



Rio Silver Receives Termination Notice pursuant to the \$25 Million Letter of Intent at Niñobamba, Peru

May 2, 2013 - Toronto, Canada – Rio Silver Inc. (“**Rio Silver**” or the “**Company**”) (TSX.V: RYO) has received a notice of termination on the previously announced non-binding letter of intent to option its 100% owned Niñobamba silver and gold project in Peru. (See news release issued April 5, 2013)

The party to the agreement has indicated that it intends to remain focused on its current exploration financial commitments and will not be opening a Peruvian mining and exploration office at this time. Rio Silver has received the non-refundable payment of US\$100,000 that was required under the terms of the agreement to be paid upon the signing of the letter of intent.

The Niñobamba property was recently expanded by the staking of an additional 2000 hectares of mineral concessions bringing the total to 4,100 hectares and is 100% owned with no underlying royalties. It is located approximately 330 kilometres southeast of Lima, in the Department of Ayacucho, Peru. The Company views the project as a bulk mineable disseminated silver-gold target. In total seventeen trenches were excavated by the local community during the 2012 exploration campaign and the results were summarized in a news release issued January 14, 2013.

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

*T John Magee
CEO and President*

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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