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Source Awards 5,000 Metre Drilling Contract and Adds Second Drill at Las Minas Gold – Silver – Copper Project, Mexico

SOURCE EXPLORATION CORP. (the “Corporation” or “Source”) (SOP: TSX-V) announces the awarding of an additional 5,000 metre drilling contract to Grupo Drilcor, S.A. De C.V. and mobilization of a second drill to its Las Minas gold – silver –copper project at Las Minas, Veracruz, Mexico. The expanded drilling program will focus on extending the significant skarn mineralization delineated by recent drilling as well as exploratory drilling at the historical Changaro mine to test extensions identified by the company’s sampling and mapping program.

“Initial drilling results for the Las Minas skarn zone have been very encouraging. The Phase 2 program will consist of step-out drilling to expand the Cinco Senores –Las Boquillas - El Dorado mineralized skarn zone as well as definition drilling of the high grade gold – silver- copper mineralization identified at Changaro,” states Brian Robertson, Source’s President and CEO.

Cinco Senores –Las Boquillas - Eldorado Skarn Zone

Preliminary drilling of the Las Boquillas -Eldorado skarn zone has defined the zone over a 500 metre strike length. The zone measures up to 30 metres in thickness and remains open on-strike and down dip. Highlights from the drilling include 21.1 metres of 0.88 grams per tonne gold , 5.05 grams per tonne silver, and 1.60 percent copper at Las Boquillas, and 55.4 metres grading 0.54 grams per tonne gold, 5.52 grams tonne silver and 0.71% copper at El Dorado. Copper values at El Dorado graded up to 3.05% copper, with a 21.10 metre interval averaging 1.60 % copper. Phase 2 step-out drilling is designed to extend mineralization to the south in the area of the historical Nopaltepec mine workings, which are located approximately 1.0 km. south of Las Boquillas. The drilling will also test the extension of the mineralization beyond the 200 metre down - dip depth outlined by Phase 1 drilling.

Changaro Mine

Geological mapping and sampling of the historical Changaro mine has identified extensions to mineralized zones that were mined during the period 1870 to 1910. Results of the sampling program were report in a News Release dated May 10, 2011. Highlights include 8 metres grading 9.92 grams/ tonne gold, 20.78 g/t silver and 0.63 % copper, including 2.0 metres grading 28.8 grams/ tonne gold 20.3 grams/ tonne silver and 0.68 % copper. The Phase 2 drilling program will target the extensions to known mineralization as well as untested areas with high mineral potential.

A plan map showing the proposed drill site locations at the Cinco Senores – Las Boquillas – Eldorado skarn zone and the historical Changaro mine can be viewed on the Company's website at www.sourceexploration.com – see Project – Maps- Proposed Drill Sites – July, 2011.

Grupo Drilcor, S.A de C.V. is a diamond drilling contractor with corporate offices at City of Durango, Durango, Mexico that provides full scale diamond drilling services to the mining industry throughout Mexico.

Quality Assurance/Quality Control

The Source exploration program has been conducted under the supervision of Mr. Sonny Bernales, P. Geo. The Company has implemented and adheres to a strict Quality Assurance/Quality Control program which includes mineralized standards and blanks for each batch of samples. Samples were shipped to SGS Mineral Services (ISO/IEC 17025) at Durango, Mexico, an accredited laboratory.

The technical information in this news release has been reviewed and approved by Sonny Bernales, P. Geo., Source's, Project Manager, a certified professional geologist and a qualified person as defined by National Instrument 43-101.

About Source Exploration

Source Exploration is a well-financed Canadian based mineral exploration company focused on the evaluation, acquisition and development of economic gold and silver deposits in Mexico. The company's Las Minas project is located in the heart of the historical Las Minas mining district, which is host to one of the largest under explored gold-silver – copper skarn systems known in Mexico.

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