

## UNITED STATES BANKRUPTCY COURT, DISTRICT OF DELAWARE

## PROOF OF CLAIM

Indicate Debtor against which you assert a claim by checking the appropriate box below (**Check only one Debtor per claim form**):

- ☒ Santa Fe Gold Corporation (Case No. 15-11761)  
☐ Azco Mica, Inc. (Case No. 15-11762)

- ☐ The Lordsburg Mining Company (Case No. 15-11763)  
☐ Santa Fe Gold (Barbados) Corporation (Case No. 15-11764)

NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.  
 You may file requests for payment of an administrative expense according to 11 U.S.C. § 503.

## COURT USE ONLY

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Vista Capital Investments LLC

Name and address where notices should be sent:

406 9th Ave

Suite 201

San Diego CA 92101

Telephone number (619) 543-0328 email:

dclark@vci.us.com

Name and address where payment should be sent (if different from above):

(same)

In re: SANTA FE GOLD CORP  
 Case No: 15-11761  
 CLAIM 610017

Telephone number:

email:

RECEIVED

DEC 14 2015

American Legal Claims

☐ Check this box if this claim amends a previously filed claim.

Court Claim Number: \_\_\_\_\_  
 (If known)

Filed on: \_\_\_\_\_

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.

## 1. Amount of Claim as of Date Case Filed:

\$ 89,666.18

If all or part of the claim is **secured**, complete **item 4**. If all or part of the claim is entitled to **priority**, complete **item 5**.

☐ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

## 2. Basis for Claim:

(See instruction #2)

2 Convertible Note Financings dated 1/20/15 + 6/9/15 (See Attached)

## 3. Last four digits of any number by which creditor identifies debtor:

S F E G

## 3a. Debtor may have scheduled account as:

(See instruction #3a)

(None)

## 3b. Uniform Claim Identifier (optional):

(See instruction #3b)

## 4. Secured Claim (See instruction #4)

Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other  
 Describe:

Value of Property: \$ \_\_\_\_\_

Annual Interest Rate \_\_\_\_\_ % ☐ Fixed or ☐ Variable  
 (when case was filed)

Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:

\$ \_\_\_\_\_

Basis for perfection: \_\_\_\_\_

Amount of Secured Claim: \$ \_\_\_\_\_

Amount Unsecured: \$ \_\_\_\_\_

## 5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

☐ Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to \$12,475\*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).

Amount entitled to priority: \_\_\_\_\_

☐ Up to \$2,775\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(\_\_\_\_).

\$ \_\_\_\_\_

\*Amounts are subject to adjustment on 4/1/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

**6. Claim Pursuant to 11 U.S.C. § 503(b)(9):** Indicate the amount of your claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$

(See instruction #6)

**7. Credits.** The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #7)

**8. Documents:** Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, or security agreements. If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. (See instruction #8, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

**9. Signature:** (See instruction #9)

Check the appropriate box.

☒ I am the creditor. ☐ I am the creditor's authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.)

☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: David Clark  
 Title: Principal  
 Company: Vista Capital Investments LLC  
 Address and telephone number (if different from notice address above):  
SAME

[Signature]  
 (Signature)

12/8/2015  
 (Date)

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

NEITHER THIS NOTE NOR THE SECURITIES INTO WHICH THIS NOTE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.

SANTA FE GOLD CORP.

CONVERTIBLE NOTE

Issuance Date: January 15, 2015  
Note No. SFEG-1

Original Principal Amount: \$250,000  
Consideration Paid at Close: \$50,000

FOR VALUE RECEIVED, Santa Fe Gold Corp., a Delaware corporation (the "Company"), hereby promises to pay to the order of Vista Capital Investments, LLC or registered assigns (the "Holder") the amount set out above as the Original Principal Amount (as reduced pursuant to the terms hereof pursuant to redemption, conversion or otherwise, the "Principal") when due, whether upon the Maturity Date (as defined below), acceleration, redemption or otherwise (in each case in accordance with the terms hereof) and to pay interest ("Interest") on any outstanding Principal at the applicable Interest Rate from the date set out above as the Issuance Date (the "Issuance Date") until the same becomes due and payable, upon the Maturity Date or acceleration, conversion, redemption or otherwise (in each case in accordance with the terms hereof).

