

VANCOUVER, JULY 6, 2010 - GoldQuest Mining Corp. ("GoldQuest" or the "Company") is pleased to announce that it has intersected the highest and most continuous gold grades yet from drilling on its Las Tres Palmas project in the western Dominican Republic. The highlights of the drilling are:

- **26.0 metres grading 11.4 g/t Au, including an interval of 18.0 metres at 16.3 g/t Au in drill hole LTP-39;**
- **53.0 metres grading 3.0 g/t Au, including an interval of 16.0 metres at 9.4 g/t Au in hole LTP-41; and,**
- **7.1 metres grading 5.9 g/t Au in hole LTP-34.**

The results are from the third phase diamond drilling programme from the Escandalosa zone in which nine holes totalling 1,360.7 metres were drilled to test a combination of targets including lateral extensions to the known mineralization under a barren cover, carry out infill drilling, and test a large aeromagnetic anomaly. The Escandalosa zone is interpreted to be an epithermal intermediate sulphidation type system hosted in a flat-lying to shallowly dipping sequence of andesitic to rhyolitic volcanoclastic tuffs, tuff breccias, and lavas, with interbedded limestones.

Alistair Waddell, President & CEO of GoldQuest, commented, "Drilling at Las Tres Palmas has extended the known Escandalosa zone mineralization to the northeast and south where it still remains open in both directions. The high gold values in hole LTP-39, which was drilled to test the northeast extension of the Escandalosa zone, combined with the discovery of the mineralized zone in LTP-38, some 430 metres to the north east, opens up the area between the two holes as a new priority target for exploration drilling which is yet untested. Mineralization at Escandalosa is interpreted to be part of a larger intermediate sulphidation replacement style system which has now been defined intermittently over a strike length of 2,100 metres."

Mineralization typically occurs as a stratiform, weakly silicified body with a quartz vein stockwork and illite alteration which has replaced the volcanic package. The mineralization is characterized by fine-grained pyrite accompanied by minor sphalerite and chalcopyrite. The mineralized horizon outcrops on the edge of a hill and has been followed by drilling under barren volcanic rocks and limestones to the north, south and east. Previous drilling from the Escandalosa zone gave a best intersection of 63.0 m grading 2.1 g/t Au, including 38.0 m grading 3.34 g/t Au (LTP-07 - News release May 30, 2006).

A summary of the significant mineralized intersections from the third phase drill programme is given in the table below, and the holes are described as follows.

Hole LTP-34 cut a generally flat-lying package of andesitic tuffs and lavas before intercepting the mineralized horizon which extends the mineralization to the south and returned 7.1 m grading 5.9 g/t Au and 1.67% zinc.

Hole LTP-35 is an infill hole drilled between LTP-07 and LTP-08 which cut a generally flat-lying package of andesitic tuffs and lavas and returned 8.0 m of 3.1 g/t Au from within a broader interval that graded 38.0 m grading 0.8 g/t Au.

Holes LTP-36, LTP-37 and LTP-40 were drilled to the east of the previous drilling and intersected the stratiform mineralized horizon but with no significant gold grades, suggesting a probable limit to the mineralization in an easterly direction.

Hole LTP-38 was a deep hole of 323.2 m drilled at an inclination of -75 degrees to test an aeromagnetic low anomaly (analytical signal) to the north east of the mineralized zone as a possible buried porphyry source for the Escandalosa mineralization. While the hole did not intersect an intrusive porphyry, it did intersect what is interpreted to be the same stratiform zone of mineralization as seen to the southwest at 282.0 m down hole (approximately 272 m true depth) with weak mineralization grading 0.12 g/t Au over 36.0 m. The interception of the same favourable horizon 430 meters to the northeast of LTP-39 suggests the possible continuity of mineralization between the two holes, an area which is as yet untested by drilling.

Hole LTP-39 was drilled north east of LTP-18 and west of LTP-26 to test the blind northern extension of the Escandalosa zone beneath a sequence of unmineralized andesitic flows and limestones which has been interpreted to form a cap to the mineralizing system. The hole returned 26.0 m grading 11.4 g/t Au from a depth of 66.0 m, including 18.0 m grading 16.3 g/t Au from a depth of 68.0 m. There is also a deeper, lower grade gold zone which returned 40.37 metres grading 0.21 g/t Au from 101.63 metres. Mineralization occurs as quartz sulphide veinlets, sulphide disseminations and hydrothermal breccias within a sequence of rhyodacite flows and hyaloclastite breccias. The upper contact of the mineralized zone is a fault dipping at approximately forty five degrees. The intersection is interpreted to be near to true thickness as the hole was drilled vertically and the mineralization is interpreted to occur as a relatively flat-lying, stratiform horizon however there is a broad northeast trend to the higher grade gold mineralization in a number of holes suggesting some as yet unknown element of structural control. This is the highest grade gold intersection of all three Las Tres Palmas drill programmes which suggests we may be closer to the centre of the mineralizing system. However no obvious source to the mineralization has yet been drilled and the controls on the system are still as yet not well understood.

