RIO CRISTAL RESOURCES CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended March 31, 2013

Introduction

The following Management's Discussion and Analysis (the "MD&A") of Rio Cristal Resources Corporation ("Rio Cristal" or the "Company") has been prepared as of July 29, 2013 and is intended to supplement and complement the Company's consolidated financial statements for the year ended March 31, 2013.

All dollar amounts are expressed in United States dollars unless otherwise noted.

Forward-Looking Information

The information contained herein contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements". Statements concerning reserves and mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered as a property is developed, and in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited.

Forward-looking statements include, but are not limited to, statements with respect to the future price of zinc, copper, gold, silver and other metals, the estimation of mineral resources and reserves, the realization of mineral resource and reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, timing of completion of studies and reports, success of exploration and development activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of exploration operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, completion of acquisitions and their potential impact on the Company and its operations, limitations on insurance coverage and the timing and possible outcome of pending litigation. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the completion and integration of acquisitions and actual effects of the acquisitions; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of future economic evaluations; changes in project parameters as plans continue to be refined; future prices of precious and base metals; possible variations in ore resources, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed elsewhere in this MD&A. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. In making the forward-looking statements in this MD&A, the Company has applied several material assumptions, including, but not limited to, the assumption that: (1) market fundamentals will result in sustained zinc, copper, gold and silver demand and prices; (2) the proposed development of its mineral projects will be viable operationally and economically and proceed as expected; and (3) any additional financing needed will be available on reasonable terms. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Overview

The Company was incorporated under the *Business Corporations Act* (British Columbia) on November 24, 2006 under the name "Rio Cristal Zinc Corporation". In June 2009, the Company changed its name to “Rio Cristal Resources Corporation”. The Company’s shares are traded on the TSX-V exchange in Canada and the Bolsa de Valores de Lima (“BVL”) in Peru.

The Company’s head office is located at Suite 206, 9440 202 Street, Langley, British Columbia V3G 2M6 and the registered and records office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5.

Rio Cristal is a publicly traded exploration company without any mineral producing properties and does not have revenues from any mineral properties.

The Company has focused much of its resources in the past on the Bongará zinc project, located in Northern Peru. The Company had an option to acquire 100% interest in the project by making cash payments, issuing common shares of the Company, or a combination of both. The Company has allowed this option to lapse and therefore does not have any active exploration projects as of the date of the MD&A.

The Company had a net working capital deficit of $0.9 million as at March 31, 2013 compared to a net working capital of $0.5 million as at March 31, 2012. The cash balance at March 31, 2013 was $8 thousand compared to $0.9 million as at March 31, 2012. As at March 31, 2013 current liabilities were $0.9 million compared to $0.45 million as at March 31, 2012.

The Company’s financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. There are events and conditions that cast substantial doubt on the validity of that assumption. The Company will require additional financing in the near future for general working capital purposes. Furthermore, as the Company does not have a source of revenue, it will require ongoing financing in the future for working capital, general and administrative purposes and in order to conduct any future exploration programs. Ongoing general and administrative and regulatory expenses will necessitate additional financing in the future. Factors that could affect the availability of financing include fluctuations in the Company’s share price, the state of international debt and equity markets, investor perceptions and expectations, global financial and metals markets. The Company believes it will be able to obtain the necessary financing to meet its requirements on an ongoing basis; however, there can be no assurance that the necessary financing will be obtained, and such financing, if available, may be very dilutive to the Company’s shares and shareholders. As it has in the past, the Company plans to obtain additional financing through, but not limited to, the issuance of additional equity.

Current Developments

Effective May 16, 2013, the Company terminated its option agreement to acquire the Bongará zinc property in Northern Peru due to the Company’s working capital condition and lack of available funding. The Company will continue to seek strategic partners and investors to continue exploration on mineral projects in Peru.

