

VANCOUVER, BC, AUGUST 24, 2011 - GoldQuest Mining Corp. (GQC.TSXV, "GoldQuest" or the "Company") is pleased to announce that it has completed a ground geophysical survey (IP) at its 100% owned La Escandalosa exploration concession in the Western Dominican Republic. A total of 26 lines, totaling 74.8 kilometers, were surveyed over an area of approximately 15 square kilometers at the Hondo Valle – La Higuera grid. The objective of the survey is to better define drill targets within the surveyed area, with particular focus on particular areas both to the south and to the north of the known mineralized zone at La Escandalosa Sur, on which the Company published a NI 43-101 Compliant Inferred Resource of 4.86 million tonnes grading 2.60 g/t gold at 0.3 g/t cut off (as previously announced in a news release dated November 16, 2010). The survey will also aid in the selection of drill targets to the north of Hondo Valle, located about 1.2 kilometers to the north of la Escandalosa Sur, where the Company is considering the potential to pursue a new mineralized zone. The analysis of the ground geophysical survey (IP) is currently underway and the results of this survey are expected to be completed and announced in September, 2011. As part of the ongoing exploration program, the Company purchased a high precision magnetometer to carry on in-house magnetic surveys on all of the Company's exploration concessions within Dominican Republic. Currently a survey over an area of approximately 30 square kilometers is in progress at the Loma Oculta exploration concession, where Las Animas massive sulphide project is located (as previously discussed in a news release dated May 7, 2009).

Furthermore, the Company has engaged MICON International, a highly respected Toronto-based mineral consultancy firm, to carry out Preliminary Economic Assessments (PEAs) on our La Escandalosa Sur and Las Animas projects. While we are fully committed to continued exploration of our projects through mapping, geochemical, geophysical and drilling programs, management believes that having an economic framework to guide our exploration is warranted. We expect the results from the PEA of La Escandalosa Sur gold project to be released this fall, followed by the PEA on Las Animas massive sulphide later this year.

Finally, the Company has retained Resource Development Inc (RDI) of Colorado, to initiate metallurgical testing for its La Escandalosa Sur and Las Animas Projects. Results from testing will provide GoldQuest with a good understanding of the metallurgy and recoveries of the mineralization at each of these projects.

"We are very excited with the expected targets that will be generated by the ground geophysical survey (IP) at our La Escandalosa Concession and with both metallurgical testing and PEAs of La Escandalosa Sur and Las Animas Projects as we continue to move from an exploration based company to a development stage company", commented Julio Espailat, the President and CEO.

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.V and in Frankfurt / Berlin with the symbol M1W, with 103,508,601 shares outstanding and 110,551,851 on a fully diluted basis. The recent trading range has been C\$0.16 to C\$0.40.

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

On behalf of the Board of Directors,

Julio Espailat
President & Chief Executive Officer
Office Tel: +1 809 385 2222
jespaillat@goldquestcorp.com

For further information please contact:

Sebastian de Kloet
Investor Relations – Toronto, Canada
Tel: +1-416-970-5277
www.goldquestcorp.com
investorrelations@goldquestcorp.com

Neither the 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 news release.

Forward-looking statements:

This news release contains certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical fact, that address events or developments that GoldQuest expects to occur, are forward looking statements.

Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although GoldQuest believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration success, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward looking statements are based on the beliefs, estimates and opinions of GoldQuest’s management on the date the statements are made. GoldQuest undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change, except as required by law.