



FAU: TSXV
FVGCF: OTCQX
FSE: FWR

For Immediate Release

NEWS RELEASE
www.firerivergold.com

Fire River Gold Corp. closes credit facility with Sprott Resource Lending Partnership

December 12, 2011 Vancouver, Canada - Fire River Gold Corp. [TSXV: FAU| OTCQX: FVGCF| FSE: FWR] (the "Company") is pleased to announce that it has closed the previously announced secured credit facility (the "Credit Facility") with Sprott Resource Lending Partnership ("Sprott").

The Company received the first drawdown of \$1 million on November 15, 2011 and the second and final drawdown of \$6.5 million on December 9, 2011. The funds drawn under the Credit Facility are secured against all of the assets of the Company and its subsidiaries. Funds drawn under the Credit Facility are repayable on or before November 15, 2012 and accrue interest at a fixed rate of 12% per annum. 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.

In connection with the Credit Facility, a structuring fee of \$75,000 has been paid to Sprott in cash. Pursuant to the terms of the Credit Facility, a non-refundable share bonus payment in the amount of \$750,000 (the "Bonus Fee") being 10% of the Credit Facility, has been paid to Sprott in common shares of the Company. 3,260,870 common shares were issued from treasury to Sprott on December 9, 2011, and carry a legend restricting them from trading until April 10, 2012.

On behalf of the Board of Directors,

A handwritten signature in black ink, appearing to read "R. Goodwin", written over a horizontal line.

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 use of proceeds of the 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.