



Rio Silver Signs Community Agreement for its Niñobamba Silver Project in Central Peru

May 1, 2012, Toronto, Ontario, Canada – Rio Silver Inc. (the "Company") (TSX.V: RYO) is pleased to announce that the Company has signed a Community agreement to begin the initial exploration program at its flagship Niñobamba silver project, located approximately 330 kilometres southeast of Lima, in the Department of Ayacucho, Peru.

The Niñobamba silver project was discovered by AngloGold Exploracion Peru S.A.C. in 2001 when silver was trading in the US \$5 per ounce range. Niñobamba is a high sulphidation, epithermal system hosted within a Tertiary volcanoclastic unit with silver mineralization demonstrating the potential for a bulk tonnage, disseminated silver deposit.

Niñobamba is one of several silver and gold exploration projects in Peru that the Company owns through its wholly owned subsidiary, Minera Rio Plata S.A.C ("Rio Plata"). The Niñobamba silver project is 100% owned by Rio Plata with no royalties or exploration expenditure commitments, in an historic, mining friendly jurisdiction. Consultation with the local community stakeholders resulted in an agreement which will see community members working in all phases of the exploration program as the project advances.

The Company looks forward to working with the local community members and appreciates their support in working through the Community Consultation process to the benefit of all stakeholders.

Niñobamba Silver Project

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 totalling 861 metres. Anglo's drilling highlights included DDH-2 which reported assay results of 87 gpt silver over a drilled interval of 130 metres starting from a depth of 9 metres and DDH-4 reporting 54 gpt silver over a drilled interval of 96 metres starting from 23 metres. Results of this limited exploration program outlined two distinct zones of silver mineralization reported to be open along strike and at depth. The initial work program will consist of road building, trenching and prospecting in advance of the proposed 2012 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
RIO SILVER INC.

John Magee
Director

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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.

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