



RIO SILVER ANNOUNCES COMPLETION OF PRIVATE PLACEMENT FINANCING

June 1, 2018, Toronto, Ontario, Canada – Rio Silver Inc. ("Rio Silver" or the "Company") (TSX.V: RYO) is pleased to announce that it has completed its previously announced non-brokered private placement financing (the "**Offering**") raising aggregate gross proceeds of \$100,000. The Offering consisted of 2,000,000 units ("**Units**") at \$0.05 per Unit for gross proceeds of \$100,000. 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 \$0.06 per share. The Warrants will expire twelve 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. Finder's fees of \$2,800 in cash were paid in connection with the closing of the Offering. The Offering is subject to final approval of the TSX Venture Exchange.

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, (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 October 2, 2018.

Insiders of the Company acquired a total of 500,000 Units in the Offering (the "**Insider Participation**"), which is considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101 in respect of such Insider Participation. No new insiders were created, nor has there been any change of control as a result of the Offering.

Prior to the closing of the Offering, Mr. Steven Brunelle, a director of the Company, was the beneficial holder of 3,640,796 common shares of Rio Silver (representing 9.63% of the then issued and outstanding common shares) and no common share purchase warrants of the Company (representing 9.63% of the then issued and outstanding common shares on a partially-diluted basis). Pursuant to the Offering, Mr. Brunelle acquired beneficial ownership and control of 200,000 common shares (0.02%) and 200,000 Warrants. As a result, Mr. Brunelle now has ownership, direction and control over an aggregate of 3,840,796 common shares, representing 9.65% of the issued and outstanding common shares of the Company. Mr. Brunelle would have ownership, control and direction over 4,040,796 common shares, representing 10.10% of the Company's then outstanding common shares, assuming exercise of Mr. Brunelle's common share purchase warrants on a partially-diluted basis). The common shares were issued from treasury of the Company pursuant to the Offering and were not acquired on the secondary market.

The Units were acquired by Mr. Brunelle for investment purposes. In the future, Mr. Brunelle may acquire additional securities of the Company or dispose of such securities through the market or otherwise subject to a number of factors, including general market and economic conditions, other investment and business opportunities available and other circumstances.

This news release is being issued in accordance with National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* in connection with the filing of an early warning report dated November 22, 2017. The early warning report will be filed on the System for Electronic Document Analysis and Review (“SEDAR”) under the Company’s profile at www.sedar.com and may be obtained by contacting Dan Hamilton at (416) 867-1591.

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

Steven Brunelle

Chairman

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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