



## Goldsource Addresses BCSC Cease Trade Order

TSX-V: GXS

FWB: G5M

For Immediate Release

**VANCOUVER, B.C. March 6, 2012** – As a result of a review by the British Columbia Securities Commission (the “BCSC”) and issuance of a cease trade order (“CTO”) on March 1, 2012, Goldsource Mines Inc. (“Goldsource” or the “Company”) is issuing the following news release to clarify certain aspects of the resources disclosure contained in an independent Technical Report (the “Report”) that it filed on March 15, 2011. The Report also contains a Preliminary Economic Assessment (“PEA”) of its Border Coal Project located in Saskatchewan that the Company announced on February 28, 2011.

### Use of Non-Compliant Resource Categories

The BCSC issued the CTO on the basis that the Report (and subsequent disclosure documents) were not in the required form because they disclose coal resources in a “Speculative” category that is not permitted under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). In its Report, Goldsource disclosed Speculative coal resources in addition to Indicated and Inferred coal resources based on the guidelines provided in Paper 88-21 of the Geological Survey of Canada: “A Standardized Coal Resource/Reserve Reporting System for Canada”(“Paper 88-21”). This disclosure of Speculative Resources was in error as the Companion Policy to NI 43-101, while allowing Paper 88-21 to be used as guidelines for disclosure of coal resources and reserves, requires usage of the Mineral Resource and Mineral Reserve categories set out in the CIM Definition Standards, which do not provide for a Speculative Resource category for coal.

The NI 43-101 compliant mineral resources at the Border Coal Project are comprised of indicated mineral resources of 79,161,000 tonnes of coal and inferred mineral resources of 33,003,000 tonnes of coal ranking between Sub-bituminous C and Lignite A.

The Company confirms that Speculative coal resources were not included in the resource base utilized for the PEA contained in the Report and the results of the economic analysis for the Border Coal Project remain unchanged. The Company cautions that mineral resources that are not mineral reserves do not have demonstrated economic viability.

The disclosure of Speculative coal resources has occurred in the following continuous disclosure documents filed or issued by the Company:

- news release and material change report dated February 28, 2011;
- news releases dated March 17, March 30, September 1, November 4 and December 12, 2011 and February 1, 2012;
- annual information form (“AIF”) dated February 16, 2011;
- the management’s discussion and analysis (“MD&A”) for Q1, Q2 and Q3, 2011.

The Company wishes to retract references to Speculative coal resources in these documents and it has removed all reference to Speculative coal resources on the Company’s website and from the Company’s presentations and investor relations materials.

Goldsource has undertaken with the BCSC to do the following by not later than March 16, 2012:

- (a) file a NI 43-101 fully compliant amended Technical Report for the Border Coal Project, removing all disclosure of Speculative coal resources;
- (b) file an amended material change report, an amended and restated annual information form and amended management’s discussion and analysis for Q1, Q2 and Q3 of 2011, removing all disclosures of Speculative coal resources.

## Other Technical Disclosure Issues

The Company's news release of July 11, 2011 and its June 2011 corporate presentation on the Company's website added the prohibited Speculative class, as well as the Inferred class of mineral resources to Indicated mineral resources, contrary to NI 43-101. The Company wishes to retract the addition of these classes of resources to Indicated resources and has removed the corporate presentation from its website.

The Company's corporate presentation of June 2011 discloses the results of the PEA but did not include the cautionary language required by section 2.3(3) of NI 43-101. The Company wishes to correct this disclosure and cautions that a PEA is preliminary in nature and includes Inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. This corporate presentation has been removed from the Company's website.

The Company is also in the process of completing a NI 43-101 compliant Technical Report updating its revised coal resources based on the 2011 drill program. This is anticipated to be completed and filed by March 19, 2012.

Lara Reggin, P.Geo., Engineering Geologist and Project Director, EBA Engineering Consultants Ltd., Mohammed Dadmanesh, P.Eng., Mining Engineer, Silver Wheaton Corp. (formerly Mining Engineer of EBA Engineering Consultants Ltd.) and James McQuaid P.Eng., Senior Mining Consultant, Golder Associates Ltd. (formerly Mining Engineer and Vice President of Marston Canada Ltd.) are the Qualified Persons for this news release and have reviewed and approved its contents.

**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 discovered 17 coal deposits of varying size with coal zone thicknesses up to 126 meters in this new thermal coal field that lies within the permit area of the Border Coal Project. Headquartered in Vancouver, BC, the Company 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.*

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