



**Rio Silver Announces 2012 Surface Channel Sample Results at Niñobamba:**

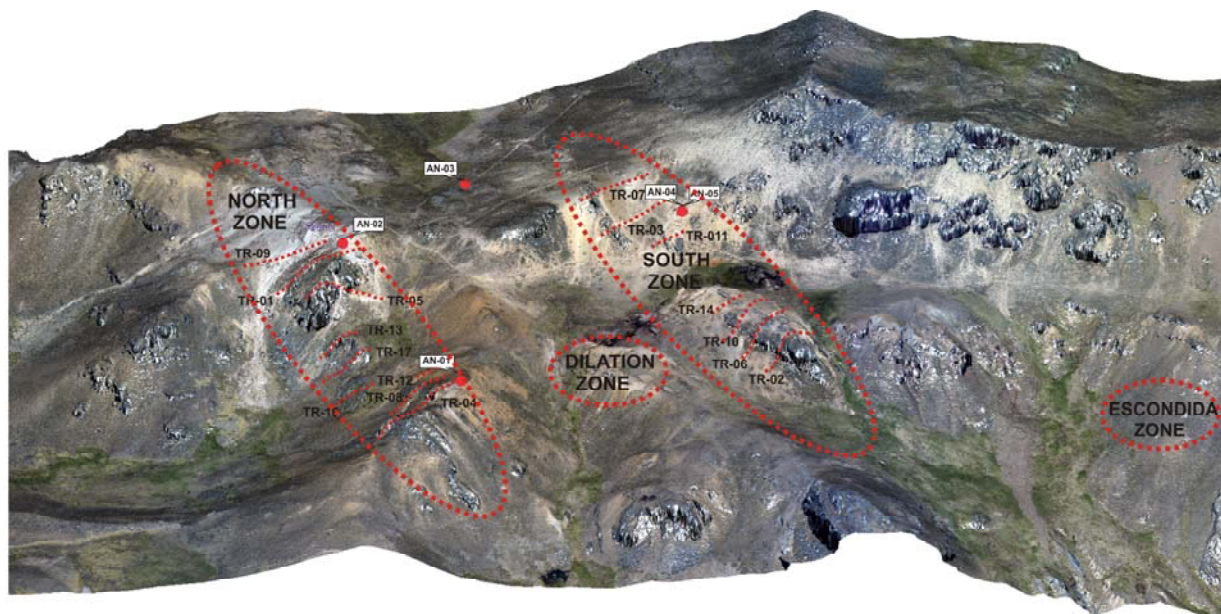
**165 g/t Silver over 20 metres in Trench 13  
Discovers Two New Zones of Silver Mineralization**

January 14, 2013, Toronto, Ontario, Canada – Rio Silver Inc. (the "Company") (TSX.V: RYO) is pleased to announce that the Company has completed its 2012 surface and trench sampling program on its 100% owned (no underlying royalties), 2100 hectare Niñobamba project, located approximately 330 kilometres southeast of Lima, in the Department of Ayacucho, Peru. The Company views the project as a bulk mineable disseminated silver target. In total seventeen trenches were excavated by the local community and the results of the first five trenches have been previously published with highlights of 56 metres of 1.03 g/t Au and 98.9 g/t Ag in trench TR-01, 42.62 metres of 130.98 g/t Ag in trench TR-02 and 108.49 metres of 62.4 g/t Ag in trench TR-05 (see Company's news releases dated July 4, 2012, September 4, 2012 and October 22, 2012). Highlights from new trench results show trench TR-13 returning 165.06 g/t Ag over 20.01 metres, trench TR-16 returning 99.35 g/t Ag over 21.05 metres and trench TR-17 returning 41.85 metres of 37.59 g/t Ag.

