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RECOMMENDED PROCEDURES FOR QUALITY ASSURANCE - QUALITY CONTROL AND CHAIN OF CUSTODY FOR DRILL SAMPLES, DOMINICAN REPUBLIC

By

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16 December 2010

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1 TABLE OF CONTENTS

2 INTRODUCTION

This memo sets out the recommended procedures for sample security, chain of custody and quality assurance and quality control ("QA-QC") for all drilling and geochemical sampling programs by GoldQuest Mining Corp. in the Dominican Republic ("GoldQuest" or the "Company"). These procedures conform to best current industry standard practices as defined by the Canadian Institute for Mining, Metallurgy and Petroleum ("CIM"), 23 December 2005. These procedures are a requirement for companies listed on the Toronto Stock Exchange as defined by the Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101"), Form 43-101F1 (Technical Report) and Companion Policy 43-101CP. These procedures are required to be supervised by a Qualifying Person as defined by NI 43-101.

3 SAMPLE BAGS

Samples are double bagged in heavy gauge polythene bags, or a cloth or Tyvek bag and a polythene bag. A tear-off sample number ticket is put inside the bag and the sample number is written on the outside of both bags with indelible black marker pen. The sample bags are securely sealed with a nylon cable tie so that they cannot be tampered with, or, should that happen, that it can be detected. Some companies use cable ties with a numbered tag for higher security as they cannot be replaced, but this is not standard practise and it is not considered necessary for normal samples.

4 SAMPLE CARDS & NUMBERING

Sample cards have been printed with consecutive sample numbers and two tear-off tickets. One ticket is placed in the sample bag. For core samples, one ticket is stapled to the core box and the second ticket goes in the sample bag. No other sample numbers, prefixes or suffixes are to be used. There should be different sample cards for rock samples (prefix R), soil samples (prefix S), stream sediment samples (prefix SS) and drill samples (prefix D).

The sample description is written on the sample card. The data is entered into an Access database at the field camp.

5 SAMPLE SECURITY & CHAIN OF CUSTODY

5.1 Sample Security

Sample security is essential to avoid the possibility of sample contamination, tampering or salting.

Do not wear any metal rings or bangles while collecting or handling samples, nor medicated bandages (may contain silver).

While in Company custody only Company personnel (geologists and technicians) can handle the samples. Core and samples must be kept in a locked storage facility which only authorized Company personnel have access to, and they should not be left outside (e.g. do not leave core boxes by the trail or road awaiting collection or samples in the field truck at night). Transport of samples is only by Company personnel and Company vehicle.

5.2 Chain of Custody

The Chain of Custody means that there is a continuous series of people responsible for the sample from the field to the assay in the database. At each change of responsible person there is a signed document of receipt. The chain must not be broken. The chain of custody is as follows:

1. Company Geologist or Technician:
    a. Transport of samples from field, mine or drill rig to the field camp or core shack. The core boxes or samples should never be left alone, e.g. beside the road waiting for a vehicle to collect them.
    b. Secure storage of samples at the field camp or core shack with access only for Company personnel.
    c. Package samples for transport to laboratory.
    d. Transport of samples by Company vehicle to sample preparation laboratory in of Acme Analytical Laboratories Ltd in Maimon.
    e. Prepare Sample Order Form for preparation and analysis at laboratory.
2. Assay Laboratory:
    a. Receives samples from Company and checks them against the Company Sample Order Form order.
    b. Logs samples into the laboratory system.
    c. Sample preparation.
    d. Send sample pulps by courier to Acme laboratory in Vancouver.

e. Analysis of samples in Vancouver.
f. Provides internet access to Company to track samples.
g. Sends emails of interim and final results.
h. Issues digitally signed electronic assay certificate in PDF format (Adobe Acrobat) and paper format.
i. Safe storage of the sample pulps.
j. The coarse rejects are returned to the Company for storage in the Company core store in Bonao.

3. Database Manager:
    a. The Sample Order Form is handed to the Database Manager.
    b. Tracks sample orders and receipt of assays by email, certificate, and invoice.
    c. Receives assays by email.
    d. Checks QA-QC samples to accept or reject assays. If there is a problem advise the Chief Geologist who will contact the laboratory to solve it.
    e. Entry of assay data into database.
    f. Filing and safe storage in document safe of digital assay certificates and original paper assay certificates (these are legal documents).
4. Project Manager / Chief Geologist:
    a. Final review of QA-QC to accept sample batches and sign off on results.
    b. Revise and approve invoice for payment.
5. Company Geologist:
    a. Secure and orderly storage of core boxes and coarse rejects in Core Store in Bonao.