The Original Principal Amount is \$250,000 (two hundred fifty thousand) plus accrued and unpaid interest and any other fees. The Consideration is \$225,000 (two hundred twenty five thousand) payable by wire transfer (there exists a \$25,000 *prorated* original issue discount (the "OID")). The Holder shall pay \$50,000 of Consideration upon closing of this Note. The Holder may pay additional Consideration to the Company in such amounts and at such dates as Holder may choose in its sole discretion. For purposes hereof, the term "Outstanding Balance" means the Original Principal Amount, as reduced or increased, as the case may be, pursuant to the terms hereof for conversion, breach hereof or otherwise, plus any accrued but unpaid interest, collection and enforcements costs, and any other fees or charges incurred under this Note. The Original Principal Amount due to Holder shall be prorated based on the Consideration paid by Holder (plus an approximate 10% Original Issue Discount that is prorated based on the Consideration paid by the Holder as well as any other interest or fees) such that the Company is only required to repay the amount funded and the Company is not required to repay any unfunded portion of this Note.

(1) GENERAL TERMS

(a) Payment of Principal. The "Maturity Date" shall be two years from the date of each payment of Consideration, as may be extended at the option of the Holder in the event that, and for so long as, an Event of Default (as defined below) shall not have occurred and be continuing on the Maturity Date (as may be extended pursuant to this Section 1) or any event shall not have occurred and be

continuing on the Maturity Date (as may be extended pursuant to this Section 1) that with the passage of time and the failure to cure would result in an Event of Default.

(b) Interest. A one-time interest charge of twelve percent (12%) ("Interest Rate") shall be applied on the Issuance Date to the Original Principal Amount. Interest hereunder shall be paid on the Maturity Date (or sooner as provided herein) to the Holder or its assignee in whose name this Note is registered on the records of the Company regarding registration and transfers of Notes in cash or converted into Common Stock at the Conversion Price provided the Equity Conditions are satisfied.

(c) Security. This Note shall not be secured by any collateral or any assets pledged to the Holder

(2) EVENTS OF DEFAULT.

(a) An "Event of Default", wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) The Company's failure to pay to the Holder any amount of Principal, Interest, or other amounts when and as due under this Note (including, without limitation, the Company's failure to pay any redemption payments or amounts hereunder) or any other Transaction Document;

(ii) A Conversion Failure as defined in section 3(b)(ii)

(iii) The Company or any subsidiary of the Company shall commence, or there shall be commenced against the Company or any subsidiary of the Company under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Company or any subsidiary of the Company commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or any subsidiary of the Company or there is commenced against the Company or any subsidiary of the Company any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of 61 days; or the Company or any subsidiary of the Company is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company or any subsidiary of the Company suffers any appointment of any custodian, private or court appointed receiver or the like for it or any substantial part of its property which continues undischarged or unstayed for a period of sixty one (61) days; or the Company or any subsidiary of the Company makes a general assignment for the benefit of creditors; or the Company or any subsidiary of the Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or the Company or any subsidiary of the Company shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; or the Company or any subsidiary of the Company shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or any corporate or other action is taken by the Company or any subsidiary of the Company for the purpose of effecting any of the foregoing;

(iv) The Company or any subsidiary of the Company shall default in any of its obligations under any other Note or any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced any indebtedness for borrowed money or money due under any long term leasing or factoring arrangement of the Company or any subsidiary of the Company in an amount exceeding \$100,000, whether such indebtedness now exists or shall hereafter be created; and

(v) The Common Stock is suspended or delisted for trading on the Over the Counter Bulletin Board market (the "Primary Market").

(vi) The Company loses its ability to deliver shares via "DWAC/FAST" electronic transfer.

(vii) The Company loses its status as "DTC Eligible."

(viii) The Company shall become late or delinquent in its filing requirements as a fully-reporting issuer registered with the Securities & Exchange Commission.

(b) Upon the occurrence of any Event of Default, the Outstanding Balance shall immediately increase to 120% of the Outstanding Balance immediately prior to the occurrence of the Event of Default (the "Default Effect"). The Default Effect shall automatically apply upon the occurrence of an Event of Default without the need for any party to give any notice or take any other action.

(3) CONVERSION OF NOTE. This Note shall be convertible into shares of the Company's Common Stock, on the terms and conditions set forth in this Section 3.