The 2012 exploration program focused on two parallel mineralized zones, the "North" and "South" zones which appear to be two separate NE-SW trending zones of significant silver mineralization. The zones are approximately 400 metres apart and have variable thickness. A new zone called "Dilation" was discovered between the North and South zones with 16 surface grab samples averaging 19.98 g/t Ag and ranging from 0.0 to 142.9 g/t Ag. A second new zone called "Escondida" was also discovered approximately 500 metres southwest of trench TR-02 with 12 surface grab samples averaging 72.03 g/t Ag and ranging from 0.8 to 252.6 g/t Ag. Gold is present in the Escondida zone with 12 samples ranging from 0.0 to 0.799 g/t Au and averaging 0.140 g/t Au.

The following is an orthophotograph of the Niñobamba Property showing the North and South mineralized zones as trenched, and the new zones of mineralization at Dilation and Escondida. The orthophotograph also shows the favourable topography for mining and infrastructure.

## Niñobamba Au-Ag Project Aerial View Looking East



### North Zone Trenching Results

The 2012 exploration program shows that the mineralization in the North zone has a lateral extent of over 400 metres. Recent surface sampling west and north of trench TR-04 shows that gold mineralization is associated with vuggy silica altered volcanics similar to the mineralization exposed in the last 21.77 metres of trench TR-04 which returned 1.32 g/t Au and 102.46 g/t Ag. The alteration in this area has a strong gold zoning component indicative of high sulphidation systems. The silver mineralization exposed in trenches TR-13, TR-16, and TR-17 are located between the gold bearing trenches in TR-01 and TR-04. The silver mineralization in these trenches is approximately 70 meters lower in elevation compared to trenches TR-01 and TR-04 which further supports that the North zone contains a gold-silver zone and a pure silver zone. Trench TR-13 was terminated at its south end due to deep colluvium cover where the last sample returned 185.2 g/t Ag.

### South Zone Trench Results

Trenching has exposed the silver mineralization for over 400 metres in the South zone. Highlights from the recent trenching results show that the most easterly trench TR-07 returned 23.80 metres of 83.06 g/t Ag. Additionally, historical drill results approximately 200 metres east of trench TR-07 suggest that the silver mineralization continues to the east. The most westerly trench in the South zone, trench TR-02 returned 42.62 metres of 130.98 g/t Ag. The new Escondida zone is located a further 500 metres to the southwest of trench TR-02 and it is likely this new zone is the lateral extension of the South zone. This may expand the potential for the South zone to over 1100 metres. The precious metal mineralization thus far determined in the South zone is predominantly silver compared to the North zone which has considerable gold credits.

The attached map shows the location of the trenches, historic drill holes and the new zones identified from surface grab sampling. The following table summarizes all of the 2012 trenching results. The trenching program and other surface exploration work will continue in 2013 once weather conditions improve. The Company will also initiate the permitting process to commence a first phase drill program.

Geochemical samples were collected by Mine Gate Exploration SA personnel using rock saws cutting continuous channels in bedrock averaging 2.5 inches wide and 3.5 inches deep. Samples were collected irrelevant of geological boundaries and later surveyed. The quality of the sampling is considered high and representative of the grade of the mineralized system at surface.

Standards and blanks were inserted for internal quality assurance/quality control. Under chain of custody the samples were delivered to Inspectorate Services Peru SAC, in Callao, Peru which is an ISO 9001:2000 certified laboratory at the global level with ABS QUALITY EVALUATIONS. The samples were prepared for analysis by standard procedures and were analyzed for 32 elements determined by multi-element ICP (inductively coupled plasma) with aqua regia digestion. Silver was assayed for by acid digestion with an atomic absorption finish (Ag-4-OR) and gold was analyzed separately by fire assay with an atomic absorption finish (1AT FA-AA).

Jeffrey Reeder, P.Geo., Director 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  
RIO SILVER INC.

