



## GOLDSOURCE ANNOUNCES INITIAL BORDER COAL RESOURCE

TSX-V: GXS

For Immediate Release

**VANCOUVER, B.C. November 9, 2009** – GoldsourcE Mines Inc. (the “Company”) is pleased to announce the NI 43-101 compliant, initial thermal coal resource estimated by Moose Mountain Technical Services for the Company’s Border property near Hudson Bay, Saskatchewan. This coal resource estimation is based on 119 diamond drill holes totaling approximately 17,370 metres of core drilling. Three phases of core drilling since 2008 have been completed at Border to establish this initial estimated coal resource.

Overall, the estimated coal resources at Border consist of **63.5 million Indicated tonnes plus 89.6 million Inferred tonnes, and 18.7 million Speculative tonnes**. The Inferred and Speculative resources are limited only by the current lack of drill hole data within an already defined geophysical anomaly. Further drilling is planned that may convert the majority, if not all, of the Inferred and Speculative tonnes into the Indicated Resource category. As defined in GSC Paper 88-21, “Speculative resources are those based on extrapolation of few data points over large distances and are confined to regions where extensive coal exploration has not yet taken place”.

Geological interpretation of the drill core and downhole geophysical logs have determined that there are three main seams at Border which have been designated Durango A, B and C. The Geologic-Type as defined by GSC Paper 88-21 with respect to the complexity of the deposits is considered “Moderate” and the Deposit-Type is considered “Surface Mineable”. The resources are distributed over 4 sub-basins which include 14 potentially surface mineable deposits which range in size from 1.8 million tonnes to 66.1 million tonnes. The fifteenth deposit, Pasquia 97, is currently considered too deep to be surface mineable and is not included in the resource.

J. Scott Drever, President, stated: “Our objective from the efforts to date was to define a coal resource we thought would be a threshold amount with sufficient quality to support economically viable production. In approximately 18 months from the discovery of these unique coal deposits, we have outlined a significant coal resource that has the heating characteristics and potential to fuel a major, modern, clean-coal power plant. We will continue to define additional coal resources by drilling several more high priority targets at Border and now proceed with the completion of a Preliminary Economic Assessment on the project that will investigate initial economic parameters of the Border resource. We have explored only a small portion of more than 1,300-square-kilometre property with 119 drill holes”.

This initial coal resource with estimated coal quality represents a new significant energy resource for Saskatchewan and Canada. Conceptually, this resource could potentially generate 300 to 600 Megawatts per year of affordable electricity for 30 to 50 years. This would be equivalent to approximately 10 to 20% of the current annual electricity needs for Saskatchewan. A feasibility study has not yet been completed and therefore there is no certainty the project will be economically viable.

## BORDER COAL RESOURCE SUMMARY\*

				Coal Resources (Tonnes) Summary		
Sub-basin	Deposit	ASTM Rank	Strip Ratio (SR) (waste:coal)	Indicated	Inferred	Speculative
Niska	Niska 108	Sub-bituminous A-C	3.3:1	-	66,100,000	-
Niska	Niska 107		4.3:1	-	23,500,000	-
Pasquia	Pasquia 96		12.7:1	-	-	3,500,000
Pasquia	Pasquia 98		9.0:1	-	-	3,800,000
Pasquia	Pasquia 5		12.5:1	5,400,000	-	-
Pasquia	Pasquia 5 SE		7.6:1	3,400,000	-	-
Pasquia	Pasquia 2		4.1:1	26,600,000	-	-
Chemong	Chemong 3		4.6:1	9,100,000	-	-
Chemong	Chemong 6		5.3:1	9,500,000	-	-
Chemong	Chemong 20		7.4:1	4,000,000	-	-
Chemong	Chemong 7		12.3:1	-	-	1,800,000
Chemong	Chemong 100		14.8:1	-	-	2,700,000
Split Leaf	Split Leaf 39		8.1:1	5,500,000	-	-
Split Leaf	SL 114		13.1:1	-	-	6,900,000
<b>TOTAL</b>				<b>63,500,000</b>	<b>89,600,000</b>	<b>18,700,000</b>
<b>Wt. Average Strip Ratio</b>			<b>5.3:1</b>	<b>5.8:1</b>	<b>3.5:1</b>	<b>12.3:1</b>

