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News Release

Far West Mining Increases the Indicated Resource of the Santo Domingo Project (Chile) by 27% to 485 Million Tonnes

VANCOUVER, BC. Far West Mining Ltd. (TSX:FWM) is pleased to announce that it has received a new NI 43-101 compliant mineral resource estimate from Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA) for the Santo Domingo copper-iron project located in Chile's Region III, approximately 800km north of Santiago.

The Santo Domingo Project (Santo Domingo Sur/Iris and Iris Norte deposits) now hosts an Indicated Resource of 485.5 Mt at an average copper equivalent grade of 0.57% at a cut-off grade of 0.25% copper equivalent. The tonnage of the Project increases by 27% compared to the resource statement issued April 28, 2009.

The Scott Wilson RPA Technical Report on the mineral resource estimate will be filed on the SEDAR filing system within 45 days.

Mineral Resource Estimation

Scott Wilson RPA estimated the mineral resource for the Santo Domingo Sur/Iris and Iris Norte deposits. The mineral resource estimate includes data from 55 additional drill holes (27 diamond drill and 28 reverse circulation) completed in the first and second quarters of 2010 as part of a program to conduct infill drilling and collect sample material for metallurgical test work in support of a pre-feasibility study. The parameters for this resource statement are consistent with the previous mineral resource estimate published by Far West Mining Ltd. (the Company) in April 28, 2009.

Table 1 shows Indicated and Inferred Mineral Resources at various copper equivalent cut-off grades and provides the average grade of each metal at the respective cut-off grade.

Table 1 – Indicated and Inferred Mineral Resources at July 12, 2010

Cut-off (% CuEq)	Category	Tonnage (Mt)	CuEq (%)	Cu (%)	Fe (%)	Au (g/t)
0.30	Indicated	446.4	0.60	0.33	27.7	0.045
	Inferred	54.43	0.49	0.20	26.3	0.027
0.25	Indicated	485.5	0.57	0.32	27.2	0.043
	Inferred	61.8	0.46	0.19	25.7	0.025
0.20	Indicated	516.5	0.55	0.31	26.7	0.042
	Inferred	67.7	0.44	0.18	25.0	0.024

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported at a cut-off grade of 0.25% Cu Equivalent.
3. Copper Equivalent grades are calculated using average long-term prices of US\$2.25/lb Cu, US\$950/oz Au and US\$0.74/dmtu (\$50/tonne concentrate @ 67.5% Fe).
4. Cu and Fe Equivalence calculations are as stated in the text of this document.
5. Metallurgical recovery factors were applied as described in this document.
6. Iron recovery of 0% was imposed for blocks containing less than 15% Fe.

Scott Wilson RPA determined that the most appropriate cut-off grade for reporting purposes is 0.25% copper equivalent. In order to satisfy the requirements of NI 43-101 that a resource has reasonable prospects of economic extraction, Scott Wilson RPA evaluated the resource using pit optimization software. At the 0.25% Cu equivalent cut-off, the difference between those resources contained in the optimized pit shell and the full resource tonnage is negligible.

Scott Wilson RPA calculated copper equivalent grades using long-term metal prices consistent with those used in the April 28, 2009 resource statement. Allowances for recovery, Treatment Charges/Refinement Charges (TC/RC), royalty charges and transport costs for each metal were also taken into account based on previously used estimates. The formula for the equivalent copper calculation is provided below.

Table 2 provides a full list of parameters used for the conversion to copper equivalents.

Table 2 – Parameters for Cu Equivalent Calculation

Metal	Price (US\$)	Recovery(%)	TC/RC (US\$)	Freight to Port (US\$4.00/wmt conc)	Royalty NSR
Copper	2.25/lb	85	0.24/lb	0.007/lb	2%
Gold	950/oz	65	6/oz	-	2%
Iron	0.74/dmtu	Note 1	-	0.640/dmtu	2%

Notes:

1. The average mass recovery is 17.3%. Mass recovery is the proportion of mill feed which reports to the iron concentrate. Mass recovery is dependent on the amount of magnetite in each block in the model.
2. Concentrates contain 8% moisture.
3. US\$0.74/dmtu Fe is approximately equivalent to \$50/tonne Fe concentrate @ 67.5% Fe.

