



Escape Gold and Rio Silver sign Definitive Agreement and Enters into Investor Relations Arrangement

April 27, 2011, Toronto, Ontario, Canada- Escape Gold Inc. (TSX-V:EGT) (the "**Company**") is pleased to announce that the Company and Rio Silver Exploration Ltd. ("**Rio Silver**") have entered into a definitive agreement following the Company's letter of intent to acquire (the "**Acquisition**") 100% of the outstanding shares of Rio Silver and its wholly owned Peruvian, subsidiary, Minera Rio Plata S.A.C., as announced on March 07, 2011.

Rio Silver's subsidiary, Minera Rio Plata S.A.C. owns the mineral rights to several silver and gold exploration properties totaling in excess of 7,200 hectares. Each of the projects is owned 100% by Minera Rio Plata with no royalties or exploration expenditure commitments. The Company is looking forward to this Acquisition at a time when silver has recently traded in excess of US \$46 per ounce for the first time in decades. None of the projects have been explored since early 2003 when silver was trading in the US \$5 per ounce range.

Terms of the Acquisition

Pursuant to the Acquisition, subject to regulatory approval including that of the TSX Venture Exchange (the "**Exchange**") the Company shall acquire 10,940,001 common shares of Rio Silver representing all of the issued and outstanding share capital of Rio Silver in consideration for issuing CDN \$1,200,000 in Escape common shares at a deemed price of \$0.22 for a total number of shares to be issued to Rio Silver being 5,545,545 through a three-cornered amalgamation involving the Company's wholly-owned subsidiary amalgamating with Rio Silver to form an amalgamated company, which will be a wholly-owned subsidiary of the Company upon completion.

Completion of the Acquisition remains subject to Exchange acceptance. The securities of the Company to be issued on the Acquisition will be subject to a four month hold period.

Investor Relations Contract

The Company has signed an Investor relations contract (the "**Contract**") with Bay Street Connect (the "**Consultant**") www.baystreetconnect.com to provide investor relations and corporate communications services to the company. The Contract has a term of twelve months and is subject to receipt of the approval of the Exchange. Under the Contract the Company has agreed to pay the Consultant \$4,000 per month and grant 300,000 options subject to regulatory approval, exercisable at the current market price at the date of Exchange approval for a period of two years. These options shall be governed by the Company's option plan, vest quarterly and comply with Policy 4.4 of the Exchange.

The Consultant and its principal, Michael D'Amico, operating out of Toronto, Ontario, provide corporate development and investor relations services, are at arm's length to the Company and neither party owns any securities of the Company.

Ninobamba silver project:

The 900 hectare Ninobamba silver project is located approximately 330 km southeast of Lima in the Department of Ayacucho, Peru. The Ninobamba claim block is adjacent to claims owned by Southern Peru Copper and Newmont, in an historic, mining friendly jurisdiction.

Originally explored by AngloGold Exploracion Peru S.A.C. ("**Anglo**") in 2001, Anglo focused on an area of intense hydrothermal surface alteration and drilled five widely spaced core holes totaling 861metres. Anglo's drilling highlights included DDH-2 which reported assay results of 87.0 gpt silver over a drilled interval of 130 metres starting from a depth of 9 metres and DDH-4 reporting 54.0 gpt silver over a drilled interval of 96 metres starting from 23 metres. In 2003 Bear Creek Mining signed an option agreement to earn a 60% joint venture interest and an additional eight holes were drilled totaling 1001 metres. Results of this limited exploration program outlined two distinct zones of silver mineralization reported to be open along strike and at depth. This new geological information has been interpreted by Rio Silver's geologist's as a high sulphidation epithermal silver system in parallel, north-east trending structures hosted within a Tertiary volcanoclastic unit.

Rio Silver's geologists have worked closely with the Company and have defined the highest priority drill targets for the initial exploration program. Once the Acquisition is completed the Company will consult with all local stakeholders in anticipation of permitting a 2011 drill program.

T. John Magee, P.Geo., President and CEO of the Company is the Qualified Person who has reviewed and is responsible for the technical data contained in this news release.

ON BEHALF OF THE BOARD OF DIRECTORS OF
ESCAPE GOLD INC.

T. John Magee
Director

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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