

PREMIERWEST BANK FOUNDER ANNOUNCES RETIREMENT

MEDFORD, OR – September 7, 2011

John L. Anhorn, a prominent leader in the financial services industry in Oregon and Northern California for nearly five decades, has announced his retirement. Anhorn, the first President & CEO of PremierWest Bank, will retire from day to day activities with PremierWest as of September 28, 2011. He previously transitioned the post of President & CEO of the Bank to James M. Ford in January 2009 and has focused his efforts since that time on special projects for the bank. Anhorn will continue in his role as Chairman of the bank's Board of Directors.

Anhorn began his banking career in 1964 with First Interstate Bank and rose to the position of Vice President - Area Manager for Southern Oregon. In 1989 he became President of Western Bank. Over the course of seven years, John led the bank to more than triple its assets as Western Bank became one of the most successful community banks in the nation and was eventually acquired by Washington Mutual.

In 1998, John took over the helm of the Bank of Southern Oregon, which at the time operated two branches in Medford, Oregon. Renamed PremierWest Bank in 2000, the organization under John's leadership quickly grew to become one of the largest community banks in the region with 44 branches in Central and Southern Oregon and Northern California, assets of over \$1.3B, and subsidiaries in finance, mortgage and investment management.

John Anhorn is widely known for his dedication to local communities and for his "can-do" attitude and tireless commitment of his time. He has served in dozens of civic capacities throughout his 47 year career. John was a founder of SOREDI, Southern Oregon Regional Economic Development Inc., which plays a vital role in cooperative regional economic development for Southern Oregon. He has served as Chairman of SAIF Corporation (State Accident Insurance Fund), President of the Running Y Homeowner's Association, in numerous board roles with Asante Health Systems, Rogue Valley Medical Center and Three Rivers Hospital, and on boards for Rogue Community College, Umpqua Community College and Southern Oregon University. John served four years on the Jackson County budget committee and on the economic development council for Coos, Curry and Douglas Counties. Anhorn has twice been Board President of the Rogue Valley Country Club, and in 2009 received recognition as one of the top club presidents in the world.

In 2006, Anhorn was inducted into the Oregon Bankers Hall of Fame and was named that same year by Oregon Business Magazine as being one of the state's top 50 business leaders. In 2008, The Chamber of Commerce of Jackson County Oregon chose John to receive the prestigious "First Citizen" award. Throughout his career, Anhorn has placed a focus on the youth of the community, providing the funding, time and leadership for many children's programs and activities. John served 16 years as a coach, official and mentor, and set the tone for PremierWest Bank employees to take an active part in their communities.

Jim Ford, President and CEO of PremierWest Bank said: "Along with being my mentor personally throughout a large portion of my career, John has inspired many to follow his lead in community involvement and economic development. He has made our region a better place to live and work. Even as John retires from 47 years in bank management, we know that he will continue to be actively involved in activities supporting our youth, and through his continuing Board involvement will continue to provide wise counsel to the management of PremierWest Bank".

ABOUT PREMIERWEST BANCORP

PremierWest Bancorp (NASDAQ: PRWT) is a financial services holding company headquartered in Medford, Oregon, and operates primarily through its subsidiary PremierWest Bank. PremierWest Bank offers expanded banking-related services through two subsidiaries, Premier Finance Company and PremierWest Investment Services, Inc.

CONTACT FOR FURTHER INFORMATION

Ken Wells

EVP & Chief Marketing Officer

541-282-5150

Ken.wells@premierwestbank.com