

For Immediate Release

**MANDATE FOR CERTEJ PROJECT FINANCE SIGNED
PROJECT MANAGER APPOINTED**

30 March 2010 – European Goldfields Limited (TSX / AIM: EGU) (“European Goldfields” or the “Company”) is pleased to announce the signing of a mandate letter 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. The mandated lead arrangers are Caterpillar Financial S.A.R.L., ING Bank N.V., Investec Bank plc, UniCredit Bank AG, London Branch and WestLB AG, London Branch, (together the **“MLAs”**).

The mandate letter has been signed on the basis of a term sheet which has been agreed between the Company and the MLAs, each of which has received approval to proceed with the transaction through their respective initial credit processes. The term sheet sets out detailed terms and conditions of the debt financing which include:

- No hedging that limits upside exposure of the shareholders to gold prices
- Security upon the Certej project assets
- Scheduled tenor of 8 years
- Separate term loan and revolving credit facility tranches
- Sharing of surplus future project cash flows between the Company and the MLAs, reducing the base case tenor of the term loan to approximately 7 years
- A guarantee from the Company of the debt payment obligations until such time as the project achieves completion, by the satisfaction of certain operational, legal and economic tests.

The arranging and underwriting conditions agreed by the MLAs in the mandate letter are subject to final due diligence, customary market conditions and obtaining final internal credit approvals. As previously reported, the Company appointed SRK Consulting (**“SRK”**) as the independent technical consultant to the Certej project in mid-2009 to act on behalf of the MLAs. The technical, social and environmental due diligence is complete and SRK are in the process of finalising their report.

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 such high quality financial institutions, all with extensive experience and excellent credentials in global mining finance.

The Company is also pleased to announce the appointment of Alan Baker as Project Manager for the Certej gold-silver project in Romania. Alan will join the team at Deva Gold and take responsibility for advancing the Certej project through the development process towards production.

Mr Nicolae Stanca, Managing Director of Deva Gold SA, welcomes Alan as a valuable addition to his team.

Alan brings over 30 years of experience in the mining sector to his new position in as Project Manager for Certej. He previously acted as Project Manager for Anatolia Minerals on the Copley deposit where he was responsible for the construction of a heap leach operation including process plant, mine and associated infrastructure in Eastern Turkey. Prior to this he was Project Manager at European Minerals on the Varvarinskoye project in Kazakhstan where he was responsible for managing the design and construction of the gold-copper open pit mine, process plant and associated infrastructure on the greenfield site with a total capex of US\$160 million.

Before this Alan acted as Construction Superintendent for Golden Star Resources at their Bogoso mine in Ghana where he was directly responsible for overseeing the refurbishment of the second hand Bondaye CIL plant and other process and mining related projects. He has also worked in Senior Management roles for Ashanti Goldfields where he gained extensive underground experience and was responsible for project coordination and construction with an annual budget of up to US\$100 million. In his early career he worked in

the UK, South Africa and Zambia on a variety of mining projects. He has fulfilled the role of Client's representative and also worked for various contractors associated with the mining industry.

Certej Project Summary

The Certej project is an epithermal gold/silver deposit located in the "Golden Quadrilateral" area of the Apuseni Mountains of Transylvania in Western Romania, a highly prospective region which has historically produced upwards of 30 million ounces of gold. The Certej deposit lies within a brownfield site with excellent existing infrastructure and a history of production which dates back 300 years; the open pit and plant were worked as recently as 2006. The Certej orebody comprises four distinct ore zones, amenable to extraction by 2 adjacent open pits that are well defined by extensive drilling.

The Certej deposit has a calculated NI 43-101 compliant mineable reserve of 32.8 million tonnes of ore grading 2.0 g/t gold and 11.4 g/t silver, representing 2.1 million ounces gold and 12.0 million ounces silver. A further 14.1 million tonnes of ore from lower grade material and existing dumps will contribute an additional 290,000 ounces of gold and 8.8 million ounces of silver in the latter years of the mine. Reserves will be extracted using a conventional open pit method with a strip ratio of 3.1:1. The project will involve the processing of 3 million tonnes of ore per annum over an open pit life of 11.5 years with an overall mine life of 16 years. The ore will be processed using flotation to produce a pyrite gold concentrate and then ultrafine grinding and ambient pressure oxidation using the Albion Process developed by Xstrata to produce gold and silver doré on site. Average annual production is expected to be 155,000 ounces of gold and 820,000 ounces of silver during the life of the open pit after which the plant will be fed by lower-grade material, stockpile and dumps. The project will involve an anticipated project capex of approximately \$190 million which includes pre-stripping in year 1.

The Technical Study, required to obtain the relevant construction permits, is currently underway with completion anticipated in Q2 2010, ready for submission on approval of the Environmental Impact Study. The project upside includes numerous drill ready targets both near mine and within the wider licence area. Further long term exploration potential exists within the Certej-Brad Belt.

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 and the sale of gold concentrates from Olympias. 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.

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

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Resources & reserves parameters

For additional information on the resource and reserve estimates quoted in this news release, please refer to the Company's Resources & Reserves Declaration at: www.egoldfields.com/egoldfields/en/operations/projects/state Patrick Forward, General Manager, Exploration of the Company, was the Qualified Person under Canadian National Instrument 43-101 responsible for reviewing the disclosure of resource and reserve estimates quoted in this news release.

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.