RIVERSIDE RESOURCES INC.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

INTRODUCTION

The management discussion and analysis of 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 year ended September 30, 2023. In order to better understand the MD&A, it should be read in conjunction with the consolidated financial statements and related notes for the year ended September 30, 2023. 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 January 26, 2024 and in Canadian dollars unless otherwise stated.

Additional information relating to the Company, including its Information Circular for the financial year ended September 30, 2023, is available under the Company's profile on SEDAR at www.sedarplus.ca.

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 www.sedarplus.ca.

CORPORATE OVERVIEW

The Company is a mineral exploration and evaluation company listed on the TSX Venture Exchange under the symbol "RRI" and is engaged in the acquisition, exploration and evaluation 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 gone into production.

The Company combines the experience of mine discoverer John-Mark Staude (President, CEO, Director), Freeman Smith (Vice President Exploration), and with the finance and business management expertise of Rob Scott (CFO), Wendy Chan (Director), James Clare (Director), Walter Henry (Director), and James Ladner (Director). Management has experience in developing significant shareholder value and they have assembled a team that can build a valuable and successful organization.

HIGHLIGHTS AND RECENT DEVELOPMENTS

Corporate and Financing

On October 24, 2022, the Company's longest serving director, Brian Groves, passed away due to natural causes.

On January 11, 2023, the Company received $37,500 cash and 550,000 shares of Southern Empire Resources Corp. with a fair market value of $55,000 as per the option agreement for the Suaqui Verde property.

On April 17, 2023, the Company announced the appointment of James Ladner as an Independent Director. Mr. Ladner holds an MBA equivalent from the University of St. Gallen and has over 25 years' experience in capital markets, including raising capital and securities trading. His expertise will be extremely valuable to the Company's corporate strategic development progress.

On June 8, 2023, the Company received 500,000 shares of Carlyle Commodities Corp. with a fair market value of $50,000 as debt settlement for the cost incurred by the Company regarding Cecilia property.

On January 8, 2024, 415,000 options expired unexercised.

On January 17, 2024, the Company granted 1,725,000 incentive stock options (the "Options") to certain directors, officers, and consultants of the Company. The Options are exercisable at $0.12 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 instalments over 18 months and Options granted to officers and consultants vest in four equal instalments over 12 months. There were also 335,000 bonus shares issued at a fair value of $40,200 to certain executive officers and consultants on the same date.

Sale of mineral claims

On November 15, 2022, the Company signed a definitive sale and royalty agreement with Minera Fresnillo, S.A. de C.V. ("Fresnillo"), a wholly owned subsidiary of Fresnillo PLC for the sale of Riverside's Tajitos Gold Project ("Tajitos") located in Sonora, Mexico. The Company received a US$2,500,000 cash payment and retains a 2.0% NSR ("Royalty") over the mineral concessions attached to the property.

OPERATIONS

The Company's exploration team remains active in Canada and Mexico. The Company continues to focus on Canadian exploration with its Ontario portfolio of gold and critical metals projects and expanding in British Columbia with Rare Earth Elements and gold projects that have good infrastructure and high potential for discovery. The Company is progressing exploration work in northwestern Mexico including work with exploration partners funding programs that focus on gold, silver, and copper.

Strategic Funding Agreement with BHP in Sonora, Mexico

Operational Details during and subsequent to the year ended September 30, 2023

On May 15, 2019, the Company entered into an Exploration Financing Agreement ("EFA") with BHP Exploration Chile SpA ("BHP"), (amended on August 9, 2022), for funding of generative exploration in the copper producing belt of Mexico (the "EFA Program"). The EFA Program is structured such that Riverside can retain up to 20% and BHP can earn up to 80% in each Project that BHP funds through the initial $5,000,000 of spending on each property. If the spending milestones are not completed the property ownership can be 100% retained by Riverside at its election.

Llano De Nogal, Sonora Mexico part of the EFA

On April 11, 2022, the Company signed an option agreement with Orogen Royalties Corp. ("Orogen") to acquire 100% interest in the Llano de Nogal copper project (the "Project") in Sonora, Mexico as a property acquisition within the BHP- Riverside

Sonora Mexico EFA that BHP funds 100% for the current stage of work. The Llano de Nogal Project becomes the fifth active HVWP progressing with BHP funding and Riverside managing the program.

On April 12, 2022, the Company received US$1,193,736 as exploration advances from BHP for the Llano de Nogal Project for the exploration activities from April 2022 to March 2023.

On September 6, 2022, the Company extended the EFA with BHP into a fourth year for a total allocated budget of US$1,600,000 for exploration work and ongoing High Value Work programs on the five copper projects, collectively called the "Sonora Projects", in Sonora Mexico.

On May 31, 2023, the Company was notified that BHP will no longer continue the EFA program. Subsequently, the Company formally notified Orogen regarding the non-renewal and terminated the Llano de Nogal option agreement with Orogen.

On December 5, 2023, the Company signed a Termination Agreement with BHP wherein the latter agreed to make a final payment of US$366,441 for the cost and expenses incurred by the Company in relation to the termination activities. Subsequently, on December 14, 2023, the Company received payment of US$366,441 from BHP.

Canada

As of the year ended September 30, 2023, the Company held 100% interest in the Pichette, Oakes and Duc projects in northwestern Ontario, Canada. Pichette and Vincent had been combined as one project called Pichette as the overall consolidation continues in northern Ontario by the Company for large project potential.

