

For Immediate Release

## **EUROPEAN GOLDFIELDS RECEIVES POSITIVE RECOMMENDATION FROM ISS AND GLASS LEWIS**

**8 December 2011 – European Goldfields Limited (AIM: EGU / TSX: EGU)** (“European Goldfields” or the “Company”) is pleased to announce that ISS Proxy Advisory Services, Canada (“ISS”) and Glass Lewis & Co. (“Glass Lewis”) have both recommended that its clients vote in favour of the ordinary resolution approving certain aspects of the proposed US\$600m financing transaction with Qatar Holding LLC and the US\$150m loan note and the issuance of warrants, as described in the Management Information Circular mailed to shareholders by the Company on 1 December 2011.

ISS and Glass Lewis are leading advisory firms for independent international corporate governance analysis and proxy voting. Their recommendations assist shareholders in making decisions regarding proxy voting decisions.

In reaching their recommendation, ISS concluded\* “The signing of the financing package has removed the uncertainty of obtaining finance for projects in Greece in the current difficult market conditions. The package has been able to reduce the potential dilution of a 100% equity financing. The use of funds is justified, market reaction is favourable and there are no significant governance concerns. In view of these factors, disinterested shareholder approval is warranted”.

In its report Glass Lewis also recommended\* “We believe that the Company should be provided the flexibility to use its equity in a manner that could provide funding for its operations and enhance shareholder value. Accordingly, we recommend that shareholders vote FOR this proposal”.

### **About the Special Meeting**

European Goldfields Limited will hold a special meeting of shareholders (“Special Meeting”) to approve the ordinary resolution on Thursday, December 22nd, 2011 at 9:00 a.m. (Toronto Time) at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, Toronto, ON, Canada M5L 1B9.

Time is of the essence, and a proxy, to be effective, must be voted in advance of the Special Meeting and no later than 9:00 a.m. (Toronto Time) on Tuesday, December 20th, 2011. Shareholders who require assistance in voting their proxy may direct their inquiry to European Goldfields proxy solicitation agent, Phoenix Advisory Partners, toll-free in North America at 1-800-243-9416 and in the United Kingdom at +44 (0) 808-101-1697 or by email at [inquiries@phoenixadvisorypartners.com](mailto:inquiries@phoenixadvisorypartners.com).

### **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 is expected to 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.

For further information please see the Company's website at [www.egoldfields.com](http://www.egoldfields.com)

\*Permission to use quotations from the ISS and Glass Lewis reports was neither sought nor obtained.

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