

For Immediate Release

**FINAL EIS FOR GREEK PROJECTS SUBMITTED
STRATONI: ENVIRONMENTAL PERMIT EXTENDED AND RESERVES UPDATE**

9 August 2010 – European Goldfields Limited (TSX / AIM: EGU) (“European Goldfields” or the “Company”) is pleased to announce that the final Environmental Impact Study (“**EIS**”) for the Company’s project in Halkidiki (the “**Project**”), in North-Eastern Greece, has now been submitted to the Greek Ministry of Environment, Energy and Climate Change (“**MoE**”).

In late September 2009 the Greek authorities completed the Preliminary Environmental Assessment and Evaluation based on the Preliminary Environmental Impact Study (“**PEIS**”) submitted by the Company’s 95%-owned subsidiary Hellas Gold SA, and issued a pre-approval of the construction and operation of the Project.

The Project consists of:

- The development of mining and processing at the Skouries project.
- The next stages of the Olympias project, namely the mining and processing of ore and metallurgical treatment of the concentrate, in accordance with the business plan as originally submitted.
- Continuation of operations at the Mavres Petres deposit of the Stratoni Mine.
- Development of the port facilities at Stratoni to service the above projects’ operations.

The completion and submission of the EIS is another landmark in European Goldfields’ development of the Project.

The EIS will now be subject to the final stages of a decision-making process that conforms to the EU Directive on Environmental Impact Assessment. In summary the EIS is reviewed by the competent authorities and is subject to public consultation, the requirements for which are set out in this EU Directive and embodied in Greek law.

Stratoni Environmental Permit Extended

The Environmental Permit for the Stratoni lead-zinc-silver mine has been extended until the end of July 2012. The extended permit was received by the company from the MoE and ensures production can continue until the granting of the overall Environmental Permit for all of European Goldfields’ projects in Northern Greece.

Reserves Update

The Company also announces that new reserves have been estimated for the Company’s Stratoni operation as follows:

Reserve Category	'000t	Ag g/t	Ag Moz	Pb %	Pb '000t	Zn %	Zn '000t
Proven	1,657	174	9.3	6.1	101	8.5	141
Probable	103	225	0.7	8.7	9	9.3	10
Total	1,760	177	10.0	6.3	110	8.5	150

Mining depleted the reserve by a total of some 295,000 wet tonnes over the course of 2009 and Q1 2010 compared to the January 2009 reserve detailed in the June 2009 report. Additional tonnes were added through exploration to the lower part of the mine but were offset by other sections of the mine being inaccessible due to adverse geotechnical conditions. The deposit is open in several directions and further expansion of reserves is planned through the 2010 exploration drilling programme.

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.

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, VP Projects & 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.

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

For further information please contact:

European Goldfields

Steve Sharpe, VP Business Development
e-mail: info@egoldfields.com
Tel: +44 (0)20 7408 9534

Buchanan Communications

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

Liberum Capital Limited

Simon Atkinson
Tom Fyson
Tel: +44 (0)20 3100 2000

Evolution Securities Limited

Rob Collins
Tim Redfern
Tel: +44 (0)20 7071 4300