(a) Conversion Right. Subject to the provisions of Section 3(c), at any time or times on or after the Issuance Date, the Holder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount (as defined below) into fully paid and nonassessable shares of Common Stock in accordance with Section 3(b), at the Conversion Price (as defined below). The number of shares of Common Stock issuable upon conversion of any Conversion Amount pursuant to this Section 3(a) shall be equal to the quotient of dividing the Conversion Amount by the Conversion Price. The Company shall not issue any fraction of a share of Common Stock upon any conversion. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the nearest whole share. The Company shall pay any and all transfer agent fees, legal fees, costs and any other fees or costs that may be incurred or charged in connection with the issuance of shares of the Company's Common Stock to the Holder arising out of or relating to the conversion of this Note.

(i) "Conversion Amount" means the portion of the Original Principal Amount and Interest to be converted, plus any penalties, redeemed or otherwise with respect to which this determination is being made.

(ii) "Conversion Price" shall equal the lesser of (a) \$0.125 or (b) 60% of the lowest trade occurring during the twenty five (25) consecutive Trading Days immediately preceding the applicable Conversion Date on which the Holder elects to convert all or part of this Note, subject to adjustment as provided in this Note.

(b) Mechanics of Conversion.

(i) Optional Conversion. To convert any Conversion Amount into shares of Common Stock on any date (a "Conversion Date"), the Holder shall (A) transmit by email, facsimile (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York, NY Time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit A (the "Conversion Notice") to the Company. On or before the third Business Day following the date of receipt of a Conversion Notice (the "Share Delivery Date"), the Company shall (A) if legends are not required to be placed on certificates of Common Stock pursuant to the then existing provisions of Rule 144 of the Securities Act of 1933 ("Rule 144") and provided that the Transfer Agent is participating in the Depository Trust Company's ("DTC")

Fast Automated Securities Transfer Program, credit such aggregate number of shares of Common Stock to which the Holder shall be entitled to the Holder's or its designee's balance account with DTC through its Deposit Withdrawal Agent Commission system or (B) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder shall be entitled which certificates shall not bear any restrictive legends unless required pursuant the Rule 144. If this Note is physically surrendered for conversion and the outstanding Principal of this Note is greater than the Principal portion of the Conversion Amount being converted, then the Company shall, upon request of the Holder, as soon as practicable and in no event later than three (3) Business Days after receipt of this Note and at its own expense, issue and deliver to the holder a new Note representing the outstanding Principal not converted. The Person or Persons entitled to receive the shares of Common Stock issuable upon a conversion of this Note shall be treated for all purposes as the record holder or holders of such shares of Common Stock upon the transmission of a Conversion Notice.

(ii) Company's Failure to Timely Convert. If within two (2) Trading Days after the Company's receipt of the facsimile or email copy of a Conversion Notice the Company shall fail to issue and deliver to Holder via "DWAC/FAST" electronic transfer the number of shares of Common Stock to which the Holder is entitled upon such holder's conversion of any Conversion Amount (a "Conversion Failure"), the Original Principal Amount of the Note shall increase by \$2,000 per day until the Company issues and delivers a certificate to the Holder or credit the Holder's balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon such holder's conversion of any Conversion Amount (under Holder's and Company's expectation that any damages will tack back to the Issuance Date). *Company will not be subject to any penalties once its transfer agent processes the shares to the DWAC system.* If the Company fails to deliver shares in accordance with the timeframe stated in this Section, resulting in a Conversion Failure, the Holder, at any time prior to selling all of those shares, may rescind any portion, in whole or in part, of that particular conversion attributable to the unsold shares and have the rescinded conversion amount returned to the Outstanding Balance with the rescinded conversion shares returned to the Company (under Holder's and Company's expectations that any returned conversion amounts will tack back to the original date of the Note).

(iii) DWAC/FAST Eligibility. If the Company fails for any reason to deliver to the Holder the Shares by DWAC/FAST electronic transfer (such as by delivering a physical stock certificate), or if there is a Conversion Failure as defined in Section 3(b)(ii), and if the Holder incurs a Market Price Loss, then at any time subsequent to incurring the loss the Holder may provide the Company written notice indicating the amounts payable to the Holder in respect of the Market Price Loss and the Company must make the Holder whole by either of the following options at Holder's election:

Market Price Loss = [(High trade price for the period between the day of conversion and the day the shares clear in the Holder's brokerage account) x (Number of shares receivable from the conversion)] – [(Net Sales price realized by Holder) x (Number of shares receivable from the conversion)].

