RIO CRISTAL RESOURCES CORPORATION

Management's Discussion and Analysis
For the Three and Nine Months Ended December 31, 2014

EXPRESSED IN US DOLLARS

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Introduction

This management's discussion and analysis ("MD&A") of Rio Cristal Resources Corporation ("Rio Cristal" or the "Company") for the three and nine months ended December 31, 2014, takes into account information available up to and including February 25, 2015. This MD&A should be read in conjunction with the condensed consolidated interim financial statements (unaudited) for the three and nine months ended December 31, 2014 (the "Financial Statements") and the audited consolidated financial statements for the year ended March 31, 2014, which are available on the Company's website and on the SEDAR website at www.sedar.com. The Company has prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements including IAS 34, Interim Financial Reporting. The information provided herein supplements, but does not form part of, the Financial Statements.

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 Proposed Transaction described herein. 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; results of exploration activities; results of reclamation activities; conclusions of future economic evaluations; changes in project parameters; 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 information is information about the future and is inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, such as business and economic risks and uncertainties. The forward-looking information is based on a number of assumptions, including assumptions regarding the completion of the Proposed Transaction, general market conditions, the availability of financing for proposed transactions and programs on reasonable terms, the ability of outside service providers to deliver services in a satisfactory and timely manner, prevailing commodity prices and exchange rates and prevailing regulatory, tax and environmental laws and regulations. The Company's forward-looking information is based on the beliefs, expectations and opinions of management of the Company on the date the information is provided. For the reasons set forth above, investors should not place undue reliance on forward-looking information. 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.

The Company undertakes no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

Overview

Rio Cristal was incorporated on November 24, 2006 under the name “Rio Cristal Zinc Corporation” and is organized under the laws of British Columbia, Canada. In June 2009, the Company changed its name to “Rio Cristal Resources Corporation”. The Company’s head office is located at Suite 555, 999 Canada Place, Vancouver, BC, V6C 3E1 and the registered and records office is located at Suite 1200 Waterfront Centre, 200 Burrard St, P.O. Box 48600, Vancouver, BC, Canada, V7X 1T2. The condensed consolidated interim financial statements (unaudited) as at December 31, 2014 consist of Rio Cristal and its two wholly owned subsidiaries: Cerro La Mina Cayman Ltd. and Rio Cristal Zinc Cayman Ltd. which are both organized under the laws of the Cayman Islands.

On January 13, 2015 an application was filed in the Cayman Islands for the voluntary dissolution of the Cayman Subsidiaries. On February 3, 2015 an officer of the Registrar of Companies for the Cayman Islands certified that the Cayman Subsidiaries will be struck off the Register of Companies on March 31, 2015. On April 7, 2014 Cerro La Mina S.A., Rio Cristal’s wholly owned subsidiary, was dissolved.

The Company is in the business of acquiring and exploring mineral properties. Rio Cristal does not currently have any mineral producing properties or any revenues from any mineral properties. The Company is publicly traded with shares listed on the TSX Venture Exchange (TSX-V) and the Bolsa de Valores de Lima (“BVL”) in Peru.

The Company consolidated its share capital on a one new for ten old (1:10) basis on September 29, 2014. In addition, the Company consolidated its share capital on a one new for ten old (1:10) basis on July 31, 2013. Accordingly, all common share, stock option, warrant, and per share awards have been retroactively restated to reflect these consolidations.

The Company focused much of its resources in the past on the Bongará zinc project but divested itself of the Bongará project at the end of the prior year. Any future acquisitions are dependent upon obtaining prospects on reasonable acquisition terms and also subject to financing of the Company.

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 had a net working capital deficit of $1,544,728 million as at December 31, 2014 compared to a net working capital deficit of $1,397,092 million as at March 31, 2014. The cash balance at December 31, 2014 was $54,830 compared to $6,613 as at March 31, 2014. As at December 31, 2014 current liabilities were $1,602,070 million compared to $1,404,432 million as at March 31, 2014.

