



**RIO SILVER ANNOUNCES PROPOSED ADVANCE NOTICE BY-LAW
AND PROPOSED SHARE CONSOLIDATION**

May 30, 2014, Toronto, Ontario, Canada – Rio Silver Inc. (“Rio Silver” or the “Company”) (TSX.V: RYO) announces that its shareholders will be asked to approve the adoption of an advance notice by-law (the “By-law”) at the Annual and Special Meeting of Shareholders (the “Meeting”) to be held on June 26, 2014. The purpose of the By-law is to provide shareholders, directors and management of the Company with a clear framework for nominating directors of Rio Silver. Rio Silver is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information regarding all director nominees; and (iii) allowing shareholders to register an informed vote after having been afforded reasonable time for appropriate deliberation. The By-law is intended to further these objectives.

The By-law, among other things, includes a provision that requires advance notice to the Company in certain circumstances where nominations of persons for election to the Board of Directors are made by shareholders of the Company. The By-law establishes a deadline by which director nominations must be submitted to the Company prior to any annual or special meeting of shareholders and sets forth the information that must be included in the notice to the Company. No person will be eligible for election as a director of the Company unless nominated in accordance with the By-law.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 days and not more than 65 days prior to the date of the annual meeting. In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders called for the purpose of electing directors (whether or not called for other purposes), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The full text of the proposed By-law is available in the Company's Information Circular under the Company's profile on SEDAR at www.sedar.com.

At the same Meeting, shareholders will also be asked to approve a share consolidation (the “Consolidation”) of the Company’s issued and outstanding common shares at a ratio of up to a maximum of five (5) pre-Consolidation shares to one (1) post-Consolidation share, or such lower consolidation ratio as deemed appropriate. The Board of Directors is recommending shareholders approve the Consolidation in order to increase the Company’s flexibility with respect to potential business transactions, including any possible future equity financings. Rio Silver currently has 61,117,849 common shares issued and outstanding. The Company is not expected to change its name in conjunction with the Consolidation.

If the Consolidation is approved, the Board of Directors will have the authority to implement the Consolidation at the ratio of up to a maximum of 5 to 1 at any time and will be permitted, without further shareholder approval, to select a lower consolidation ratio if they deem it to be appropriate. Notwithstanding

approval of the Consolidation by the shareholders, Rio Silver's directors, in their sole discretion, may abandon the Consolidation without further approval, action by, or prior notice to shareholders.

The proposed Consolidation is subject to the approval of the shareholders of the Company and the TSX Venture Exchange.

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

Jeffrey Reeder

President and Chief Executive Officer

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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.

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