



RIO SILVER ANNOUNCES FIRST CLOSING OF PRIVATE PLACEMENT FINANCING

February 5, 2015, Toronto, Ontario, Canada – Rio Silver Inc. ("Rio Silver" or the "Company") (TSX.V: RYO) is pleased to announce that it has completed the first tranche of its previously announced \$300,000 non-brokered private placement financing (the "**Offering**"). The first tranche consisted of 3,400,000 units ("**Units**") at \$0.05 per Unit for gross proceeds of \$170,000. Each Unit consists of one common share of the Company and one common share purchase warrant (each, a "**Warrant**") of the Company. Each Warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.075 per share. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares of the Company is \$0.10 or higher for twenty (20) consecutive trading days any time after the date that is four months and a day after issue, in which case the Warrants will expire thirty (30) days after notice to Warrant holders announcing an earlier expiry date. No finder's fees were paid in connection with the closing of the first tranche.

As previously announced, the proceeds from the Offering will be used to (i) continue modest work on the Company's Niñobamba silver and gold project in Peru and the Gerow Lake project in Ontario, (ii) meet its immediate financial obligations, and (iii) for working capital.

The securities issued herein will be subject to a four month statutory hold period expiring on June 6, 2015.

Under the financing, Steven Brunelle, Executive Chairman and a director of the Company acquired ownership and control over 1,000,000 Units at a price of \$0.05 per Unit (representing 3.99% of the Company's issued and outstanding share capital, and 7.67% assuming all warrants exercised). As a result of the acquisition, Mr. Brunelle has ownership and direction or control over an aggregate of 2,239,008 common shares of the Company, representing 8.93% of the issued and outstanding common shares of the Company (or 3,299,008 common shares and 12.62% of the Company's then outstanding common shares of the Company, assuming exercise of Mr. Brunelle's warrants and options).

Richard Mazur, a director of the Company acquired ownership and control over 1,000,000 Units at a price of \$0.05 per Unit (representing 3.99% of the Company's issued and outstanding share capital, and 7.67% assuming all warrants exercised). As a result of the acquisition, Mr. Mazur has ownership and direction or control over an aggregate of 2,261,823 common shares of the Company, representing 9.02% of the issued and outstanding common shares of the Company (or 3,261,823 common shares and 12.51% of the Company's then outstanding common shares of the Company, assuming exercise of Mr. Mazur's warrants and options). Neither the Company nor, to the knowledge of the Company after reasonable inquiry, Mr. Brunelle and Mr. Mazur, have knowledge of any material information concerning the Company or its securities which has not been generally disclosed.

The Company has been advised that the securities were purchased by Mr. Brunelle and Mr. Mazur for investment purposes and neither Mr. Brunelle or Mr. Mazur has any present intention to acquire further securities of the Company, although Mr. Brunelle and Mr. Mazur may, in the future, acquire or dispose of securities of the Company through the market or otherwise, as circumstances or market conditions warrant.

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 except as required by applicable laws.

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