RIVERSIDE RESOURCES INC.

(An Exploration Stage Enterprise)

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

June 30, 2017

(Unaudited)

Index

Notice of non-review of condensed interim consolidated financial statements

The attached condensed interim consolidated financial statements for the nine month period ended June 30, 2017 have not been reviewed by the Company’s auditors.

RIVERSIDE RESOURCES INC.
(An Exploration Stage Enterprise)
Condensed Interim Consolidated Statements of Financial Position as at
(Unaudited - Expressed in Canadian Dollars)

	Note		June 30, 2017		September 30, 2016
Assets					
Current assets:					
Cash and cash equivalents		$	4,958,922	$	3,690,714
Short-term investments	3		1,068,252		1,370,484
Receivables	4		451,996		245,409
Prepaid expenses	5		68,538		54,853
			6,547,708		5,361,460
Deposits			25,525		25,525
Equipment	6		95,889		71,109
Exploration and evaluation assets	7		4,068,685		2,494,722
			10,737,807	$	7,952,816
Liabilities and Shareholders' Equity					
Current liabilities:					
Accounts payable and accrued liabilities	8	$	783,859	$	1,046,343
Shareholders' equity:					
Capital stock	9		24,472,028		20,980,091
Reserves	9		3,003,351		2,780,005
Deficit			(16,648,128)		(15,770,270)
Accumulated other comprehensive loss			(873,303)		(1,083,353)
			9,953,948		6,906,473
		$	10,737,807	$	7,952,816

Nature and continuance of operations and basis of presentation (Note 1)

On behalf of the Board on August 26, 2017:

"Walter Henry"	Director	*"Carol Ellis"*	Director
Walter Henry		Carol Ellis	

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

RIVERSIDE RESOURCES INC.

(An Exploration Stage Enterprise)

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Note	3 Months Ended June 30, 2017	3 Months Ended June 30, 2016	9 Months Ended June 30, 2017	9 Months Ended June 30, 2016
Expenses					
Consulting fees		$ 57,164	$ 100,405	$ 110,539	$ 225,835
Depreciation	6	6,547	6,423	17,928	20,218
Director fees		12,000	9,750	41,000	33,750
Filing fees		2,983	10,873	36,770	30,111
Foreign exchange (gain) loss		83,036	(586)	31,214	66,533
Investor relations		50,135	53,609	168,800	142,038
Office expenses		17,406	21,391	47,413	57,822
Payroll and benefits		798	1,873	3,633	1,978
Professional fees		33,858	21,433	106,800	48,622
Property investigation and evaluation		25,824	(30,607)	124,210	(13,342)
Rent		38,656	45,435	117,694	143,247
Share-based payments	9	87,075	18,794	234,177	62,626
Travel and meals		423	4,837	9,090	30,853
Finance income		(343)	(3,133)	(3,757)	(19,042)
Other income		(19,029)	(150)	(69,885)	(150)
Unrealized (gain) loss on short-term investments		(59,655)	(147,830)	(97,768)	284,497
Results from operations		(336,878)	(112,517)	(877,858)	(1,115,596)
Recovery on exploration & evaluation assets		-	-	-	1,279,428
Write-down of exploration & evaluation assets		-	-	-	-
Write-down of short-term investments		-	-	-	(400,000)
		-	-	-	879,428
Net loss for the period		(336,878)	(112,517)	(877,858)	(236,168)
Foreign exchange movements		1,944	(379,817)	210,050	(706,531)
Comprehensive loss for the period		(334,934)	(492,334)	(667,808)	(942,699)
Loss per share – basic and diluted		$ (0.01)	$ (0.00)	$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted		44,067,445	37,371,778	40,031,073	37,300,537

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

RIVERSIDE RESOURCES INC.
(An Exploration Stage Enterprise)
Condensed Interim Consolidated Statements of Cash Flows for Nine Months Ended June 30,
(Unaudited - Expressed in Canadian Dollars)

	Note	2017	2016
OPERATING ACTIVITIES			
Net loss for the period		$ (877,858)	$ (236,168)
Items not involving cash			
Depreciation	6	17,928	20,218
Performance bonus shares	9	24,475	11,344
Share-based payments	9	234,177	62,626
Unrealized loss (gain) on short-term investments		(97,768)	284,497
Write-down of short-term investments		-	400,000
Change in non-cash working capital items:			
Prepaid expenses		(13,685)	(279,803)
Taxes receivable		(206,587)	(35,957)
Other receivable		-	(2,164)
Accounts payable and accrued liabilities		(47,351)	(254,410)
		(966,669)	479,003
INVESTING ACTIVITIES			
Deposits		-	107,583
Exploration and evaluation assets		(1,415,923)	(466,290)
Exploration advances – accounts payable and accrued liabilities		(219,209)	-
Sale (Acquisition) of equipment	6	(37,909)	-
Sale of short-term investments	3	650,000	(287,110)
		(1,023,041)	(645,817)
FINANCING ACTIVITIES			
Proceeds from share issuance, net of issuance costs	9	3,342,531	-
Proceeds from stock options exercising	9	22,100	-
		3,364,631	-
Effect of foreign exchange on cash and cash equivalents		(106,713)	(152,515)
Increase (decrease) in cash and cash equivalents		1,268,208	(319,329)
Cash and cash equivalents, beginning of the period		3,690,714	1,781,941
Cash and cash equivalents, end of the period		$ 4,958,922	$ 1,462,612

Supplemental disclosures with respect to cash flows (Note 12)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

RIVERSIDE RESOURCES INC.
(An Exploration Stage Enterprise)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Note	Capital Stock: Shares	Capital Stock: Amount	Reserves	Deficit	Accumulated other comprehensive income	Total shareholders' equity
Balance at September 30, 2015		37,051,778	20,916,978	2,712,413	(16,532,828)	(125,734)	6,970,829
Issued for:							
Performance bonus shares	9	320,000	48,000	-	-	-	48,000
Share-based payments	9	-	-	62,626	-	-	62,626
Loss for the period		-	-	-	(236,168)	-	(236,168)
Foreign exchange movements		-	-	-	-	(706,531)	(706,531)
Balance at June 30, 2016		37,371,778	20,964,978	$ 2,775,039	$ (16,768,996)	$ (832,265)	$ 6,138,756
Balance at September 30, 2016		37,409,778	20,980,091	2,780,005	(15,770,270)	(1,083,353)	6,906,473
Issued for:							
Stock option exercise	9	105,000	32,931	(10,831)	-	-	22,100
Performance bonus shares	9	55,000	24,475	-	-	-	24,475
Private placement	9	6,257,367	3,441,552	-	-	-	3,441,552
Shares issued for finder's fee	9	152,168	83,692	-	-	-	83,692
Share issuance costs		-	(182,713)	-	-	-	(182,713)
Shares issued for property	7	200,000	92,000	-	-	-	92,000
Share-based payments	9	-	-	234,177	-	-	234,177
Loss for the period		-	-	-	(877,858)	-	(877,858)
Foreign exchange movements		-	-	-	-	210,050	210,050
Balance at June 30, 2017		44,179,313	$ 24,472,028	$ 3,003,351	$ (16,648,128)	$ (873,303)	$ 9,953,948

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. Nature and continuance of operations and basis of presentation

Riverside Resources Inc. (the "Company") is a mineral exploration and development company listed on the TSX Venture Exchange under the symbol "RRI" and engaged in the acquisition, exploration and development of exploration and evaluation assets in the Americas including Canada, the United States and Mexico.

The Company's head office address is 1110 – 1111 West Georgia Street, Vancouver, British Columbia, Canada V6E 4M3. The Company's registered and records office address is 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7.

