



CORPORATE UPDATE

December 7, 2009. Vancouver, B.C. As a result of a review by the British Columbia Securities Commission, we are issuing the following news release to clarify our disclosure about mineral resource estimates and estimates of potential mineral deposits at the Nixon Fork project.

Fire River Gold (“the Company”) has disclosed mineral resource and reserve estimates prepared by Scott Wilson Roscoe Postle Associates (SWRPA) in a Technical Report dated October 2, 2006 for St. Andrews Goldfields, the prior operator of the Project, in several 2009 news releases (June 29, July 27, Aug 13, Oct 8, Nov 12, Nov 16 and Nov 19) and has used that material on the website and in promotional material provided by the Company.

The Company was not aware that by disclosing these estimates, it was required to file a new technical report prepared by an independent qualified person validating or replacing the estimate, and it did not do so. Recent discussions with authors of the SWRPA report indicate that the former owners encountered unexpected ground conditions, lower grades, and lower recoverability. The resource and reserve estimates in the SWRPA report should not be relied upon. The Company is not treating the estimates in the SWRPA report as current mineral resources or reserves.

The Company has filed a technical report dated October 12, 2009, as amended by Curtis Freeman that discloses an exploration target ranging from 25,800 tonnes at 76 g/t gold using a cut-off grade of 36 g/t to 134,000 tonnes at 31 g/t gold using a cut-off grade of 7 g/t for two of the nine zones on the property. The Company estimates the exploration target of the remaining seven zones to be between 58,000 and 99,000 tonnes grading between 17 and 27 g/t and that the tailings pond is an exploration target of between 150 and 174,000 tonnes grading between 7 and 9 g/t. This estimate is based on a review of the SWRPA work, internal resource work performed by the former operator and (in the case of the tailings) confirmation drilling and assaying performed by the Company.

The potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Our Work Plan for 2010:

The Company has been working diligently under a \$1.25 M budget since August 2009 to complete a re-evaluation of the mine, mill, and to re-estimate an underground and tailings resource, which includes re-logging all existing core and re-assaying many of the existing intercepts to construct a new geological model for the mineral deposit. The Company has also planned a 20,000 meter drill program for the spring and summer of 2010 to further define the mineralization and test new potential zones.

A new resource estimate will be prepared by the end of 2010 incorporating the results of the 2010 exploration drilling program.

Mr. Richard Goodwin, P.Eng. is the Qualified Person for the Company's estimation of exploration targets and other technical disclosures in this news release.



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We seek safe harbour.*

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