1110-1111 West Georgia Street, Vancouver, BC, V6E 4M3   Tel: (778) 327-6671   Fax: (778) 327-6675

FORM 51–102F3
MATERIAL CHANGE REPORT

ITEM #1 NAME & ADDRESS OF COMPANY

Riverside Resources Inc.
1110-1111 West Georgia Street,
Vancouver, BC
V6E 4M3

(the “Company” or “Riverside”)

ITEM #2 DATE OF MATERIAL CHANGE

January 23, 2014

ITEM #3 NEWS RELEASE

A news release announcing the material change referred to in this report was disseminated on January 23, 2014 through Marketwire News Publishing and Canada Stockwatch, and was SEDAR filed with the British Columbia, Alberta and Ontario Securities Commissions and the TSX Venture Exchange.

ITEM #4 SUMMARY OF MATERIAL CHANGE

Morro Bay Resources Ltd. has completed its qualifying transaction whereby it has acquired from Sierra Madre Developments Inc. an option to earn an initial 51% and up to 65% interest in Riverside’s Peñoles Project. As a result of the transaction, Riverside has received 3,705,974 Morro Bay common shares and 1,852,987 Morro Bay warrants. Morro Bay will also fund a minimum of $750,000 in exploration and drilling at the Peñoles Project.

ITEM #5 FULL DESCRIPTION OF MATERIAL CHANGE

Morro Bay Resources Ltd. (“Morro Bay”), has completed its qualifying transaction whereby it has acquired from Sierra Madre Developments Inc. (“Sierra Madre”) an option to earn an initial 51% and up to 65% interest in Riverside’s Peñoles Project (the “Transaction”). As a result of the Transaction, Riverside has received 3,705,974 Morro Bay common shares and 1,852,987 Morro Bay warrants. Morro Bay will also fund a minimum of $750,000 in exploration and drilling at the Peñoles Project. Further information can be found in the Transaction Details section below.

In addition to the $750,000 in exploration expenditures, remaining requirements for Morro Bay to earn an initial 51% interest in the Peñoles Project include the payment of $1,350,000 in cash and the payment of a further $1,500,000 in cash and/or Morro Bay shares, at Morro Bay's election subject to certain conditions. Morro Bay can earn an additional 14% interest in the project by paying $30,000, incurring an additional $5,000,000 in exploration expenditures and paying an additional $750,000 in cash and/or Morro Bay shares, again at Morro Bay's election subject to certain conditions. Further details are available on the Company's website at www.rivres.com.

Transaction Details:

To acquire its interest in the Penoles project from Sierra Madre, Morro Bay issued to Sierra Madre 16,000,000 common shares (the "Common Shares") at a deemed price of $0.10 and 8,000,000 common share purchase warrants, each exercisable into one common share at a price of $0.15 until June 15, 2014 and thereafter at a price of $0.25 until their expiry on the first anniversary of the date of their issuance (the "Warrants"). Sierra Madre has agreed to distribute the 16,000,000 Common Shares and 8,000,000 Warrants so received pro rata to its shareholders, and Riverside holds more than 12,500,000 Sierra Madre common shares representing approximately 23% of the issued and outstanding Sierra Madre shares. Pursuant to the terms of the Transaction it was agreed that Riverside would receive its Common Shares and Warrants at closing, and accordingly Riverside has now received 3,705,974 Common Shares and 1,852,987 Warrants. Riverside understands that the balance of the Common Shares and Warrants held by Sierra Madre will be distributed to its shareholders as a dividend in kind. Riverside has agreed to waive its right to receive any portion of the remaining Common Shares and Warrants pursuant to the dividend.

The Common Shares and Warrants received by Riverside are subject to a four month and one day hold period expiring on May 23, 2014. As a part of the Transaction, Riverside has agreed to place 2,594,182 of the Common Shares in escrow until December 31, 2014.

ITEM #6 RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51–102

N/A

ITEM #7 OMITTED INFORMATION

N/A

ITEM #8 EXECUTIVE OFFICER

The following executive officer of the Company is knowledgeable about this report and the material change disclosed herein:

John-Mark Staude,
President & Chief Executive Officer
Tel: (778) 327-6671

ITEM #9 DATE OF REPORT

January 31, 2013