

(TSX-V: GXS) (OTCBB: GXSFF) (FWB: G5M)

VANCOUVER, June 21, 2016 /CNW/ - [Goldsource Mines Inc.](#) ("Goldsource" or the "Company") is pleased to announce that it has reached commercial production on Phase I at its Eagle Mountain Gold Project ("Eagle Mountain") located in Guyana, South America. The Company had defined commercial production as achieving an average minimum of 80% of the 1,000 tonnes per day nameplate capacity and 45% recovery in Falcon gold concentrate over a continuous period of 30 days. The operation achieved this milestone as of June 20, 2016.

Yannis Tsitos, President, stated, "Achieving commercial production is a significant milestone for the Company and one for which all of us at Goldsource can proudly take credit. I want to personally thank all of our employees and contractors for their dedication and hard work, ensuring the successful transition from commissioning to commercial production with a stellar safety record. This achievement is also a testament to the co-operation obtained from all our stakeholders, inclusive of Guyanese authorities, suppliers and shareholders."

During the last 30 days, operations reached a maximum daily throughput of approximately 1,400 tonnes with an estimated average of 900 tonnes. Falcon gravity recovery to concentrate was approximately 50%. For the remainder of 2016, Management will continue to optimize the operation and anticipates a total production of approximately 3,600 ounces of gold for 2016. Starting in Q3, 2016, Eagle Mountain operations plan to implement a second shift as well as begin use of a newly purchased 40 tonne articulating truck to increase throughput from higher grade areas. With the planned expansion of operations, Eagle Mountain is targeting an average throughput of approximately 1,800 tonnes per day.

The processing plant and equipment are currently performing to Management's expectations and the camp site is fully equipped and functional. The Company currently employs 37 staff and contractors at Eagle Mountain. During the commissioning phase, which commenced on January 28, 2016, the Company performed approximately 55,000 man-hours, with one minor lost time accident.

Goldsource plans to release its Q2, 2016 and year to date production results on Monday, July 11, 2016.

The Qualified Person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects for this news release is N. Eric Fier, CPG, P.Eng, and Chief Operating Officer for Goldsource, who has reviewed and approved its contents.

ABOUT EAGLE MOUNTAIN GOLD PROJECT

Phase I of Eagle Mountain Gold Project is based on a Preliminary Economic Assessment ("PEA") dated June 15, 2014, which calls for a 1,000 tonnes per day open pit ? gravity plant with post-commissioning and ramp up cash operating costs of US\$500 to US\$600 per ounce of gold. Please refer to the Company's website at www.goldsourcemines.com and the Company's filing on SEDAR for further information on the PEA.

Management's production decision for the Eagle Mountain Gold Project is not based on a feasibility study of mineral reserves demonstrating economic and technical viability. This project has a much higher risk of economic or technical failure and may adversely impact the Company's projected profits, if any. The risks associated with this decision are set forth in the Company's latest annual management's discussion and analysis available on the Company's website and the under Goldsource's SEDAR profile on www.sedar.com.

ABOUT GOLDSOURCE MINES INC.

[Goldsource Mines Inc.](#) is a Canadian resource company that has recently achieved commercial production for Phase I at its 100%-owned Eagle Mountain Gold Project, located in Guyana. Goldsource is led by an experienced management team, proven in making exploration discoveries and achieving project construction on time and on-budget.

Ioannis (Yannis) Tsitos
President
[Goldsource Mines Inc.](#)

Neither TSX-V nor its Regulation Services Provider (as that term is defined in policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking statements" within the meaning of Canadian securities legislation. Such forward-looking statements concern Goldsource's strategic plans and expectations in the PEA for the development of the Eagle Mountain Gold Project; the amount of future production of gold over any period; cash operating costs per ounce of gold; life of mine; estimated pre-production cost; the amount of expected grades and ounces of metals, gold recoveries mine life and gold production rates of the Eagle Mountain Gold Project; and expectations regarding the Company's ability to manage capital resources and meet working capital requirements. Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect. Assumptions have been made regarding, among other things: conditions in

general economic and financial markets; ability to realize the PEA and develop and finance the project; accuracy of the interpretations and assumptions used in calculating inferred mineral resource estimates; availability of mining equipment; availability of skilled labour; timing and amount of capital expenditures; performance of available laboratory and other related services; and future operating costs. The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors including: 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 estimations; uncertainty as to actual capital costs, operating costs, production and economic returns at the Eagle Mountain Gold Project; reliance on the PEA; 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, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

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