



1128 Pennsylvania NE, Suite 200, Albuquerque, New Mexico 87110 | Tel: 505-255-4852 | www.santafegoldcorp.com

SANTA FE GOLD SUPPLIES TRIAL SHIPMENT OF FLUX MATERIAL TO ARIZONA SMELTER FOR PRECIOUS METALS RECOVERY

ALBUQUERQUE, N.M. – February 10, 2010 – Santa Fe Gold Corporation (OTCBB: SFEG) today announced it had agreed with Freeport-McMoRan Miami Inc. (“FM Miami”) to supply a trial shipment of 3,000 tons of high-silica flux material to FM Miami’s smelter located near Claypool, Arizona. The flux material will be processed for precious metals recovery. Santa Fe will be paid for the silver and gold content according to a formula that provides for deductions for smelting and refining charges, and for penalties for material falling outside of agreed silica content and other specifications. FM Miami previously qualified the flux material as an acceptable smelter feedstock. The flux material constitutes a beneficiated product of ore from the Summit mine upgraded in silica and precious metals contents through crushing and screening.

“If this initial trial shipment meets the expectations of the parties, it could lead to a long term contract”, said Pierce Carson, President and Chief Executive Officer. “The possibility of smelter flux sales adds another dimension to our options for processing of Summit ore and to our strategy of expanding our production profile in the Lordsburg area. Among other potential advantages, material sold as smelter flux does not have to be milled and therefore frees capacity at our Lordsburg mill.”

Regarding the status of start-up of milling operations, Santa Fe reported that construction of the tailings disposal impoundment at the Lordsburg mill site has been completed and the required final report prepared and submitted to the Office of the State Engineer for review. Final approval is expected to be received shortly. Processing operations are planned to begin immediately thereafter.

Except for the tailings disposal impoundment, Santa Fe completed construction of the Lordsburg mill in the second quarter of 2009. In October 2009, a permit was received that allowed construction of the tailings impoundment to proceed.

The Summit mine is an underground silver-gold mine being developed on an epithermal vein deposit. For the past several months, in connection with mine development, Santa Fe has been mining and stockpiling ore. Ore from the Summit mine is transported to the company’s Lordsburg mill, where a marketable gold-silver concentrate will be produced. The mill is fully operational and will begin processing ore upon receipt of a final operating permit related to the tailings disposal impoundment.

About Santa Fe Gold:

Santa Fe is a U.S.-based mining and exploration enterprise focused on acquiring and developing gold, silver, copper and industrial mineral properties. Santa Fe controls: (i) the Summit mine and Lordsburg mill in southwestern New Mexico; (ii) the Ortiz gold property in north-central New Mexico (estimated to contain two million ounces of gold); (iii) the Pilar gold exploration project in Sonora, Mexico; (iv) the Black Canyon mica mine and processing facility near Phoenix, Arizona;

and (v) a large resource of micaceous iron oxide (MIO) in western Arizona. Santa Fe intends to build a portfolio of high-quality, diversified mineral assets with an emphasis on precious metals.

To learn more about Santa Fe, visit www.santafegoldcorp.com.

Forward Looking Statements:

The information contained herein regarding risks and uncertainties, which may differ materially from those set forth in these statements, in addition to the economic, competitive, governmental, technological and other factors, constitutes a “forward-looking statement” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 and is subject to the safe harbors created thereby. While Santa Fe believes that the assumptions underlying such forward-looking information are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking information will prove to be accurate. Accordingly, there may be differences between the actual results and the predicted results, and actual results may be materially higher or lower than any of those indicated in the forward-looking information contained herein.

Contact:

W. Pierce Carson, President and Chief Executive Officer
1-505-255-4852