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PRESS RELEASE

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SIGNIFICANT GOLD INTERCEPTS IN DRILLING AND CHANNEL SAMPLING AT CRACIUNESTI PROJECT SCOPING STUDY UNDERWAY AT CERTEJ DEPOSIT

Toronto, July 02 2003 - EUROPEAN GOLDFIELDS LTD. ("European Goldfields" or "the Company") is pleased to provide the following update on its activities:

Highlights

- **Craciunesti** drill hole CRSD-022 intersected 10m grading 5.34 g/t gold and 3 g/t silver, from a drill depth of 144m.
- **Craciunesti** drill hole CRSD-029 intersected 4m grading 7.06 g/t gold and 73 g/t silver, from a drill depth of 24m.
- **Craciunesti** underground channel sampling includes 10m grading 3.53 g/t gold and 3 g/t silver at a depth of 30m below surface, and 8m grading 15.87 g/t gold and 7 g/t silver at a depth of 175m below surface.
- **Craciunesti** surface channel sampling includes 13m grading 2.12 g/t gold and 4 g/t silver.
- **Craciunesti** veins and breccia shown to extend from surface to over 250m depth and over a minimum strike length of 600m.
- Engineering scoping study underway at **Certej** gold deposit.

Summary

On the Certej Belt, European Goldfields has continued its surface exploration program at the Craciunesti project, testing the potential to host a resource of sufficient magnitude for a stand-alone mining operation. However, given its proximity (within 9km), it may form part of an enlarged mining operation centering on the Company's most advanced project, the 2.63 million ounce indicated and 0.83 million ounce inferred resource at its 80% owned Certej deposit.

A scoping study has commenced at the Certej deposit. GRD Minproc Limited has been commissioned to undertake the study. The Company anticipates receiving the final report from the study during the third quarter of 2003.

CERTEJ BELT

Craciunesti Target – Drilling

The Craciunesti target lies within the Company's 80% owned Baita-Craciunesti license area on the Certej Belt, within 9km of the Certej deposit. It is a significant historic underground gold and silver producer, with mining conducted by the Romanian mining agency as recently as 1992. The current focus of exploration is a 200m wide structural corridor that hosts multiple breccia bodies that are developed over widths of up to 75m.

Lithologies represented in the breccias include rhyolite, basalt, clastic sedimentary rocks, and limestone. These breccia bodies host narrow (typically less than 1m wide) gold- and silver-mineralized shear zones and quartz veins, with grades up to 134 g/t gold and 47 g/t silver over 1m achieved in European Goldfields' sampling. Lower grade disseminated mineralization within breccia can form an envelope to these shear zones and quartz veins over widths that can exceed 10m.

In total, a program of approximately 3,070m of drilling has been completed. Diamond core hole (NQ diameter) CRSD-021 was drilled in November, 2002 to a depth of 227.5m to test the easternmost known breccia body in the vicinity of significant gold mineralization reported in historic mining records on the Daniel level (367m elevation). Underground channel sampling of these galleries by the Company was prevented by collapsed workings and surface drill testing was required. The hole was inclined at -60° with an azimuth of 220°, approximately orthogonal to the strike of the structural corridor. Breccia was intersected over the interval 134 to 227.5m, with limited significant gold mineralization, summarized in the following table.

A program of 2,844m of reverse circulation drilling was initiated in May, 2003 and was completed in June, 2003. All drill samples were submitted to the SGS Analabs laboratory in Gura Rosie, Romania and all assays have been received. The program of reverse circulation drilling targeted the central and western breccia zones known from underground and surface channel sampling and mapping. All holes were inclined at -55° to -60° with an azimuth of 210° to 220°, approximately orthogonal to the strike of the structural corridor. Drill holes were spaced at an average of 70m over a strike length of 400m and width of 250m. Assay results are very encouraging, with selected intervals summarized in the following table. Detailed results are shown in Schedule A. A drill hole location map is attached as Schedule B.

