

**VANCOUVER, B.C., January 24, 2012** - GoldQuest Mining Corp. (GQC.TSXV, "GoldQuest" or the "Company") announced today that it will carry out a C\$500,000 drill program at its Escandalosa Gold Project, Dominican Republic. In addition, the Company intends to complete a non-brokered private placement, the proceeds from which the Company intends to use to help fund the drill program.

## **Drill Program**

"The drill program will test the anomalies found to the north and south of the La Escandalosa deposit, defined by High Chargeability, Low Resistivity, Low Magnetic signatures in the Company's recent pre-drilling geophysical program" commented Julio Espallat, GoldQuest's CEO. "We are seeking to extend the gold mineralization seen at the NI 43-101 compliant resource at La Escandalosa Sur and the Hondo Valle mineralization along the 3.4 kilometer trend where the resource only covers 400 metres strike length."

As announced in the Company's press release dated January 11, 2012, GoldQuest has recently completed a 10 hole drill program at La Escandalosa Sur, focusing on proposed open pit design parameters at the NI 43-101 Compliant Inferred Mineral Resource of 4.86 million tonnes grading 2.60 g/t gold (at 0.3 g/t gold cut off), as disclosed in a technical report filed on SEDAR on November 16, 2010.

The drill rig is still on site at La Escandalosa, and the intended program is designed to consist of between 1,500 and 2,000 metres of drilling, with targets based on the new geophysics and detailed mapping and sampling completed in the Company's recent pre-drilling geophysical program. The sites will focus on Zone A, as described in the Company's press release of January 19, 2012. Final planning of the drill locations is in progress.

## **The Private Placement**

To fund the planned drill program, the Company intends to complete a non-brokered private placement (the "Private Placement") of up to 5,500,000 units (each, a "Unit") at a price of C\$0.10 per Unit for aggregate gross proceeds of up to C\$550,000. Each Unit will consist of one common share of the Company and one warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable for one common share of the Company for a period of 24 months from the closing date at an exercise price of C\$0.15. The Company intends to use 100% of the cash proceeds from the Private Placement to fund the La Escandalosa drill program.

Closing of the Private Placement is subject to certain conditions, including the receipt of conditional approval of the TSX Venture Exchange. All securities issued under the Private Placement will be subject to a four-month hold period under Canadian securities laws and will be "restricted securities" under U.S. securities laws. The Private Placement is expected to close on or about February 17, 2012.

The securities issued under the Private Placement have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or under any state securities laws and may not be offered or sold in the United States, absent registration or an applicable exemption from the registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

## **About GoldQuest**

GoldQuest is a Vancouver-based mineral exploration company with projects in Spain and the Dominican Republic, traded on the TSX-V under the symbol GQC and in Frankfurt / Berlin with symbol M1W, with 103,508,601 shares outstanding. The recent trading range has been C\$0.07 to C\$0.14, with today's 10 day Volume Weighted Average Price (VWAP) of \$0.97.

The qualified person for the technical information in this press release is Mr. William Fisher, P. Geo., the chairman and a director of GoldQuest Mining Corp.

On behalf of the Board of Directors,

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## **Forward-Looking Statements**

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about the completion of the Private Placement and the drill program, are forward looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity price and title matters or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.