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Santa Fe Gold Begins Mining and Stockpiling Ore at Summit Silver-Gold Mine

ALBUQUERQUE, N.M. – February 11, 2008 – Santa Fe Gold Corp (OTC Bulletin Board: SFEG), a U.S.-based mining and exploration enterprise focused on gold, silver, copper and industrial minerals, today reported that mining and stockpiling of ore had begun at its Summit mine in southwestern New Mexico. Processing of the stockpiled ore is planned to begin when construction of the Lordsburg processing facility is completed. Barring unforeseen delays, the company anticipates that the processing facility will be ready to accept ore in approximately two months. Construction of the Lordsburg facility began in the first quarter of 2008 and is proceeding within budget and according to schedule.

“Our 12’ x 12’ declined ramp has reached the ore zone as predicted, at a ramp distance of 650 feet and 420 feet below the surface. We are pleased to have achieved this important milestone”, said Dr. W. Pierce Carson, President and CEO. “Assays of the ore zone average 0.13 oz/ton gold and 10.8 oz/ton silver over a mining width of 10 feet. Individual assays of 2-foot samples range up to 0.26 oz/ton gold and 19.5 oz/ton silver. These results are consistent with the reserve grades previously calculated for the Summit deposit.

“The width and grade of the ore zone also were what we expected on the basis of two historic drill holes that intersected the ore zone approximately 80 feet to the southeast of the decline ramp intersection, one 30 feet in elevation above and the other 100 feet below the decline intersection. The two holes showed respectively 9.6 feet diluted mining width grading 0.09 oz/ton gold and 12.9 oz/ton silver, and 11.9 feet diluted mining width grading 0.15 oz/ton gold and 24.4 oz/ton silver.”

The company is proceeding to mine and stockpile ore employing an overhand cut and fill mining method using jumbo drills and rubber tired haulage equipment. Initially two development headings will be driven in ore in northwest and southeast directions. The mining rate is planned to build to 400 tons per day, to meet the capacity of the Lordsburg milling facility. Mining operations are being carried out on a double shift basis by the company’s own mining crews. Currently the company employs 12 people at the Summit mining operation and 16 people at the Lordsburg mill site.

Carson said, “We are excited by the progress at Summit and remain focused on achieving production in the near term. In light of worldwide economic troubles and rising gold and silver prices, we believe the company is well positioned to deliver long term value to shareholders.”

About Santa Fe Gold Corp:

Santa Fe Gold Corp (OTCBB: SFEG) is a U.S.-based mining and exploration enterprise focused on acquiring and developing gold, silver, copper and industrial mineral properties. The company owns the Summit silver-gold property and a mill site and processing equipment in southwestern New Mexico; mineral lease rights to the Ortiz gold property in north-central New Mexico, believed to contain two million ounces of gold; the Black Canyon mica mine and processing facility near Phoenix, Arizona; and a large resource of micaceous iron oxide (MIO) in western Arizona. Santa Fe Gold intends to build a portfolio of high-quality, diversified mineral assets with an emphasis on precious metals. To learn more about the company, 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 the company 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 those indicated in the forward-looking information contained herein.

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