Option A – Pay Market Price Loss in Cash. The Company must pay the Market Price Loss by cash payment, and any such cash payment must be made by the third business day from the time of the Holder's written notice to the Company.

Option B – Add Market Price Loss to Outstanding Balance. The Company must pay the Market Price Loss by adding the Market Price Loss to the Outstanding Balance (under Holder's and the Company's expectation that any Market Price Loss amounts will tack back to the Issuance Date).

In the case that conversion shares are not deliverable by DWAC/FAST electronic transfer an additional 10% discount to the Conversion Price will apply.





(iv) DTC Eligibility & Sub-Penny. If the Company fails to maintain its status as "DTC Eligible" for any reason, or, if the Conversion Price is less than \$0.01, the Principal Amount of the Note shall increase by ten thousand dollars (\$10,000) (under Holder's and Company's expectation that any Principal Amount increase will tack back to the Issuance Date). In addition, the Conversion Price shall be redefined to equal the lesser of (a) \$0.10 or (b) 50% of the lowest trade occurring during the twenty five (25) consecutive Trading Days immediately preceding the applicable Conversion Date on which the Holder elects to convert all or part of this Note, subject to adjustment as provided in this Note.

(v) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of any portion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Company unless (A) the full Conversion Amount represented by this Note is being converted or (B) the Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of this Note upon physical surrender of this Note. The Holder and the Company shall maintain records showing the Principal and Interest converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Note upon conversion.

(c) Limitations on Conversions or Trading.

(i) Beneficial Ownership. The Company shall not effect any conversions of this Note and the Holder shall not have the right to convert any portion of this Note or receive shares of Common Stock as payment of interest hereunder to the extent that after giving effect to such conversion or receipt of such interest payment, the Holder, together with any affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion or receipt of shares as payment of interest. Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of 4.99% of the then outstanding shares of Common Stock without regard to any other shares which may be beneficially owned by the Holder or an affiliate thereof, the Holder shall have the authority and obligation to determine whether the restriction contained in this Section will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the principal amount of this Note is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a principal amount of this Note that, without regard to any other shares that the Holder or its affiliates may beneficially own, would result in the issuance in excess of the permitted amount hereunder, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum principal amount permitted to be converted on such Conversion Date in accordance with Section 3(a) and, any principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Note. The provisions of this Section may be waived at any time by Holder upon written notification to the Company.

(d) Other Provisions.

(i) Share Reservation. The Company shall at all times reserve and keep available out of its authorized Common Stock a number of shares equal to at least 3 (three) times the full number of shares of Common Stock issuable upon conversion of all outstanding amounts under this Note; and within 3 (three) Business Days following the receipt by the Company of a Holder's notice that such minimum number of Underlying Shares is not so reserved, the Company shall promptly reserve a sufficient number of shares of Common Stock to comply with



**such requirement.** The Company will at all times reserve at least 10,000,000 shares of Common Stock for conversion.

(ii) Prepayment. At any time within the 90 day period immediately following the Issuance Date, the Company shall have the option, upon 10 business days' notice to Holder, to pre-pay the entire remaining outstanding principal amount of this Note in cash, provided that (i) the Company shall pay the Holder 145% of the Outstanding Balance, (ii) such amount must be paid in cash on the next business day following such 10 business day notice period, and (iii) the Holder may still convert this Note pursuant to the terms hereof at all times until such prepayment amount has been received in full. Except as set forth in this Section the Company may not prepay this Note in whole or in part.

(iii) Terms of Future Financings. So long as this Note is outstanding, upon any issuance by the Company or any of its subsidiaries of any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Holder in this Note, then the Company shall notify the Holder of such additional or more favorable term and such term, at Holder's option, shall become a part of the transaction documents with the Holder. The types of terms contained in another security that may be more favorable to the holder of such security include, but are not limited to, terms addressing conversion discounts, conversion lookback periods, interest rates, original issue discounts, stock sale price, private placement price per share, and warrant coverage.

(iv) All calculations under this Section 3 shall be rounded up to the nearest \$0.00001 or whole share.

