

European Goldfields Limited

RESULTS FOR Q1 2010

13 May 2010 – European Goldfields Limited (AIM: EGU / TSX: EGU) (“**European Goldfields**” or the “**Company**”) today reports its results for the quarter ended 31 March 2010. The financial statements, as well as the accompanying Management’s Discussion & Analysis, are available for review at <http://www.egoldfields.com/egoldfields/en/media/news> and should be read in conjunction with this news release.

Operational highlights:

- Final permit approved for grant of the PUZ at Certej
- Mandate for Certej project finance signed
- Expansion of Certej Project Team
- Olympias surface stockpile sold
- Olympias plant refurbishment well advanced
- Stratoni production up 11%

Corporate activity:

- Increase in institutional shareholder base and traded free float

Financial highlights:

- Sales of \$10.4 million excluding gold sales
- Return to gross profit versus Q1 2009
- Working capital of \$129 million

Commenting on the results, Martyn Konig, Executive Chairman and President of European Goldfields, said:

“2010 is a year of delivery for European Goldfields. We remain on course to reach our targets of securing final permits in both Greece and Romania within the year. During this quarter, we have demonstrated steady progress on permitting, engineering and financing and over the course of the next quarter we expect to demonstrate further progress as we build on our achievements this year.”

SELECTED FINANCIAL DATA

<i>(in thousands of US dollars, except per share amounts)</i>	Quarter ended 31 March	
	2010	2009
	\$	\$
Statement of profit and loss		
Sales	10,435	10,742
Gross profit	679	(342)
Loss before income tax	(5,824)	(3,979)
Income taxes	(438)	540
Loss after income tax	(6,262)	(3,439)
Non-controlling interest	(77)	183
Loss for the period	(6,339)	(3,256)
Loss per share	(0.03)	(0.02)

<i>(in thousands of US dollars)</i>	31 March 2010	31 December 2009
	\$	\$
Balance sheet		
Working capital	129,143	144,899
Total assets	737,871	744,100

OPERATIONAL HIGHLIGHTS

ROMANIA

- Final permit approved for grant of the PUZ at Certej
- Mandate for Certej project finance signed
- Expansion of Certej Project Team

Final permit approved for grant of the PUZ at Certej – The last remaining approval required for the grant of the Zonal Urbanisation Plan (“PUZ”) relating to Certej was recently issued by the Ministry of Environment. Formal public notice of this approval has been issued in Romania. The grant of the PUZ represents a significant milestone which takes European Goldfields one step closer to production. Certej contains 2.4 million reserve ounces of gold, plus 17.3 million reserve ounces of silver, and lies in an area which was a major gold producer historically and retains considerable future potential. The Company is well advanced in the next and final substantive part of the permitting process for Certej, which is the approval of the full Environmental Impact Study.

Romanian engineering group Cepromin are contracted to produce the documentation required for submission to the Romanian state in order to obtain the construction permit for Certej and work is well advanced with final site investigations being undertaken in parallel with the required detailed design packages.

Mandate for Certej project finance signed – A Mandate letter was signed on 30 March with a group of financial institutions to arrange and underwrite a US\$125 million debt financing to be used to part fund the development costs of the Certej project. This has been signed on the basis of a term sheet which has been agreed between the Company and the mandate lead arrangers, each of which has received approval to proceed with the transaction through their respective initial credit processes.

This is an important further step in the development of the Certej project and in the Company’s wider relationships with the debt capital markets. European Goldfields is very pleased to be working with this group of financial institutions all with extensive experience and excellent credentials in global mining finance.

CORPORATE ACTIVITY

Increase in Institutional Shareholder Base and Traded Free Float – On 8 April 2010 a number of major institutional investors bought 6,684,641 common shares in the Company from Mr. Dimitrios Koutras, a Non-Executive Director of European Goldfields, in the London market at a price of £4.35 per share. This transaction reflects strong investor appetite for the Company resulting from recent progress in its permitting processes. Mr. Koutras now owns 10,408,715 common shares in the Company representing approximately 5.7% of the total issued common shares.

The shares sold by Mr. Koutras were purchased in the market in November 2008 at a time when European Goldfields needed to demonstrate the support of its management and directors. Accordingly, in selling the shares on 8 April 2010, Mr. Koutras' position in the Company reverts back to his core long term holding level in European Goldfields. The Company's management is particularly pleased that this sale has facilitated a further broadening of the Company's investor base. The Company is also pleased to report that Mr. Koutras remains fully committed to European Goldfields and expects no further reduction in his holding in the Company.

Aktor Constructions International, European Goldfields' largest shareholder with 35,447,246 common shares, or approximately 19.4% of the total issued common shares, is also fully supportive of the Company and does not have any plans to reduce its current position.

About European Goldfields

European Goldfields is a developer-producer with globally significant gold reserves located within the European Union. The Company generates cash flow from its 95% owned Stratoni operation, a high grade lead/zinc/silver mine in North-Eastern Greece. European Goldfields will evolve into a mid-tier producer through responsible development of its project pipeline of gold and base metal deposits at Skouries and Olympias in Greece and Certej in Romania. The Company plans future growth through development of its highly prospective exploration portfolio in Greece, Romania and Turkey.

Forward-looking statements

Certain statements and information contained in this document, including any information as to the Company's future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute forward-looking information under provisions of Canadian provincial securities laws. When used in this document, the words "anticipate", "expect", "will", "intend", "estimate", "forecast", "planned" and similar expressions are intended to identify forward-looking statements or information. Forward-looking statements include, but are not limited to, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs and timing of development of new deposits, permitting time lines and expectations regarding metal recovery rates. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Company to be materially different from its estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to: changes in the price of gold, base metals or certain other commodities (such as fuel and electricity) and currencies; uncertainty of mineral reserves, resources, grades and recovery estimates; uncertainty of future production, capital expenditures and other costs; currency fluctuations; financing and additional capital requirements; the successful and timely permitting of the Company's Skouries, Olympias and Certej projects; legislative, political, social or economic developments in the jurisdictions in which the Company carries on business; operating or technical difficulties in connection with mining or development activities; the speculative nature of gold and base metals exploration and development, including the risks of diminishing quantities or grades of reserves; the risks normally involved in the exploration, development and mining business; and risks

associated with internal control over financial reporting. For a more detailed discussion of such risks and material factors or assumptions underlying these forward-looking statements, see the Company's Annual Information Form for the year ended 31 December 2009, filed on SEDAR at www.sedar.com. The Company does not intend, and does not assume any obligation, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

For further information please see the Company's new website at www.egoldfields.com

For further information please contact:

European Goldfields:

Sally Schofield, VP Investor Relations
e-mail: info@egoldfields.com
Tel: +44 (0)20 7408 9534

RBC Capital Markets:

Josh Critchley
e-mail: joshua.critchley@rbccm.com
Tel: +44 (0)20 7653 4000

Buchanan Communications:

Bobby Morse / Katharine Sutton
e-mail: bobbym@buchanan.uk.com
Tel: +44 (0)20 7466 5000

Matthew Coakes
e-mail: matthew.coakes@rbccm.com
Tel: +44 (0)20 7653 4000