The Company's ability to continue operations is uncertain and is dependent upon the ability of the Company to obtain necessary financing to meet the Company's liabilities and commitments as they become payable, the successful acquisition of an interest in assets or a business, and the ability to generate future profitable production or operations or sufficient proceeds from the disposition thereof. The outcome of these matters cannot be predicted at this time. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Management believes that the Company has sufficient working capital to maintain its operations and activities for the current fiscal year.

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for interim information, specifically International Accounting Standards ("IAS") 34 - *Interim Financial Reporting*. In addition, the condensed interim consolidated financial statements have been prepared using interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and the same accounting policies and methods of their application as the most recent annual financial statements of the Company. These condensed interim consolidated financial statements do not include all disclosures normally provided in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2016. In management's opinion, all adjustments necessary for fair presentation have been included in these condensed interim consolidated financial statements. Interim results are not necessarily indicative of the results expected for the year ended September 30, 2017.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments as fair value through profit and loss or available for sale, which are stated at their fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(Unaudited - Expressed in Canadian Dollars)

2. Significant accounting policies

Principles of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company transactions and balances have been eliminated upon consolidation.

Name of subsidiary	Country of incorporation	Proportion of ownership interest	Principal activity
Riverside Resources Mexico, S.A. de C.V.	Mexico	100%	Mineral exploration
RRM Exploracion, S.A.P.I. de C.V.	Mexico	100%	Mineral exploration
RRI Exploration Inc.	United States	100%	Mineral exploration
RRI Holdings Limited	Canada	100%	Holding company
Riverside Resources (BC) Inc.	Canada	100%	Mineral exploration

Accounting standards adopted during the period

Effective October 1, 2015, the following standard was adopted but did not have a material impact on the consolidated financial statements:

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

(Unaudited - Expressed in Canadian Dollars)

3. Short-term investments

Short-term investments include marketable securities received as a result of property option agreements. Marketable securities comprise common shares in publicly traded and private companies as follows:

	June 30, 2017			September 30, 2016		
	Number of shares	Cost	Fair market value	Number of shares	Cost	Fair market value
Arcus Development Group Inc.	29,000	$ 11,020	$ 4,205	29,000	$ 11,020	$ 2,030
Croesus Gold Corp.(1)	3,000,000	300,000	650,000	6,000,000	600,000	1,300,000
Guerrero Exploration Inc.	1,926,000	343,049	-	1,926,000	343,049	-
Morro Bay Resources Ltd.(2)	873,300	763,030	130,995	8,733,001	763,030	43,665
E3 Metals Corp.(3)	55,087	160,667	33,052	275,438	160,667	24,789
Sierra Madre Developments Inc.(4)	12,503,218	1,103,791	-	12,503,218	1,103,791	-
Silver Viper Minerals Corp.(5)	1,000,000	250,000	250,000	-	-	-
		$ 2,931,557	$ 1,068,252		$ 2,981,557	$ 1,370,484

(1) During the nine months ended June 30, 2017, the Company sold 3,000,000 shares of Croesus Gold Corp., a private company, for $650,000, which provided the basis of the fair value measurement of Croesus Gold Corp. shares as at June 30, 2017.

(2) Morro Bay Resources Ltd. had a 10:1 share consolidation on May 15, 2017.

(3) E3 Metals Corp. was formerly named Savannah Gold Corp., and consolidated its common shares on the basis of five old shares for one new share on March 3, 2017.

(4) The Company holds approximately 23.2% of the issued and outstanding shares of Sierra Madre Developments Inc. (“Sierra Madre”). The presumption that the Company has significant influence by holding 20% or more of the voting power through its common share holdings in Sierra Madre is overcome due to the fact that the Company has no representation on the board of directors, and is not involved in policy-making processes, there is no interchange of managerial personnel, and there is no provision of essential technical information. As a result, the investment is carried on the statement of financial position at fair value with changes in fair value recognized in the profit or loss.

(5) As at June 30, 2017, the Company held 1,000,000 shares in Silver Viper Minerals Corp., a private company, valued at $0.25 per share in accordance with the option agreement (Note 7(a)).

4. Receivables

Receivables consist of tax refunds from the Federal Governments of Canada and Mexico. The breakdown is as follows:

	June 30, 2017	September 30, 2016
GST recoverable amounts in Canada	$ 21,213	$ 16,109
IVA recoverable amounts in Mexico	406,414	164,139
Land taxes recovery in Mexico	24,369	64,077
Other receivables	-	1,084
	$ 451,996	$ 245,409

(Unaudited - Expressed in Canadian Dollars)

5. Prepaid expenses

The breakdown of prepaid expenses is as follows:

		June 30, 2017		September 30, 2016
Conferences and courses	$	27,495	$	9,659
Expense advances		33,932		22,559
Insurance		3,923		20,878
Rent		3,188		1,757
	$	68,538	$	54,853

6. Equipment

		Computer hardware		Exploration equipment		Furniture & fixtures		Vehicles		TOTAL
Cost										
Balance at September 30, 2015	$	84,402	$	143,496	$	38,037	$	107,865	$	373,800
Foreign exchange movement		(2,234)		(18,533)		(3,735)		(15,557)		(40,059)
Balance at September 30, 2016	$	82,168	$	124,963	$	34,302	$	92,308	$	333,741
Additions		3,619		-		-		34,290		37,909
Disposals		-		-		(462)		-		(462)
Foreign exchange movement		778		6,453		1,300		7,634		16,165
Balance at June 30, 2017	**$**	**86,565**	**$**	**131,416**	**$**	**35,140**	**$**	**134,232**	**$**	**387,353**
Accumulated depreciation										
Balance at September 30, 2015	$	(78,677)	$	(84,725)	$	(22,539)	$	(79,142)	$	(265,083)
Depreciation		(2,534)		(11,091)		(3,236)		(9,670)		(26,531)
Disposals		-		-		462		-		462
Foreign exchange movement		2,067		12,334		2,345		12,236		28,982
Balance at September 30, 2016	$	(79,144)	$	(83,482)	$	(22,968)	$	(76,576)	$	(262,170)
Depreciation		(1,431)		(6,263)		(1,639)		(8,595)		(17,928)
Foreign exchange movement		(747)		(4,774)		(921)		(4,924)		(11,366)
Balance at June 30, 2017	**$**	**(81,319)**	**$**	**(94,519)**	**$**	**(25,531)**	**$**	**(90,095)**	**$**	**(291,464)**
Net book value										
Balance at September 30, 2015	$	5,725	$	58,771	$	15,498	$	28,723	$	108,717
Balance at September 30, 2016	$	3,024	$	41,481	$	10,872	$	15,732	$	71,109
Balance at June 30, 2017	**$**	**5,246**	**$**	**36,897**	**$**	**9,609**	**$**	**44,137**	**$**	**95,889**

(Unaudited - Expressed in Canadian Dollars)