Craciunesti Project – Drill Hole Highlights					
Drill Hole #	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
CRSD-022	144	154	10	5.34	3
CRSD024	72	78	6	4.79	9
CRSD025	66	68	2	11.70	12
CRSD029	24	28	4	7.06	73

Selected drill intercepts \geq 0.8 g/t gold, max. 3m internal sub-grade

Based on historic records, it has been suspected that a significant portion of the gold endowment at Craciunesti occurs as coarse free gold grains. A program of screen fire assays of a portion of

the reverse circulation drill samples is now in progress at the SGS Analabs laboratory in Gura Rosiei, Romania. Results for these tests are expected shortly.

Craciunesti Target – Channel Sampling

The original program of surface and underground channel sampling began in 2001. To date, sampling includes 3,166m of underground channel sampling (on multiple levels from 30m to approximately 250m depth below surface) and 2,139m of channel sampling in surface trenches. Numerous mineralized intervals were intersected in this program, with selected mineralized intervals summarized in the following tables (elevation at surface varies from less than 500m to 610m):

Craciunesti Project – Selected Surface Channel Samples					
Trench	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
CRSC001	10	22	12	1.75	4
CRSC002	0	8	8	2.98	11
CRSC006	0	13	13	2.12	4
CRSC030	96	106	10	1.07	6.4

Channel samples >= 0.8 g/t gold, max. 3m internal sub-grade

Craciunesti Project – Selected Underground Channel Samples					
Gallery (Elev.)	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
CR530002 (530m)	84	94	10	3.53	3
G24901 (249m)	105	112	7	1.16	3
G36702 (367m)	148	153	5	2.74	3
G36702* (367m)	248	256	8	15.87	7
<i>*includes 54.95 g/t gold 248-249m and 67.30 g/t gold 249-250m, each cut to 25.00 g/t gold</i>					
G36703 (367m)	83	88	5	6.64	17
G36703 (367m)	67	102	35	1.44	6

Channel samples >= 0.8 g/t gold, max. 3m internal sub-grade

Channel sampling location maps for the surface and underground programs are shown in Schedules C and D, respectively. A cross-section of the target is attached in Schedule E.

Certej Deposit – Scoping Study

European Goldfields has commissioned GRD Minproc Limited of Perth, Australia to complete an engineering scoping study at its 80% owned Certej deposit, where a 2.63 million ounce indicated and 0.83 million ounce inferred resource has been identified, and work is now underway. The study will include pit optimisation, testwork evaluation, process selection, preliminary flowsheet development and plant design, capital and operating cost estimation and preliminary economic assessment. The Company expects to have the results from the study available during the third quarter of 2003.

Qualified Person

Jeffrey D. Phinisey is the qualified person, as defined in National Instrument 43-101, responsible for the work program undertaken at Craciunesti and the Company's quality control and quality assurance programs. Mr. Phinisey is the Company's Exploration Manager.

European Goldfields is a Canadian based resource company involved in the exploration and development of mineral properties in Romania.

On Behalf of the Board:

Signed by "Clive Donner"