Hole LTP-41 is an infill hole drilled between LTP-18 and LTP-07 and returned 53.0 m grading 3.0 g/t Au, including 16.0 m grading 9.4 g/t Au. Mineralization is similar to that intercepted in LTP-07 and occurs as a stockwork of quartz veins with pyrite within a package of generally flat-lying andesitic tuffs, tuff breccias and lavas.

Hole LTP-42 is an infill hole drilled between LTP-08 and LTP-09 and returned 22.8 m grading 1.3 g/t Au, including 10.0 m grading 2.7 g/t Au.

Gold mineralization is accompanied by low grades of silver, copper and zinc, as shown in the summary of results. The highest intersections of these metals are 4.2 g/t Ag over 7.1 m (LTP-34), 0.33% Cu over 8.0 m (LTP-35) and 1.67% Zn over 7.1 m (LTP-34).

The drill intersections are currently interpreted to be near true widths as the holes were vertical

or steeply inclined and the mineralization is interpreted to be a relatively flat-lying, stratiform horizon. For core duplicate samples the received values were averaged. Gold grades are reported both un-cut and cut to 20.0 g/t Au for comparison. The tops of holes LTP-38 (0.0 to 220.0 m) and LTP-40 (0.0 to 142.36 m) were not assayed as the former was in barren cap-rock and the latter was a twin of hole LTP-25 and was drilled deeper to intercept the favourable horizon. Gold results for holes LTP-38 and LTP-39 were re-analysed as a QA-QC check which confirmed the gold values.

Table of length-weighted average grades from Phase 3 Drill Program at Las Tres Palmas at a cut off of 0.1 g/t Au.

Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Au (g/t) cut (20 g/t)	Ag (g/t)	Cu (%)	Zn (%)
LTP-34	61.02	68.11	7.09	5.845		4.16	0.30	1.67
LTP-35	18.00	56.00	38.00	0.837		1.83	0.08	0.11
Inc.	28.00	36.00	8.00	3.123		2.46	0.33	0.18
LTP-36	No significant values							
LTP-37	No significant values							
LTP-38	282.00	318.00	36.00	0.121		3.12	0.02	0.10
LTP-39	66.00	92.00	26.00	11.385	7.093	2.26	0.28	0.04
Inc.	68.00	86.00	18.00	16.326	10.126	2.95	0.29	0.04
	101.63	142.00	40.37	0.210		2.18	0.07	0.04
LTP-40	178.00	192.09	14.09	0.177		0.74	0.02	0.03
LTP-41	25.00	78.00	53.00	3.024		1.75	0.09	0.06
Inc.	36.00	52.00	16.00	9.389		2.05	0.18	0.11
LTP-42	35.23	58.00	22.77	1.330		2.86	0.10	0.37
Inc.	38.00	48.00	10.00	2.742		2.51	0.20	0.68

The samples were prepared and assayed by Acme Laboratories Ltd at a preparation facility at Maimon, Dominican Republic and their analytical laboratory in Vancouver, Canada. Acme is registered with ISO 9001:2000 and ISO 17025 accreditation. Gold was analyzed by fire assay by classical lead-collection on a 50 gram sample, with ICP-ES detection. Over-limits above 10,000 ppb gold were re-analyzed by fire assay on a 50 gram sample with gravimetric finish. Multi-elements were analyzed in a 53 element ultra-trace level package on a 15 g sample with aqua regia digestion and ICP-MS analysis. Over-limit analyses for Zn were re-analyzed by four acid digestion on a 0.5 g split and ICP-ES analysis. GoldQuest carried out a programme of QA-QC which included certified standard reference materials, blanks and core duplicates.

The Escandalosa zone is located on GoldQuest's La Escandalosa exploration concession application which has an area of 3,997 hectares. Application for the new exploration concession was made to the Dominican authorities on May 14, 2010 before the previous Las Tres Palmas exploration concession expired on May 30, 2010 which is considered normal practice in the Dominican Republic. Drilling was completed prior to the expiry of the Las Tres Palmas concession. The Company will report once title to the property has been renewed by the Dominican authorities.

Separately, GoldQuest has contracted Economic Geologist Dr. Stewart D. Redwood, an independent qualified person, to carry out a preliminary NI 43-101 mineral resource estimate for the Escandalosa zone of the Las Tres Palmas project.

About GoldQuest

GoldQuest is a Vancouver based 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. Mr. Alistair Waddell, an employee and the President and Chief Executive Officer of the Company is a Qualified Person as defined by National Instrument 43-101 (a "QP") and has supervised the preparation of the information in this news release.

On behalf of the Board of Directors,

Alistair H. Waddell
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