On January 21, 2013, the company announced the closing of a non-brokered private placement of $237,994. Several of the Company’s Directors and an Officer invested in the placement. TSX.V regulations limit the participation of Directors and other insiders to 25% of a placement under CDN$0.05 cents, and as a result, the placement had two parts. The Company issued 4,429,128 units (the "First Units") of the Company at the price of CDN$0.035 per First Unit, each First Unit consisting of one common share (a "Share") and one non-transferable warrant (the “First Warrant”). The second involved an issuance to certain Directors and an officer of 1,600,000 units (the "Second Units") at a price of CDN$0.05 per Second Unit, each Second Unit consisting of one Share and one non-transferable warrant (the “Second Warrant”).

Each First Warrant shall entitle the holder thereof to purchase one additional common share of the Company at an exercise price of CDN$0.06 per share for the first year and CDN$0.10 per share for the second year, and is subject to acceleration. Each Second Warrant shall entitle the holder thereof to purchase one additional common share of the Company at an exercise price of CDN$0.10 per share for two years and is subject to acceleration.

Commencing on the date that is four months and one day after the closing of the private placement, if the closing price of the Company’s common share on the TSX.V is at a price equal to or greater than CDN$0.12 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date of all warrants by giving written notice to the holders of the warrants which will then expire on the date that is not less than 30 days from the date of the notice.

As part of the private placement, a finder’s fee was paid consisting of (i) a cash commission of $4,254; and (ii) the issuance of 180,000 Second Units.

In January 2013, the Company announced an update concerning its resource estimate and technical report on its Bongará project. The Company has filed an amended and restated National Instrument 43-101 ("NI 43-101") technical report dated effective January 25, 2013. The amended and restated technical report replaces the technical report and mineral resource estimate prepared by Mr. Brophy on behalf of the Company and filed on the SEDAR website on March 2, 2012. Mr. Brophy has determined in conjunction with the Company to remove from the report the calculation of any mineral resources. Mr. Brophy has determined that additional metallurgical analysis is required in order to produce a resource estimate required for a NI 43-101 compliant mineral resource.

On October 26, 2012, the Company announced that MMR Exploration Ltd. ("MMRE") withdrew from negotiations to form a joint venture with the Company on its Bongará zinc project. Previously, the Company had reached an Agreement in Principle (the "Agreement") with MMRE to form a joint venture wherein MMRE had the right to earn up to a 70% interest in the Company's Peruvian subsidiary, Cerro La Mina S.A. ("CLM"), through the staged expenditure of $10 million plus the completion of a feasibility study on the Company's Bongará zinc project.

On September 17, 2012 the Company announced that the shareholders of the Company approved a 10:1 consolidation of its shares. The Company intends to complete the share consolidation in the near future.

BONGARÁ ZINC PROJECT, PERU

The Bongará Concessions ("Concessions") are a group of contiguous claims totaling 18,413 hectares located approximately 740 km north of Lima, Peru in the Region of Amazonas. The Bongará Concessions contain several early stage prospects that are believed to be Mississippi Valley Type ("MVT") zinc prospects. These Concessions are adjacent to the Corianta zinc oxide mine to the west, which is currently on standby and to the south, the Project is adjacent to the Florida Canyon zinc-lead deposit, an advanced joint-venture exploration project being conducted by Votorantim Metais and Solitario Exploration & Royalty Corp (TSX: SLR).

Based on an amended agreement dated March 26, 2009, the Company had an option to acquire 100% of the rights of the Bongará zinc Concessions consisting of four separate exploration zones listed below, which are at varying stages of exploration.

Due to limitations on available financing, no drilling was done on the Concessions during the current fiscal year. On May 16, 2013, the Company dropped its option to acquire the Bongará zinc property. Acquisition costs of $1,656,265 capitalized as Resource Property Costs on the Company's statement of financial position have been written off to the Company's statement of loss during the year ended March 31, 2013.

Results of Operations

For the Year Ended March 31, 2013

The Company's net loss for the year ended March 31, 2013 (the "Current Period") was $3.6 million or $0.02 per share compared to a net loss of $4.7 million or $0.03 per share for the year ended March 31, 2012 (the "Comparative Period"). The reduction in loss of $0.9 million resulted mainly from a $2.3 million decrease in exploration expenditures in the Current Period offset by an increase of $1.4 million in the write-off of capitalized resource property costs, primarily pertaining to the acquisition costs related to the Bongará zinc property. During the Comparative Period, the Company wrote-off its capitalized acquisition costs related to the La Cumbre Project.