5.3 Assay Certificates

Assay certificates are legal documents and must be stored safely. The assay certificates will be checked by an independent Qualifying Person when carrying out a mineral resource estimate, and may be checked by others when carrying out audits or due diligence of the Company and its projects.

Digitally signed electronic assay certificates in PDF (Adobe Acrobat) format are now normal. The Database Manager tracks receipt of these and requests them from the laboratory if missing. On receipt the following are checked:

1. Verification to make sure the certificate is complete.
2. Verification to check that the assays correspond to those accepted in the final Excel files.
3. Print a paper copy for filing.
4. Archive the digital copy in the database.

Prior to 2009 all assay certificates were signed paper certificates and these should kept in a document safe in the Company office. These should be scanned to make PDF copies for ease of reference.

Some laboratories still send out paper certificates as well as electronic certificates. These should be checked in the same manner as the electronic certificates, and archived in a Document Safe.

5.4 Sample Rejects

The coarse rejects are returned to the Company for storage in the Company Core Store in Bonao.

The sample pulps are stored in the laboratory in Vancouver and the Company should pay for storage until the end of the project.

6 SAMPLE PREPARATION & ANALYSIS

- Samples should only be sent to an ISO-certified laboratory for preparation and analysis.
- GoldQuest uses Acme Analytical Laboratories Ltd. ("Acme") in Vancouver as its primary laboratory. Acme has ISO 9001:2000 and ISO 17025 accreditation
- For rock and drill core, fine crush the entire sample (>80% passing 2 mm / -10 mesh), split 300 g using a riffle splitter, and pulverize the split (>95% passing 106 microns / -150 mesh). The laboratory should use a barren silica sand wash between each sample.
- For soil samples, sieve to minus 80 mesh and pulverize to 95% passing minus 150 mesh.
- Assay for gold by fire assay with 30 g sample and inductively coupled plasma atomic emission spectrometer (ICP-ES) finish, with an upper limit of detection of 10.0 g/t Au (Acme Group 6 - Code G601). Over-limit samples for Au are repeated by fire assay on a 30 g sample with a gravimetric finish.
- Silver and base metals are analyzed in a multielement ICP package by hot aqua regia digestion and inductively coupled plasma atomic emission spectroscopy (ICP-ES) in Acme's Group 7AR – Code 7AR2. According to Acme, this package provides "optimum precision and accuracy for high grade rock and drill core samples" and "reports %-level concentrations" with "hot aqua regia digestion for base-metal sulphide and precious-metal ores"
- Advise the laboratory when samples have high a sulphide content and/or are expected to have ore grade gold and silver. A high sulphide content can affect precious metal recoveries by fire assay and the laboratory can modify the procedure to optimize results.

7 QUALITY CONTROL (QC) PROGRAM

The geologist is responsible for the preparation and insertion of the quality control (QC) samples using the sample ticket book for reference. The QC samples should be selected and marked on the sample cards in advance. The QC samples should be inserted at random intervals rather than regular intervals. Use random numbers generated by Excel. The exception is for blanks which should be inserted using geological criteria after the most strongly mineralized samples. QC samples should never be adjacent to each other (e.g. do not put a blank after a standard). The geologist prepares a *Quality Control Samples* sheet listing QC sample number, type of QC sample, and comments.

In every batch of 100 sample numbers, 11 QC samples are inserted at random (i.e. 11 QC samples and 89 unknown samples in 100 samples, giving 12% QC). The QC samples are as follows:

- 2 field duplicate samples (FD) every 100 samples. A second sample is taken at the same field site (rather than taking one sample and splitting it). For underground channel samples take a full size duplicate sample. For drill core take a quarter-core sample as duplicate. This checks geological variability and hence the adequacy of the sampling procedure and sample size.

- 2 secondary duplicate samples (preparation duplicates or PD) every 100 samples. Instruct the laboratory to split a second sample after the fine crushing stage and pulverize it.