CLIVE DONNER
NON-EXECUTIVE CHAIRMAN

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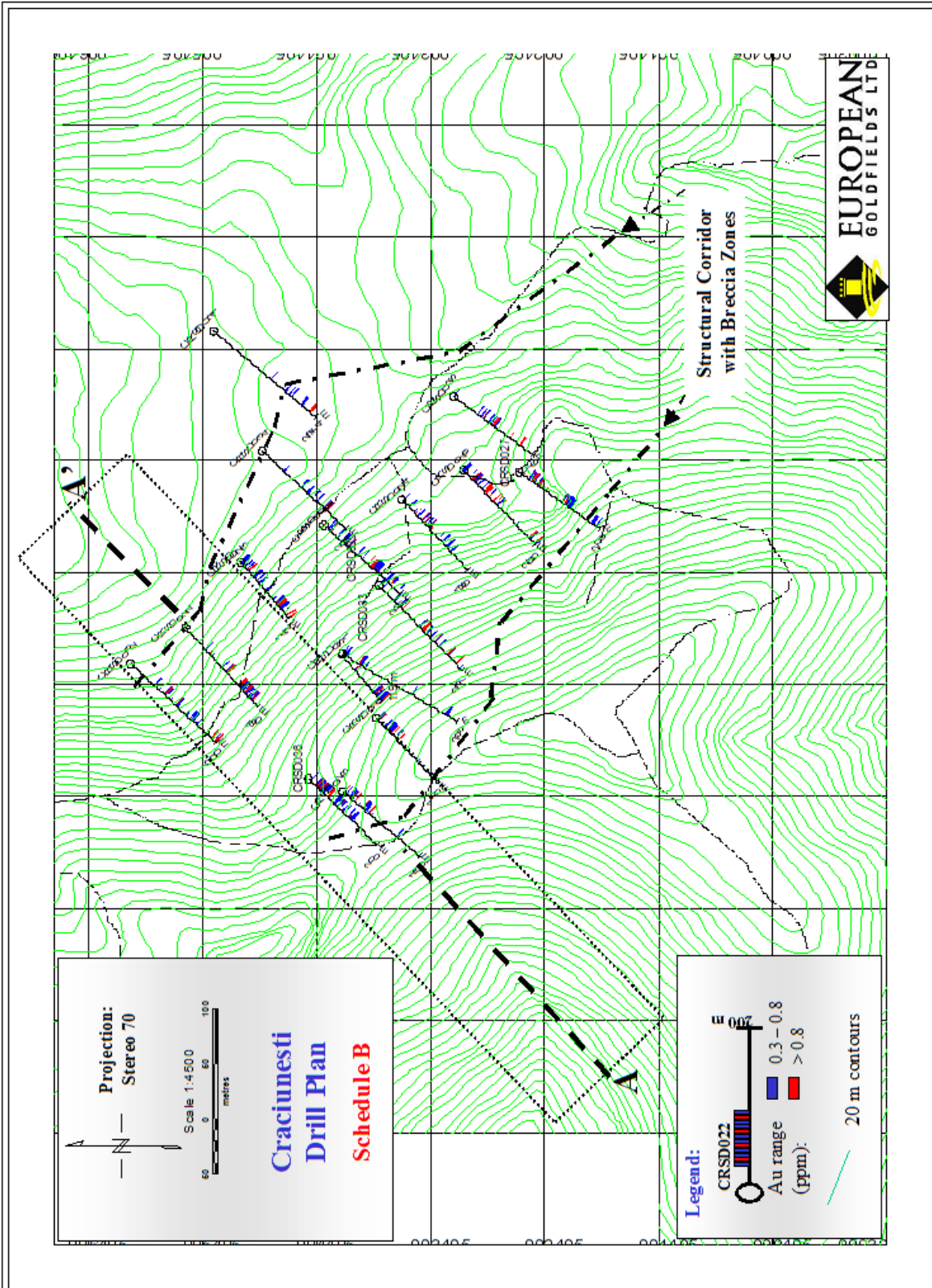
The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release and the information contained herein.