Beardmore Geraldton Greenstone Belt Portfolio, Ontario (Pichette, Oakes)

Gold deposits in the BGGB district include the 4.6 Moz Hardrock deposit[1] near Geraldton which was acquired by Equinox Gold Corp. from Premier Gold Mines Limited and is now being constructed into operation. The deposits are considered classic examples of epigenetic non-stratiform BIF-hosted gold deposits and shear zone orogenic gold deposits. Other notable deposits within the BGGB include the Brookbank (0.6 Moz M&I)[2]. Past production from the belt is estimated at 4.1M ounces which include the McCleod, Sand River and Leitch Mines (past production of 0.9 Moz)[3], Northern Empire Mine and the Sturgeon River Mine.

The Oakes Project is 5,600 hectares and host to several gold bearing shear zones only one of which has now seen drilling and other exploration work by Riverside that has expanded the known gold zones and developed a series of large scale targets including drilling on the HG zone setting the project up for further discovery expansion.

On February 10, 2021, the Company announced the option sale of Oakes, Pichette and Longrose projects for 8,000,000 common shares and a one-time bonus $500,000 in cash or share consideration for drill results of 100 g/m gold intercept at any of the three properties sold by the Company to iMetal Resources Inc. ("iMetal"), as well as the Company retaining a 2.5% Net Smelter Royalty (NSR) on each project. On November 18, 2021, the Company terminated the proposed acquisition with iMetal.

During this exploration partnership, Riverside acted as exploration operator completing the field programs and coordinating the geochemistry, geophysics and sampling. During the agreement with iMetal, Riverside more than doubled the induced polarization survey (IP) grid as well as conducted geochemical soil and rock sampling and mapping program along the survey grid at the Oakes Gold Project. Riverside then proceeded during 2022 to drill two of the multiple targets and find gold as described below.

[1] G Mining Services Inc. (Louis-Pierre Gignac, P.Eng et el), December 2016: NI 43-101 Technical Report Hardrock Project, Ontario, Canada for Greenstone Gold Mines

[2] Micon International Inc. Alan J. San Martin, and Charley Murahwi, (2012). Technical report on the Mineral Resources Estimates for the Brookbank and Key Lake projects Trans-Canada Property Beardmore-Geraldton Area Northern Ontario Canada Dated December 14, 2012.

[3] Mineral Deposit Inventory for Ontario, Ministry of Energy, Northern Development and Mines, Record: MDI52H09SE00004 (Leitch Mine).

Oakes Gold Project, Ontario

On March 3, 2022, Riverside announced the start of drilling at the 100% owned Oakes Gold. The drill program primarily focused on evaluating the shallow parts of the HG Target ("HG" or "High Grade") identified during the 2020-2021 Riverside exploration work programs. Additional holes to test parallel IP anomalies identified as the Crib and Brinklow targets to the south and west of HG. Prior exploration work at Oakes included induced polarization (IP) surveys, field mapping, magnetics, geochemical assay, sampling and trenching. Riverside during this year conducted extensive additional exploration and staked more ground expanding the project.

On April 5, 2022, the Company announced the expansion of its drilling program at the Oakes Project in Ontario, Canada to 1700 m across 12 drill holes and its summer exploration field plans that were later completed during 2022.

On June 15, 2022, the Company reported assay results for the first five drillholes from the Company's twelve-hole, 1,700-meter diamond drill program. The drilling in the HG Target ("HG") intersected gold in the anticipated target "zone" with the widest drilled interval so far being 5 m estimated true thickness with 2.1 g/t Au in hole DDH2022-02 and the highest assay value being 8.4 g/t over 1 m with visible gold. All 12 holes were drilled to between 126 m and 146 m total depth with one hole (DDH2022-08) being terminated at 115 m where it intersected a fault and could not continue. All samples comprised half-core, saw-cut samples with QA/QC described below and further at www.rivres.com.

Table 1: 2022 Drill Program Highlights at Oakes (first 5 holes)

HOLE#	FROM (m)	TO (m)	INTERVAL (m)	GOLD (g/t)
DDH2022-01	95	96	1	1.7
DDH2022-02	77	83	6	2.1
including	78	79	1	8.4 (VG)
DDH2022-03	73	74.5	1.5	4.0
DDH2022-03	84	85	1	1.4
DDH2022-03	105	106	1	3.6
DDH2022-03	114.5	120.5	6	0.6
DDH2022-04	83	96	13	0.2
DDH2022-05	94	96.5	2.5	0.8
DDH2022-05	102	103.5	1.5	1.5

On September 13, 2022, the company reported assay results for the remaining 7 drillholes of its twelve -hole diamond drill program. The 7 holes announced on this date intercepted favorable geology of metavolcanics, "greenstone", consistent with the geology noted in the earlier holes and further geological constraints for the mineralized zone and expands it. The best hole in the second batch of reporting was DDH-22-06 which returned 1.7 g/t over 4 m with one sample being almost 5 g/t gold. The best intercept in the 2022 program was 8.4 g/t over 1 m in Hole #2.

Table 1: 2022 Drill Program Highlights at Oakes (holes 6-12)

HOLE#	FROM (m)	TO (m)	INTERVAL (m)	GOLD (g/t)
OAKES-22-06	**72**	**76**	**4**	**1.7**
including	**72**	**73**	**1**	**4.9**
OAKES-22-06	85	88	3	1.0
OAKES-22-07	98	100	2	0.9
OAKES-22-08	9	10.5	1.5	0.4
OAKES-22-09	18	18.5	0.5	1.0
OAKES-22-11	22	23	1	2.2
OAKES-22-11	96.5	98	1.5	1.0
OAKES-22-11	113.5	115	1.5	1.1
OAKES-22-11	125.5	127	1.5	2.3
OAKES-22-11	151	152	1	0.9
OAKES-22-12	106.5	108	1.5	2.4
OAKES-22-12	130	131	1	0.4

Pichette Project, Ontario

The Pichette Project is 1,650 hectares and hosts gold in banded iron formation and metasediments. Historic drill intersections of 4.78 g/t gold over 0.65 m and historic surface grab sample highlights of 24.55 g/t gold, 21.42 g/t gold and 16.01 g/t gold. Source (PME) 1990 42E12NE0168. Riverside conducted generative exploration and progressed tenure consolidation during 2022 and early 2023.