(v) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section 2 herein for the Company's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(4) SECTION 3(A)(9) OR 3(A)(10) TRANSACTION. So long as this Note is outstanding, the Company shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the Securities Act (a "3(a)(9) Transaction") or Section 3(a)(10) of the Securities Act (a "3(a)(10) Transaction"). In the event that the Company does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction while this note is outstanding, a liquidated damages charge of 25% of the outstanding principal balance of this Note, but not less than \$25,000, will be assessed and will become immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

(5) PIGGYBACK REGISTRATION RIGHTS. The Company shall include on the next registration statement the Company files with SEC (or on the subsequent registration statement if such registration statement is withdrawn) all shares issuable upon conversion of this Note. Failure to do so will result in liquidated damages of 25% of the outstanding principal balance of this Note, but not less than

\$25,000, being immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

(6) REISSUANCE OF THIS NOTE.

(a) Assignability. The Company may not assign this Note. This Note will be binding upon the Company and its successors and will inure to the benefit of the Holder and its successors and assigns and may be assigned by the Holder to anyone of its choosing without Company's approval.

(b) Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver to the Holder a new Note representing the outstanding Principal.

(7) NOTICES. Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party) (iii) upon receipt, when sent by email; or (iv) one (1) Trading Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be those set forth in the communications and documents that each party has provided the other immediately preceding the issuance of this Note or at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (iii) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

The addresses for such communications shall be:

If to the Company, to:

SANTA FE GOLD CORPORATION  
1219 BANNER MINE Rd.  
LORESBURG NM 88045

Attn: JAMES@JORDANLAW.COM  
Email:

If to the Holder:

VISTA CAPITAL INVESTMENTS, LLC  
406 9<sup>th</sup> Ave, Suite 201  
San Diego CA 92101  
Attn: David J. Clark, Principal  
Email: dclark@vci.us.com

(8) APPLICABLE LAW AND VENUE. This Note shall be governed by and construed in accordance with the laws of the State of Nevada, without giving effect to conflicts of laws thereof. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of California or in the federal courts located in the city and county of San Diego, in the State of California. Both parties and the individuals signing this Agreement agree to submit to the jurisdiction of such courts.

(a) WAIVER. Any waiver by the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver must be in writing.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the Company has caused this Convertible Note to be duly executed by a duly authorized officer as of the date set forth above.

**COMPANY:**

**Santa Fe Gold Corp.**

By: 

Name: Jakobus R. Jordaan

Title: Chief Executive Officer

**HOLDER:**

**VISTA CAPITAL INVESTMENTS, LLC.**

By: 

Name: David Clark

Title: Principal

*[Signature Page to Convertible Note No. SFEG-1]*

**EXHIBIT A**  
**NOTICE OF CONVERSION**

[Company Contact, Position]  
Santa Fe Gold Corp.  
[Company Address]  
[Contact Email Address]

The undersigned hereby elects to convert a portion of the \$ \_\_\_\_\_ Convertible Note  
\_\_\_\_\_ issued to Vista Capital Investments, LLC on \_\_\_\_\_ into Shares of  
Common Stock of \_\_\_\_\_ according to the conditions set forth in such Note as of  
the date written below.

By accepting this notice of conversion, you are acknowledging that the number of shares to  
be delivered represents less than 10% (ten percent) of the common stock outstanding. If the  
number of shares to be delivered represents more than 9.99% of the common stock  
outstanding, this conversion notice shall immediately automatically extinguish and  
debenture Holder must be immediately notified.

**Date of Conversion:** \_\_\_\_\_  
**Conversion Amount:** \_\_\_\_\_  
**Conversion Price:** \_\_\_\_\_  
**Shares to be Delivered:** \_\_\_\_\_

**Shares delivered in name of:**

**VISTA CAPITAL INVESTMENTS, LLC**

**Signature:**

\_\_\_\_\_  
**By:**  
**Title:**  
**Vista Capital Investments, LLC**



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## Wire Detail

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**Review this request** — Read and confirm the details for this wire request. Click "Wire Activity" to go back on the Activity page.