7. Exploration and evaluation assets

For the period ended June 30, 2017

	Penoles Mexico	Tajitos Mexico	Clemente Mexico	La Silla Mexico	Glor Mexico	Bacoachi Mexico	Cecilia Mexico	Teco Mexico	Flute Canada	Lennac Canada	Total
Acquisition costs	$ 196,970	$ 21,157	$ 58,746	$ 1,541	$ 34,598	$ -	$ 117,608	$ 25,255	$ -	$ -	$ 455,875
Exploration costs:											
Access	9,980	6,930	-	-	-	-	21,491	-	-	-	38,401
Assaying	938	3,369	575	1,070	-	-	2,541	-	-	-	8,493
Field & camp costs	27,312	22,822	-	4,750	-	-	16,264	4,846	-	-	75,994
Geological consulting	139,918	159,876	9,386	54,448	53,838	1,061	155,325	9,905	3,600	3,600	590,957
Transport & support	42,964	53,902	852	13,754	15,920	-	36,080	7,370	-	-	170,842
Total current exploration costs	221,112	246,899	10,813	74,022	69,758	1,061	231,701	22,121	3,600	3,600	884,687
Professional & other fees:											
Professional consulting	79,541	18,269	21,500	5,000	30,000	-	39,442	-	-	-	193,752
Legal fees	4,652	14,343	7,653	-	-	-	7,358	-	-	-	34,006
Others	22,270	2,009	-	292	2,714	-	1,712	-	252	1,752	31,001
Total current professional & other fees	106,463	34,621	29,153	5,292	32,714	-	48,512	-	252	1,752	258,759
Total costs incurred during the period	524,545	302,677	98,712	80,855	137,070	1,061	397,821	47,376	3,852	5,352	1,599,321
Balance, Opening	186,761	1,639,659	499,535	106,188	54,526	5,071	-	-	2,825	157	2,494,722
Recoveries	-	-	(337,322)	-	-	-	-	-	-	-	(337,322)
Foreign exchange movements	200,429	80,142	17,793	4,134	3,287	366	3,459	2,354	-	-	311,964
Balance, End of the period	$ 911,735	$ 2,022,478	$ 278,718	$ 191,177	$ 194,883	$ 6,498	$ 401,280	$ 49,730	$ 6,677	$ 5,509	$ 4,068,685
Cumulative costs:											
Acquisition	$ 3,654,807	$ 785,451	$ 163,825	$ 29,365	$ 52,203	$ 4,048	$ 117,608	$ 25,255	$ -	$ -	$ 4,832,562
Exploration	1,296,770	1,119,676	361,870	149,675	100,610	2,213	231,701	22,121	4,300	3,757	3,292,693
Professional & other fees	619,744	226,367	135,586	11,199	39,240	-	48,512	-	2,377	1,752	1,084,777
Recoveries	(4,319,037)	-	(360,379)	-	-	-	-	-	-	-	(4,679,416)
Foreign exchange movements	(340,549)	(109,016)	(22,184)	938	2,830	237	3,459	2,354	-	-	(461,931)
	$ 911,735	$ 2,022,478	$ 278,718	$ 191,177	$ 194,883	$ 6,498	$ 401,280	$ 49,730	$ 6,677	$ 5,509	$ 4,068,685

(Unaudited - Expressed in Canadian Dollars)

7. Exploration and evaluation assets (cont'd…)

For the year ended September 30, 2016

	Penoles Mexico	Sugarloaf Peak USA	Tajitos Mexico	Clemente Mexico	La Silla Mexico	Glor Mexico	Bacoachi Mexico	Flute Canada	Lennac Canada	Total
Acquisition costs	$ 294,885	$ 22,090	$ 13,059	$ 14,444	$ 27,824	$ 17,605	$ 4,048	$ -	$ -	$ 393,955
Exploration costs:										
Assaying	-	-	-	-	4,281	-	-	-	-	4,281
Data acquisition	4,570	-	1,575	-	1,653	-	-	-	-	7,798
Field & camp costs	4,294	-	16,118	442	1,382	999	1,152	-	-	24,387
Geological consulting	122,972	-	160,473	17,581	52,452	26,289	-	-	-	379,767
Transport & support	15,302	-	38,012	4,077	15,885	3,564	-	-	-	76,840
Total current exploration costs	147,138	-	216,178	22,100	75,653	30,852	1,152	-	-	493,073
Professional & other fees:										
Professional consulting	6,473	12,567	4,500	2,000	5,000	6,000	-	-	-	36,540
Legal fees	28,912	-	20,988	179	-	125	-	-	-	50,204
Others	275	-	390	11	907	401	-	-	-	1,984
Total current professional & other fees	35,660	12,567	25,878	2,190	5,907	6,526	-	-	-	88,728
Total costs incurred during the period	477,683	34,657	255,115	38,734	109,384	54,983	5,200	-	-	975,756
Balance, Opening	200,550	382,344	1,562,615	509,749	-	-	-	2,825	157	2,658,240
Recoveries	-	(417,001)	-	(15,000)	-	-	-	-	-	(432,001)
Foreign exchange movements	(491,472)	-	(178,071)	(33,948)	(3,196)	(457)	(129)	-	-	(707,273)
Balance, End of the period	$ 186,761	$ -	$ 1,639,659	$ 499,535	$ 106,188	$ 54,526	$ 5,071	$ 2,825	$ 157	$ 2,494,722
Cumulative costs:										
Acquisition	$ 3,457,837	$ 554,770	$ 764,294	$ 105,079	$ 27,824	$ 17,605	$ 4,048	$ -	$ -	$ 4,931,457
Exploration	1,075,658	1,053,196	872,777	351,057	75,653	30,852	1,152	700	157	3,461,202
Professional & other fees	513,281	200,453	191,746	106,433	5,907	6,526	-	2,125	-	1,026,471
Recoveries	(4,319,037)	(1,808,419)	-	(23,057)	-	-	-	-	-	(6,150,513)
Foreign exchange movements	(540,978)	-	(189,158)	(39,977)	(3,196)	(457)	(129)	-	-	(773,895)
	$ 186,761	$ -	$ 1,639,659	$ 499,535	$ 106,188	$ 54,526	$ 5,071	$ 2,825	$ 157	$ 2,494,722

(Unaudited - Expressed in Canadian Dollars)

7. Exploration and evaluation assets (cont'd…)

The terms and commitments of the Company with respect to its exploration and evaluation assets are subject to change if and when the Company and its partners mutually agree to new terms and conditions. Activities that occurred during the nine month period ended June 30, 2017 and subsequent thereto are as follows:

(a) Clemente, Sonora, Mexico

On December 2, 2016, the Company entered into an option agreement with Silver Viper Minerals Corp. ("Silver Viper") whereby Silver Viper could acquire a 100% interest in the Clemente Property by paying $796,500 in cash, issuing 2,000,000 common shares, and incurring exploration expenditures of $4,000,000 over five years as follows:

Due Date	Cash	Common shares	Cumulative exploration expenditures
August 23, 2016 (signing of LOI)	$ 15,000 (received)	-	-
December 2, 2016	$ 25,000 (received)	1,000,000 (received)	-
December 2, 2016	$ 46,500 (received)	-	-
December 2, 2017	$ 50,000	-	$ 350,000
December 2, 2018	$ 75,000	-	$ 850,000
December 2, 2019	$ 100,000	-	$ 1,600,000
December 2, 2020	$ 150,000	250,000	$ 2,600,000
December 2, 2021	$ 335,000	750,000	$ 4,000,000

On February 2, 2017, the Company received $15,822 in cash from Silver Viper for reimbursement of Clemente mining taxes from January to June 2017.

(b) Thor Project under Antofagasta Exploration Alliance, Sonora, Mexico

Thor is a porphyry copper project, located in Sonora, Mexico. Antofagasta Investment Company Limited ("Antofagasta") agreed to fund up to US $500,000 for a phase I exploration program on the project. Management fees are earned on exploration programs where the Company acts as the operator. During the nine months ended June 30, 2017, $54,773 of management fees were earned in relation to the Thor Project and recorded as a reduction in consulting fees.

On June 1, 2017, Antofagasta has elected not to complete the $5,000,000 in exploration expenditure required to earn a 65% interest in the Thor Project. As a result, the Company has regained a 100% interest in the Thor Copper Project.

(c) Cecilia, Sonora, Mexico

In January 2017, the Company signed the letter agreements with Gunpoint Exploration Ltd. ("Gunpoint") and Millrock Resources Inc. ("Millrock") to consolidate the former company's three La Cecilia Margarita concessions with the Violeta concession into a unified Cecilia Project. The Company could acquire a 100% interest in the La Cecilia Margarita concessions from Gunpoint with the following terms:

Due Date	Cash	Common Shares
Upon signing of letter agreement	$ 10,000 (paid)	-
Upon signing of Mexican agreement, Effective Date	$ 15,000 (paid)	100,000 (issued)
First anniversary of the Effective Date	$ 25,000	200,000
Second anniversary of the Effective Date	$ 75,000	300,000
Third anniversary of the Effective Date	$ 125,000	400,000

(Unaudited - Expressed in Canadian Dollars)

7. Exploration and evaluation assets (cont'd…)

(c) Cecilia, Sonora, Mexico (cont'd…)

The Company acquired a 100% interest in the Violeta concession by paying $10,000 (paid) and issuing 100,000 common shares (issued) to Millrock upon completion of property title transfer, subject to 0.5% NSR.

