

## FIRE RIVER GOLD CORP. EXERCISES OPTION TO ACQUIRE THE NIXON FORK GOLD MINE IN CENTRAL ALASKA

- Turn key mining operation
- Mine fully permitted and bonded
- Excellent potential for near term production
- Significant exploration upside
- Complete re-evaluation of the mine, mill, and resource in progress



**August 13, 2009. Vancouver, BC – Fire River Gold Corp. (the “Company”, “FAU”) (CNSX: FAU)** is pleased to announce that further to its news release of June 29, 2009, the Company has completed its due diligence review and as a result has provided notice to Pacific North West Capital Corp. (PFN) that it wishes to exercise its option to proceed with the purchase of 100% interest in Mystery Creek Resources, Inc. (MCR).

Under the terms of the Agreement, FAU paid US\$50,000 on signing of the letter agreement, and upon receipt of all necessary approvals, FAU will pay a further US\$450,000 over a six (6) month period and a total of US\$2.5 million in FAU shares at a deemed price of \$0.45 per share. In addition, FAU will issue PFN one (1) million share purchase warrants at an exercise price of \$0.50 for a period of 24 months from the date of issue. FAU will also refund all expenses incurred by PFN from May 1<sup>st</sup> 2009 until the finalisation of this transaction which will not exceed CDN\$1,250,000.

Currently, PFN is expending a 2009 budget of CDN\$1.25 million with the objective of conducting a comprehensive re-evaluation of mine reserves / resources, metallurgy, tailing production scenarios, completion of updated NI 43-101 technical report, financial analysis update the mine plan and a recommended program for the exploration on the project. These studies will form the basis for a planned re-start of mining operations.



## *Nixon Fork Production History*

Nevada Goldfields Inc. (NGI) constructed and operated the Nixon Fork Gold Mine high-grade underground gold mine from 1995-1998, recovering 137,749 ounces of gold and 2.1 million pounds of copper, with additional silver credits. The average production grade was 42 grams per tonne (gpt) of gold, with an average production cost of US\$266 per ounce. NGI's profitable operation at Nixon funded the parent company Real del Monte's development projects in Mexico. The Mexico projects were not successful and as a consequence the Nixon Fork Mine was closed in 1999 due to the bankruptcy of Real del Monte.

St Andrew Goldfields Ltd (SAS) leased the mineral rights in 2003. From 2004 through 2008 approximately US\$54 million was expended on upgrades to the processing facilities and mine infrastructure and new equipment. During 2007 – 2008, 9,381 meters of reserve-resource definition drilling was conducted, but an updated reserve-resource estimate was not completed. Limited production in 2007 resulted in recovery of 6,775 ounces of gold and 78,644 pounds of copper. The mine facility and camp was on care and maintenance from the fall of 2008 until March, 2009. PFN has reopened the camp and began the initial exploration and evaluation program and maintenance activities.



SAS commissioned Roscoe-Postle Associates of Toronto to complete NI 43-101 technical reports in 2003, 2005 and 2006, which reviewed the mineral reserve-resource of the property and completed a financial analysis of proposed mining operations. These reports are available from SAS reports filed on Sedar, technical report dated Oct. 4, 2006, (6.1 MB-98 pages).



**Facilities at the Nixon Fork Gold Mine include a 200 tpd floatation plant with a gravity gold separation circuit, a sulphide floatation circuit.** In 2008, a CIL gold leaching circuit was purchased and approximately 60% installed. The mine also includes a fleet of mining vehicles, a self-contained power plant, maintenance facilities, drilling equipment, an 85 person camp, office facilities and a 1.5km long landing strip.

**Mining and processing operations at Nixon Fork are fully permitted and bonded.** Approximately 150,000 tonnes of mill tailings that a previous study showed averaged 8.1 grams per ton are being evaluated with the objective of being processed in the CIL circuit.



**As the last two operators of the project focussed most of their financial efforts on underground development, the mine infrastructure, equipment, permitting and bonding, only a limited amount of their budget was spent on the exploration upside on the Nixon Fork project. However, several exploration targets are identified and FAU's management plans to focus on these and other areas throughout the claim block with the objective of outlining new resources.**

The acquisition of the Nixon Fork Gold Mine allows FAU to continue the development of a near term gold production opportunity. In addition, FAU is completing Phase I exploration on its 100% owned Draken Project and it is scheduled to be concluded by mid August. In addition, management is reviewing the data on its newly acquired Kansas Creek Gold Project.

Management's objective is to continue to aggressively acquire advanced stage gold projects.

Greg Myers, Ph.D., P.Geo. is the qualified person responsible for this press release.

#### **About Fire River Gold Corp.**

Fire River Gold Corp. ("FAU") completed its IPO at the end of May 2009. FAU is the newest member of the International Metals Group (IMG) and will have access to a well established team with over 100 years of experience working in Alaska. The primary focus of FAU is the exploration and development of gold projects in North America. The recently acquired Nixon Fork Gold Mine in Alaska has the potential to be a near term gold producer. The Company is presently negotiating additional advanced stage gold projects in North America. Management's objective is to make FAU a North American gold producer in the next 18 months.

On behalf of the Board of Directors



**Harry Barr  
President & C.E.O.**

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