On July 24, 2023, the Company announced its strategic acquisition of a portion of the P.A.T. Gold Mine within the larger Pichette Project, 60 kms west of Geraldton, Ontario. The P.A.T. gold mine project was drilled extensively in the 1950s and then had test mining conducted in the 1970s with an initial bulk sample extracted during that period. The historical work (non NI43-101) includes geophysics, geochemistry, geology, and drilling, which delivered strong gold intercepts at shallow depths including 16.65 g/t Au over 3.81m and 34.28 g/t Au over 1.1m both intervals at less than 80m depth (see Figure 1). This historical work at Pichette was located on recently reverted mineral leases that Riverside acquired through staking as the Company had surrounded strategic area with mineral claims.

Highlights:

- 100% Riverside owned, no underlying royalty.
- More than 1 Oz/ton Au in historical core intercepts for 1m+ intervals at 30m depth, thus shallow and open at depth.
- Close to past producing 1M oz Au Leitch Mine with associated iron formation host rocks.
- Within Greenstone Gold Mines, Hard Rock deposit >10M Oz Au so far.
- Riverside magnetics survey has defined banded iron formation targets that fit with surface gold showings make this exciting and highly prospective for drilling gold.

The Pichette Project is well located with excellent road infrastructure immediately south of the Trans-Canada Highway with drive up targets within the Beardmore-Geraldton Greenstone Belt. The Pichette targets are underlain by the east-west trending Archean-aged metavolcanic and metasedimentary suite consisting of greywacke and iron formation, which is the same geologic sequence that hosts the <1M Oz Brookbank deposit north across the highway from the project.

Much of the historical exploration and mining work was conducted during the 1950s with Tombill Mines Ltd. carrying out diamond-drilling. Tombill Mines conducted VLF-EM geophysics and then a soil survey of the anomalous zones defining shallow drill targets. Later during the 1974 and 1975 field seasons, P.A.T. Mines completed thirty-two (32) core drill holes The P.A.T. drilling returned high grade intercepts at shallow depths, leaving the system open at depth and shown in table below.

Table 1: Some of the best intercepts from the historical drilling on the Pichette Project

Drill Hole ID	From (m)	To (m)	Interval (m)	Grade Au g/t
201	16.76	20.57	3.81	**16.65**
202	35.91	37.03	1.13	**34.28**
202	56.97	58.46	1.49	**7.20**
204	61.87	65.07	3.20	**4.80**
209	32.46	35.05	2.59	**4.51**
210	31.88	35.81	3.93	**2.31**
213	48.95	49.65	0.70	**6.51**
216	42.31	45.78	3.47	**3.37**
217	35.69	37.58	1.89	**7.37**
220	42.82	45.08	2.26	**5.31**

Note: P.A.T. Mines drilled 26 holes on the Pichette Project as part of a larger drilling campaign in 1952. The original certificate for the assays are not available. The values here are extracted from drilling logs that were filed as part of assessment work. The work was conducted prior to the implementation of National Instrument 43-101 and as such should not be relied upon. Subsequent drilling in this area may not duplicate these results.

The gold is commonly enriched in intensely altered rocks adjacent to or within quartz-carbonate veins and veinlets as found in orogenic gold deposits. Several of the holes show high grade intercepts similar to those documented at the Leitch Gold Mine to the west at Beardmore. The bulk of the historical information described above was recovered from the Ontario Geological Survey (OGS) databases and the provincial government's Mineral Deposit Inventory (MDI) records. These sites have been verified by government geologists and reviewed in the field by Riverside geologists and are believed to be reliable in their geological detail. However, the original assay certificates from the historical drilling are no longer available and therefore cannot be verified.

Duc Project, Ontario

On January 23, 2023, Riverside announced that it had staked additional claims in northwestern Ontario and acquired the Duc Project ("the Project"), located south of the town of Kapuskasing, part of the Porcupine Mining District. The Project is roughly 600 hectares in size and located west of the past producing Agrium Ltd. carbonatite phosphate mine, within the Wawa Subprovince, which hosts several rare earth element occurrences and orogenic gold deposits.

On June 1, 2023, Riverside announced that it had completed an airborne geophysical helicopter magnetics survey on the Duc project. The magnetic results are interpreted to show two major parallel shears that extend north-easterly through the central part of the Duc Project with the magnetic high defining the mafic rocks which have iron that can be part of a catalyst for gold and critical metals deposition. The compilation of magnetic data and existing geochemistry from past drilling and sampling demonstrates potential scale and prospectivity for near surface mineralization continuing downward and eastward. This new survey helps to refine areas for more detailed Induced Polarity (IP) geophysics surveys which will be evaluated during this upcoming field season. IP is an excellent method to delineate sulphide mineralization and help vector in on drill targets. Specifically, the survey focused on targeting boundary areas and favorable geological features. These results delivered high prospective targets warranting further exploration.

