



Rio Silver Acquires Adjoining Concessions at Niñobamba from Major Mining Companies

September 8, 2016, Toronto, Ontario, Canada – Rio Silver Inc. ("Rio Silver" or the "Company") (TSX.V: RYO) is pleased to announce that it has entered into an agreement (the "Agreement") with Minera Niñobamba S.A (a private arm's length Peruvian company owned jointly 60:40 by Newmont Mining Corporation and Southern Peru Copper Corporation) to acquire three concessions, totaling 2,200 hectares located immediately west and adjacent to Rio Silver's Niñobamba Silver-Gold Project.

Under the terms of the Agreement, Minera Niñobamba S.A. (the "Vendor") will transfer the Chanca 908, Chanca 909 and Chanca 910 mineral concessions to Rio Silver's Peruvian subsidiary in return for a cash payment of US \$20,000 and a 2% Net Smelter Royalty payable to the shareholders of the Vendor. Part of the transaction also includes an extensive database including geophysical data, detailed drill data, geological, and geochemical data.

Following the acquisition, Rio Silver will control a large project (> 25 square kilometres) totaling 3,100 hectares. The acquisition of the new concessions covers an extensive alteration zone which is believed to be part of the same high sulphidation Au-Ag system identified on Rio Silver's property. The new properties add favourable local infrastructure and better access to the main showings. The majority of the surface rights on the newly acquired concessions are owned by the same local community where Rio Silver established a positive working relationship in 2012.

Previous exploration by the Vendor identified several exploration targets of which four gold-copper targets were subjected to limited drilling programs. Several other distinct silver and silver-gold anomalies were identified but were not drilled. Some of these silver anomalies are believed to be the western extensions of the Company's North, Dilation, Escondida and South zones that returned positive assay results during the 2012 trenching and sampling program (see News Release of January 14, 2013). In highlight, the Company's trench TR-02, cut perpendicular to the strike of the mineralized zone, is the westernmost trench in the South zone and returned 42 metres of 131 g/t Ag, or 4.22 oz/t Ag, coinciding with a 1,800 metre silver

anomaly identified in the newly acquired data. The new data demonstrates that the South zone remains open along strike to the west. Please go the following link to see a map of the concessions <http://riosilverinc.com/rio-nnba.php>

The extensive, historical database includes results from 18 diamond drill holes, ground magnetic and induced polarization geophysical data, metallurgical work, 3,837 rock samples, 2,992 channel samples and 1,468 remote sensing alteration samples. The Company's geologists will complete a detailed compilation and incorporate the newly acquired data with the Company's existing database.

Rio Silver has recently entered into a letter of intent that grants to Magellan Gold Corporation (OTCQB-MAGE) (News Release of July 4, 2016) an option to earn an undivided 50% interest in the Company's Niñobamba project which now includes the newly acquired concessions. Magellan Gold is required to expend the next US\$2 Million on exploration at the Niñobamba project.

Subject to regulatory approval, the Company will pay a finder's fee to an arm's length third party regarding the Agreement in accordance with the policies of the TSX Venture Exchange.

Rio Silver's Chairman, Steve Brunelle states, "We are delighted that we have not only partnered with Magellan Gold to recommence exploration at Niñobamba, but we have significantly added to the project's silver potential with this important acquisition. It is clear that the previous owners focused only on the gold-copper targets leaving several untested silver and silver-gold anomalies to be further explored."

Ryan Grywul, P.Geo., Vice President of Exploration, and a qualified person as defined in National Instrument 43-101, has prepared, supervised the preparation, and approved the scientific and technical disclosure contained in this news release.

ON BEHALF OF THE BOARD OF DIRECTORS OF RIO SILVER INC.

Steve Brunelle
Chairman

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This news release includes forward-looking statements that are subject to risks and

uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required by applicable laws.

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