Operating expenses were significantly lower in the Current Period at $1.9 million, compared with $4.7 million in the Comparative Period mainly due to: lower exploration expenditures (decrease of $2.3 million over the Comparative Period) due to decreased expenditures on the Company's projects as a result of the lack of available financing; and lower investor relations expenses, general office expenses and salary expenses (decrease of $0.17 million, $0.15 million and $0.1 million respectively over the Comparative Period) due to efforts by the Company to reduce expenditures.

For the Three Months Ended March 31, 2013

During the period, the Company's cash requirements were met by loans from the Company's Directors totalling $35 thousand because of a lack of available financing from other sources. The Company's net loss for the three month period ended March 31, 2013 (the "Current Quarter") was $1.9 million or $0.01 per share compared to a net loss of $1 million or $0.01 per share for the three month period ended March 31, 2012 (the "Comparative Quarter"). The additional loss resulted mainly due to the Company's decision to terminate the option agreement to acquire 100% interest in the Bongará zinc property and therefore a corresponding increase of $1.4 million in the write-off of capitalized resource property costs, offset by a $0.4 million decrease in exploration expenditures in the Current Quarter.

The Company's operating costs also decreased during the Current Quarter compared to the Comparative Quarter as a result of the Company's efforts to reduce such expenditures.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Rio Cristal and is derived from the unaudited quarterly consolidated financial statements prepared by management.

Period	Revenues $	Income (Loss) from Continued Operations $	Basic and Fully Diluted Loss per Share from Continued Operations $
4th Quarter 2013	Nil	(1,945,981)	(0.01)
3rd Quarter 2013	Nil	(436,573)	(0.00)
2nd Quarter 2013	Nil	(503,444)	(0.00)
1st Quarter 2013	Nil	(747,064)	(0.01)
4th Quarter 2012	Nil	(986,371)	(0.01)
3rd Quarter 2012	Nil	(1,367,920)	(0.01)
2nd Quarter 2012	Nil	(1,332,679)	(0.01)
1st Quarter 2012	Nil	(1,050,090)	(0.01)

Quarterly results will vary in accordance with the Company's exploration and financing activities. In addition results are contingent upon the Company having sufficient funds to conduct exploration programs on its exploration projects.

The significant increase in loss during the quarter ended March 31, 2013 is a result of the write off of the capitalized acquisition costs of the Bongara project.

Selected Annual Information

The following table sets out selected annual information of the Company and is derived from the Company's audited consolidated financial statements for the years ended March 31, 2013, 2012, and 2011.

	Years Ended March 31,		
	2013 $	2012 $	2011 $
Total revenues	Nil	Nil	Nil
Loss for the year	3,633,062	4,737,060	5,122,871
Basic and diluted loss per share	0.02	0.03	0.06
Total assets	79,839	2,285,095	6,572,820
Total current liabilities	926,072	457,719	704,022
Cash dividends declared	Nil	Nil	Nil

Liquidity and Capital Resources

The Company had a net working capital deficit of $0.9 million as at March 31, 2013 compared to a net working capital of $0.5 million as at March 31, 2012. The cash balance at March 31, 2013 was $8,000 compared to $0.9 million as at March 31, 2012. As at March 31, 2013 current liabilities were $0.9 million compared to $0.45 million as at March 31, 2012.

Investing Activity

During the year ended March 31, 2013, the Company issued 17,135,918 common shares with a value of $501,660 pursuant to its Bongara property option agreement and also disposed of equipment in Peru for proceeds of $28,061.

During the year ended March 31, 2012, the Company issued 2,483,740 shares with a value of 298,340 pursuant to its Bongara property option agreement and issued 300,000 shares with a value of $67,533 pursuant to the property option agreement on its La Cumbre project. The Company also purchased $27,113 in computer and exploration equipment for use in Peru and incurred leasehold improvements of $64,129.