The overall Duc Project is underlain by an Archean-aged metavolcanic and metasedimentary suite consisting of greywacke, arkose, and iron formation similar to the Abitibi Province of Central Canada. To the west and north the terrain is underlain by east-west striking metasedimentary schists and mafic metavolcanic flows belonging to the Quetico Subprovince which hosts various gold systems. The south and east areas of the Project are underlain by a black, medium-grained peridotite with nickel and PGM and is a greenstone unit which can be a favorable reactive host rock for critical metals deposition. The boundary between is a highly prospective geologic boundary that could host major mineralization potential. Past basal till drilling and diamond drilling suggests there are a several fault-bounded units striking northeast within the Project area and are highlighted by the survey. These parallel northeast trending fault structures, which include the Rufus Lake and Lepage faults, have been shown to host gold mineralization in the district and represent a key target element for this Project.

High Lake Greenstone Belt, Kenora, Northwestern Ontario

On October 28, 2021, the Company entered into a Definitive Option Agreement with Golden Retriever Minerals Ltd. (“Golden Retriever”) whereby Golden Retriever could acquire a 100% interest in the High Lake Property, by granting a 2% NSR on each of the three projects, agreeing to complete all required spending, taxes, keep in good standing and paying Riverside $125,000 in cash. The transaction greater details as below:

- $50,000 to be paid to Riverside on closing date of October 28, 2021 (Paid).
- $75,000 paid to Riverside on September 14, 2022 (Paid).
- Concurrent with the sale “Golden Retriever” granted to Riverside a 2% NSR on each of the Royal, Canoe and Electrum Projects. Each of the royalty granted on each project can be bought down to 1% for a total of $2,000,000 for a determined period of time.

Elly Project, Southern British Columbia

On May 3, 2023, the Company signed a Letter Agreement (LA) wherein the Company may acquire up to 100% interest in the Elly-Anika and Chilco projects located in British Columbia, Canada. Under the LA, the Company is granted a sole and exclusive right and option to acquire up to 100% interest in the said property by making the following cash payments and incurring the following exploration expenditures as follows:

Due date	Cash	Exploration expenditures
Upon the date of LA (May 3, 2023)	$10,000 (paid)	-
On the first anniversary of the LA date (May 3, 2024)	$15,000	20,000
On the second anniversary of the LA date (May 3, 2025)	$30,000	20,000

The Elly project is a series of mineral tenures that Riverside Resources (BC) Inc. staked and option agreement with private owners for mineral claims that the Company sees have gold potential and are around historic gold and base metal producers and many mineral prospects. At Elly, Riverside currently holds a total of 9,700 hectares area (97 km sq) in a number of claim blocks in the general region of Grand Forks and Greenwood BC.

On September 11, 2023, the Company announced the acquisition and expansion of the Elly gold project in the Greenwood Mining Area, targeting epithermal gold-silver mineralization. The Elly project in southern British Columbia expanded significantly, with Riverside staking prospective geology over 107 km². The project's positioning in the boundary district leverages historic gold camps in the region.

Revel Project, Southern British Columbia

On October 24, 2023, the Company announced the acquisition of the Revel Carbonatite Rare Earth Element Project near Revelstoke, positioning the company in the critical metals' sector.

The Revel project is 100% owned by Riverside and acquired in mid-2023 through Riverside staking open ground with known carbonatite geology and some geochemistry for Rare Earth Elements (REE) and past work on REE's and critical metals. Riverside's work of compilation, geology, geochemistry and exploration continues, and the Company has mineral concessions covering approximately 10 km sq as 1,100 hectares in an area north of Revelstoke, British Columbia.

Deer Park Project, Southern British Columbia

On September 29, 2023, the Company signed a LA wherein the Company may acquire up to 100% interest in the Deer Park and Sunrise projects located in British Columbia, Canada. Under the LA, the Company is granted a sole and exclusive right and option to acquire up to 100% interest in the said property by making the following cash payments and incurring the following exploration expenditures as follows:

Due date	Cash	Exploration expenditures
Upon the date of LA (September 29, 2023)	$25,000 (paid)	-
On the first anniversary of the LA date (September 29, 2024)	$30,000	20,000
On the second anniversary of the LA date (September 29, 2025)	$35,000	20,000

<u>Mexico</u>

La Union Gold Project, Sonora, Mexico

On October 6, 2021, the Company announced high-grade gold samples from initial field work and the mineral tenure consolidation and expansion of La Union Polymetallic Project in Sonora, Mexico. The acquisition of these additional concessions provides Riverside with an expanded land position and further control of the historical mines and old workings across the district. The consolidation through the acquisition of small internal concessions provides Riverside an option on the high-grade, previous small scale mine properties, internal to the larger surrounding 100% Riverside owned mineral concessions and increases the property total area to over 26 km^2 (2,604 hectares).

Riverside's initial field work included selective rock sampling from abandoned mine workings and dumps with results returning up to 59.4 g/t Au and 833 g/t Ag (see Table below).

Table 1: Sample Results from La Union Polymetallic Project

Sample ID	Au(g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Type	Description
RRI7891	59.4	833	5.76	4.16	0.3	rock chip	massive sulfide - dolomitic breccia
RRI7895	40	3.3			0.13	mine dump	massive sulfide and jasperoid
RRI7894	8.3	239			0.17	mine dump	jasperoid
RRI7890	1.367	50	1.63	1.43		mine dump	sulfide-oxide bearing breccia
RRI7893	0.473	12.4				rock chip	brecciated contact - dolomite/quartzite
RRI7889	0.072	76.4				rock chip	brecciated contact - dolomite/limestone

Note: Six of the higher-grade due diligence samples are shown in Table above.