(d) Teco, Sonora, Mexico

Teco Project is made up of two concessions: Teco and Suaqui Grande. The Company acquired a 100% interest in the Suaqui Grande concession on March 24, 2017.

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of payables to vendors and exploration advances from alliance partners. The breakdown of accounts payable and accrued liabilities is as follows:

		June 30, 2017		September 30, 2016
Payables to vendors	$	60,819	$	104,094
Exploration advances		723,040		942,249
	$	783,859	$	1,046,343

9. Capital stock and reserves

The authorized capital stock of the Company consists of an unlimited number of common and preferred voting shares without nominal or par value.

Issued and outstanding

Shares issuance for the nine months ended June 30, 2017

(a) On January 30, 2017, 105,000 options were exercised for gross proceeds of $22,100.

(b) On January 30, 2017, the Company issued 55,000 bonus shares at a value of $24,475 to certain executive officers and consultants of the Company in accordance with the Company's shareholder approved bonus share plan.

(c) On March 15, 2017, the Company completed a non-brokered private placement consisting of 6,257,367 units at a price of $0.55 per unit for gross proceeds of $3,441,552. As part of the financing, the Company issued 152,168 additional units as finders' fees, with 149,168 units issued on April 24, 2017. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of $0.85 per share. The term of the warrants is subject to an accelerated exercise provision that triggers a shortened exercise period in the event that the volume-weighted average trading price of the Company is $1.15 or higher for 15 consecutive trading days after the expiry of four months from the issuance of the warrant but prior to the expiry of the first year of the warrant term.

(d) On May 3, 2017, the Company issued 200,000 shares valued at $92,000 for Cecilia Project (Note 7(c)).

(Unaudited - Expressed in Canadian Dollars)

9. Capital stock and reserves (cont'd…)

Issued and outstanding (cont'd…)

Shares issuance for the year ended September 30, 2016

(a) The Company issued 320,000 bonus shares at a value of $48,000 to certain executive officers and consultants of the Company as a performance bonus for 2015 in accordance with the Company's shareholder approved bonus share plan.

(b) The Company issued 38,000 common shares on the exercise of stock options for proceeds of $10,260, and allocated $4,853 from reserves to capital stock representing share-based payments recognized on the original vesting of the stock options.

Share purchase and agents warrants

	Number of warrants	Weighted average exercise price
Outstanding warrants, September 30, 2015 and 2016	-	$ -
Issued	3,204,767	0.85
Outstanding warrants, June 30, 2017	3,204,767	$ 0.85

As at June 30, 2017, the following share purchase warrants were outstanding and exercisable:

Expiry date (mm/dd/yyyy)	Number of warrants outstanding	Weighted average remaining life in years	Exercise price
03/15/2019	3,130,183	1.71	$ 0.85
04/24/2019	74,584	1.82	$ 0.85
	3,204,767	1.71	$ 0.85

Stock options

Share-based payments relating to options vested during the period ended June 30, 2017 using the Black-Scholes option pricing model was 234,177 (2016 - $62,626), which was recorded as reserves on the statements of financial position and as share-based payment expense in profit or loss. The associated share-based payment expense for the options granted during the period was calculated based on the following weighted average assumptions:

	2017	2016
Forfeiture rate	4.67 %	14 %
Estimated risk-free rate	1.21 %	0.66 %
Expected volatility	179.72 %	162.71 %
Estimated annual dividend yield	0.00 %	0.00 %
Expected life of options	5.00 years	5.00 years
Fair value per option granted	$ 0.30	$ 0.09

(Unaudited - Expressed in Canadian Dollars)

9. Capital stock and reserves (cont'd…)

Stock options (cont'd…)

The number and weighted average exercise prices of the stock options are as follows:

	Number of options	Weighted average exercise price
Outstanding options, September 30, 2015	3,142,000	$ 0.453
Forfeited	(403,000)	$ 0.269
Exercised	(38,000)	$ 0.270
Expired	(1,465,000)	$ 0.500
Granted	955,000	$ 0.145
Outstanding options, September 30, 2016	2,191,000	$ 0.324
Forfeited	(125,000)	$ 0.460
Exercised	(105,000)	$ 0.210
Granted	1,070,000	$ 0.420
Outstanding options, June 30, 2017	3,031,000	$ 0.360

On December 16, 2016, the Company granted 1,070,000 incentive stock options (the "Options") to certain Directors, Officers and Consultants of the Company. The Options are exercisable at $0.42 per share for a period of five years from the date of grant. Options granted to individuals in their capacity as a Director vest in three equal installments over 18 months and Options granted to Officers and Consultants vest in four equal installments over 12 months.

On May 31, 2017, 125,000 stock options were forfeited.

As at June 30, 2017, the Company has outstanding stock options exercisable as follows:

Expiry date (mm/dd/yyyy)	Number of options outstanding	Weighted average remaining life in years	Exercise price	Number of options exercisable
12/14/2017	525,000	0.46	$ 0.650	525,000
11/14/2019	761,000	2.38	$ 0.270	761,000
01/07/2021	725,000	3.53	$ 0.145	650,000
12/16/2021	1,020,000	4.47	$ 0.420	460,000
	3,031,000	3.02		2,396,000

(Unaudited - Expressed in Canadian Dollars)

10. Related party transactions

The Company entered into the following transactions with related parties:

Payee	Nature of transactions	Period ending June 30	Fees ($)	Shares ($)	Amount payable ($)
Arriva Management Inc.	Management and consulting fees (i)	2017 2016	193,800 187,472	4,450 11,250	06/30/2017: 5,818 09/30/2016: nil
GSBC Financial Management Inc.	Management and consulting fees (i)	2017 2016	147,503 127,503	6,675 11,250	06/30/2017: nil 09/30/2016: nil
Ronald Burk	Consulting fees (i)	2017 2016	149,374 nil	2,225 nil	06/30/2017: nil 09/30/2016: 7,604
English Bay Capital	Consulting fees (i)	2017 2016	121,500 76,500	6,675 11,250	06/30/2017: nil 09/30/2016: nil
Adrian Bray	Consulting fees (i)	2017 2016	8,250 nil	nil nil	06/30/2017: nil 09/30/2016: nil
Michael Doggett*	Director fees	2017 2016	5,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
Brian Groves	Director fees	2017 2016	9,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
James Clare	Director fees	2017 2016	9,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
Carol Ellis	Director fees	2017 2016	9,000 1,000	nil nil	06/30/2017: nil 09/30/2016: nil
Walter Henry	Director fees	2017 2016	9,000 1,000	nil nil	06/30/2017: nil 09/30/2016: nil

*Michael Doggett did not stand for re-election at the Company's AGM on March 2, 2017.

At June 30, 2017, the amount payable to a company controlled by an officer of the Company was $348 (September 30, 2016 - $2,013) for expense reimbursements.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the nine months ended June 30, 2017 and 2016 is as follows:

	2017	2016
Directors fees	$ 41,000	$ 33,750
Management and consulting fees (i)	620,427	501,646
Performance bonus shares	20,025	39,375
Share-based payments (ii)	169,826	36,239
	$ 851,278	$ 611,010

(i) Management and consulting fees of key management personnel for the period were allocated as follows: $123,500 (2016 - $117,000) expensed to consulting fees, $20,000 (2016 - $29,000) expensed to investor relations, $45,239 (2016 - $655) expensed to property investigation and evaluation, $417,288 (2016 - $147,160) capitalized to exploration and evaluation assets, and $14,400 (2016 - $207,831) capitalized to exploration work performed for alliances that will be reimbursed.