The Company’s Financial Statements (unaudited) 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. The Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material. Several adverse conditions cast significant doubt on the validity of this assumption. The Company has incurred losses since inception and has an accumulated deficit of $24,170,912 at December 31, 2014. The Company has limited resources, has no source of operating cash flow, has a working capital deficit at December 31, 2014 of $1,544,728 and has no assurances that sufficient funding will be available to meet its administrative overhead and conduct further exploration and development on new properties, should any new properties be acquired.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its requirements. The Company has proposed a transaction to issue units for debt and part and parcel with this transaction would undertake a private placement of $200,000 as further described in this MD&A. However, there can be no assurance the Company will be successful with this proposed transaction. 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, and 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. There can be no assurance that a financing will be completed on a timely basis. In the interim, the Company has relied on loans from its former Directors and Officers in order to provide working capital for ongoing expenses.

Corporate Developments in the Three Months to December 31, 2014

Proposed Transaction

At the annual general and special meeting to be held on February 26, 2015, the disinterested shareholders of the Company will vote on the proposed units for debt, private placement and new board nominees (the "Proposed Transaction") as further described below. The Proposed Transaction is also subject to TSX-V approval.

Units for Debt

On December 24, 2014, the Company announced to preserve its cash in light of the Company's current working capital position, it has agreed to issue units ("Debt Units"), each Debt Unit comprised of one common share and one common share purchase warrant (a "Debt Warrant"), to settle an aggregate debt of $1,280,905 owing to Augusta Investments Inc.("Augusta") and Iris Consulting Limited ("Iris"). A total of 25,618,106 Debt Units will be issued at a deemed price of $0.05 per Debt Unit. The Debt Warrants will have an exercise price of $0.05 per common share and will be exercisable for a five year term. Augusta and Iris each hold an equal amount of the Company's debt.

Augusta and Iris are both private companies which are at arm's length to the Company. Augusta is beneficially owned or controlled by Mr. Richard W. Warke. Iris is beneficially owned or controlled by Mr. Robert Pirooz, Q.C. Following the issuance of the Debt Units, both Augusta and Iris will become control persons of the Company and they will each hold approximately 46.85% of the outstanding Rio Shares on a non-diluted basis.

Private Placement

As part and parcel of the units for debt transaction, the Company will undertake a $200,000 private placement financing (the "Private Placement"), under which the Company will issue 4,000,000 units

("Private Placement Units") at a price of $0.05 per Private Placement Unit. Each Private Placement Unit will be comprised of one Rio Share and one warrant to purchase a Rio Share (a "Private Placement Warrant"). The Private Placement Warrants will have an exercise price of $0.08 per Rio Share and will be exercisable for a three year term. The proceeds from the Private Placement will be used by the Company for general corporate purposes.

The Private Placement is conditional upon the successful completion of the Debt Transaction. Augusta, Hemisphere Holdings Limited, and Purni Parikh will participate in the Private Placement. Hemisphere Holdings Limited is at arm's length to the Company and is owned by Shimmer Trust, of which Mr. Robert Pirooz, Q.C. is a beneficiary.

Board Nominees

The shareholders will also be asked to elect four new directors to the Company's board – Richard W. Warke, Robert Pirooz Q.C., Lenard Boggio and Purni Parikh.

Mr. Warke is the founder, Chairman and CEO of Wildcat Silver Corporation and President, Chief Executive Officer and Director for Catalyst Copper Corporation. Previously, he was the founder and Executive Chairman for both Augusta Resource Corporation, which was acquired for over $666 million in July 2014, and Ventana Gold Corporation, which was acquired in early 2011 for $1.5 billion. Throughout his 25 years of experience in corporate finance and marketing in the global resource industry, Mr. Warke has been involved in raising over $1 billion dollars in equity for resource companies. Mr. Warke's endeavours have primarily involved mineral resource operations, however, he has an array of experience with oil and gas, forestry, technology and manufacturing operations as well.