Transaction Details for the Acquisition:

Riverside has optioned, over a 5-year term, two properties with staged cash payments without any retained NSR. The terms for each respective property (La Famosa and Plomito) are presented below:

YEAR	PAYMENTS	LA FAMOSA		PLOMITO	
0	On Signing	$	-	$	-
1	12 months	$	10,000.00 (paid)	$	10,000.00 (paid)
2	24 months	$	15,000.00	$	15,000.00
3	36 months	$	25,000.00	$	25,000.00
4	48 months	$	50,000.00	$	40,000.00
5	60 months	$	75,000.00	$	75,000.00
TOTAL		$	175,000.00	$	165,000.00

On January 5, 2022, the Company reported high grade surface sample assay results from its most recent field exploration program at La Union Project in Sonora, Mexico. After completing a claim consolidation in September, Riverside conducted a follow up field mapping and sampling program of 103 samples with the best sample returning 83.2 g/t (2.6 oz/t) gold and 4,816 g/t (150 oz/t) silver. The work further enhanced Riverside's understanding of the structural and lithological context by linking the small historical workings into a larger regional context.

Riverside's team returned and was able to define the extent of the mineralization. The highlights of this latest work defined high grade polymetallic samples up to 30% Zn, 83.2 g/t Au, 4,816 g/t Ag, 10.3% Pb (see Table below). Of the 103 samples assay value ranged from 83.3 g/t gold to non-detectable with about 30% of the samples returning significant values in gold, silver, lead and/or zinc the best being.

- Au – high: 83.2 g/t; low cut-off: 0.5 g/t
- Ag – high: 4,816 g/t; low cut-off: 300 g/t
- Pb – high: 10.3%; low cut-off: 0.1%
- Zn – high: 30%*; low cut-off: 0.1%

*30% Zn is the upper detection limit in analysis method performed

Table: Assays from La Union Polymetallic Project. Results from November 2021 program

Sample ID	Au(g/t)	Ag (g/t)	Pb (%)	Zn (%)	Sample Type	Width_m	Description
RRI-10180	83.2	1.1	-	-	chips		oxide veining
RRI-10178	22.6	20.3	-	-	dump		oxide veining
RRI-7814	0.3	4816	10.3	3.5	chips		oxide veining
RRI-10155	0.0	14.7	1.1	30	dump		hanging wall copper oxides
RRI-10156	0.0	8.2	2	21.4	chips		gossan
RRI-10157	0.1	176	3.8	19.8	chips		carbonate replacement
RRI-10865	9.4	107.6	0.06	1.6	chip channel	0.8	oxides
RRI-10866	9.9	53.6	0.01	2.5	chip channel	1.6	brecciation with oxides

RRI-10888	3.6	373	7.3	7.3	chip channel	0.6	manto with copper oxides
RRI-10889	2.6	169.7	0.7	6.6	chip channel	1.5	brecciation with oxides
RRI-10869	4.2	42	2.3	3.5	dump		brecciation with oxides
RRI-10189	6.1	23.4	8.2	0.06	chips		oxide veining
RRI-7808	8.8	183.2	3.9	3.4	chips		oxide veining

Note: Best 13 assays from 103 samples collected.

On May 5, 2022, the Company entered into an Exploration Earn-In Agreement (the "Agreement") with Minera Hochschild Mexico, S.A. de C.V. ("Hochschild"), a wholly-owned subsidiary of Hochschild Mining PLC where Hochschild could earn up to a 75% interest in Riverside's 100% owned La Union Gold Project (the "Project").

On July 18, 2022, Hochschild terminated the Exploration Earn-In Agreement for the La Union project, by undertaking the costs of reclamation works and the federal annual concession maintenance fees due prior to October 16, 2022. As of October 3, 2022, the Company had been reimbursed for past taxes and fees and the property had more than USD$500,000 of new mineral exploration and consolidation work completed to-date under the agreement with Hochschild.

On March 1, 2023, the Company signed an option agreement to acquire a 100% interest in the Union Mine in Mexico's Sonora region. The mine historically produced gold, silver and zinc from carbonate replacement deposits. The Company agreed to pay US$170,000 for the right, with the option to complete the earn-in by making a second payment of US$100,000 within 60 months of signing the agreement. Once the earn-in is complete, a 1.25% net smelter royalty will be retained by the underlying owner. The deal consolidated Riverside's Union Project, which includes infrastructure and surface access.

Los Cuarentas Gold Project, Sonora, Mexico

On July 29, 2021, the Company announced drill results from the Cuarentas Santa Rosalia Sur intermediate sulfidation vein system which is interpreted as potentially the upper extent for a untested porphyry Cu and vein system. The drill results intersected gold of 3.15m @ 0.36 g/t Au including 0.7m @ 0.88 g/t Au. 1.55m at 0.58 g/t Au was the second intercept in the same drill hole both occurring in the upper 70m of the less than 120m total depth single drill hole and the targets remain open along strike and down dip. This pilot hole proves the structure and opens up project for further drilling.

Highlights from the hole LC20-010 discovering a new drilled vein system:

- 3.15 m at 0.36 g/t Au including 0.7 m at 0.88 g/t Au
- 1.55 m at 0.58 g/t Au including 0.65 m at 1.05 g/t Au

Cecilia Gold Project, Sonora

The Cecilia project is well located with good access, safe working and strong local ranch support. The project is a low sulphidation epithermal Au-Ag rhyolite flow dome complex and is 6,900 ha (69 km^2) in size. Riverside geologic team has completed drilling of less than a quarter of the targets on the main claim areas, worked on structural geology targeting for the high-grade gold zones and integrated data as an on-going effort to complete updated cross sections, systematic targeting and three-dimensional modeling.

