



GoldsourcE Reports on Border Summer Drill Program; New Large Sub-basin Discovered with 62 Metres of Coal; New Airborne Survey Identifies Additional Drill Targets

TSX-V: GXS

For Immediate Release

VANCOUVER, B.C. July 29, 2009 – GoldsourcE Mines Inc. (“GoldsourcE” or the “Company”) is pleased to report that it has discovered a new Sub-basin, named “Niska”, at its wholly owned Border Project (Border) located near Hudson Bay, Saskatchewan. The Niska Sub-basin is approximately 5 kilometres by 10 kilometres in size and contains at least three areas (“Areas”) with coal intercepts aggregating up to 62 metres in true thickness.

Twelve core holes totaling approximately 2,100 metres have been drilled during the summer program using a helicopter supported drill rig. The most significant coal intervals occurred in the Niska Sub-basin and included holes **BD09-105 and BD09-107 with true aggregate thicknesses of approximately 28.0 metres and 62.0 metres respectively of dull to bright coal with similar visual and geophysical characteristics**. Holes BD09-105 and BD09-107 are located approximately 10 to 15 kilometres northeast and north, respectively, of the discovery Areas Chemong 03 and Chemong 06 and are also near to rail and highway access. All holes drilled to date (see attached map) were designed to test new targets outside the discovery area with the exception of hole BD09-106. This hole was a re-drill of DB08-02 which was previously terminated in a coal zone.

J. Scott Drever, President stated; “The primary objective for our continued exploration efforts has been to identify priority Areas that potentially contain sufficient coal resources that may be economically developed. The “Niska Sub- Basin” is a new sub-basin containing three Areas with significant coal intercepts. This brings the total number of Sub-Basins to six, within which we have identified a total of 11 discrete substantial coal deposits within the Border permit area. The dimensions of the coal deposit Areas encountered to date on the Border Property range from approximately 400 metres by 400 metres up to 1.5 kilometres by 1.0 kilometre based on a combination of drill holes and geophysical signatures. We have hit significant intervals of coal in 8 of the 12 holes drilled so far during the summer program.”

Summary of Coal Intercepts:

Numbering of the drill holes for this phase of exploration continues sequentially beginning at BD09-96. Names of Sub-basins are based on an identifier in the general location and the Areas are designated from the discovery hole numbers.

Hole ID	From (m)	To (m)	Coal Interval (m)	Note
BD09-96	126.3	136.4	10.1	New - Pasquia 96 Area
	143.8	147.4	3.6	
	148.3	153.3	5.0	
TOTAL			18.7	
BD09-97	188.0	200.0	12.0	New – Pasquia Sub Basin - Deep intercept
BD09-98	93.0	101.8	8.8	New - Pasquia 98 Area
BD09-100	127.0	128.5	1.5	Chemong Sub Basin - deep, narrower intercepts
	150.5	152.5	2.0	
	163.0	165.0	2.0	
TOTAL			5.5	
BD09-101	85.0	89.5	4.5	New - Chemong 101 Area
	91.5	94.5	3.0	
TOTAL			7.5	

Hole ID	From (m)	To (m)	Coal Interval (m)	Note
BD09-105	82.0	92.0	10.0	New – Niska Sub-basin, Niska 105 Area
	97.0	98.0	1.0	
	107.0	112.0	5.0	
	119.0	121.0	2.0	
	187.0	197.0	10.0	
TOTAL			28.0	
BD09-106	81.6	102.8	21.2	Re-drill of BD08-02, Pasquia 02 Area
BD09-107	69.0	78.0	9.0	New - Niska Sub-basin, Niska 107 Area
	96.0	98.0	2.0	
	113.0	127.0	14.0	
	141.0	178.0	37.0	
TOTAL			62.0	

*The coal intervals are based on downhole, e-log density of 1.6 g/cc or less.

Initial identification of the intervals of coal in the table above is based on visual and downhole geophysical characteristics. The Company cautions against placing undue reliance on the visual and downhole survey observations of the coal until the results of the analytical work have been announced. Sampling and laboratory test work at Loring Labs in Calgary has commenced with initial results anticipated in August.

Airborne EM geophysical surveys continue to play a key role in defining significant coal occurrences at the Border Property. A specific geophysical signature for sub-basins containing coal has been developed and is being used successfully to discover further coal deposits. The Company has completed airborne geophysics over the remaining areas of the Border property which has resulted in the discovery of several new target areas. In addition, Goldsource has completed approximately 5,000 line kilometres of airborne geophysics that is expected to identify potential coal deposits on its other properties in Saskatchewan and Manitoba.

Drill holes BD09-99, BD09-102, BD09-103 and BD09-104 contained no significant coal intercepts. These holes were drilled to test airborne geophysical anomalies with geophysical signatures somewhat different than the coal bearing Sub-basin signatures which the Company has successfully developed at Border.

Geologically, the new sub-basins are similar to the discrete targets previously delineated at Border with the exception that the sequence of mudstones and sands seems to be increasing in thickness to the west and an additional series of coal intervals has developed to depth. Sub-bituminous coal at Border up to 100 metres in thickness occurs in the Cretaceous Mannville Group (mudstones and sandstones) located in depressions (sub-basins and troughs) within the underlying Devonian limestones. Lower Cretaceous lithologies logged in drill holes to date at Border include the Viking, Joli Fou, Spinney Hill and Cantuar Formations. To date, all coal deposits at Border have been located in the Cantuar Formation.

Drilling is continuing and this current program is expected to complete approximately 16 drill holes in new targets at Border. Priority Areas will be further delineated in subsequent drill programs. Resource modeling for a NI-43-101 Technical Report is underway with completion anticipated in Q3 2009.

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.

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