

VANCOUVER, BC, JANUARY 15, 2010 - GoldQuest Mining Corp. ("GoldQuest") is pleased to announce that it has completed the acquisition of all of the issued and outstanding shares of Lundin Mining Exploration S.L. ("Lundin SL") from Lundin Mining Corporation ("Lundin"), as previously described in a news release issued March 30, 2009, on amended terms.

Through its acquisition of Lundin SL, GoldQuest has acquired:

- A 100% interest in the Toral project, located in northwest Spain, which has a historical resource estimate of 5.4 million tonnes grading 9% zinc, 6% lead and 45 grams per tonne (g/t) silver (not calculated in accordance with National Instrument 43-101);
- A 100% interest in a second polymetallic project currently under application; and
- Access to a large exploration database covering northwest Spain - a region with excellent potential for various styles of both precious and base-metal mineralization.

Summary of the Agreement

GoldQuest will not pay any upfront consideration for the assets but will compensate Lundin Mining AB with a one-time payment of CDN\$5 million dollars payable upon commencement of commercial production from the Toral property. The five million shares of GoldQuest referenced in the March 30, 2009 news release are no longer issuable under the terms of the amended agreement. The agreement includes a royalty to Lundin of 1.5 percent on the net smelter return from the Toral project and a one-time "back-in" right under which Lundin may reacquire a 51% interest in the Toral project, as described below. In the event Lundin exercises its "back-in" right, the \$5 million purchase price and the net smelter return royalty will not be payable.

Under the agreement, Lundin may exercise its one-time "back-in" right to reacquire a 51% interest in the Toral project after the following events have occurred: i) delineation of an inferred resource on the Toral Property of greater than one million tonnes of contained lead and zinc, and ii) completion of not less than 5,000 metres of drilling on the Toral property. To exercise the "back-in" right, Lundin must pay to GoldQuest (or have spent on the project) an amount equal to 2.5 times the total expenditures made by GoldQuest on the project. Following payment or expenditure in full by Lundin, a joint venture will be formed pursuant to which Lundin will hold a 51% interest and GoldQuest will hold a 49% interest in the Toral project. Lundin will then have the right to increase its interest in the joint venture from 51% to 65% by advancing the project and completing a full feasibility study for the Toral property.

Toral Project

GoldQuest, through its wholly owned subsidiary Lundin SL, has been granted an exclusive Investigation Permit for the Toral Project by the Territorial Service of Industry, Commerce and Tourism of the Autonomous Community of Castile and León in Spain. The 2,850 hectare 100% owned property is located approximately 400 km northwest of Madrid, near the regional city of Ponferrada. The Toral Project area was originally investigated by Peñarroya-España and associates from 1975 to 1985 which included over 42,000 metres of diamond drilling. These drill holes reportedly delineated a tabular zone of continuous, sub-vertical, coarse-grained lead-zinc-silver sulphide mineralization that averages 3.7 metres wide with a reported 1,100 metres strike

length and a vertical height exceeding 400 metres. With the majority of historical drilling completed in one relatively small part of the property, GoldQuest believes that the Toral Project has significant exploration and development upside.

Based on the previous drilling, the historical estimate of Toral was estimated at 5.4 million tonnes grading 9 % Zn, 6 % Pb and 45 g/t Ag. This historical estimate, dated June 1997, was calculated by Spanish Mining Engineer Dr. Rufino Gea Javaloy on behalf of Geominera S.A. and Peñarroya-España and is not NI 43-101 compliant. The zone of sulphide mineralization is reportedly open along strike to the northwest towards a known lead deposit as well as along strike to the southeast and down dip. The Peñarroya-España and the Lundin drill core is still available including the remaining halved intercepts.

The Toral Project benefits from excellent infrastructure, including access via a major regional highway, a nearby high-voltage power line and a rail line which links to the Asturianas zinc-lead smelter via the city of León. Mining has traditionally been a significant part of the economy of this region which is supporting the re-entry of new exploration and mining projects. Certain exploration and mine development expenditures are eligible for economic development grants and interest free loans.

