

For Immediate Release

Establishment of Employee Share Trust and Finalisation of Special Grant

8 April 2010 – European Goldfields Limited (TSX / AIM: EGU) (“European Goldfields” or the “Company”) announces that it has executed a trust deed constituting the European Goldfields Employee Share Trust (the “Trust”) which is operated by an independent trustee (the “Trustee”). The establishment of the Trust enables the Trustee to acquire shares in the Company and to make available interests in those shares as jointly owned equity (“JOE”) for the benefit of current and future employees under the Company’s Share Option Plan and Restricted Share Unit (“RSU”) Plan (the “Plans”).

The Company has amended its Plans to enable the grant of share options and RSUs in the form of JOE awards, with the shares underlying such awards being jointly owned by the Trust and employees. The amendments to facilitate the JOE structure in each of the Plans do not alter the commercial or economic terms of the Plans or the benefits to the employees. The Company will be seeking approval from its shareholders at its annual general meeting (the “Meeting”) on 12 May 2010 for these amendments. Requisite regulatory approvals have already been sought. The Management Proxy Circular for the Meeting will contain full details of the amendments to the Plans.

On 1 April, 2010, the Trustee subscribed for 500,000 shares of the Company at a price per share of C\$6.7093 under the JOE structure, which relate to the RSUs described below. Neither the Trustee nor any employee is entitled to vote or receive dividends in respect of these shares. None of these shares will vest until after the Meeting, and only then after the achievement of certain performance targets. To the extent that the relevant approvals are not obtained, the JOE awards will be cancelled.

As per the Company’s news release dated 18 March 2010, the awards in relation to the Special Grant previously approved by the Company’s Board have been finalised. In total, the Company awarded 550,000 performance RSUs and 1.6 million performance options (priced as previously disclosed), subject to the achievement of (i) key corporate milestones and value drivers, in respect of the RSUs, and (ii) sustained share price appreciation, in respect of the share options. Messrs Rachovides and Morgan-Wynne have each been awarded 150,000 performance RSUs and 500,000 performance options. Messrs Forward and Dimitriadis have each been awarded 25,000 performance RSUs and 150,000 performance options. Subject to the approval of shareholders, 300,000 out of the 550,000 Special Grant performance RSUs in respect of Messrs Rachovides and Morgan-Wynne, along with a further 200,000 RSUs with similar performance conditions in respect of Martyn Konig (as previously disclosed), have been transferred into the JOE structure.

Application has been made for the admission of the 500,000 shares to trading on the AIM Market of the London Stock Exchange, which is expected to occur at 8.00 a.m. on 14 April 2010. Application will also be made to list the 500,000 shares on the Toronto Stock Exchange.

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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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.