



Goldsource Drills 23.2 Metre Coal Intercept at Border Property

TSX-V: GXS

For Immediate Release

VANCOUVER, B.C. July 28, 2008 – Goldsource Mines Inc. (the “Company”) announces that it has completed hole BD08-02 which is the fifth hole including the discovery holes, to be completed on its coal permits of the Border Property near Hudson Bay, Saskatchewan.

Hole BD08-02 was drilled approximately 3.0 kilometres to the northwest of initial discovery hole BD08-03 (see attached drill plan). The hole was drilled to a depth of 108.5 metres and was lost at this depth due to down-hole problems. The hole encountered a coal intercept of 23.2 metres between 81.6 metres and 104.8 metres. Two continuous coal intervals of 12.4 metres and 7.5 metres thick were encountered from 81.6 - 94.0 metres and 97.3 - 104.8 metres respectively. The coal in both intervals is black, hard and dull to shiny with few visible partings and appears comparable to that of the intercepts of the discovery holes which were ranked as sub-bituminous to bituminous. This intercept included a 3.3 metre internal parting of carbonaceous sand with coal fragments from 94.0 to 97.3 metres. **The Company cautions against placing undue reliance on the visual observations of the coal until the results of the analytical work have been announced.**

The glacial till and mudstones overlying the top of the seam are also consistent with that encountered in the discovery holes. There is only about 1.7 metres difference in the elevations of the top of the seam in this hole and the nearest discovery hole BD08-03 although the holes are approximately 3.0 kilometres apart. Hole BD08-02 was located based on a continuing review of the available geophysical data, both airborne and down-hole, the emerging geophysical signature of the coal seam in the discovery holes and the geological data obtained in the first four holes.

Hole BD08-04, the fourth hole drilled, was located approximately 2.5 kilometres south of BD08-01, the third hole drilled and was completed to a depth of 85.8 metres. As previously announced, (press release dated July 21, 2008), this hole intersected approximately 8.3 metres of carbonaceous mudstone, minor coal seams and sand partings at the base of the overburden from 28.0 metres to 36.3 metres. This mixed coal interval was followed by Lower Mannville mudstones and Devonian limestones. The hole was drilled well into the Devonian “basement” to ensure a complete downhole geophysical log for comparative use and geologic interpretation with respect to other drill holes.

Hole BD08-03A is currently being drilled and is an offset to the discovery hole BD08-03. This hole is approximately 50 metres east of the original site and will provide the Company with more reliable coal samples for analyses as well as down-hole geophysics. Upon completion of this offset hole, the drill will be moved to BD08-05 which will be located approximately 3.0 kilometres to the northeast of BD08-02, and approximately 4.5 kilometres to the northwest of initial discovery hole BD08-03.

J. Scott Drever, President stated; “The coal intercept in BD08-02 reinforces our initial assumption that there may be a main coal basin with multiple sub-basins. We believe that the discovery holes and this most recent hole BD08-02 were drilled within these sub-basins and that holes BD08-01 and of BD08-04 may have been on the eastern margins of one of the sub-basins. I wish to reiterate that we are in the very early stages of exploration of a new coal discovery. This is “raw” exploration and we are working from a limited technical database. We are methodically building a geological model for the deposition of the coal and the impacts of paleo-topography and glaciation on the deposit. Considerable additional data is required to establish the size, nature and the continuity of the Durango Coal Seam.”

N. Eric Fier, CPG, P.Eng. and Qualified Person for this news release has reviewed and approved its contents.

This news release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company’s actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company’s control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of coal permits and mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in commodity product prices; currency fluctuations; 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, undue reliance should not be placed on forward-looking statements.