SCHEDULE A – Detailed Drill Results

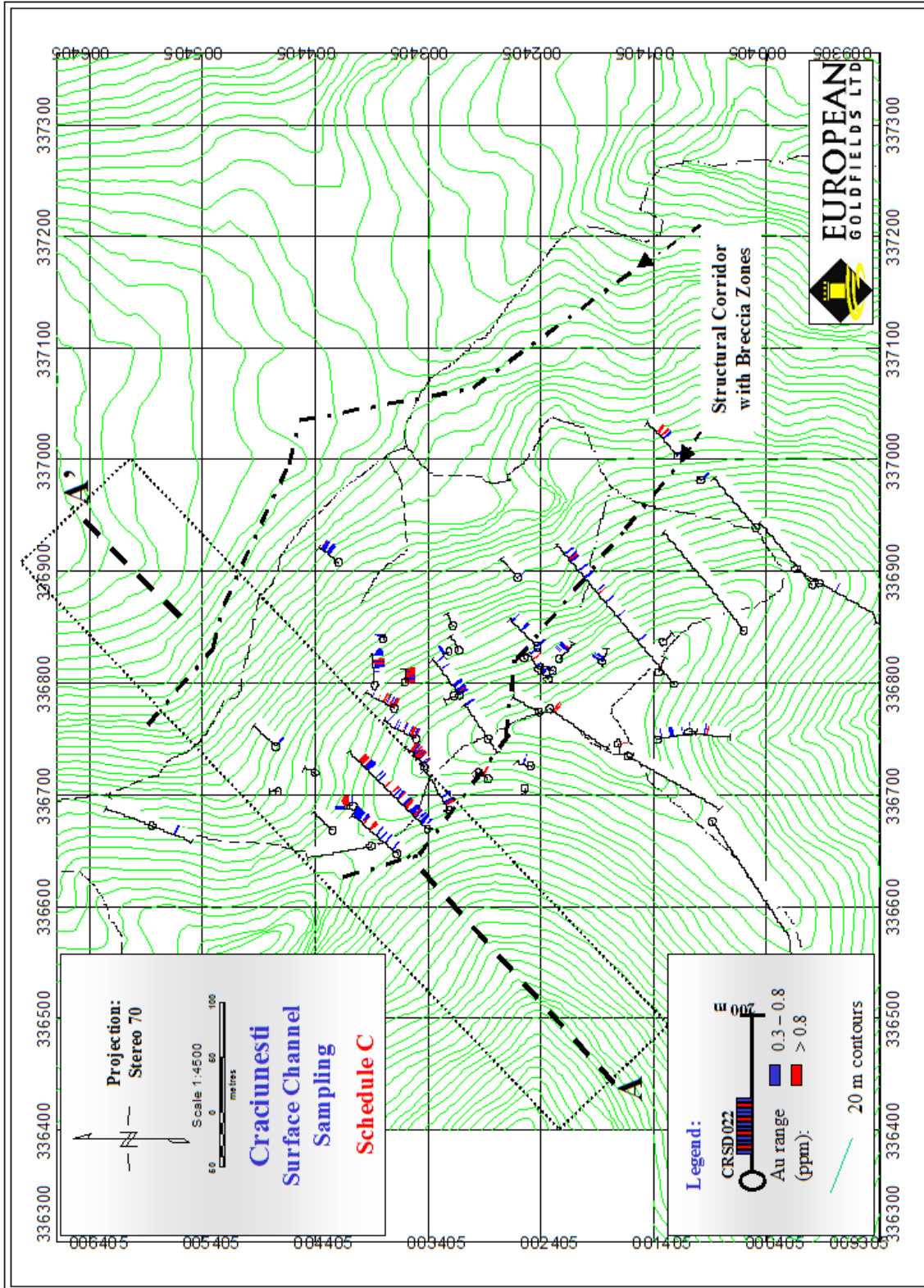
Craciunesti Project – Drill Hole Intercepts >= 0.8 g/t Gold					
Drill Hole #	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
CRSD-021	214	218	4	1.05	3
CRSD-022	102	106	4	3.27	8
CRSD-022	132	138	6	2.44	3
CRSD-022	144	154	10	5.34	3
CRSD024	72	78	6	4.79	9
CRSD025	66	68	2	11.70	12
CRSD027	104	110	6	2.05	1
CRSD029	24	28	4	7.06	73
CRSD029	58	64	6	2.10	5
CRSD030	110	112	2	2.19	7
CRSD030	116	132	16	1.17	7
CRSD031	116	120	4	3.18	10