*T. John Magee*  
*CEO and President*

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**Niñobamba's Final Trench Assays  
2012**

**North Zone**

Trench #	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
TR-01*	0	20	20.00	nil	41.00
	52	108	56.00	1.03	98.90
	108	122	14.00	0.22	57.00
TR-04*	26.48	41.35	14.89	0.16	85.90
	131.55	153.32	21.77	1.32	102.46
ends in mineralization					
TR-05*	0	108.49	108.49	nil	62.40
starts and ends in mineralization					
TR-08	17.01	31.27	14.26	nil	71.61
	103.37	113.75	10.38	nil	57.53
ends in mineralization					
TR-09	10.50	19.05	8.55	nil	23.76
	34.06	54.34	20.28	nil	40.50
TR-12	0.00	8.10	8.10	nil	147.91
starts and ends in mineralization					
TR-13	28.73	48.74	20.01	nil	165.09
ends in mineralization					
TR-15	Not Sampled				
TR-16	3.30	24.35	21.05	nil	99.35
	30.57	38.59	8.02	nil	34.75
TR-17	9.78	51.63	41.85	nil	37.59

**South Zone**

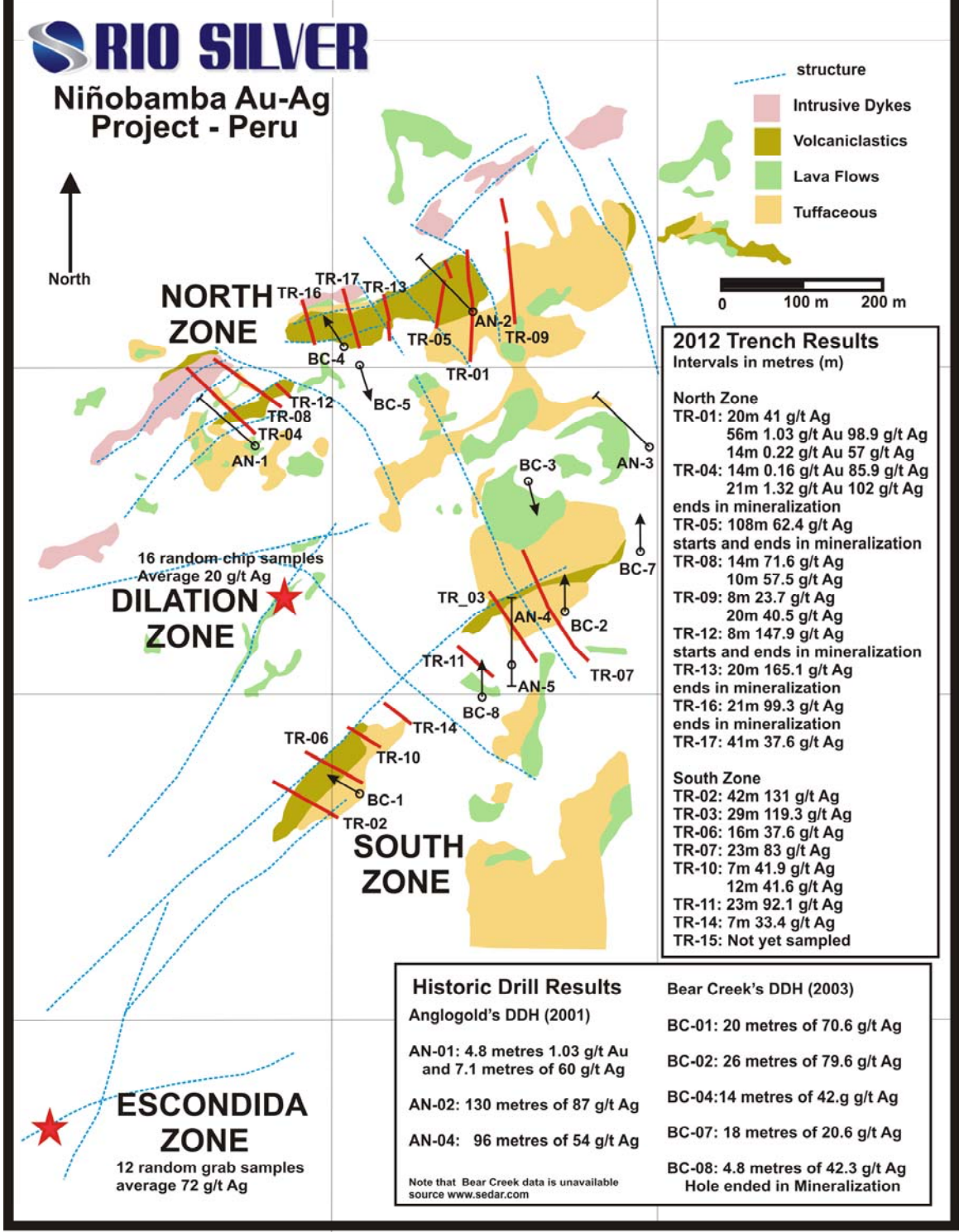
TR-02*	32.65	93.57	42.62**	nil	130.98
TR-03*	84.39	114	29.62	nil	119.33
TR-06	49.09	65.82	16.73	nil	37.65
TR-07	100.23	124.03	23.80	nil	83.06
TR-10	3.78	11.24	7.46	nil	41.88
TR-10	27.24	39.48	12.24	nil	41.64
TR-11	1.94	24.94	23.00	nil	92.10
TR-14	8.07	15.58	7.51	nil	33.39