**On Behalf of the Board of Directors of
Goldsources Mines Inc.**

"J. Scott Drever"

J. Scott Drever, President

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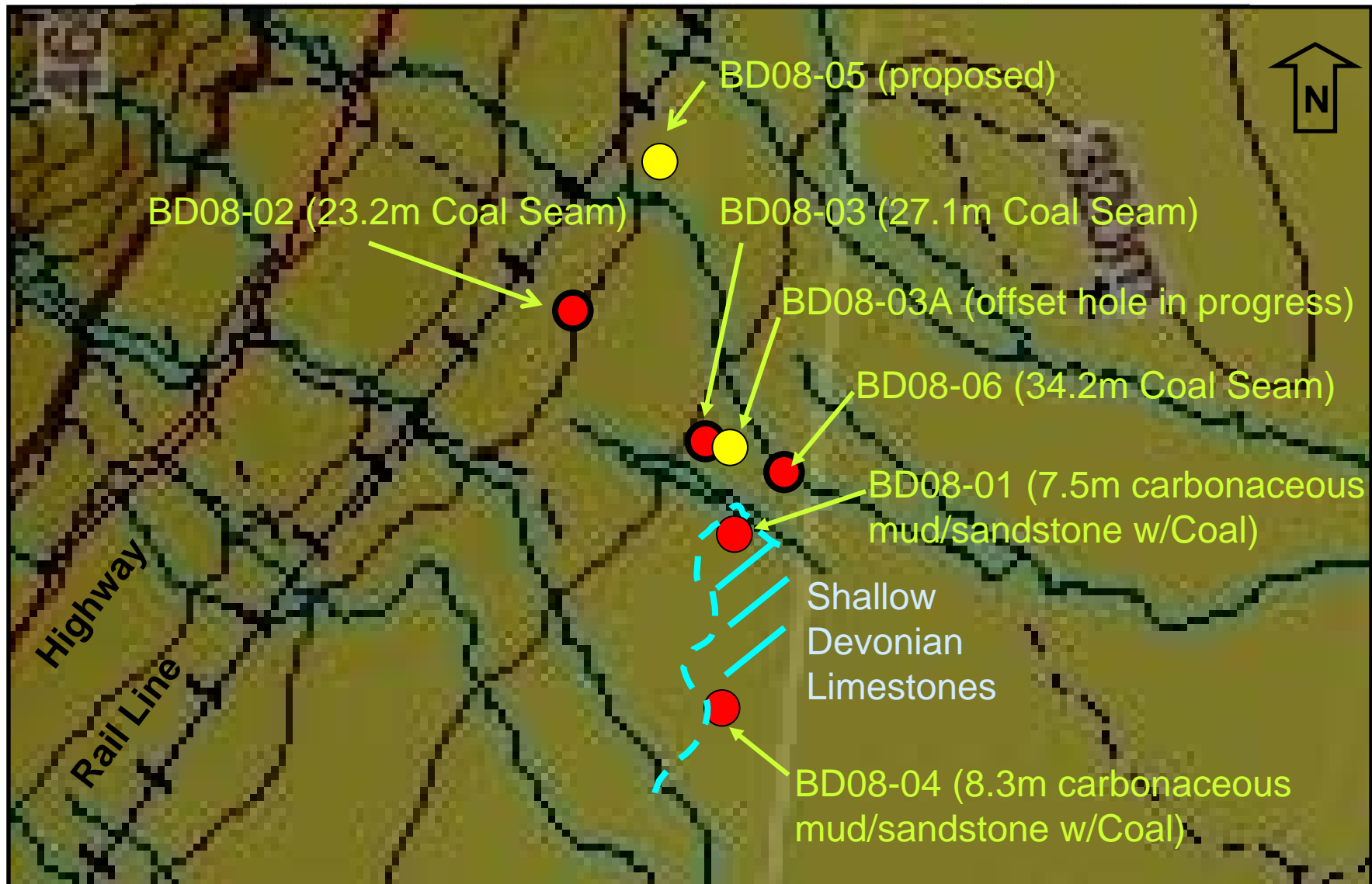
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The TSX-Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.



All locations and scale are approximate

LEGEND



Completed Hole



Planned Hole

0 2km



BORDER PROPERTY

Border Drill Plan

July 28, 2008