Selected drill intercepts >= 0.8 g/t gold, max. 3m internal sub-grade

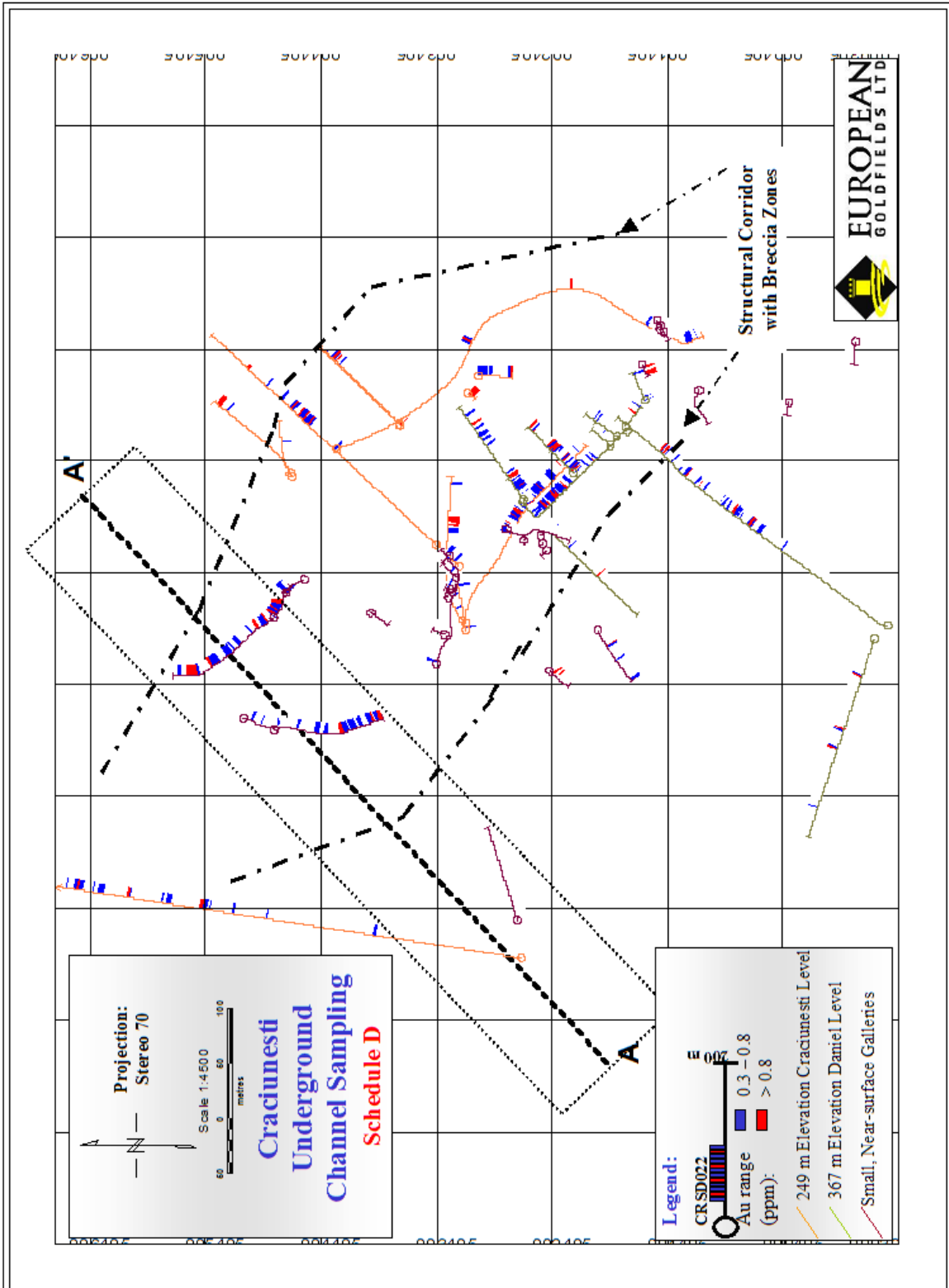
SCHEDULE B – Craciunesti Drill Plan



SCHEDULE C – Craciunesti Surface Channel Sampling Plan



SCHEDULE D – Craciunesti Underground Channel Sampling Plan



SCHEDULE E – Craciunesti Cross-Section