On April 27, 2021, Riverside released the assay results from holes 6 and 7 the best results are tabulated below.
Summary of intercepts for hole CED21-006 and CED21-007

Hole_ID	From (m)	To (m)	Down hole width (m)	Grade (g/t Au)
CED21-006	34.50	40.15	5.65	0.39
including	34.50	36.50	2	0.78
CED21-006	47.50	49.00	1.5	0.60
CED21-006	70.20	70.70	0.5	0.20
CED21-006	106.70	110.00	3.3 (True width)	3.70
including	106.70	108.00	1.3 (True width)	8.82
CED21-007	35.35	37.65	2.3	0.19
CED21-007	45.75	48.90	3.15	0.31

CED21-007	60.75	63.80	3.05 (True width)	0.67
including	62.3	63.8	1.5 (True width)	1.18

Tajitos Gold Project, Sonora

Located in north-western Sonora State, Mexico, the Tajitos Gold Project is a significant project for Fresnillo along the trend with its large operating complex of La Herradura Mine and Noche Buena Mine. Tajitos of Fresnillo has had over 600 drill holes and Riverside's tenure inside of Fresnillo's ground is a central land holding that Fresnillo has now purchased from Riverside.

On November 30, 2022, the Company signed a definitive sale and royalty agreement (the "Definitive Agreement") with Minera Fresnillo, S.A. de C.V. ("Fresnillo") a wholly owned subsidiary of Fresnillo PLC for the sale of the Tajitos Gold Project ("Tajitos") located in Sonora, Mexico. The Company received a US$2,500,000 cash payment and retains a 2.0% NSR ("Royalty").

Details of the Definitive Agreement:

- The Company received a payment of US$2,500,000 from Fresnillo and retains a 2.0% NSR.
- Fresnillo will have, for a four-year term, the option to buy back half of the 2.0% NSR for a payment of US$1,500,000.
- If enacted, then Fresnillo would have an additional three years to buy back the remining 1% NSR for another US$1,500,000.
- If Fresnillo does not exercise its first buy back option during the first four-year term, the Royalty will no longer be subject to any buy back provisions.
- The NSR covers the entire Riverside land package and a full NSR Agreement has been agreed upon and included in the signed contract between the companies.
- If Fresnillo wishes to reduce mineral claims, then the Company has the first right to retain those mineral tenures before they are dropped.

La Silla Gold-Silver Project, Sinaloa

The La Silla Project in southeast Sinaloa Mexico is a former mining operating district with high grade silver and gold mineralization on Riverside mineral tenure concessions. The project currently 100% owned and controlled by Riverside has had recent field work and mapping, sampling, targeting completed. Two adjoining concessions totaling 1,031.5 hectares are controlled by Riverside. In addition, another two concessions totaling 1,039.3 hectares make up a second target rich area for the project that Riverside controls as well. Veins on both concession blocks have been progressed at the Project and can move moved ahead with trenching and then drilling.

At the Ciruela and El Roble prospects rock-chip samples have delivered high grade metals and work in the field continues at these target areas. The Company received high grade gold with rock chip samples up to 6.1 g/t Au on greater than 2 km long vein structures that have no drilling. There are a series of vein systems in the La Silla Project which the Company has been sampling, mapping, and structurally interpreting into drill ready targets. Silver values over 80 g/t Ag in rock chip samples also are announced.

Australia (Sandy) Gold Project, Sonora

The Australia Project is located in NW Sonora along the extensive series of shears and high grade samples combined with placer and lode gold occurrences are some of the features making this property one of interest. Riverside received title through staking and since has completed field work, targeting, mapping, and studied the past mine workings. Riverside has published results from its work and can envision potential for possible open-pit gold targets on the 100% owned property.

Suaqui Verde and Suaqui Grande, Sonora

Riverside developed copper targets on both the Suaqui Verde and Suaqui Grande properties which are near each other and both have copper potential in the copper belt of central Sonora, Mexico. The Company conducted site work and progressed discussions for the district play. Copper growth areas were reviewed, and further work progressed.

On June 30, 2021, the Company completed further exploration prospecting, geologic mapping, geochemical vectoring for porphyry copper targets. The Riverside property is immediately adjacent to known copper resource areas and former mines for which Riverside may have the structural continuation and exploration work has been progressing on these themes.

On December 24, 2021, the Company entered into a Definitive Option Agreement with Southern Empire Resource Corp. ("Southern Empire") whereby Southern Empire could acquire a 100% interest in the Suaqui Verde Property, by paying $112,500 in cash, issuing 1,625,000 common shares while retaining a 2.5% NSR on precious metal products and 1.75% NSR on base metal products. The transaction details as below:

Due date	Cash	Common shares
Upon the closing date (December 24, 2021)	$25,000 (paid)	500,000 (received)
On or before the first anniversary of the closing date (December 24, 2022)	$37,500 (paid)	550,000 (received)
On or before the second anniversary of the closing date (December 24, 2023)	$50,000	575,000

Pima Project, Sonora

On February 24, 2022, Riverside reported a signed agreement with Agnico Eagle Mines Limited (TSX:AEM) for the sale of the Pima Property located in Sonora, Mexico. The transaction was closed and Riverside received cash payment in consideration for the sale.

The scientific and technical data contained in the property descriptions pertaining to the Company's portfolio were reviewed by Freeman Smith, P.Geo. 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 Project.

SELECTED ANNUAL INFORMATION

The following table sets forth selected consolidated information of the Company at September 30, 2023 and for each of the prior two fiscal years prepared in accordance with IFRS. The selected consolidated financial information should be read in conjunction with the audited consolidated financial statements of the Company.