\*The Resource is based on a 20:1 incremental strip ratio, which results in a weighted average strip ratio of 5.3:1 (waste in bcm:coal in tonnes), a coal bulk density of 1.36 cc/g and variable As Received Total Moisture. Strip ratio is based on an assumed 35 degree cut wall. The Resource estimate complies with NI 43-101 standards and GSC Paper 88-21 on "A Standardized Coal Resource/Reserve Reporting System for Canada". All numbers are rounded.

### Border Coal Quality Summary

The preliminary coal quality results at Border, as determined by Loring Labs of Calgary, Alberta, indicate that:

- Border coal is ranked a Sub-bituminous A to C according to ASTM standards. The previously stated bituminous ranking by Loring was re-ranked to sub-bituminous based on petrographic analysis.
- As Received Ash ranges from 11.7 to 22.1% by weight (wt) which is similar to currently producing coal mines in Alberta;
- As Received Total Moisture content ranges from 17.7 to 33.4% (wt) which is standard for sub-bituminous coals. Total Moisture includes inherent and surface moisture as received by the laboratory;
- Equilibrium Moisture which is the approximate amount of moisture inherent in the coal averages 22% (wt) from a Total Moisture of approximately 31% (selective samples). This indicates that a reduction in moisture is therefore possible with a subsequent increase in Calorific Value (CV). Further test work is being planned to fully analyze this upgrading concept.
- As Received Sulphur ranges from 1.5 to 3.2% (wt);
- As Received Calorific Value (Heat Value) ranges from 13,335 to 17,594 KJ/Kg (5,734 to 7,565 BTU/lb) using AR Ash and Total Moisture. A majority of the resource is above 7,300 BTU/lb AR which is similar to currently producing coal mines in Alberta; and
- Air Dried Calorific Value (Heat Value) ranges from 18,027 to 21,977 KJ/Kg (7,750 to 9,450 BTU/lb) using an average AD laboratory value of 5%, as dried by Loring.

## BORDER COAL QUALITY SUMMARY (AS RECEIVED)

Sub-Basin	Deposit	Ash (wt %)	Total Moist (wt %)	Sulphur (wt %)	CV/Heat Value (KJ/Kg)	CV/Heat Value (BTU/lb)
Niska	Niska 108	17.2	21.7	2.3	17,594	7,565
Niska	Niska 107	15.6	26.2	2.5	17,051	7,332
Pasquia	Pasquia 96	17.9	24.3	1.9	16,319	7,017
Pasquia	Pasquia 98	20.5	22.2	2.9	16,773	7,212
Pasquia	Pasquia 5	22.1	29.7	2.1	13,335	5,734
Pasquia	Pasquia 5 SE	22.1	29.7	2.1	13,335	5,734
Pasquia	Pasquia 2	16.7	29.4	1.5	15,333	6,593
Chemong	Chemong 3	11.7	33.4	1.6	15,470	6,652
Chemong	Chemong 6	16.0	30.9	1.9	15,333	6,593
Chemong	Chemong 20	17.4	32.8	2.1	14,387	6,186
Chemong	Chemong 7	20.9	17.7	3.2	17,513	7,531
Chemong	Chemong 100	22.1	24.0	2.6	14,513	6,240
Split Leaf	Split Leaf 39	18.9	28.2	1.6	14,705	6,323
Split Leaf	Split Leaf 114	20.0	31.9	2.4	13,808	5,763

Previous disclosure of coal quality for Border reported was both As Received and Air Dried ash and moisture content. The Air Dried results for these stated coal resources should not be considered representative for potentially deliverable coal to a domestic power plant or export market. Further studies are required to determine the actual average moisture content of any coal that may be deliverable to a power plant or marketed elsewhere. The CV's reported above are based on a Total Moisture content of the coal. This moisture content could potentially be reduced while mining and processing, which would directly increase the CV and monetary value of the coal. The actual moisture content of the as mined coal may be greater than the Equilibrium Moisture value and potentially less than the As Received core moisture values. This needs to be substantiated by further test work.

