



FAU: TSX.V
FVGCF: OTCQX
FSE: FWR

For Immediate Release

NEWS RELEASE
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Fire River Gold Corp. Announces Sprott Credit Facility for \$7.5 Million

November 4, 2011 Vancouver, Canada - Fire River Gold Corp. (TSX.V: FAU), (OTCQX: FVGCF), (FSE: FWR) (the "Company") is pleased to announce that it has signed a term sheet in relation to a proposed secured credit facility (the "Credit Facility") with Sprott Resource Lending Partnership ("Sprott").

The Credit Facility is for a principal amount of up to \$7.5 million. Amounts drawn under the Credit Facility will be secured against substantially all of the assets of the Company and its subsidiaries. Funds borrowed under the Credit Facility will be used exclusively for the development of the Nixon Fork Mine and working capital purposes of the Company and its subsidiary, Mystery Creek Resources, Inc.

Richard Goodwin, the Company's President and C.O.O. explains the rationale behind this loan: *"We have met most of our targets and are happy with our progress over the last few months. During this ramp-up period we have overcome numerous issues and continually improved our operation. Now that cash flow has started, both from concentrate and doré sales, we do not anticipate that we will need these funds. However, we recognize that having this facility provides added assurance of success, like an insurance policy, as we will be able to overcome any unforeseen setbacks."*

The Credit Facility provides for an initial drawdown of \$1 million which will be drawn on execution of the definitive credit agreement. A second draw of up to \$6.5 million is available through to November 2012. The Credit Facility is subject to satisfaction of customary conditions for a secured credit facility. Funds drawn under the Credit Facility are repayable by November 15, 2012 and accrue interest at a fixed rate of 12% per annum.

In connection with the Credit Facility, a structuring fee of \$50,000 has been paid to Sprott in cash. Pursuant to the terms of the Credit Facility, the Company will pay a non-refundable share bonus payment in the amount of \$750,000 (the "Bonus Fee") being 10% of the Credit Facility, payable in Common Shares of the Company determined on the basis of a price per Common Share equal to a 10% discount to the 10-day volume weighted average closing price of such Common Shares as they trade on the TSX Venture Exchange immediately prior to closing, anticipated on November 15, 2011. All Common Shares issued in satisfaction of the Bonus Fee will be subject to a 4 month hold period in accordance with applicable Canadian securities laws.

Funding under the credit agreement is subject to completion of legal documentation, regulatory, including the TSX Venture Exchange, approval and conditions precedent typical of a transaction of this nature.

On behalf of the Board of Directors,



Richard Goodwin
President & C.O.O.

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Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws, including with respect to the closing of the proposed Credit Facility with Sprott. Forward-looking information is based on plans and estimates of management at the date the information is provided and certain factors and assumptions of management. Forward looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risks related to unsatisfactory results of due diligence, international operations and doing business in foreign jurisdictions, risks associated with mineral exploration and development activities generally, the risk of commodity price and foreign exchange rate fluctuations, and risks and uncertainties associated with securing and maintaining necessary regulatory approvals. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.