Canadian Dollars	**2023**	**2022**	**2021**
Finance, property, and other income	$ 423,797	$ 212,035	$ 162,157
Net income (loss)	(395,191)	(207,586)	734,132
Net income (loss) per share, basic and fully diluted	0.01	0.00	0.01
Cash and cash equivalent and short-term investments	7,412,222	7,053,405	7,372,910
Total assets	15,323,834	16,322,790	14,899,250

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Three months ended September 30, 2023

For the three months ended September 30, 2023, the Company had a net loss of $94,514, resulting in a loss per share of $0.001. The loss was mainly related to higher consulting fees ($119,850), professional fees ($100,928) and investor relations ($82,682) partially offset by the increase in other income $182,931.

Twelve months ended September 30, 2023

For the year ended September 30, 2023, the Company had a net loss of $395,191, resulting in a loss per share of $0.006. The loss was mainly due to increase in professional fees of $291,761 (vs. $162,554) as a result of higher consultation with legal counsel, and lower gains from foreign exchange and amortization of premium liability, partly offset by the sale of Tajitos property resulting in a gain on disposal of asset for $661,223 and higher interest income received from cash in short-term placement.

Three months ended September 30, 2022

For the three months ended September 30, 2022, the Company had net loss of $7,073, resulting in a loss per share of $0.000. The net loss was mainly due to unrealized loss in short-term investments ($117,050), consulting fees ($87,185), investor relations expense ($57,160), professional fees ($32,153) and general administrative expenses ($40,130). The net loss was partially offset by foreign exchange gains ($232,650).

Twelve months ended September 30, 2022

For the year ended September 30, 2022, the Company had net loss of $207,586, resulting in a loss per share of $0.003. The net loss was due to unrealized losses in short-term investments ($155,875), consulting fees ($367.857), investor relations expense ($342,567), professional fees ($162,554) and general administrative expenses ($166,087). The net loss was partially offset by realized gains on sale of investments in Arizona Metal ($286,645) and foreign exchange gains ($320,571).

Exploration and evaluation assets

The Company capitalizes all exploration costs relating to its resource interests whereas pre-exploration costs are expensed as incurred.

The Company's exploration and evaluation asset activities totaled as follows:

	September 30, 2023		September 30, 2022	
	Mexico	Canada	Mexico	Canada
	$	$	$	$
Acquisition	537,159	55,630	259,507	5,000
Exploration	392,959	477,905	331,612	932,733
Professional & others	123,486	31,808	106,126	7,783
Recoveries	(142,500)	-	(3,309,257)	(125,000)
FX movement	335,206	-	373,901	-
	1,246,310	565,343	(2,238,111)	820,516
Beginning balance	3,014,925	1,656,936	5,253,036	836,420
Ending balance	4,261,235	2,222,279	3,014,925	1,656,936

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.

Property Risks

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mineral claims. The Company has investigated title to all of its exploration and evaluation asset interests and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation asset interests in which the Company has committed to earn an interest are located in Canada, Mexico and the United States.

Title Risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests, and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Substantial expenses are required to establish reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on the Company.

Environmental Regulations Permits and Licenses

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. We intend to comply fully with all environmental regulations.

The current or future operations of the Company, including development activities and commencement of production on our properties, require permits from various federal, state or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that we obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for the operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Competition

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial and technical resources. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Dependence on Key Personnel

The success of the Company is currently largely dependent on the performance of the directors and officers. There is no assurance that the Company will be able to maintain the services of the directors and officers, or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse effect on the Company and the prospects.

Fluctuating Mineral and Metal Prices

Factors beyond our control may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the exploration activities cannot be predicted. For example, gold prices are affected by numerous factors beyond the Company's control, including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. In addition, the price of gold has on occasion been subject to rapid short-term changes due to speculative activities.

Future Financings

The Company's continued operation will be dependent upon the ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms. Failure to obtain additional financing on a timely basis may cause the Company to postpone development plans, forfeit rights in some or all of the properties or joint ventures or reduce or terminate some or all of the operations.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of securities distributed hereunder will be affected by market volatility.

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	Property and other income	Unrealized gain/(loss) on short-term investments	Net income (loss)	Earnings (Loss) per share (basic & fully diluted)
30-Sep-23	93,675	415,327	40,481	(94,514)	(0.00)
30-Jun-23	69,694	22,300	(35,318)	(260,447)	(0.00)
31-Mar-23	56,580	101,814	(68,594)	(107,715)	(0.00)
31-Dec-22	53,570	431,144	35,832	67,485	0.00
30-Sep-22	37,221	17,894	981,137	(7,074)	(0.00)
30-Jun-22	16,132	37,027	(63,527)	(95,885)	(0.00)
31-Mar-22	6,517	19,786	82,810	(167,078)	(0.00)
31-Dec-21	5,603	71,855	(1,156,295)	62,451	0.00

During the three months ended September 30, 2023, net loss was mainly coming from higher consulting fees of $32,665 and professional fees of $68,775 compared to same period last year.

During the three months ended June 30, 2023, net loss was mainly due to the foreign exchange loss of $34,918, offset by the decrease in investor relations of $77,009 and professional fees of $16,898 due to the reduced corporate activities during the three months period ended.

During the three months ended March 31, 2023, net loss was mainly due to the unrealized loss on short-term investments of 68,594 as a result of the decreases in fair market value of short-term investment and the increases in general and administration of $62,111, investor relations of $101,833 and higher professional fees of $61,286. The increase in cost was partly offset by the higher interest income received from cash in short-term placement.

During the three months ended December 31, 2022, net income was mainly due to sale of Tajitos property resulting in a gain on disposal of asset for $661,223 partly offset by higher professional fees of $112,649.

