

PREMIERWEST BANCORP ANNOUNCES ACQUISITION OF WACHOVIA BRANCHES

MEDFORD, OR – July 21, 2009 – James M. Ford, President and Chief Executive Officer of PremierWest Bancorp (NASDAQ: PRWT), announced today the completion of the acquisition of two Wachovia Bank, N.A. branches in Davis and Grass Valley, California from Wells Fargo Bank. Wells Fargo & Company acquired Wachovia Corporation on December 31, 2008.

At closing, the acquisition encompassed approximately \$338 million in deposits, \$1 million in consumer loans, as well as certain fixed assets. The acquisition will increase the number of PremierWest's California branches to 24 and total branches to 48. Additionally the acquisition will increase PremierWest's California deposits to more than \$800 million and total bank deposits to almost \$1.6 billion.

James M. Ford continued, "We are delighted to welcome our new customers in Davis and Grass Valley and see this acquisition as a great opportunity to expand the scope of our operations in the greater Sacramento area. The acquisition adds significantly to our core deposit base while substantially increasing our liquidity. We are equally excited about the potential for expanding our products and services in these communities and are confident that our 'people doing business with people' approach to banking will resonate with customers in these new markets."

An orderly transition was initiated on Monday, July 20, to brand the new locations as PremierWest Bank. The former Wachovia Bank branch management and staff personnel transitioned to the PremierWest Bank team as of July 18.

ABOUT PREMIERWEST BANCORP

PremierWest Bancorp is a financial services holding company headquartered in Medford, Oregon. We operate primarily through our subsidiary PremierWest Bank. PremierWest offers a full array of financial products and services through a network of full service banking offices serving a territory which currently includes high growth markets in Southern & Central Oregon and Northern California. Additionally, PremierWest offers expanded banking related services through two subsidiaries, Premier Finance Company and PremierWest Investment Services, Inc.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

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 certain risk factors, including without limitation risk factors set forth from time to time in the Company's filings with the SEC. You should not place undue reliance on forward-looking statements, and we undertake no obligation to update any such statements. We make forward-looking statements in this press release about the prospects for expansion of business in new branches and for success of our integration of new branches.

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