



Rio Silver Announces Closing of Flow-through Private Placement

September 24, 2012, Toronto, Ontario, Canada- Rio Silver Inc. (TSX-V: RYO) (the "Company") is pleased to report that it has completed its previously announced flow-through private placement consisting of 5,000,000 flow-through shares (the "FT Shares") at \$0.12 per FT Share for gross proceeds of \$600,000 subject to final Exchange approval. In connection with the private placement, the Company paid finder's fees comprised of an aggregate of \$12,240 in cash and issued an aggregate of 102,000 broker warrants exercisable to acquire one common share of the Company at a price of \$0.12 per share until September 24, 2013. All of the securities issued will be subject to a four month statutory hold expiring on January 25, 2013.

The proceeds from the Flow-Through Shares will be used to incur eligible Canadian Exploration Expenses ("CEE") as defined by the Income Tax Act (Canada), at the KAN gold, lead-zinc-silver project in the Labrador Trough area of Northern Quebec.

ON BEHALF OF THE BOARD OF DIRECTORS OF

RIO SILVER INC.

Dwight Walker
CFO

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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 the applicable laws.

For more information contact:

Dwight Walker, CFO
Tel: (416) 567-2785
Website: www.riosilverinc.com