. Ogryzlo, M.Sc., P. Geo. (BC) as an independent Qualified Person to provide a technical report on the property. The technical report, dated December 2003 was filed on Sedar on February 10, 2004.

RESULTS OF OPERATIONS (cont'd….)

The ROX 1 mineral claim is situated in the Central Interior of the Province of British Columbia, approximately 90 kilometres south of the town of Houston, BC. The claim lies in the Omineca Mining Division on NTS map sheet 093E/15W. The vendor acquired the Property by staking in September 1997 and holds the property under mineral tenure No. 372796.

The property is underlain by clastic sedimentary rocks of the Middle Jurassic Smithers Formation of the Hazelton Group, which are overlain or in faulted contact with volcanic rocks of the Eocene Endako Group. Fieldwork led to the discovery of subcroppings of bedrock containing silicified zones, stringers, and brecciated zones with open spaces filled with sphalerite, galena and pyrite.

Limited diamond drilling on the property during the 2001 field season indicated the presence of precious and base metal mineralization. In order to ascertain the extent and grade of this mineralization, the diamond drill program was continued in the 2002 field season guided by the previous work and by limited surveying using electromagnetic techniques.

The property is considered to be at an early stage of exploration and has no known mineral reserves. The technical report states that from the surface exposures and sampling completed, the mineralization encountered indicates the presence of an epithermal precious metal system filling veins or cavities in the country rock. The level of information is not sufficient to estimate the grade or width of the occurrence. Electromagnetic surveying has proven to be of use in generating drill targets.

In the technical report, a program of additional geological mapping, geophysical surveying and diamond drilling is recommended at a cost of Cdn. $93,300 as set out below.

ROX 1 - PROPOSED BUDGET - STAGE 1

Task			**Cost Per Unit**	**Cost $CDN**
Geological Mapping	500 ha	5 days	$600/day	3,000
Mob/demob, accommodation geophysical and linecutting crews	4 persons	10 days	$60/man day	2,400
Line Cutting	10 lines	20 line km	$200/line km	4,000
Geophysical Surveying	10 lines	20 line km	$400/line km	8,000
Permitting for drilling		2 days	$500/day	1,000
Bonding				10,000
Diamond Drill Access trails, site prep		2 km	$1,000/km	2,000
Mob/demob accommodation for drilling				10,000
Drilling	6 holes @100m	600 metres NQ core	$60/metre	36,000
Geologist, supervision	15 days		$600/day	9,000
Sampling, assay, freight	200 samples		$25/sample	5,000
Drafting, reporting	5 days		$500/day	2,500
Reclamation				2,000
Contingency			10%	9,400
SUBTOTAL				**103,300**
Bond refund				10,000
TOTAL				**93,300**

RESULTS OF OPERATIONS (cont'd….)

Contingent upon the results of this program, the technical report states that provision should be made for additional drilling at a cost of approximately Cdn.$132,400 for a total of Cdn.$225,700.

PROJECT ACTIVITY

During the period the Company commenced the stage 1 exploration program on its optioned ROX 1 mining claims with program costs to-date totaling $87,045 with $84,953 being spent this quarter. The program carried out to date included geological mapping, soil and rock chip sampling and 28.8 kilometres of linecutting and IP geophysics. The project work was supervised by Anthony L'Orsa, P.Geo. and Qualified person for the purposed of NI 43-101. The geophysics was carried out by SJ Geophysics Ltd. of Delta, B.C.

The planned program will, when completed, run considerably over budget due to difficult operating conditions and the need to expand the initial proposed grid area, the program required approximately 21 days to complete rather than the proposed 10 days with the attendant increases in overall costs. Camp costs to-date are $5,805, engineering consulting $2,092, geophysical survey $59,405 and line cutting $19,743 for an interim total of $87,045. Ongoing work or any potential drill program will be conditional upon the results of the sampling and the interpretive outcome of the geophysical results.

SUBSEQUENT EVENTS

(a) On June 16, 2004 the Company announced a non-brokered private placement of up to 1.5 million Units at a price of $0.25 per Unit for gross proceeds of up to $375,000. Each Unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.35 per share for a term of two years. If the closing trading price for common shares of the Company is $1.00 per share or greater for ten consecutive trading days, the Company may elect to provide notice to holders of the Warrants and the Warrants will then expire 30 days after the date notice is given.

    The Company received $143,750 in share subscription proceeds prior to June 30, 2004 and the entire private placement of 1.5 million Units for proceeds of $375,000 closed on July 21, 2004.

(b) On July 8, 2004 The Company granted stock options to directors and officers under its Stock Option Plan to purchase an aggregate of 300,000 common shares of the Company at an exercise price of $0.35 per share for a term of five years.

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DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction and in context with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented.

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: silver exploration and development costs and results, fluctuations of silver prices, foreign operations and foreign government regulations, competition, uninsured risks, recovery of reserves, capitalization and commercial viability and requirement for obtaining permits and licenses.

Certain data included in this document may be historical in nature and as such may not conform to the requirements of NI- 43-101, may not have been verified by the Company's qualified person and therefore should not be relied upon.