(ii) Share-based payments are the expenses associated with vested options granted to key management personnel.

(Unaudited - Expressed in Canadian Dollars)

11. Segmented information

The Company operates in one business segment, the exploration of exploration and evaluation assets and prospect generation. The Company's exploration activities are centralized whereby management of the Company is responsible for business results and the everyday decision-making. The Company's operations therefore are segmented on a geographic basis.

		June 30, 2017		September 30, 2016
Equipment				
Canada	$	15,008	$	14,385
Mexico		80,881		56,724
		95,889		71,109
Exploration and evaluation assets				
Canada		12,186		2,982
Mexico		4,056,499		2,491,740
		4,068,685		2,494,722
Total	$	4,164,574	$	2,565,831

12. Supplemental disclosure with respect to cash flows

For the nine months ended June 30,		2017		2016
Cash paid during the period for income taxes	$	-	$	-
Cash paid during the period for interest	$	-	$	-

The significant non-cash transactions for the nine months ended June 30, 2017 were as follows:

a) The Company received 1,000,000 Silver Viper shares valued at $250,000 as exploration and evaluation asset recoveries (Note 7(a)).

b) The Company issued 200,000 shares valued at $92,000 for Cecilia Project (Note 7(c)).

c) The Company issued 55,000 common shares at a value of $24,475 to certain executive officers and consultants in accordance with the Company's bonus share plan. The amount was capitalized to exploration and evaluation assets.

d) Included in accounts payable was $5,541 (September 30, 2016 - $1,465) in exploration and evaluation asset expenditures.

The significant non-cash transactions for the nine months ended June 30, 2016 were as follows:

a) The Company issued 320,000 common shares at a value of $48,000 to certain directors and officers in accordance with the Company's bonus share plan. Of which, $11,344 were expensed to consulting fees, and $36,656 were capitalized to exploration and evaluation assets.

b) The Company received 4,000,000 Croesus Gold shares valued at $400,000 as exploration and evaluation asset recoveries.

c) The Company returned 20,108,108 Morro Bay shares upon termination of Penoles option agreement.

d) Included in accounts payable was $nil (September 30, 2015 - $34,349) in exploration and evaluation asset expenditures.

13. Capital management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. In the management of capital, the Company includes components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

14. Financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables and accounts payable and accrued liabilities approximate carrying value, which is the amount recorded on the statements of financial position. The fair value of the Company's other financial instruments, cash and cash equivalents, and short-term investments under the fair value hierarchy are based on level one quoted prices in active markets for identical assets and liabilities.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Receivables primarily consist of tax recoverable amounts from the Federal Governments of Canada and Mexico, in which regular collection occurs. The Company believes its credit risk is equal to the carrying value of this balance.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2017, the Company had a cash and cash equivalents of $4,958,922 (September 30, 2016 - $3,690,714) and short-term investments of $1,068,252 (September 30, 2016 - $1,370,484) to settle current liabilities of $783,859 (September 30, 2016 - $1,046,343). The Company believes it has sufficient funds to meet its current liabilities as they become due.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of June 30, 2017, the Company had investments in short-term deposit certificates of $1,104,794 (September 30, 2016 - $1,693,633).

14. Financial instruments (cont'd…)

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company currently maintains short-term investments, which include marketable securities. There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of these securities.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, receivables, and accounts payable and accrued liabilities that are denominated in US dollars and Mexican pesos.

Sensitivity analysis

The Company operates in Mexico and is exposed to risk from changes in the US dollar and the Mexican peso. A simultaneous 10% fluctuation in the US dollar and Mexican peso against the Canadian dollar would affect accumulated other comprehensive loss for the period by approximately $677,808.

The Company holds marketable securities and is exposed to risk from changes in the share price of the marketable securities. A simultaneous 15% fluctuation in the share price would affect short-term investments and loss for the period by approximately $160,238.

RIVERSIDE RESOURCES INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED JUNE 30, 2017

INTRODUCTION

The management's discussion and analysis of the financial condition and results of operations ("MD&A") focuses upon the activities, results of operations, liquidity and capital resources of Riverside Resources Inc. (the "Company" or "Riverside") for the nine months ended June 30, 2017. In order to better understand the MD&A it should be read in conjunction with the unaudited financial statements and related notes for the nine months ended June 30, 2017 and the audited financial statements and related notes for the year ended September 30, 2016. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and filed with appropriate regulatory authorities in Canada. This MD&A is current to August 29, 2017 and in Canadian dollars unless otherwise stated.

Additional information relating to the Company, including its Information Circular for the financial year ended September 30, 2016, is available under the Company's profile on SEDAR at www.sedar.com.

Forward-Looking Statements

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and the development of the Company's properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of our common share price and volume and other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.SEDAR.com).

CORPORATE OVERVIEW

The Company is a mineral exploration and development company listed on the TSX Venture Exchange under the symbol "RRI" and is engaged in the acquisition, exploration and development of exploration and evaluation assets in the Americas including Canada, the United States and Mexico where the technical team collectively has more than 100 years of exploration experience and has been part of more than five discoveries that have found mineral resources and gone into production.

The Company combines the experience of mine discoverer John-Mark Staude (President, CEO, Director), Ron Burk (Vice President Exploration) and Adrian Bray (Manager of Operations) with the finance and business management expertise of Rob Scott (CFO), Brian Groves (Director), James Clare (Director), Walter Henry (Director) and Carol Ellis (Director). Management has experience in developing significant shareholder value and they have assembled a team that can build a valuable and successful organization.

CAPITAL STOCK

As at June 30, 2017, the Company had $24,472,028 in capital stock and 44,179,313 common shares outstanding.

Private Placement

On March 15, 2017, the Company completed a non-brokered private placement consisting of 6,257,367 units at a price of $0.55 per unit for gross proceeds of $3,441,552. As part of the financing, the Company issued 152,168 additional units as finders' fees, where 149,168 units were issued on April 24, 2017. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of $0.85 per share. The term of the warrants is subject to an accelerated exercise provision that triggers a shortened exercise period in the event that the volume-weighted average trading price of the Company is $1.15 or higher for 15 consecutive trading days after the expiry of four months from the issuance of the warrant but prior to the expiry of the first year of the warrant term.

Options and Performance Bonus Shares

Stock option and performance bonus share activity for the nine months ended June 30, 2017 included the following:

(a) 1,070,000 options were granted, exercisable at a price of $0.42 per common share for a period of 5 years.

(b) 105,000 options were exercised for gross proceeds of $22,100.

(c) 125,000 options were forfeited.

(d) 55,000 bonus shares were issued at a value of $24,475 to certain executive officers and consultants of the Company.

Stock option and performance bonus share activity for the year ended September 30, 2016 included the following:

(a) 320,000 bonus shares were issued at a value of $48,000 to certain officers and consultants in accordance with the Company's shareholder approved bonus share plan.

(b) 1,465,000 options expired unexercised, and 403,000 options were forfeited.

(c) 955,000 options were granted, exercisable at a price of $0.145 per common share for a period of 5 years.

(d) 38,000 options were exercised for gross proceeds of $10,260.

Warrants

There were 3,204,767 share purchase warrants outstanding as June 30, 2017 (September 30, 2016 – nil).

OPERATIONS

The Company's exploration team remains active in Mexico and continues to cost effectively build a strong portfolio of gold, silver and copper exploration assets. The Company continues to focus on northern and central Mexico where it has multiple exploration partners funding programs focused on gold, silver and copper.