Wire Details

Account Details

**Wire to** SFEG(...6756)

**Wire from** PLAT BUS CHECKING (...1496)

Wire Details - Sender

**Wire amount** 50000.00 U.S. Dollars (USD)

**Scheduled On** 01/20/2015 at 01:56 PM ET

**Wire date** 01/20/2015

**Message to recipient** Vista Capital Investment

**Message/instructions to recipient bank**

**Memo** SFEG-1 2504186756

**Transaction number** 4972720939

**Fed reference number** 0120B1QGC06C009448

**Status** Completed

**Submitted by** Administrator on 1/20/2015 1:56:53 PM

**Last modified by** Not Available on 1/20/2015 5:10:45 PM

**Approved by** Not Available

[Wire Activity](#)

[Payments & Transfers](#) > [Wire Activity](#) > **Wire Detail**

## Wire Detail

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- ▶ [See/Update recipients](#)
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[Wire Details](#)[Account Details](#)**Wire to** SFEG(...6756)**Wire from** PLAT BUS CHECKING (...1496)**Wire Details - Sender****Wire amount** 50000.00 U.S. Dollars (USD)**Scheduled On** 06/09/2015 at 02:07 PM ET**Wire date** 06/09/2015**Message to recipient** Vista Capital Investment**Message/instructions to recipient bank****Memo** SFEG-2 2504186756**Transaction number** 4979180798**Fed reference number** 0609B1QGC06C005786**Status** Completed**Submitted by** Administrator on 6/9/2015 2:07:44 PM**Last modified by** Not Available on 6/9/2015 2:21:07 PM**Approved by** Not Available[Wire Activity](#)



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-12974

**SANTA FE GOLD CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**84-1094315**

(I.R.S. Employer  
Identification No.)

**1219 Banner Mine Road, Lordsburg, NM 88045**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number including area code: **(505) 255-4852**

**N/A**

Former name, former address, and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Check one:

Larger accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☒

(Do not check if a smaller reporting company)

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

**139,596,648 shares outstanding as of May 18, 2015.**

In June 2013, the Company negotiated an additional A\$2.0 million capital injection from IGS by way of a secured convertible note. In conjunction with this financing, the Company agreed to explore a listing on the Singapore Catalist Stock Exchange (SGX-ST). It was agreed that the convertible note would bear interest at a rate of 10% per annum, has a maturity date of October 31, 2015, and is secured by the Company's contractual rights in the Mogollon property. The note is repayable in cash or Santa Fe Gold stock, at IGS's election, upon a refinancing of the Company's loan from Waterton. Additionally, a facilitation fee of \$300,000 common stock of the Company is due to IGS upon the first to occur of the maturity date, refinancing date of the note, or date that all principal and interest on the note is paid-in-full. As of March 31, 2014, the Company had received total advances totaling only \$1,250,000 in connection with the secured convertible note. IGS and the Company agreed to have all outstanding amounts under the note satisfied by the issue of Company's stock aggregating 9,259,259 shares. The Company recorded a gain of \$615,781 on the extinguishment of the debt. The stock was issued pursuant to an exemption from registration under Regulation S of the Securities Act of 1933, as amended.

On March 31, 2015, the total outstanding principal balance on the IGS Secured Convertible Note totaled \$2,998,710 and accrued interest was \$436,642.

### Convertible Unsecured Note

On October 22, 2014 the Company signed a \$500,000 Convertible Note with an Investor and received a Consideration of net proceeds \$75,000, net an original issue discount ("OID") of \$8,333. The Consideration on the Note has a Maturity date of two years from the Effective Date and has a 10% OID component attached to it. The Company may repay the Consideration at any time on or before 120 days from the Effect Date and the there would be no interest due on the Consideration. If the Company does not repay a Consideration on or before 120 days from its Effective Date, a one- time interest charge of 12% shall be applied to the principal sum. If the Company does not pay a Consideration prior to the 120-day period, the Company may not make further payments on this Note prior to Maturity Date without written approval from the Investor. The Investor may pay additional Consideration to the Company in such amounts and at such dates as the Investor may choose in its sole discretion.

The original consideration contains an embedded conversion option and is separated from the Note and accounted for as a derivative instrument at fair value and discount to the Note and is expensed over the life of the Note under the effective interest method.. The initial carrying value of the of the embedded conversion option exceeded the net proceeds received and created a derivative loss of \$68,969 in the period ending December 31, 2014.