Going Concern

The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company's activities in Peru are subject to the impact of changes in legal, tax and regulatory regimes at the national level and changes in community relations, labor and political issues at the local level. While the Company actively monitors all such changes and makes plans accordingly, factors beyond the Company's control could adversely impact its operations in Peru. Although the Company believes that the current conditions in Peru are stable and conducive to conducting business, the Company's current and future mineral exploration and mining activities could be impacted by adverse political or economic developments. The adverse developments may include the imposition of unfavourable government regulations on foreign investment. Additionally, even though the Company's current relationships with local communities are in good standing, these relationships are subject to change, which may be beyond the Company's control.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet any future property, exploration, and administrative requirements. The Company has a net working capital deficit of $0.9 million and will need to complete further financing arrangements in the near term. There can be no assurance that a financing will be completed on a timely basis.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares, all without nominal or par value. The Company is planning a 10:1 share consolidation which was approved by the shareholders at the AGM on September 12, 2012.

The table below summarizes the Company's common shares and securities convertible into common shares as at July 29, 2013:

		Price	Expiry date	Number of common shares
Common shares, issued and outstanding				172,591,630
Securities convertible into common shares				
Warrants	CDN	$0.08	January 20, 2015	4,429,128
		$0.10	January 20, 2015	1,780,000
Options	CDN	$0.10	April 30, 2014	1,350,000
		$0.10	May 20, 2015	875,000
		$0.18	May 2, 2016	1,575,000
		$0.17	July 12, 2016	150,000
		$0.135	February 1, 2017	150,000
		$0.11	April 3, 2017	1,925,000
				184,825,758

As at March 31, 2013, 4,416,666 options outstanding had vested.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties for the Year Ended March 31, 2013

Trading transactions

Certain of the Company's officers and directors render services to the Company as sole proprietors or through companies in which they are an officer, director or partner.

	Nature of transactions
DuMoulin Black	Legal fees
Avisar Chartered Accountants	Accounting fees
Global Vista	Investor relations and rent

The Company incurred the following fees and expenses in the normal course of operations in connection with related parties. Expenses have been measured at the exchange amount which is determined on a cost recovery basis.

	Year Ended March 31, 2013 $	**Year Ended March 31, 2012 $**
Legal fees	118,828	38,567
Accounting fees	70,320	102,747
Investor relations fees	-	50,400
Rent	-	7,500
	189,148	199,214

Due to related parties consists of $796,949 owing to individuals or companies whose officers, directors or partners were also officers or directors of the Company. The amount due to related parties includes director and officer loans of $264,187, unpaid salaries of $384,012 and unpaid services of $143,227. The loans are unsecured, have a term of one year, and bear annual interest of 6%. As of March 31, 2013, interest of $5,523 has been accrued. The remaining amount of $516,487 is unsecured, non-interest bearing and due on demand.

Compensation of key management personnel

For the year ended March 31, 2013, salaries unpaid to key management personnel are included within due to related parties in the Company's consolidated statement of financial position. The remuneration of the directors, chief executive officer, president and chief financial officer (collectively the key management personnel) during the years ended March 31, 2013 and 2012 were as follows:

	Year Ended March 31, 2013 $	**Year Ended March 31, 2012 $**
Salaries	202,000	202,000
Share-based compensation	259,660	198,512
	461,660	400,512

The value of the 1,900,000 (2012 – 1,850,000) options granted to key management personnel was determined using the Black-Scholes option pricing model with the following assumptions:

	Year Ended March 31, 2013	**Year Ended March 31, 2012**
Share price on day of grant	$0.11	$0.18
Expected dividend yield	0%	0%
Expected stock price volatility	172%	184%
Risk-free interest rate	1.54%	1.69%
Expected life of options	4.43 years	3.00 years

Critical Accounting Policies and Estimates

The details of Rio Cristal's accounting policies are presented in Note 4 of the audited consolidated financial statements for the year ended March 31, 2013. The following policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

Critical Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on the Company's experience and Management's expectations about future events that are believed to be reasonable under the circumstances, and they are continually being evaluated based on the new facts and experience. Actual results may differ from these estimates and assumptions. Significant areas requiring the use of management estimates include the carrying value of resource property costs and property, plant and equipment, stock-based compensation, and the evaluation of the Company's ability to continue as a going concern. Factors that could affect these estimates include risks inherent in mineral exploration and development, changes in reclamation requirements and changes in government policy.