<u>Cecilia Gold Project, Sonora, Mexico</u>

In January 2017, the Company signed the letter agreements with Gunpoint Exploration Ltd. ("Gunpoint") and Millrock Resources Inc. ("Millrock") to consolidate the former company's three La Cecilia Margarita concessions with the Violeta concession into a unified Cecilia Project. The Cecilia Project, located in northeastern Sonora, Mexico, is targeting epithermal gold-silver mineralization in a rhyolite dome setting. The epithermal gold-silver mineralisation is hosted by a felsic flow-dome complex, which is similar in age and composition to volcanic structures associated with the large Pitarrilla and San Juan silver deposits found in the State of Durango.

The 778.3-hectare Cecilia-Margarita concession covers four gold-silver target zones. Previous work focused on only a portion of the Project within an area of less than one square kilometre where more than thirty underground workings and twenty-three drill-holes have tested predominantly gold-bearing quartz veinlet stockworks and hydrothermal breccias hosted by siliceous volcanic rocks. Previous exploration completed by the predecessor to the Geologic Survey of Mexico and Cambior Explorations includes geological mapping, extensive surface and underground rock-chip sampling and two diamond drilling programs, one comprising 19 holes drilled in 1995 and an earlier campaign of four drill-holes. Highlights of exploration results reported by the previous operators include:

- 137 of 683 (20%) surface rock-chip samples assaying greater than 0.5 grams gold/tonne (g/t Au), with 72 of the 683 samples (approx.11%) having assays of greater than 1 g/t Au.
- A semi-continuous series of surface chip-channel rock samples across 119 metres (m) of altered volcanic rock that average 0.86 g/t Au, including 25 m grading 2.19 g/t Au. This sampling tested the North Breccia gold target.
- A drill-hole intersection of the North Breccia zone that averaged 1.41 g/t Au across 30.0 metres starting at 4.0 m in Cambior hole 138-95-08 is one of the better historic intercepts. A second intersection of the North Breccia zone averaged 0.39 g/t Au across 20.0 m starting at 48.0 m in hole 138-95-19.
- A 127 m intersection of altered polylithic breccia conglomerate in corehole 83-03, also drilled in the area of the North Breccia target, that produced nineteen samples which were shown to contain 1-2 g/t Au and 12-28 g/t silver (Ag) by rudimentary fire assaying apparently without atomic adsorption being done on the samples.
- An approximately 118 m intersection of altered silicic volcanic rocks in drill-hole 83-04 on the Central Zone target produced seventy-seven core samples which were found to contain 1-2 g/t Au and 12-136 g/t Ag by the same assaying method as was used on the samples from drill-hole 88-03.

The Company completed the first phase of self-funded exploration program in July of 2017, subsequent to the quarter end. The sampling done to date has been concentrated at the North Breccia and Central zones, the two high priority gold targets ready to progress on the property.

A key component of the Company's exploration program was to confirm the existence of multiple zones of gold-bearing hydrothermal breccia and quartz stockwork veining that had been sampled decades ago by other groups, including Chesapeake Gold Corp., Cambior Explorations and the Consejo de Recursos Minerales, the predecessor to Mexico's geological survey, Servicio Geologico Mexicano. Riverside accomplished this by collecting and analyzing a total of 406 rock samples from the Project's four main gold zones, the North Breccia, Central, West and East Zones. Bedrock exposures in areas surrounding the four prospects were also sampled with the objective of expanding the known zones of gold mineralization. Clusters of samples with gold concentrations greater than 0.3 g/t Au clearly define the above-mentioned gold zones. Importantly, gold mineralization at Cecilia is seen to be widespread, occurring over an area that is roughly 1,200 metres by 400 metres, and it is also found over an elevation range of more than 400 metres.

Some highlights of Riverside's sampling results included 8.0 and 9.7 metre wide zones of gold mineralization at the North Breccia Zone that averaged 3.90 g/t Au and 1.18 g/t Au, respectively as disclosed in the Company's news release and available on the website. These intervals encompass a total of 8 chip-channel samples 1.80 to 3.0 metres in length. About 400 metres southwest of the North Breccia Zone an altered fault structure was mineralized, with a 3.0 m wide zone showing an average grade of 5.45 g/t Au. The Company's exploration program has successfully outlined a number of priority drill targets and Riverside has now started the application process for drill permitting.

In addition to its rock sampling program, Riverside's geologists compiled and reviewed geological and geochemical data sets that had been generated over a 35-year history of modern exploration at Cecilia. Specific drilling targets have now been selected at Cecilia and a work permit application for a drilling program is being prepared for Mexico's environmental agency, SEMARNAT. Such permits are typically received 2 to 3 months after applications are submitted.

The selection of Riverside's drill targets was guided by gold assay data for surface and underground rock samples that were viewed in the context of a geological and exploration model of the Cerro Magallanes volcanic flow-dome complex. This model was developed by Riverside's geologists and is based on other flow-dome complexes in Mexico where economically important ore systems are found (eg. La Pitarrilla, San Julian). Riverside's planned drill-holes have been designed to test the North Breccia, Central and East gold zones using borehole orientations that in most cases will be at least 90° to the azimuth directions of the historic drill-holes, i.e. the planned holes will be directed to the south or southwest instead of to the northwest. Many of the boreholes drilled in 1995 are interpreted to have been oriented subparallel to the main mineralized structures, consequently missing their targets. Existing drill roads, with minor upgrading, will facilitate future drilling.

Some of Riverside's proposed drill-holes are designed to test deeper levels of the volcanic complex to explore for feeder structures that may control large epithermal quartz veins containing high-grade gold-silver mineralization. Such mineralization was found in boulders scattered at the entrances to a few of the old underground workings at the Central Zone (see press release on June 6, 2017). Select samples of this type of quartz veining yielded gold assays of 13.9 g/t Au 19.0 g/t Au, 55.0 g/t Au and 133.7 g/t Au, with corresponding silver assays of 20.7 g/t Ag, 335.0 g/t Ag, 288.0 g/t Ag and 87.8 g/t Ag.

Highlights of the exploration results reported from the first-phase exploration program by the Company include:

- Thirty-three (33) of the 91 samples collected at Cecilia (approximately 36% of the total) yielded gold assays greater than 0.5 g/t gold (Au), with five samples assaying greater than 3 g/t Au.
- The three best rock-chip assays were 113.7 g/t Au with 288 g/t silver (Ag), 58 g/t Au with 207 g/t Ag and 8.42 g/t Au with 87.8 g/t Ag. The sampling has also shown that silver mineralization is more strongly developed in the altered rocks than was reported by previous operators.
- Nineteen (19) of the 91 samples have silver contents greater than 100 g/t Ag, six of these samples yielding assays that were greater than 200 g/t Ag and the maximum silver assay was 310 g/t Ag.
- The silver-to-gold ratio of the epithermal mineralization appears to increase as mineralized structures are sampled at progressively lower elevations, which is characteristic of some of the major epithermal Ag-Au dome complexes of Mexico.

The Company's rock-chip samples confirm the existence of gold mineralization in hydrothermally brecciated felsic volcanic rocks of the Cerro Magallanes flow-dome complex. One key objective of the ongoing rock-chip sampling program is to confirm the existence of zones of gold-bearing hydrothermal breccias and quartz veinlet stockworks that were previously identified by other exploration groups. In addition, prospecting and rock sampling is being done in adjacent areas not previously sampled. This work is intended to expand beyond the known extents of gold mineralization and to discover new zones, with the ultimate goal of defining high-potential drill targets.

Glor Gold Project

The Company's Glor Project is located in Sonora, Mexico, and was initially acquired and funded as part of the Company's past strategic alliance with Hochschild Mining.

On July 25, 2016, the Company announced that it had entered into an option agreement with Minera Centerra S.A. de C.V. ("Minera Centerra"). Minera Centerra will have the opportunity to earn a 70-per-cent interest in the project by funding $3.5-million (U.S.) in exploration work over the next four years.