Of the 470 individual coal samples analyzed from the core holes completed to date; 95 (est. 20%) have As Received ash content values of 10% or less. Tonnage volumes for this low ash coal will be evaluated as the project progresses. Lower ash content coals, with subsequent higher CV's, may be considered for an export market. Washability of coal with subsequent upgrading is also under consideration. Test work to date suggests a 10 to 15% decrease in ash content will result in a similar increase in CV. Sulfur appears to also be reduced by washing. Please refer to the news release dated April 28, 2009 for more details.

Border thermal coal quality in regards to Moisture, Ash and Calorific Values are comparable to the Alberta Plains coal deposits which currently produce most of the electric power for Alberta. The general thickness of Alberta coal seams is 0.5 to 5 metres whereas at Border, the average true thickness is approximately 25 metres. Average waste to coal ratios for Alberta coal operations are approximately 8:1 whereas at Border, some deposits have a waste to coal ratio as low as 3.3:1, making Border coal potentially more economically attractive for open pit or strip mining. A 20:1 incremental strip ratio is considered to be conceptually open pitable based on GSC Paper 88-21 and depending on the coal's monetary value.

R.J. Morris, M.Sc, P.Geo. and independent qualified person with Moose Mountain Technical Services of Elkford, British Columbia, has commented that the initial coal resources established for Border are considered attractive thermal coals with the potential to be a significant future energy source for power-hungry Saskatchewan. The recommendations of the Technical Report will be to complete a Preliminary Economic Assessment for the property to assess coal deposit mineability, washability, infrastructure requirements, permitting requirements, environmental baseline work, transport, pricing, local and export markets, preliminary capital and operating costs, on-site power plant viability and preliminary economic viability.

N. Eric Fier, CPG, P.Eng. and Principal Consultant for the Company, stated "Through our diligent efforts we have been rewarded with 15 coal deposits in six separate sub-basins that contain coal thicknesses averaging approximately 25 metres and have coal intervals ranging up to 100 metres in true thickness. To put this in perspective, many coal mines in North America are based on coal seams only a few metres thick and, at Border, the average thickness is roughly the height of an eight-storey building. As previously stated, the primary objective for continued exploration efforts has been to identify

priority areas that potentially contain sufficient coal resources that may be economically developed. We believe we have been extraordinarily successful in achieving that objective to date and, in addition, most of the Company's landholdings are yet to be explored".

Geologically, the coal is located in the Cretaceous Mannville Group, mostly in the Cantuar Formation which is approximately 90 to 100 million years old. Coal occurs in discrete deposits ranging from 200 metres to greater than 2 kilometres in diameter. These deposits are currently considered to have formed in depressions, caused by the dissolution of salts and/or evaporate in the underlying Devonian limestones in which coal forming plant material collected.

Geophysically, the Company continues to refine its proprietary interpretation of the airborne geophysical signatures to determine which targets have the highest potential of being coal bearing. The drilling success rate is increasing with each program as adjustments are made while comparing actual field results to the Fugro airborne geophysical data. The geophysical success at Border is currently being implemented on the Company's other projects in Saskatchewan and Manitoba with multiple targets already defined for exploration drilling this upcoming winter.

Robert J. Morris, M.Sc., P.Geo., Robert F. Engler, P. Geol., and N. Eric Fier, CPG, P.Eng. are Qualified Persons for this news release and have reviewed and approved its contents. A NI43-101 Technical Report for the Border property will be filed on SEDAR within 45 days of this release.

**Goldsource Mines Inc.** is a Canadian resource company engaged in the exploration and development of Canada's newest coal field in the province of Saskatchewan. The Company has aggressively drilled only a portion of this new thermal coal field and has discovered 15 coal deposits of varying size with coal thicknesses up to 100 meters within the permit area of the Border Coal Project. Headquartered in Vancouver, BC, the Company is well-financed and is managed by experienced mining and business professionals.

*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.*

***"J. Scott Drever"***

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