Mr. Pirooz has been a distinguished member of the Canadian Bar for over two decades and was a 2012 Queen's Counsel appointee. Mr. Pirooz has been instrumental in the formation, development and operation of over 11 different companies, and played a key role in the sale of five of these companies – Regalito Copper Corp., Northern Peru Copper Corp., Global Copper Corp., Lumina Royalty Corp. and Lumina Copper Corp. - which generated proceeds of over $1.6 billion. Currently, Mr. Pirooz serves as General Counsel and a director for Pan American Silver Corp. and is the Executive Chair of Network Media Group Inc.

Mr. Boggio was the Mining Leader for PricewaterhouseCoopers ("PwC") and a senior member of PwC's Global Mining Industry Practice until his retirement in May 2012. Mr. Boggio holds a B.A. and B. Comm. from the University of Windsor, Ontario and is a member of the Institute of Chartered Accountants of British Columbia and Ontario. He also holds a CPA in Illinois and is a member of the State Boards of Accountancy of Illinois and Washington State and holds an ICD.D designation and is a member of the Institute of Corporate Directors.

Ms. Parikh brings extensive business and corporate governance experience from 20 years in the mining sector and is currently Vice President Corporate Secretary of Wildcat Silver Corporation, Catalyst Copper Corp. and Plata Latina Minerals Corporation and previously held the same positions with Augusta Resource Corporation and Ventana Gold Corp.

Other Corporate Matters

Effective November 30, 2014, Matthew Watson was appointed Chief Executive Officer and Chief Financial Officer of the Company.

Developments since December 31, 2014

On January 13, 2015 an application was filed in the Cayman Islands for the voluntary dissolution of the Cayman Subsidiaries. On February 3, 2015 an officer of the Registrar of Companies for the Cayman Islands certified that the Cayman Subsidiaries will be struck off the Register of Companies on March 31, 2015.

Results of Operations

For the Three and Nine Months Ended December 31, 2014

The Company's net loss for the three and nine month period ended December 31, 2014 was $40,041 (loss of $0.02 per share) and $146,434 (loss of $0.08 per share) compared to a net loss of $97,459 (loss of $0.06 per share) and $421,944 (loss per share of $0.25) for the same periods ended December 31, 2013. In 2014 the Company has had very limited activity other than ordinary corporate matters associated with its listing on the TSX-V and BVL and those costs incurred in order to prepare for the Proposed Transaction. In the same periods in 2013 the Company was in a cost reduction plan to decrease general office expenses, exploration expenses and salaries and consulting costs while divesting itself of the Bongara property, closing the office in Lima, Peru and decreasing staff.

Summary of Quarterly Results

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

	Net loss For the period ending March 31,			**Loss per share For the period ending March 31,**		
	2015	2014	2013	2015	2014	2013
Q1	$ (65,849)	$ (280,430)	$ (747,064)	$ (0.04)	$ (0.18)	$ (0.50)
Q2	(40,544)	(44,055)	(503,444)	(0.02)	(0.01)	(0.34)
Q3	(40,041)	(97,459)	(436,573)	(0.02)	(0.06)	(0.29)
Q4	n/a	(73,590)	(1,945,981)	n/a	(0.04)	(1.21)
Total	$ (146,434)	$ (495,534)	$ (3,633,062)	$ (0.08)	$ (0.29)	$ (2.31)

Quarterly results will vary in accordance with the Company's exploration, corporate and financing activities.

The costs have declined in the four most recent quarters as a result of a reduction of overhead costs and reduced activity of the Company.

Liquidity and Capital Resources

The Company had a net working capital deficit of $1,544,728 as at December 31, 2014 compared to a net working capital deficit of $1,397,092 as at March 31, 2014. The cash balance at December 31, 2014 was $54,830 compared to $6,613 as at March 31, 2014. As at December 31, 2014 current liabilities were $1,602,071 compared to $1,404,432 as at March 31, 2014. Refer to information under 'Going Concern' above for further information.

Investing Activity

During the three and nine months ended December 31, 2014 the Company had no investing activities.