- 5 certified standard reference materials (CSRM or Standards) every 100 samples. Using 5 rather than the more common 2 CSRM per 100 samples ensures that there is an average of one CSRM in each tray of 20-25 samples that goes in the assay oven. CSRM are purchased from specialist laboratories and are certified for gold, and in some cases, silver and base metals. GoldQuest should use CSRM that are certified for gold, silver and base metals for the Dominican projects. The CSRM check analytical precision and accuracy, and sample switches. CSRM samples are monitored by performance gates. These are graphs with sample number or time on the x-axis and values on the y-axis. There are horizontal lines for the recommended value, ± 2 standard deviations (SD) and ± 3 SD. As a rule, CSRM values within ± 2 SD are accepted; an isolated sample above ± 2 SD but below ± 3 SD is acceptable; two consecutive samples above ± 2 SD are rejected; and any sample above ± 3 SD is rejected.

- 2 blank samples (BL) every 100 samples. One sample should be a coarse rock blank and the other a fine grained blank. The rock blank should be from a local source such as an

unaltered andesite. If a source of unaltered rock for the coarse blank is not available, then it is acceptable to use two fine blanks. For the fine grained blank, pool or water filter sand is recommended as it is readily available and is clean. The blanks check for contamination in preparation, for analytical precision and detection limits, and for sample switches.

The standards and blanks usually have to be submitted as powdered or fine samples with the rock samples: they stand out from the rock samples, but on the other hand the laboratory does not know the expected grade. Ideally the standards and blanks are inserted after the samples have been prepared so that they cannot be distinguished, but this is not usually possible in practice.

8 CHECK & REPLICATE ANALYSES

These comprise check assays and replicate assays which are carried out periodically at a secondary laboratory as an independent check on the primary laboratory's accuracy and precision. The secondary laboratory should also be ISO-certified. The samples should not be re-numbered. These samples should be selected at random by random number generator in Excel.

Check assays are carried out on a new pulp prepared from the coarse reject. The primary preparation laboratory can prepare the new pulp and send the samples directly to the second laboratory. Check assays are carried out on 5% of samples above a cut-off of 0.05 ppm Au.

Replicate assays are carried out on the same sample pulp as the original assay. Replicate assays are carried out on 5% of samples above the lower limit of detection of gold.

A cut-off grade is used for sample selection rather than taking a selection of all samples in order to avoid the cost of large amounts of check and replicate assays of samples which are very low grade or have no detectable gold, as these provide no meaningful QC. It is considered that this is a large enough sample subset to identify any QC issues.

In both cases, eliminate the original QC samples before selecting samples for checks, and then add new standards and blanks.

Replicate assays should also be carried out on all samples that return high grade gold (>10 ppm) and silver (>100 ppm). This should be done at the same laboratory as the original assay and the laboratory can be given instructions to do this at the time of the analyses. The objective is to verify the original assay.

9 DATA HANDLING AND REVIEW OF QA-QC

The Database Manager is responsible for tracking the samples through the laboratory. The Sample Order Form is given to the Database Manager. Use an Excel spreadsheet to track Company reference number, Laboratory order number, date of delivery to laboratory, date of receipt of assays by email, date of receipt of certificate, date of receipt of invoice.

The Database Manager is responsible for receiving the assay results and putting them in the database. This is the only person with authority to do this in order to maintain integrity and quality control of the database.

On receipt of each batch of assays, the QA-QC samples should be checked in order to accept or reject the batch. If there is a problem the Chief Geologist should be notified and he will request that the laboratory identify and solve the problem, if possible, or carry out re-analyses as necessary. The re-analyses should be of the whole sample batch or tray between the good QC samples on either side, and not just of a few samples on either side of the problem samples. Use an Excel spreadsheet and graph to check QC results and update this with each batch so that the whole program can be monitored progressively.

The laboratory also carries out their own internal QC samples and the results for these should be requested and monitored also.

The data for each sampling program or drill hole or should be verified in the database (i.e. that the sample sheet or log has been entered correctly, that assays match the certificates, that there are no overlapping or missing sample intervals, that there are no errors in coordinates, that there are no missing data fields).

Database security is important in order to avoid viruses, unauthorized access, tampering or copying.

The database should be backed up on a regular basis to tapes or CDs with a copy stored in a safe in the field office, and another copy stored in a safe in the Santo Domingo and Vancouver offices.