The Toral Project covers over 6 km of strike length of the prospective Lower Cambrian Vegadeo Limestone formation which is regionally mineralized along more than 40 km of its extent, and is also host to the Rubiales zinc-lead-silver deposit, located about 30 km northwest of Toral, which was mined by Cominco from 1976 to 1991.

In 2006, one of the losing bidders in the tender process that awarded the Toral Investigation Permit to Lundin instituted an administrative appeal of that award, against the Territorial Service of Industry, Commerce and Tourism of the Autonomous Community of Castile and León in Spain. The appeal is ongoing, and although GoldQuest has sought advice from Spanish counsel, and believes that a favourable outcome is likely, if the appeal ultimately prevails the award of the Permit to Lundin may be subject to further adjudication or may be revoked. The Territorial Service of Industry, Commerce and Tourism of the Autonomous Community of Castile and León in Spain who awarded the Investigation Permit to Lundin consider the property title to be in good standing. Under the terms of the acquisition agreement with Lundin, GoldQuest retains the option to abandon the Toral property prior to making the payment to Lundin, in the event that this matter is not resolved to the satisfaction of GoldQuest.

Alistair Waddell, president and chief executive officer of GoldQuest, commented, "We are delighted to have concluded the acquisition of the Lundin assets with no upfront cost to GoldQuest. We have completed considerable due diligence on the status of the Permit and have weighed all of the risks against the potential of the project. We look forward to advancing the Toral project and the exploration programme in Spain."

Second Polymetallic Project

In addition to the acquisition of the Toral project, GoldQuest has acquired a second polymetallic project from Lundin located in northwest Spain which is still under application. Further details of

this second project will be announced after full title has been received from the Spanish authorities.

Regional Exploration Data

GoldQuest has gained access to a large amount of historical exploration data covering northern Spain. The data, the majority of which is in hard-copy format, has been collected over many years and covers a wide variety of commodities including gold. It is the intention of GoldQuest to compile and incorporate the data into a digital GIS database to prioritize new exploration targets which will be followed up. The acquisition agreement grants Lundin a one-time right of first offer on projects established in a defined area of interest, if GoldQuest decides to sell or dispose of a project.

The historical estimate quoted in this news release was prepared prior to the implementation of National Instrument 43-101, and the historical estimate does not use the resource categories stipulated in Section 1.3 of National Instrument 43-101, which are "inferred mineral resource", "indicated mineral resource" and "measured mineral resource", and should not be relied upon. The historical resource estimate for the "Mina de Toral," calculated and reported by Spanish Mining Engineer Dr. Rufino Gea Javaloy on behalf of Geominera S.A. and Peñarroya-España, that refers to "5.4 million tonnes" is not a category stipulated in National Instrument 43-101 and GoldQuest believes that term "resources" is used differently from the use of that term in National Instrument 43-101. GoldQuest does not have, and is not aware of, any more recent resource estimates or data which conform to the standards contained in National Instrument 43-101. GoldQuest advises that it has not yet completed sufficient detailed exploration work necessary to verify the relevance, reliability and classification of the historical estimate as current mineral resources or mineral reserves, and the historical estimate has not been verified by a Qualified Person.

About GoldQuest

GoldQuest is a Vancouver based Exploration company with projects in the Dominican Republic and Spain. Through a combination of regional grass-roots generative exploration and new geological models the Company has built a portfolio of new projects. Mr. Alistair H. Waddell, an employee, President and Chief Executive Officer of GoldQuest is the qualified person as defined by National Instrument 43-101 who has supervised the preparation of the information used in this news release. GoldQuest is traded on the TSX-V under the symbol GQC.V and in Frankfurt / Berlin with symbol M1W.

For further information please contact:

Alistair Waddell
President & Chief Executive Officer

Dan Maarsman
Investor Relations - Vancouver, Canada

Tel: +1-604-632 4333

www.goldquestcorp.com

investorrelations@goldquestcorp.com

On behalf of the Board of Directors "signed" Alistair H. Waddell

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 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

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.

[View News Release in PDF Format](#)