RILEY RESOURCES CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2015

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Background

Riley Resources Corp. (the “Company” or “Riley”) provides this Management Discussion and Analysis (“MD&A”) of financial position and results of operations as of August 6, 2015. This MD&A should be read in conjunction with the unaudited condensed interim financial statements for the period ended June 30, 2015 and the notes thereto, as well the audited financial statements for the years ended December 31, 2014 and 2013 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. The Company has prepared this MD&A following the requirements of National Instrument 51-102, Continuous Disclosure Obligations.

Description of Business

Riley was incorporated under the Business Corporations Act (British Columbia) on June 3, 2011. The Company’s registered office is located at Suite 1825 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. On January 8, 2015, the Company completed its initial public offering (the “Offering”) of 2,000,000 common shares at $0.10 per share for gross cash proceeds of $ 200,000 and listed its common shares on the TSX Venture Exchange (“TSXV”) as a Capital Pool Company (“CPC”) under the trading symbol RLY.P. the Company paid the agent a commission equal to 10% of the gross proceeds, being $20,000, to pay a corporate finance fee of $10,000 and to grant the agent an option to acquire 10% of the number of common shares sold, exercisable at $0.10 per share for 2 years from the date of the listing of the common shares on the TSXV

As at June 30, 2015, the Company had no business operations. As a CPC, the Company’s business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the TSXV. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, additional funds may be required to complete the acquisition or participation and the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

Under the policies of the TSXV, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company’s shares are listed for trading on the TSXV. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The TSXV may suspend or de-list the Company’s shares from trading should it not meet these requirements.

Results of Operations for the Three Months Ended June 30, 2015

For the three months ended June 30, 2015, the Company recorded a net loss of $9,873 versus a net loss of $Nil incurred during the three months ended June 30, 2014. The increase in net loss during the three months ended June 30, 2015 is due primarily from an increase in professional fees ($6,503), which is due to increased accounting and audit fees incurred during the period.

Results of Operations for the Six Months Ended June 30, 2015

For the six months ended June 30, 2015, the Company recorded a net loss of $74,746 versus a net loss of $Nil incurred during the six months ended June 30, 2014. The increase in net loss during the six months ended June 30, 2015 is due primarily from an increase in stock-based compensation ($62,883), which is due to 705,000 stock options granted during the period.

Liquidity, Cash Flows and Capital Resources

Since inception, the Company's capital resources have been limited to amounts raised from the private sale of common shares in the Company. From inception to June 30, 2015, the Corporation has raised $475,001 gross proceeds from the sale of its common shares. As of June 30, 2015, the Company had working capital of $332,543. At the current rate of expenditure, the Company has sufficient working capital to meet its ongoing administrative costs.

The Company does not have any operations. Proceeds from the Offering and existing working capital will be utilized to enable the Company to identify and evaluate businesses or assets with a view to complete a Qualifying Transaction. However, if the Company identifies a target business, asset or property as its Qualifying Transaction, it is probable that the Company will have to seek additional financing.

To date, the Company has relied entirely upon the sale of common shares to provide working capital to fund the administration of the Corporation. Now that the Company has completed its Offering, there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Furthermore, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete the transaction.

Annual Financial Information

The financial statements have been prepared in accordance with IFRS for fiscal years 2014, 2013 and 2012, and are expressed in Canadian dollars.

	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
	$	$	$
Operations:			
Revenues	-	-	-
Net income (loss)	(8,651)	(443)	(258)
Net income (loss) per share – Basic	(0.00)	(443)	(258)
Net income (loss) per share – Diluted	(0.00)	(443)	(258)
Balance Sheet:			
Working capital	258,903	(3,480)	(3,036)
Total current assets	312,163	1	1
Total liabilities	53,260	3,481	3,037

Quarterly Financial Information

The following selected financial information is derived from the condensed interim financial statements of the Company prepared in accordance with IFRS.

Quarter ended	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net income (loss)	(9,873)	(64,873)	(8,331)	(320)	-	-	-	(443)
Basic Earnings per share (loss)	(0.00)	(0.01)	(0.01)	(0.00)	0.00	0.00	0.00	(0.00)
Diluted Earnings per share (loss)	(0.00)	(0.01)	(0.00)	(0.00)	0.00	0.00	0.00	(0.00)

Related Party Disclosures

As at June 30, 2015, $3,480 (December 31, 2014 - $36,703) of accounts payable and accrued liabilities was payable to a law firm in which a director is a partner and to a director.

During the period ended June 30, 2015, $1,185 (June 30, 2014 - $Nil) was paid to a law firm in which a director is a partner.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Commitments

The Company has no commitments.

Conflicts of Interest

The Company's directors and officers may serve as directors and/or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (British Columbia) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Outstanding Share Data

	Number of Shares Outstanding (Diluted)
Outstanding as at August 6, 2015	**7,050,001**
Shares reserved for issuance pursuant to share purchase options outstanding	705,000
Shares reserved for issuance pursuant to agent's warrants outstanding	200,000
Shares outstanding - fully diluted	**7,955,001**

As at the date of this MD&A, the Company had outstanding stock options enabling holders to acquire common shares of the Company as follows:

Number Outstanding	Exercise Price	Expiry Date
705,000	$ 0.10	January 8, 2025

As at the date of this MD&A, the Company had outstanding share purchase warrants enabling holders to acquire common shares of the Company as follows:

Number Outstanding	Exercise Price	Expiry Date
200,000	$ 0.10	January 8, 2017

Critical Accounting Estimates

The preparation of financial statements in conformity IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues (if applicable) and expenditures during the reporting period.

Accounting Standards and Interpretations Issued but Not Yet Adopted

The following new standards and standards changes have been issued but are not effective for the financial year beginning on January 1, 2014 and have not been early adopted:

> IFRS 9 - *Financial Instruments.* IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. This standard is required to be applied for the Company's accounting periods beginning on January 1, 2018. Management is currently assessing the impact of this new standard on the Company's accounting policies and financial statement presentation.

Risks and Uncertainties

(i) the Corporation has not commenced operations, and has no assets other than cash, has no history of earnings and shall not generate earnings or pay dividends until at least after completion of the Qualifying Transaction;

(ii) the TSXV has accepted the listing of the Corporation's common shares but listing is subject to the Corporation fulfilling all of the requirements of the TSXV;

(iii) until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions; and

(iv) even upon completion of the Offering, the Corporation will only have limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction.

(v) The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result and other persons would be required to manage and operate the Company.

Corporate Governance

Management of the Company is responsible for the preparation and presentation of the annual financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the board of directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the audited consolidated annual financial statements and MD&A. Responsibility for the review and approval of the Company's unaudited condensed interim consolidated financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of 3 directors, 2 of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The external auditors are appointed annually by the shareholders to conduct an annual audit of the financial statements in accordance with IFRS. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit, as well as assist the members of the Audit Committee in discharging its corporate governance responsibilities.

Cautionary Statement

The Company's unaudited condensed interim financial statements for the period ended June 30, 2015, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "RISKS AND UNCERTAINTIES" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that 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. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Other Information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com.

Approved by the Audit Committee **August 6, 2015**