Financing Activity

During the three and nine months ended December 31, 2014, the Company received total loans of $76,038 of which $9,000 was received from a former director and $67,038 was received from the Debt Purchasers. Refer to further information on these loans and those received in the comparative period in note 8 of the Financial Statements.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares, all without nominal or par value. The Company completed a 10:1 share consolidation on September 29, 2014. In addition, the Company completed a 10:1 share consolidation on July 31, 2013 which was approved by the shareholders at the AGM on September 12, 2012. The information contained in this MD&A takes into account the effect of both share consolidations.

The table below summarizes the Company's common shares and securities convertible into common shares as at February 25, 2015:

	Number of common shares
Common shares, issued and outstanding	1,725,909

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation. Details of the transactions between the Company and other related parties are disclosed below.

a. *Trading transactions*

In August 2014, $611,141 due to related parties was purchased by the Debt Purchasers. Prior to the debt purchase, at June 30, 2014 due to related parties consisted of $611,141 (March 31, 2014 - $604,439) owing to individuals or companies whose officers, directors or partners were also officers or directors of the Company. Of the amount at June 30, 2014, $109,051 was loans from directors and officers of the Company the terms of which are described in note **Error! Reference source not found.** to the Financial Statements. The remaining amount due to related parties purchased by the Debt Purchasers related to deferred salaries and services payable to the former President of the Company of $491,926 as at June 30, 2014 (March 31, 2014 - $ 487,376) which was unsecured, non-interest bearing and due on demand. The Debt Purchasers also purchased loans payable from former related parties as described below.

Historically, 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 (ended December 30, 2013)	Legal fees
Avisar Chartered Accountants (ended September 18, 2013)	Accounting fees

The Company incurred the following fees and expenses in the normal course of operations in connection with related parties.

	Three months ended…	**Nine months ended…**		**Three months ended…**	**Nine months ended…**
	December 31, 2014			**December 31, 2013**	
Legal fees	$ -	$ -		$ 17,979	$ 75,394
Accounting fees	-	-		-	29,108
	$ -	$ -		$ 17,979	$ 104,502

b. *Loans Payable to former related parties*

	December 31, 2014	**March 31, 2014**

Loans originally issued by former related parties	505,696	$354,437

In August 2014, the Debt Purchasers purchased loan payable to existing and former related parties totaling $505,696. These loans payable are unsecured and bear annual interest of 6%. After June 30, 2014, no further interest accrued on the loans. As at December 31, 2014 interest totaling $41,055 had been accrued on these loans.

c. *Compensation of key management personnel*

In the year ended March 31, 2014 and the period from April 1, 2014 to December 31, 2014, no salaries to key management personnel were paid. All of these salaries were accrued and included as amounts due to related parties at June 30, 2014 and subsequently formed part of the amounts purchased by the Debt Purchasers. As at December 31, 2014 all former key management personnel resigned on August 28, 2014 and the current officers and directors do not have salaries or other compensation being accrued.

The remuneration of the former directors, chief executive officer, and president and chief financial officer (collectively the key management personnel) during the three and nine months ended December 31, 2014 and 2013 were as follows:

	Three months ended…	**Nine months ended…**	**Three months ended…**	**Nine months ended…**
	December 31, 2014		**December 31, 2013**	
Salaries	$ -	$ 7,500	$ 7,500	$ 79,833
Share-based compensation	-	126	3,063	9,094
Total	$ -	$ 7,626	$ 10,563	$ 88,927

Critical Accounting Policies

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, 2014.

Critical Accounting Estimates

The preparation of the 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. The significant estimates and judgments are unchanged from those disclosed in the Company's annual financial statements for the year ended March 31, 2014.

Financial instruments and financial risk

The Company's financial instruments are exposed to certain financial risks which are discussed in detail within Note 7 to the Company's March 31, 2014 audited financial statements and Note 6 to the Company's Financial Statements. These were also discussed in the Company's March 31, 2014 annual management discussion and analysis.

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 condensed consolidated interim statement of loss and comprehensive loss contained in its Financial Statements that is available on Rio Cristal's website at www.riocristalresources.com or on its SEDAR Page Site accessed through www.sedar.com.

Additional Information

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

RIO CRISTAL RESOURCES CORPORATION

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