

VANCOUVER, JULY 19, 2011 - GoldQuest Mining Corp. (GQC.TSXV, "GoldQuest" or the "Company") is pleased to announce the granting of the Lago Investigation Permit (exploration concession) in the eastern part of Galicia, Spain to GoldQuest Iberica, a wholly-owned subsidiary of the Company. The Lago property is the first permit granted of three highly prospective applications by GoldQuest Iberica to the Autonomous Government of Galicia. An interest in the Lago property was first acquired by the Company pursuant to an acquisition agreement dated November 30, 2009 and as disclosed by the Company in a press release dated January 15, 2009. The Lago permit is located approximately 54 kilometers to the Northeast of the Lead, Zinc and Silver sedimentary hosted mineralization on GoldQuest's Toral property, where the Company, in a press release dated March 2, 2011, reported a National Instrument 43-101 compliant mineral resource of:

- An indicated mineral resource of 4.04 million tonnes grading 5.30% lead (Pb), 6.50% zinc (Zn), and 41 g/t silver (Ag), containing over 470 million pounds Pb, 577 million pounds Zn, and 5.3 million oz Ag.
- An inferred mineral resource of 4.67 million tonnes grading 4.44% Pb, 5.40% Zn and 32.0 g/t Ag containing over 456 million pounds Pb, 555 million pounds Zn, and 4.8 million ounces Ag.

A cut-off grade of 7.0% of combined Pb and Zn was used to define the Toral mineral resources. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The resource estimate and corresponding technical report dated April 14, 2011 were prepared by independent consultants, Micon International Co Inc., and were prepared using CIM definitions for mineral resources as required by NI 43-101.

"We are pleased to receive this Investigation Permit from the Government of Galicia, as it allows GoldQuest to create critical mass in the region and further enhance the company base metal portfolio in Spain" commented Julio Espallat, the President and CEO.

The concession location can be seen on a map on the Company's website at www.goldquestcorp.com. GoldQuest's compilation of the unproven and unverified historical data of investigations completed by EXMINESA between 1985 and 1990, indicated that mineralization at Lago is similar to the Company's Toral property. The mineralized horizons at Lago are hosted by detritic volcano sedimentary units of Paleozoic age, folded by a syncline structure, which is disrupted by vertical faulting sub parallel to the regional deformation. Estimate mineralization reported by EXMINESA can be traced by approximately 1,375 meters parallel to the axe of the syncline. The results reported by EXMINESA range from 3.0 meters of 1.88% combined Pb and Zn to 9.5 meters of 9.54% combined Pb and Zn and 7.50 meters of 14.75% combined Pb and Zn. All such potential is conceptual in nature, to date there has been insufficient exploration to define a mineral resource, and at this time, it is uncertain if further exploration will result in the target being delineated as a mineral resource.

GoldQuest will initiate a comprehensive detailed mapping, geochemical sampling and ground geophysical program to define both infill drilling and new targets that may warrant drilling in the vicinity of the known hydrothermal lead and zinc mineralization that remains open along the strike and at depth. Proposed investigations will better define the mineral potential of the property and the regional trend of the mineralized horizons.

On behalf of the Board of Directors,

Julio Espailat
President & Chief Executive Officer

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 symbol M1W, with 103,508,601 shares outstanding. The recent trading range has been C\$0.19 to C\$0.40.

The qualified person for the technical information in this press release for the purposes of National Instrument 43-101, is Mr. William Fisher, P. Geo. Mr. Fisher is a Director of GoldQuest.

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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.