\* Previously released

\*\* Estimated distance corrected to the horizontal approximately 1 metre



# Niñobamba Au-Ag Project - Peru



structure

- Intrusive Dykes
- Volcaniclastics
- Lava Flows
- Tuffaceous

0 100 m 200 m

### 2012 Trench Results

Intervals in metres (m)

Zone	Interval (m)	Ag (g/t)	Au (g/t)	Notes
North Zone	TR-01: 20m	41		
	TR-01: 56m	1.03	98.9	
	TR-01: 14m	0.22	57	
	TR-04: 14m	0.16	85.9	
	TR-04: 21m	1.32	102	
	TR-05: 108m	62.4		starts and ends in mineralization
	TR-08: 14m	71.6		
	TR-08: 10m	57.5		
	TR-09: 8m	23.7		
	TR-09: 20m	40.5		
South Zone	TR-02: 42m	131		
	TR-03: 29m	119.3		
	TR-06: 16m	37.6		
	TR-07: 23m	83		
	TR-10: 7m	41.9		
	TR-10: 12m	41.6		
	TR-11: 23m	92.1		
	TR-14: 7m	33.4		
	TR-15:			Not yet sampled
	TR-16: 21m	99.3		ends in mineralization
TR-17: 41m	37.6			

### Historic Drill Results

Drill Hole	Interval (m)	Ag (g/t)	Au (g/t)	Notes
Anglogold's DDH (2001)				
AN-01	4.8	7.1	1.03	metres of 60 g/t Ag and 7.1 metres of 60 g/t Ag
AN-02	130	87		metres of 87 g/t Ag
AN-04	96	54		metres of 54 g/t Ag
Bear Creek's DDH (2003)				
BC-01	20	70.6		metres of 70.6 g/t Ag
BC-02	26	79.6		metres of 79.6 g/t Ag
BC-04	14	42		metres of 42 g/t Ag
BC-07	18	20.6		metres of 20.6 g/t Ag
BC-08	4.8	42.3		metres of 42.3 g/t Ag Hole ended in Mineralization

Note that Bear Creek data is unavailable source www.sedar.com

16 random chip samples  
Average 20 g/t Ag

**DILATION ZONE**

**ESCONDIDA ZONE**  
12 random grab samples  
average 72 g/t Ag

8523600 N

8523200 N

8522800 N

8522400 N

548400 E

548800 E