Resource Properties

The Company capitalizes the direct costs of acquiring mineral property interest. Option payments are considered acquisition costs if the Company has the intention of exercising the underlying option.

Exploration and evaluation costs are charged to the statement of loss in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration and development costs are capitalized. Exploration costs include value-added taxes because the recoverability of these amounts is uncertain.

Ownership in mineral properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties.

Impairment of Non-financial Assets

The carrying amounts of non-financial assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Non-financial assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in the statement of loss.

Financial instruments carrying value and fair value

The Company's financial instruments, not carried at fair value, consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, price or credit risks arising from its financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

The Company holds cash balances and incurs payables that are denominated in Canadian Dollars and Peruvian Soles. These balances are subject to fluctuations in the exchange rate between the Canadian Dollar, Peruvian Soles and the United States Dollar, resulting in currency gains or losses for the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or obtain debt financing. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

Management of financial risk

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Peru and a portion of its expenses are incurred in Canadian dollars and Peruvian Soles. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar and the Peruvian Sol to the US dollar could have an effect on the Company's results of operations, financial position and cash flows. The Company has not hedged its exposure to currency fluctuations. At March 31, 2013, the Company is exposed to currency risk through the following assets and liabilities denominated in Canadian dollars and Peruvian Soles:

	March 31, 2013	
	Canadian Dollars $	**Peruvian Soles**
Cash and cash equivalents	2,799	2,707
Receivables	25,053	7,398
Accounts payable and accrued liabilities	(65,472)	(164,656)
Due to related parties	(186,118)	-

Based on the above net exposures as at March 31, 2013 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar against the Canadian dollar would result in a change of $22,000 in the Company's loss for the period. A 10% depreciation or appreciation of the US dollar against the Peruvian Sol would result in a change of $6,000 in the Company's loss for the period.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash and receivables.

The Company's cash equivalents are held through large Canadian financial institutions. Amounts receivable consist of HST receivable from the government of Canada and other receivables

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the investments included in cash and cash equivalents is limited because these investments are generally held to maturity. Based on the amount of cash and cash equivalents invested as at March 31, 2013 and assuming that all other variables remain constant, a 0.5% change in the applicable interest rate would result in an insignificant impact in the interest earned by the Company per annum.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by taking into account anticipated cash expenditures for its exploration and other operating activities, and its holdings of cash and cash equivalents and short-term investments.

As at March 31, 2013, the Company had a cash balance of $8,240 to settle accounts payable and accrued liabilities and amounts owed to related parties of $926,072. The Company will pursue financing arrangements as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favorable terms. The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's activities in Peru are subject to the impact of changes in legal, tax and regulatory regimes at the national level and changes in community relations, labor and political issues at the local level. While the Company actively monitors all such changes and makes plans accordingly, factors beyond the Company's control could adversely impact its operations in Peru. The Company believes that the current political conditions in Peru are stable and conducive to conducting business, yet the Company's current and future mineral exploration and mining activities could be impacted by adverse political or economic developments. The adverse developments may include the imposition of unfavorable government regulations on foreign investment, in addition, even though the Company's current relationships with local communities are in good standing, this may be subject to change, which may be beyond the Company's control.

Price risk

The Company is subject to price risk from fluctuations in the market price of gold, copper and zinc, which in turn is affected by numerous factors including central bank policies, producer hedging activities, the value of the US dollar relative to other major currencies, global demand and supply and global political and economic conditions. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The carrying value of the Company's mineral property costs could be adversely affected by any reductions in the long term prices of gold, copper and zinc.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Rio Cristal's general and administrative expenses and resource property costs is provided in the Company's consolidated statement of loss and comprehensive loss contained in its consolidated financial statements for March 31, 2013 and 2012 that is available on Rio Cristal's website at www.riocristalresources.com or on its SEDAR Page Site accessed through www.sedar.com.

Controls and Procedures

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose.

TSX-V listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V issuer to design and implement on a cost effective basis DC&P and ICFR as defined in Multinational Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Approval

The Audit Committee of Rio Cristal has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to Rio Cristal is on SEDAR at www.sedar.com.