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## **RIO CRISTAL ANNOUNCES AGREEMENT IN PRINCIPLE FOR JOINT VENTURE**

**Vancouver, Canada and Lima, Peru** - (August 9, 2012) Rio Cristal Resources Corporation (TSXV:RCZ, BVL:RCZ) ("Rio Cristal" or the "Company") announced today that it has reached an agreement in principle with MMR Exploration Ltd ("MMRE") to form a joint venture wherein MMRE has 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 USD\$10 million plus the completion of a feasibility study on the Company's Bongará zinc project (Bongará) over 8 years.

CLM is exploring the 18,000 hectare Bongará project in northern Peru and the Company announced a Measured and Indicated zinc resource in February, 2012. Pursuant to the agreement, MMRE can earn a 30% interest in CLM by incurring \$3 million in exploration expenditures on Bongará within 18 months of the date of a definitive agreement. MMRE can earn an additional 30% interest in CLM by incurring a further \$7 million (\$10 million in aggregate) on exploring Bongará within five years of the date of a definitive agreement. To earn the final 10% interest in CLM, MMRE must complete a feasibility study on Bongará within a period of 8 years of the date of a definitive agreement. The agreement is subject to finalization of a binding agreement and conditions including due diligence, regulatory approvals, Minmetals Resources Limited board approval, and any third party consents.

Rio Cristal can maintain a 30% interest in CLM if it contributes its pro rata share of capital once a feasibility study on Bongará is complete. If the Company does not contribute its share of capital, it will be diluted to 10% at which time the Company must either commence contributing its share of capital or MMRE will loan the necessary funds to be repaid (plus interest at a rate of LIBOR plus 4%) from future cash flow from the project in the form of dividends from CLM.

In accordance with the policies of TSX Venture Exchange, the Company intends to seek shareholder approval of the agreement with MMRE.

MMRE is a subsidiary of Minmetals Resources Limited (“MMR”), a mid-tier global resources company that mines, explores and develops base metal projects in Australia, and around the world. The company is headquartered in Melbourne, Australia and listed on the Hong Kong Stock Exchange. Its ultimate controlling shareholder is China Minmetals Corporation.

An advisory fee in respect of the transaction with MMRE may be payable upon the exercise by MMRE of the option at each stage. Such fee would be payable by the Company and be approximately 6% of the amount invested in CLM by MMRE, which may be made in shares, subject to acceptance of the TSX Venture Exchange.

Thomas Findley, President & CEO of Rio Cristal said “We are very pleased to have come to an agreement in principle with a world class company like MMR to accelerate and expand the exploration of our Bongará zinc project. They bring both financial and technical resources that we need in order to develop a large project having significant potential for hosting MVT zinc sulfide deposits such as Bongará.”

“The Company’s Board of Directors strongly recommends shareholder approval of the transaction which provides a strong partner and excellent potential for increased RCR shareholder value. When we finalize the transaction, the Company’s focus will be on both the CLM joint venture project with MMR and on identification of new exploration opportunities which we can develop as Rio Cristal Resources Corp.”

### **About Rio Cristal Resources Corporation**

Rio Cristal Resources is a Canadian corporation focused on development of the 18,000 hectare Bongará zinc property in northern Peru, which includes four separate exploration projects.

The Company is also actively reviewing other zinc, gold and copper prospects in Peru.

The Company’s shares are listed on the Toronto Stock Exchange, Venture Segment and the Bolsa de Valores de Lima (Lima Stock Exchange) under the symbol RCZ.

For further information for investors, please contact Lucia Cestti via email at [investor@riocristalresources.com](mailto:investor@riocristalresources.com).

### **About Minmetals Resources Limited**

Minmetals Resources Limited is a mid-tier global resources company that mines, explores and develops base metal projects in Australia, and around the world. The company is headquartered in Melbourne, Australia and listed on the Hong Kong Stock Exchange under Stock Code: 1208.

The company is uniquely positioned with an experienced international management team, public ownership on the Hong Kong stock exchange (28.3%) and support of its ultimate controlling shareholder China Minmetals Corporation (71.7%).

*This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the definitive agreement with MMRE and MMRE's obligations thereunder, shareholder approval for such agreement, potential exploration results, future plans and objectives of the Company are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future results, events and objectives could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Rio Cristal's expectations include the failure to complete a definitive agreement with MMRE due to one of the conditions precedent not being met, including board approval of both parties and due diligence and the rejection by TSX Venture Exchange or the Company's shareholders of the agreement .*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*This news release does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*