

For Immediate Release

STRATONI MINE PRODUCTION UP 26% IN 2008

19 January 2009 – European Goldfields Limited (TSX / AIM: EGU) is pleased to announce that Stratoni mine production of 271,660 wet metric tonnes for 2008 showed an increase of 26% compared to 2007, as new mine infrastructure was completed and operating efficiencies were achieved. During the same period, a total of 263,314 dry metric tonnes of ore was processed through the Stratoni mill.

European Goldfields' subsidiary Hellas Gold S.A. completed 10 shipments of concentrates from its Stratoni zinc-lead-silver plant in Northern Greece in Q4 2008 (Q4 2007 – 8), and 30 shipments for the whole of 2008 (2007 – 26).

Detailed production and sales from Stratoni were as follows:

Stratoni Production and Sales

	Q4 2008	Q4 2007	12 Months 2008	12 Months 2007
Production				
Ore mined (wet tonnes)	70,468	50,643	271,660	214,875
Ore processed (dry tonnes)	73,320	53,813	263,314	211,749
Zinc concentrate	12,106	9,082	46,123	38,152
- Containing: Zinc metal (tonnes)	5,914	4,425	22,694	15,891
Lead concentrate	6,750	6,012	22,759	23,123
- Containing: Lead metal (tonnes)	4,434	4,021	15,014	14,963
Silver (oz)	336,336	316,837	1,140,210	1,172,234
Sales				
Zinc concentrate (tonnes)	11,210	10,191	44,838	38,152
- Containing payable: Zinc (tonnes)*	4,591	4,209	18,496	15,890
Lead concentrate (tonnes)	7,556	8,004	22,321	23,123
- Containing payable: Lead (tonnes)*	4,775	5,082	14,086	14,963
Silver (oz)*	363,205	399,272	1,077,550	1,172,233

* Net of smelter payable deductions, before deduction of smelting and refining charges

Ore production rates from underground have steadily increased from an average of 885 tonnes per day in 2007 to 1,100 tonnes per day in 2008, and the mine now operates effectively at over 1,200 tonnes per day.

In the current metal price and general economic environment, Hellas Gold will postpone any further ramp up in production levels until an improvement in metal prices is sustained. Therefore, Stratoni mine production is expected to remain at current levels, resulting in mine production of approximately 300,000 wet metric tonnes for 2009. This approach minimises the overall cost base at the mine and focuses on the achievement of operating efficiencies. The group also benefits from its lead hedge programme which in 2009 has put options over 7,200 tonnes of lead at a price of \$2,500 per tonne.

In addition, Hellas Gold completed 10 shipments of gold-bearing pyrite concentrates from its existing stockpile at Olympias in Q4 2008 (Q4 2007 – 15), and 34 shipments for the whole of 2008 (2007 – 47).

Sales of gold-bearing pyrite concentrates were as follows:

Olympias Gold Concentrates Sales

	Q4 2008	Q4 2007	12 Months 2008	12 Months 2007
Sales				
Gold concentrate (dry tonnes)	18,566	21,385	63,533	79,552

As previously announced, 2008 gold concentrate shipments were below expectations largely due to bottlenecks caused by protracted industrial action at the port of Thessaloniki. In response, Hellas Gold has recently increased the availability of containers for shipment of its material through Thessaloniki which should allow Hellas Gold to achieve its original sales forecast of 100,000 wet metric tonnes in 2009.

Directors and Employees Dealings

The Board resolved at a meeting held on 5 December 2008, that Directors' and certain employees' bonuses for the year ended 31 December 2008 would be partly paid in Restricted Share Units ("RSU's") in European Goldfields in lieu of cash. In accordance with this previous resolution the Company also confirmed today that a total of 484,779 RSUs were issued on 16 January in accordance with the terms of the Company's RSU Plan, subject to Canadian Regulatory Approval. All RSUs granted under this award will vest in two equal tranches in January 2010 and January 2011. This included the award of 108,958 RSUs to David Reading, 75,568 RSUs to Tim Morgan-Wynne and 36,173 RSUs to Mark Rachovides all of whom are Directors of the Company. A further 264,080 RSUs were awarded to other employees throughout the group.

European Goldfields expects to publish by 31 March 2009 its financial results for the three-month period and year ended 31 December 2008.

About European Goldfields

European Goldfields Limited is a resource company involved in the acquisition, exploration and development of mineral properties in Greece, Romania and South-East Europe.

Greece – European Goldfields holds a 95% interest in Hellas Gold S.A. Hellas Gold owns three major gold and base metal deposits in Northern Greece. The deposits are the polymetallic operation at Stratoni, the Olympias project which contains gold, zinc, lead and silver, and the Skouries copper/gold porphyry project. Hellas Gold commenced production at Stratoni in September 2005 and started selling an existing stockpile of gold concentrates from Olympias in July 2006. Hellas Gold is applying for permits to develop and build the Skouries and Olympias projects.

Romania – European Goldfields owns 80% of the Certej gold/silver project in Romania. In July 2008, the National Agency of Mineral Resources approved the technical feasibility study in support of its permit application and issued a new mining permit for the Certej project.

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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/goldfields/resources.jsp. 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 2007, 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.