The Company has completed an initial nine-hole, 1,942 metre, diamond core drilling program at the 4 km² Pitaya Target within the 36 km² Glor Gold Project, which is being explored with funding by partner, Centerra Gold Inc. ("Centerra"). The Project hosts five other key target areas and the Property is located approximately 8 km west of Alamos Gold's El Chanate Mine in Sonora, Mexico. The recently completed drill program focused on the Pitaya Target located in the north-eastern sector of the Project, which had been defined by soil geochemistry and induced polarization geophysical surveys and then further investigated with mechanical trenching and chip-channel sampling as reported in news releases.

The longest hole of the 2017 drill program was 285 metres. Drill-hole GL17-002D yielded the best intersection of gold mineralization of the campaign: 11.0 metres averaging 0.591 grams gold per tonne (g/t Au) starting at 122 metres down the inclined drill-hole. The highest gold value included in this assay interval is 1.415 g/t Au over 1.0 metre of core. The other eight drill-holes intersected sporadic thin zones of gold mineralization that generally graded less than 0.4 g/t Au across 1.0 metre, with the best of these intercepts being a 2.0 metre interval in GL17-004D that averaged 0.466 g/t Au.

Fieldwork continues with funding by Centerra through the remainder of 2017 and, if sufficiently prospective gold targets are generated, a second round of drilling will possibly be completed before the end of the year. A brief summary of the project and previous disclosures are available on the Company's website.

Peñoles Project, Durango, Mexico

Please visit the Company's website and SEDAR filings for further information on the resource estimate and all of the previously completed exploration and drill programs at the Peñoles Property.

Tajitos Gold Project, Sonora, Mexico

The Tajitos Gold Project consists of two concessions blocks: Tajitos and El Tejo. The Tajitos Project hosts an extensive and well mineralized gold system in northwestern Mexico. The project was identified using a combination of the Company's Mexico mineral databases, local geologic knowledge, historic production data, and extensive personal networks.

The Company completed drilling in 2016 which tested the prospective trend of gold-rich Mesozoic volcanosedimentary mineralization that extends to the southeast under shallow post-mineralization cover at Tajitos, Sonora. The Company on May 17, 2016 announced results from eight (8) diamond core holes totalling 1,832 metres. Highlighted intercepts from the core drilling included (reported intervals are approximate true width):

- T16-001D, 3.00 metres @ 1.14 g/t gold starting at 297.00 metres depth (hole ended in mineralization);
- T16-002D, 11.10 metres @ 0.78 g/t gold starting at 185.90 metres depth;
- T16-005D, 3.00 metres @ 6.12 g/t gold starting at 48.00 metres depth;
- T16-008D, 1.50 metres @ 6.03 g/t gold starting at 42.00 metres depth;

Mineralization intersected in the Tajitos drilling correlates with fault zones and lithologic contacts and further drilling will be able to determine the mineralization extent and tenor. The core drilling at Tajitos provides key structural and stratigraphic information permitting updated fault control gold modeling and detailed investigation of alteration patterns and paragenesis of the gold mineralization. Please visit the Tajitos Project page to view a drill hole location map, cross sections and additional photos and figures.

A program of reverse circulation drilling in the Tejo concession area was completed in 2016 that sampled bedrock beneath post-mineral gravel cover. The program completed 12 holes for a total of 1,728 metres. The Tejo drilling discovered two new zones of favorable geologic units as well as determined depth to bedrock for a portion of the >15 km^2 property target area. The intersected bedrock includes the same stratigraphic units which host gold mineralization at the Tajitos target and similar alteration is observed in both areas.

The Tajitos project is owned 100% by Riverside and is open to finding exploration partners for the property. The high grades, near surface gold, and easy access make this a quality project for exploration discovery and further development.

Clemente Silver - Gold Project

The Company's Clemente project is an early stage exploration property located in westernSonora, Mexico. On August 23, 2016, the Company entered into a Letter of Intent ("LOI") with Silver Viper Minerals Corp. ("Silver Viper") whereby Silver Viper will acquire a 100% interest in the Clemente property. On December 2, 2016, the Company entered into a Definitive Agreement with Silver Viper, whereby Silver Viper will need to pay cash of $796,500 ($86,500 received), issue 2,000,000 common shares to the Company (1,000,000 common shares received), and incur $4,000,000 in aggregate exploration expenditures within five years of signing the Definitive Agreement. Silver Viper is in the process of completing its initial public offering ("IPO") and listing on the TSX Venture Exchange. It is formulating its exploration plans on the property and will commence once the listing is completed. A brief summary of the project and previous disclosures are available on the Company's website.

La Silla Gold - Silver Project

On November 17, 2015, the Company announced that it had won the right to stake concessions in the La Silla gold district in Sinaloa, Mexico. On June 29, 2016, the Company announced results from initial rock sampling with assays ranging from less than 0.05 gram per tonne gold up to 7.24 g/t gold and less than 0.05 gram per tonne silver up to 148.4 g/t silver. The Company is open for potential partnership on the Project. A brief summary of the project and previous disclosures are available on the Company's website.

Thor Copper Project, Sonora, Mexico

In June 2017, Riverside regained a 100% interest in the Thor Copper Project (the "Project"), as the Company's joint-venture partner, a subsidiary of Antofagasta plc ("Antofagasta"), elected not to complete the C$5M in exploration expenditure required to earn a 65% interest in the Project. The Thor Copper Project is located in north-eastern Sonora along the main copper producing belt of Mexico. Riverside and Antofagasta completed an initial proof-of-concept drill program to test for a Laramide aged porphyry-intrusive system. The first four (4) drill holes ever drilled at Thor confirmed the concept, with three of the four drill holes intersecting a large Laramide-aged porphyry style quartz-sericite-pyrite stockwork system. The initial drill holes did not return sufficient gold or copper assays for partner Antofagasta to continue, but the limited drilling that was completed was successful in hitting alteration and providing support for further exploration.

Riverside has drill permits in place, drill cores, maps, data and target areas defined ready to go for the next property option partner. The Company also owns the 12.4 km^2 Ariel Copper-Gold Project, which was won through the lottery-staking system and is strategically located 30 km ESE of the La Caridad Cu-Mo porphyry mine. Ariel covers an extensive zone of hydrothermal alteration, measuring 2.8 km in length by approximately 1.9 km wide.

The scientific and technical data contained in the property descriptions pertaining to the Company's Mexico portfolio were reviewed by Ron Burk, P. Eng., who is responsible for ensuring that the geologic information provided in this section of the Management Discussion and Analysis is accurate and acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Three-month period ended June 30, 2017

The Company incurred a net loss of $336,878, resulting in a loss per share of $0.01. The loss was attributable to operating expenses of $415,905, which were supplemented by an unrealized gain on short-term investments of $59,655, finance income of $343 and other income of $19,029.

Nine-month period ended June 30, 2017

The Company incurred a net loss of $877,858, resulting in a loss per share of $0.02. The loss was attributable to operating expenses of $1,049,268, which were supplemented by an unrealized gain on short-term investments of $97,768, finance income of $3757 and other income of $69,885.

Three-month period ended June 30, 2016

The Company incurred a net loss of $112,517, resulting in a loss per share of $0.00. The loss was attributable to operating expenses of $264,216 before considering the effect of the foreign exchange gain of $586, an unrealized gain on short-term investments of $147,830, finance income of $3,133, and other income of $150.

Nine-month period ended June 30, 2016

The Company incurred a net loss of $236,168, resulting in a loss per share of $0.01. The loss was attributable to operating expenses of $783,758 before considering the effect of the foreign exchange loss of $66,533, an unrealized loss on short-term investments of $284,497, and a write-down of short-term investments of $400,000, which were offset by recovery on exploration and evaluation assets of $1,279,428, finance income of $19,042, and other income of $150.

