



NEWS RELEASE

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GoldsourcE Mines Completes \$3.7 Million Financings via Short Form Offering Document and Private Placement

VANCOUVER, B.C. May 19, 2011 – GoldsourcE Mines Inc. (“GoldsourcE” or the “Company”) (TSX-V: GXS FWB:G5M) is pleased to announce that it has completed its previously announced securities offerings to raise gross proceeds of \$3.7 million, including full exercise of an increased over-allotment option.

Pursuant to a TSX Venture Exchange Short Form Offering Document, the Company completed the offering of 3,636,000 units (“Units”) at \$0.55 per Unit for gross proceeds of \$1,999,800. Pursuant to a concurrently completed private placement of 2,170,000 units (“PP Units”) at \$0.55 per PP Unit and 858,500 flow-through common shares (“Flow-Through Shares”) at \$0.60 per share, the Company raised gross proceeds of \$1,708,600.

Each Unit and PP Unit consists of one common share of the Company (a “Common Share”) and one-half of one common share purchase warrant of the Company (each whole warrant, a “Warrant”), with each Warrant being exercisable to purchase one Common Share at a price of \$0.70 until May 19, 2013.

The offerings were conducted on a commercially reasonable best efforts agency basis by Canaccord Genuity Corp. The Company paid a 6.5% agent’s fee in cash on the gross proceeds of the offerings and issued a total of 433,192 agent’s warrants (the “Agent’s Warrants”). Each Agent’s Warrant is exercisable to purchase one Common Share at a price of \$0.70 until May 19, 2013.

The Common Shares and Warrants comprising 41,273 Units and all Common Shares and Warrants comprising the PP Units, and the Common Shares issuable upon exercise of all such Warrants and the Agent’s Warrants, are subject to a four-month hold period that expires on September 20, 2011.

The offerings are subject to certain final approvals of the TSX Venture Exchange.

The funds raised from the securities offerings will be used by the Company to fund ongoing work programs on the Company’s properties and for general working capital purposes.

J. Scott Drever, President stated: “We are pleased to have been able to close this financing as it will allow us to continue the development and eventual monetization of this valuable asset and future energy source. We expect to pursue the recommendations of the recently announced preliminary economic assessment technical report, in particular those relating to test work for alternative technologies while at the same time seeking the possible business combinations that will facilitate bringing the project to fruition.”

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 drilled only a portion of this new thermal coal field and has discovered 17 coal deposits of varying size with coal thicknesses up to 126 meters 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.

"J. Scott Drever"

**J. Scott Drever, President
GOLDSOURCE MINES INC.**

Contact: Fred Cooper
Telephone: (604) 694-1760
Fax: (604) 694-1761
Toll Free: 1-866-691-1760 (Canada & USA)
Email: info@goldsourcemines.com
Website: www.goldsourcemines.com
570 Granville Street, Suite 501
Vancouver, British Columbia V6C 3P1

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