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**Shares Issued: 37,331,248
For Immediate Release**

**TSX-V: SOP
December 3, 2010**

**SOURCE EXPLORATION CORP. ANNOUNCES
\$4,160,000 NON-BROKERED PRIVATE PLACEMENT**

December 4, 2010 – Source Exploration Corp. ("Source" or the "Company") (TSX-V: SOP) is pleased to announce that it has arranged a non-brokered private placement of up to 8,000,000 units of the Company (the "Units") at a price of \$0.52 per Unit for gross proceeds of up to \$4,160,000 (the "Offering"). Each Unit will consist of one common share of the Company and one half of one common share purchase warrant (a "Warrant") of the Company. Each Warrant will entitle the holder to purchase one common share of the Company for a period of eighteen months from the closing date at a price of \$0.70.

The Company has agreed to allocate a portion of the Offering to subscribers found by Axemen Resource Capital Ltd. an exempt market dealer, and may agree to similar allocations to other exempt market or investment dealers. The Company will pay finder's fees equal to 5.0% of subscription amounts found, payable in cash or Units, plus issue finder's warrants in an amount equal to 5.0% of the Units subscribed for, with each such finder's warrant exercisable into one common share of the Company at a price of \$0.60 for a period of 18 months from closing of the Offering.

Closing of the Offering is anticipated to occur on or about December 21st, 2010 and is subject to receipt of applicable regulatory approvals including the approval of the TSX Venture Exchange. The securities issued under the Offering will be subject to a four month hold period pursuant to applicable Canadian securities laws which will expire four months and one day from the date of closing of the Offering. The securities to be issued under the Offering will be offered by way of private placement to accredited investors in each of the provinces of Ontario and British Columbia and such other jurisdictions as may be determined by the Company..

The proceeds from the Offering will be used to continue exploration on the Company's Las Minas Gold – Copper Skarn project located in the State of Veracruz, Mexico and for general working capital purposes.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdictions in which such offer, solicitation or sale would be unlawful.

About Source Exploration

Source Exploration is a Canadian based mineral exploration company focused on the evaluation, acquisition and development of economic gold and silver deposits in Mexico.

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

Cautionary Statement Regarding Forward-Looking Information: *This news release includes certain information that may constitute “forward-looking information” under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements about use of proceeds of the Offering. Forward-looking information is based on the opinions and estimates of management that, which considered reasonable, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, the risk of commodity price and foreign exchange rate fluctuations, the ability of the Corporation to fund the capital and operating expenses necessary to achieve the business objectives of the Corporation, as well as those risks described in public disclosure documents filed by the Corporation. Due to the risks, uncertainties and assumptions inherent in forward-looking information, prospective investors in securities of the Corporation should not place undue reliance on such forward-looking information. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.*