Exploration

The Company capitalizes all exploration costs relating to its resource interests whereas pre-exploration costs are expensed as incurred. During the period ended June 30, 2017, the Company recorded $1,599,321 in acquisition and exploration of its properties as follows:

- Mexico
    - Peñoles $ 524,545
    - Tajitos $ 302,677
    - Clemente $ 98,712
    - La Silla $ 80,855
    - Glor $ 137,070
    - Bacoachi $ 1,061
    - Cecilia $ 397,821
    - Teco $ 47,376

- Canada
  - Flute $ 3,852
  - Lennac $ 5,352

The Company recovered $337,322 of the acquisition and exploration expenditures through an option agreement with Silver Viper on the Clemente property during the period ended June 30, 2017, which reduced the cumulative exploration costs.

During the period ended June 30, 2016, the Company recorded $485,598 in acquisition and exploration of its properties as follows:

- US
  - Sugarloaf Peak $ 34,657
- Mexico
  - Penoles $ 174,258
  - Tajitos $ 163,550
  - Clemente $ 8,637
  - La Silla $ 86,907
  - Glor $ 17,589

Upon termination of Penoles option agreement with Morro Bay, the Company returned 20,108,108 Morro Bay shares to Morro Bay, valued at $201,081.

Full particulars of the deferred exploration costs are shown in Note 7 to the Financial Statements.

Recoveries and Other Income

During the period ended June 30, 2017, the Company received $87,322 in cash and 1,000,000 Silver Viper shares valued at $250,000 with respect to the option agreement on the Clemente property. Finance income and other income for the period ended June 30, 2017 were $3,757 and $69,885 respectively.

During the period ended June 30, 2016, the Company received $692,000 cash and 4,000,000 Croesus Gold Corp. shares valued at $400,000 with respect to the option agreement on the Sugarloaf Peak Property. Of the total $1,092,000 recovered, $417,001 was offset against the carrying value of the property bringing the balance down to $nil as at June 30, 2016. The remaining $674,999 was recorded as a recovery on the exploration and evaluation asset on the statement of operations and comprehensive loss. In addition, the Company recovered $604,429 from exploration alliances which was recognized in the statement of operations and comprehensive loss.

Other income consists of revenue from exploration equipment and vehicle rentals to the alliance and work programs.

Expenses

During the nine months ended June 30, 2017, the Company being the operator of the exploration programs earned $54,773 and $95,380 of management fees respectively in relation to the Thor Project and Centerra-Glor Project. These fees were recorded as a reduction in consulting fees per the Company's accounting policy. Compared to the previous year, property investigation and evaluation was higher as the Company sought for property acquisition opportunities in Latin America.

General and administrative expenses consist of filing fees, director's fees, rent, general office expenses and administrative services related to maintaining the Company's exchange listing and complying with securities regulations. Rent and general office expenses decreased compared to the same period in the prior year as the Company cut costs to conserve capital.

RISKS AND UNCERTAINTIES

In conducting its business, the Company faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land titles, exploration and development, government and environmental regulations, permits and licenses, competition, dependence on key personnel, fluctuating mineral and metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities. Please refer to the MD&A for the year ended September 30, 2016 for more detailed discussion of such risk factors.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters with the figures for each quarter in Canadian dollars.

Quarter end	Finance income (expense)	Property and other income (expense)	Unrealized gain/(loss) on short-term investments	Net income (loss)	Earnings (Loss) per share (basic & fully diluted)
30-Jun-17	343	19,029	59,655	(336,878)	(0.01)
31-Mar-17	2,373	13,027	52,827	(367,946)	(0.00)
31-Dec-16	1,041	37,829	(14,714)	(173,034)	(0.00)
30-Sep-16	1,162	175	875,906	998,726	0.03
30-Jun-16	3,133	150	147,830	(112,517)	(0.00)
31-Mar-16	5,622	-	290	261,766	0.01
31-Dec-15	10,287	-	(432,617)	(385,417)	(0.01)
30-Sep-15	(3,896)	10,356	(867,698)	(1,396,525)	(0.04)

The net income for the quarter ended September 30, 2016 was primarily due to an unrealized gain on short-term investments. Other than the ongoing costs of the business, the net loss for the quarter ended September 30, 2015 was mainly due to the write-down of loan receivable and unrealized losses on marketable securities in short-term investments.

LIQUIDITY AND CAPITAL RESOURCES

The Company relies on equity financings and exploration alliances for its working capital requirements and to fund its planned exploration and development activities. Management ensures the Company has sufficient cash in its treasury to maintain underlying option payments and keep claims in good standing. Increase in cash and cash equivalents for the period ended June 30, 2017 was $1,268,208. Working capital as at June 30, 2017 was $5,763,849. The Company has sufficient funds to meet ongoing corporate activities and planned exploration programs for the ensuing year.

Decrease in cash and cash equivalents for the period ended June 30, 2016 was $319,329. Working capital as at June 30, 2016 was $3,650,832.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are in the normal course of operations and are recorded at their exchange amount which is the price agreed to between the Company and the directors and officers.

The Company entered into the following transactions with related parties:

Payee	Nature of transactions	Period ending March 31	Fees ($)	Shares ($)	Amount payable ($)
Arriva Management Inc.	Management and consulting fees (i)	2017 2016	193,800 187,472	4,450 11,250	06/30/2017: 5,818 09/30/2016: nil
GSBC Financial Management Inc.	Management and consulting fees (i)	2017 2016	147,503 127,503	6,675 11,250	06/30/2017: nil 09/30/2016: nil
Ronald Burk	Consulting fees (i)	2017 2016	149,374 nil	2,225 nil	06/30/2017: nil 09/30/2016: 7,604
English Bay Capital	Consulting fees (i)	2017 2016	121,500 76,500	6,675 11,250	06/30/2017: nil 09/30/2016: nil
Adrian Bray	Consulting fees (i)	2017 2016	8,250 nil	nil nil	06/30/2017: nil 09/30/2016: nil
Michael Doggett*	Director fees	2017 2016	5,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
Brian Groves	Director fees	2017 2016	9,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
James Clare	Director fees	2017 2016	9,000 9,000	nil nil	06/30/2017: nil 09/30/2016: nil
Carol Ellis	Director fees	2017 2016	9,000 1,000	nil nil	06/30/2017: nil 09/30/2016: nil
Walter Henry	Director fees	2017 2016	9,000 1,000	nil nil	06/30/2017: nil 09/30/2016: nil

* Michael Doggett did not stand for re-election at the Company's AGM on March 2, 2017.

At June 30, 2017, the amount payable to a company controlled by an officer of the Company was $348 (September 30, 2016 - $2,013) for expense reimbursements.

CONTRACTUAL AND OTHER OBLIGATIONS

The Company entered into an office lease agreement with a third party for the office in Vancouver, Canada for a 5-year term from March 1, 2013 to February 28, 2018. Total remaining office lease commitments are as follows: $177,625 in 2017; and $74,987 in 2018.

PROPOSED TRANSACTIONS

At the present time, there are no proposed transactions that should be disclosed.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in Note 4 to the consolidated financial statements for the year ended September 30, 2016.

New standards adopted during the year

Effective October 1, 2015, the following standard was adopted but did not have a material impact on the consolidated financial statements:

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares. No preferred shares have been issued to date. An aggregate of 44,179,313 common shares were issued and outstanding as of the date of this MD&A.

The Company has 3,204,767 share purchase warrants outstanding as of the date of this MD&A.

The following summarizes information about the stock options outstanding as of the date of this MD&A:

Number of Options	Option Exercise Price	Expiry Date
525,000	$0.650	14-Dec-2017
761,000	$0.270	14-Nov-2019
725,000	$0.145	07-Jan-2021
1,020,000	$0.420	16-Dec-2021
3,031,000		