

PREMIERWEST BANCORP ANNOUNCES PRICING AND INITIATION OF RIGHTS OFFERING TO SHAREHOLDERS

MEDFORD, OR – February 1, 2010 -- PremierWest Bancorp (NASDAQ: PRWT), the parent company of PremierWest Bank, today announced that subscription materials will be mailed this week to the Company's shareholders as of December 15, 2009 that provide such shareholders the right to purchase 3.3 shares of common stock per common share held as of such date. Shares are being offered at \$0.44 per share. Shareholders may participate in the rights offering beyond their pro rata share by exercising their over-subscription privilege to purchase any unsubscribed shares following expiration of the offering, subject to the allocation and limitations described in the Company's prospectus. The subscription rights will expire if not exercised by 5:00 p.m., Eastern Time, on March 10, 2010. The shares of common stock sold in the rights offering will be listed on The Nasdaq Capital Market under our ticker symbol "PRWT."

Total proceeds from the rights offering, if fully subscribed, will total approximately \$36 million. Any unsubscribed shares following completion of the rights offering may be purchased by other investors at the same price. If the offering is fully subscribed, the Company anticipates that directors and executive officers will purchase approximately \$7.2 million of common stock. Any such purchases will be made for investment purposes and on the same terms as applicable to any other subscriber in the offering.

Net proceeds from the offering will qualify as Tier 1 capital for regulatory purposes, and will be principally deployed to PremierWest Bank to enhance its regulatory capital position. D.A. Davidson & Co. is acting as the Company's financial advisor for the rights offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Offers may be made only by means of a prospectus. Copies of the prospectus with respect to this offering may be obtained by contacting Georgeson Inc., the Company's information agent, at (800) 868-1351 or, for banks or brokers, at (212) 440-9800, or by email at prwt@georgeson.com.

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.

This press release includes forward-looking statements within the meaning of the "Safe-Harbor" provisions of the Private Securities Litigation Reform Act of 1995, which management believes are a benefit to shareholders. These statements are necessarily subject to risk and uncertainty and actual results could differ materially due to various risk factors, including those set forth from time to time in our filings with the SEC. You should not place undue reliance on forward-looking statements and we undertake no obligation, except as required by law, to update any such statements. In this press release we make forward-looking statements relating to our rights offering, the amount of proceeds expected from the offering, participation of directors and executive officers in the offering and the use of proceeds. Specific risks that could cause results to differ from the forward-looking statements are set forth in our filings with the SEC and include, without limitation, failure to raise expected amounts of capital in the rights offering and deterioration in the economy or our loan portfolio that could alter our intended use of the capital.

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