On February 25, 2015 a second Consideration tranche was delivered under this Convertible Note under the same terms and conditions. The tranche consideration contains an embedded conversion option and is separated from the Note and accounted for as a derivative instrument at fair value and discount to the Note and is expensed over the life of the Note under the effective interest method. The initial carrying value of the of the embedded conversion option exceeded the net proceeds received and created a derivative loss of \$54,427 in the current period.

The conversion price is the lesser of \$0.0425 or 65% of the lowest trade price in the 25 trading days previous to the conversion.

On January 15, 2015 the Company signed a \$250,000 Convertible Note with an Investor and received a Consideration of net proceeds \$50,000, net an original issue discount ("OID") of \$5,556. The Consideration on the Note has a Maturity date of two years from payment of each Consideration and has a 10% OID component attached to it. A one- time interest charge of 12% is applied to the principal sum on the on the date of the Consideration. The Note principal and interest shall be paid at Maturity date or sooner as provided within the Note and conversion provisions. The Investor may pay additional Consideration to the Company in such amounts and at such dates as the Investor may choose in its sole discretion. The initial carrying value of the of the embedded conversion option exceeded the net proceeds received and created a derivative loss of \$151,671 in the current period.

The conversion price is the lesser of \$0.125 or 60% of the lowest trade price in the 25 trading days previous to the conversion.

The components of the all convertible notes payable at March 31, 2015 are as follows:

March 31, 2015:	Principal Amount	Unamortized Discount	Net
Current portion,	\$ 450,000	\$ -	\$ 450,000

# NOTE BALANCE

This is for general information only and should not be relied on for accuracy. This schedule only tracks principal balance and may not include interest, penalties, etc.

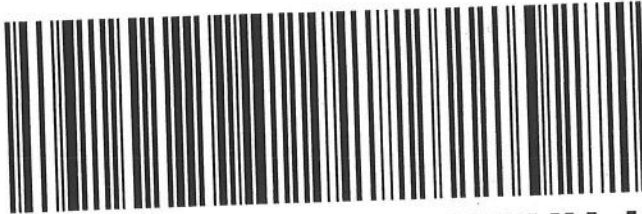
Date	Payments to Company	Interest, OID, Etc.	Shares	Low Trade Over 25	Conv. Multiplier	Conv. Price	Conversion Amount	Convertible Balance
PAYMENT#1 - \$50,000 Payment Made on 1/20/15, Seasoned For Rule 144 On 7/20/15								
1/20/15	\$50,000.00	\$12,222.00	-	-	-	-	-	\$62,222.00
7/29/15	-	-	500,000	\$0.0401	60%	\$0.0241	\$12,030.00	\$50,192.00
8/17/15	-	-	500,000	\$0.0401	60%	\$0.0241	\$12,030.00	\$38,162.00
8/26/15	-	\$10,000.00	Section 3(b)(iv) adjustment					\$48,162.00
8/26/15	-	-	7,062,063	\$0.0046	50%	\$0.0023	\$16,242.74	\$31,919.26
9/17/15	-	-	9,944,630	***Issued @ Par		\$0.0020	\$19,889.26	\$12,030.00
9/17/15		\$15,414.18	***Par true-up (\$19,889 -(9,944,630*.00045))					\$27,444.18
PAYMENT#2 - \$50,000 Payment Made on 6/9/15, Seasoned For Rule 144 On 12/9/15								
6/9/15	\$50,000.00	\$12,222.00	-	-	-	-	-	\$62,222.00
					60%	\$0.0000	\$0.00	\$62,222.00

**X<sup>®</sup>**  
**ress**

Extremely Urgent



FTD 365860 09DEC15 SDMA 539C1/1306/31D0



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TRK# 7751 5332 5602

**FedEx**

MON - 14 DEC AA  
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PO: INV: (904) 517-1442  
REF: SFEGBK CLAIM

JACKSONVILLE FL 32216

SUITE 3

5985 RICHARD STREET

SANTA FE CLAIMS PROCESSING

TO C/O AMERICAN LEGAL CLAIM SERVICES

ORIGIN ID: SDMA  
DAVID CLARK  
406 9TH AVENUE  
SUITE 201  
SAN DIEGO CA 92101  
UNITED STATES US

(619) 543-0328

SHIP DATE: 08DEC15  
ACTWGT:  
CAD: 107824578/NET3670

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