During the three months ended September 30, 2022, net loss was mainly due to unrealized loss in short-term investments ($117,050), consulting fees ($87,185), investor relations expense ($57,160), professional fees ($32,153) and general administrative expenses ($40,130). The net loss was partially offset by foreign exchange gains ($232,650).

During the three months ended June 30, 2022, the net loss was primarily due to the increases in general administration of $42,406, investor relations of $120,148 as well as the professional fee of $53,919.

During the three months ended March 31, 2022, the net loss was primarily due to the increases in general administration of $51,920, investor relations of $89,153 as well as the foreign exchange loss of $76,866.

During the three months ended December 31, 2021, the net income was primarily due to the realized gain on short-term investment of $1,384,833 in relation to for the completion of the sales of Arizona Metal's shares but partially offset by the unrealized loss on short-term investments of $1,156,295 in connection with the changes in fair market value of the marketable securities. Also, the increase in operational fee recovery by $39,254 was mainly contributed to the recovery of administration services on BHP alliance program.

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.

During the year ended September 30, 2023, operating activities decreased cash and cash equivalents by $592,781 (2022 – $1,051,712).

During the year period ended September 30, 2023, investing activities decreased cash and cash equivalents by $546,080 (2022 – increased $740,766).

During the year ended September 30, 2023, there were no financing activities occurred (2022 increased – $720,475).

As at September 30, 2023, the Company had working capital of $6,119,449 (2022 – $6,301,372). The Company has sufficient funds to meet ongoing corporate activities and planned exploration programs for the ensuing year.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTIES TRANSACTIONS

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 had the following transactions with related parties:

Payee / Payer	Nature of transactions	Period ending September 30,	Fees ($)	Amount payable at period end ($)
Arriva Management Inc.	Management and consulting fees (i)	2023 2022	225,000 249,040	$33,720 $52,300
GSBC Financial Management Inc.	Management and consulting fees (i)	2023 2022	96,000 96,000	$8,400 Nil
FT Management Inc.	Management and consulting fees (i) and Rent (ii)	2023 2022	177,600 177,600	$17,055 Nil
Omni Resource Consulting Ltd.	Consulting fees (i)	2023 2022	104,500 72,500	$29,424 $8,483
Brian Groves	Director fees	2023 2022	1,000* 12,000	Nil Nil
Carol Ellis	Director fees	2023 2022	- 6,000	Nil Nil
Wendy Chan	Director fees	2023 2022	12,000 6,000	Nil Nil
Walter Henry	Director fees	2023 2022	12,000 12,000	Nil Nil
James Ladner	Director fees	2023 2022	6,130 -	Nil Nil

The remuneration of related parties during the year ended September 30, 2023, and 2022 are as follows:

	2023	2022
Directors' fees	$ 31,130	$ 36,000
Management and consulting fees (i)	603,100	536,940
Share-based payments	44,503	56,435
	$ 678,733	$ 629,375

* Deceased

(i) Management and consulting fees of the key management personnel for the year ended September 30, 2023, were allocated as follows: $227,400 (2022 - $224,400) expensed to consulting fees, $242,000 (2022 - $214,440) capitalized to exploration and evaluation assets and $75,500 (2022 - $98,100) capitalized to exploration work performed for alliances that will be reimbursed.

(ii) During the year ended September 30, 2023, the Company incurred rent expense of $58,200 (2022 - $58,200) for shared office spaces with FT Management Inc., a company controlled by spouses of officers of the Company.

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 3 to the consolidated financial statements for the year ended September 30, 2023. Management considers the following to be the most critical in understanding the judgments that are involved in preparing the Company's financial statements and the uncertainties that could impact its results of operations, financial condition and future cash flow.

Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed as incurred. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are recognized in profit or loss.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.
Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date, with the risk of default

as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category comprises liabilities initially recognized at fair value less directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method.

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 cash and cash equivalents, receivables, accounts payable, and government loan approximate carrying value, which is the amount recorded on the statements of financial position. The fair value of the Company's public company short-term investments is based on level 1 quoted prices in active markets for identical assets and liabilities. Financial instruments valued at level 3 inputs consist of the Company's private company short-term investments. The key assumptions driving the valuation of the private company short-term investments include but are not limited to the value of completed financings by the investee.

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. The Company's cash and cash equivalents are held with major financial institutions in Canada and Mexico which management believes the risk of loss to be remote. Receivables consist of tax refunds from the Federal Government 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 September 30, 2023, the Company had cash and cash equivalents of $7,230,890 to settle current liabilities of $1,759,582. The Company believes it has sufficient funds to meet its current liabilities as they become due.

Interest rate risk

The Company has interest-bearing cash balances. The interest earned on cash balances approximates fair value rates, and the Company is not at a significant risk to fluctuating interest rates. 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 September 30, 2023, the Company had investments in short-term deposit certificates of $23,000.

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 profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, silver 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 (US) 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 loss for the year by $435,495.

The Company holds marketable securities and is exposed to risk from changes in the share price of the marketable securities. A simultaneous 5% fluctuation in share prices would affect short-term investments and profit or loss for the year by approximately $9,067.

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.

As at the date of this MD&A, the Company has the following capital structure.

	Volume of Shares	Exercise Prices	Expiry Dates (mm-dd-yyyy)
Shares issued and outstanding	74,783,464		
Stock options	665,000	$ 0.11	11-15-2024
Stock options	50,000	$ 0.12	03-27-2025
Stock options	410,000	$ 0.30	10-19-2025
Stock options	730,000	$ 0.16	11-17-2026
Stock options	950,000	$ 0.13	09-02-2027
Stock options	1,725,000	$ 0.12	01-17-2029
Warrants	-		
Fully diluted	**79,313,464**		