



RIO SILVER ANNOUNCES COMPLETION OF SHARES FOR DEBT TRANSACTION

September 30, 2014, Toronto, Ontario, Canada – Rio Silver Inc. (“Rio Silver” or the “Company”) (TSX.V: RYO) announces that it has received TSX Venture approval to settle an aggregate of \$472,928 of indebtedness (the “Debt”) owed to certain arm’s length and non-arm’s length creditors through the issuance of an aggregate of 9,458,768 common shares at a deemed issuance price of \$0.05 per common share (the “Transaction”), of which 7,047,057 common shares will be issued to non-arm's length creditors. All common shares issued to settle the Debt will be subject to a hold period of four months and one day from the date of issuance.

A portion of the Debt is a “related party transaction” under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). There has been no formal valuation of the Company or its assets to date, as there has not been any necessity to do so. The Transaction is exempt from the formal valuation requirements under Section 5.4 of MI 61-101 and the minority approval requirements under Section 5.6 of MI 61-101 pursuant to the Company's reliance on the financial hardship exemption under Sections 5.5(g) and 5.7(1)(e), respectively, of MI 61-101. Completion of the Transaction will allow the Company to significantly improve its current working capital deficiency position.

ABOUT RIO SILVER INC.

Rio Silver Inc. is a Canadian exploration company focused on the exploration and development of its 100% owned Niñobamba precious metal project in Perú and the Gerow Lake exploration project in Northwestern Ontario.

On behalf of Rio Silver Inc.

“Jeffrey Reeder”

President and Chief Executive Officer

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) 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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