The formula for calculation of grade equivalence is stated below:

$$\text{Metal Value} = \text{Grade} * C_m * R\% / 100 * (\text{Price} - \text{TCRC} - \text{Freight}) * (100 - \text{Royalty}) / 100$$

Where C_m is a constant to convert grade of metal m to metal price units
 R is metallurgical recovery

$$\% \text{Cu Equivalent} = (\text{Cu Value} + \text{Au Value} + \text{Fe Value}) / (\text{Cu Value per 1\% Cu})$$

The Company believes that the best scenario for the development of Santo Domingo is an optimised combination of copper and iron production, with copper expected to provide a majority of the revenue. Therefore, the reporting of the mineral resources in copper equivalent grades is appropriate.

The resource contains approximately 10% material that is subject to varying degrees of oxidation. This will reduce copper recovery to some extent on those blocks containing oxidized material but will not result in a material effect over the deposit. Metallurgical testing will be undertaken to detail the effect for the forthcoming pre-feasibility study.

The Company is engaged in more detailed metallurgical testing for copper and iron in support of the pre-feasibility study. In addition, the Company advises that six holes are being drilled to gather geotechnical data for pit slope definition. Completion of the pre-feasibility study is expected at the end of 2010.

Rick Zimmer, President and CEO says, “The Company is very encouraged by the continuing positive news on the Santo Domingo Project. This new resource is an important milestone on the road to the pre-feasibility study. The increased size of the deposit and recoverable magnetic iron tonnage justifies further optimization of the mine throughput over the rate in the Preliminary Assessment (scoping study) of May 2008. It is expected that the pre-feasibility study will result in improved economics.”

Resource Estimates

The current mineral resource estimate for Santo Domingo Sur is based on 3-dimensional block models with individual zones interpreted from both lithology and grade envelopes using an external cut-off of

approximately 0.20% copper equivalent. Specific gravity, used to convert volumes to weights, was based on regression formulas developed by Scott Wilson RPA using Fe as the independent variable.

The tables in this release set out the quantities and grades for the Indicated and Inferred classifications as estimated by Scott Wilson RPA. Grade interpolation was done using Ordinary Kriging (OK). The models for Santo Domingo Sur/Iris and Iris Norte were constructed using *GEMCOM* software.

The estimate is based on the results from 315 drill holes. The drill spacing averages just over 100 m in Santo Domingo Sur/Iris and Iris Norte but some areas, especially in the 5 year pit, were subject to infill drilling. In Scott Wilson RPA's opinion, this is sufficient to classify the majority of the resources as Indicated. Those mineral resources classified as Indicated are located within the core of the drilling while the Inferred mineral resources are located along the periphery and at depth where the holes did not pierce the lower horizons.

The in-house qualified person is Richard N. Zimmer, P. Eng., Chief Executive Officer, President and a director of the Company who has reviewed and approved the contents of this news release.

David W. Rennie, P.Eng., Principal Geologist with Scott Wilson Roscoe Postle, is the Qualified Person for the Mineral Resource estimate.

Far West Mining Ltd. is an international mineral exploration company engaged in the evaluation, acquisition, exploration and development of mining properties in Chile and Australia.

FAR WEST MINING LTD.

“Richard N. Zimmer”

**Richard N. Zimmer, P.Eng.
President and C.E.O.**

For further information investors should review the Company's filings that are available at www.sedar.com or contact Richard Zimmer at (604) 602-9144 or info@farwestmining.com, www.farwestmining.com.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

This news release contains certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical fact, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects to occur, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

This news release uses the terms “inferred resources”, “indicated resources”, “measured resources”, and “mineral resources”. The Company advises investors that although these terms are recognized and required by Canadian securities regulations (under National Instrument 43-101 “Standards of Disclosure for Mineral Projects”), the US Securities and Exchange Commission does not recognize these terms. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, “inferred resources” have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for a Preliminary Assessment as defined under National Instrument 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.