

**RIVERSIDE RESOURCES INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2015**

INTRODUCTION

The management's 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 three months ended December 31, 2015. In order to better understand the MD&A it should be read in conjunction with the unaudited financial statements and related notes for the three months ended December 31, 2015 and the audited financial statements and related notes for the year ended September 30, 2015. 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 February 25, 2016 and in Canadian dollars unless otherwise stated.

Additional information relating to the Company, including its Information Circular for the financial year ended September 30, 2015, 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 discoverers John-Mark Staude (President, CEO, Director), Greg Myers (Vice President of Exploration) with the financing and business management expertise of Rob Scott (CFO), Brian Groves (Director), James Clare (Director), and Michael Doggett (Director). The management of the Company has experience developing significant shareholder value and has assembled a team that can build a valuable and successful organization.

SHARE CAPITAL

As at December 31, 2015, the Company had \$20,964,978 in share capital and 37,371,778 common shares outstanding.

Options and Performance Bonus Shares

Stock option and performance bonus share activity for the period included the following:

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

Warrants

There was no share purchase warrant activity for the period.

OPERATIONS

Mexico

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 NW Mexico where it has multiple exploration partners funding programs focused on gold and copper. During the year ended September 30, 2015, the Company acquired the Glor Gold Project, the Thor Copper Project and completed first phase exploration programs at each project. Exploration work was also completed at the Company's Tajitos Project, which was optioned to Centerra Gold Inc. on October 14, 2015.

Tajitos Gold Project, Sonora, Mexico

The Tajitos Gold Project consists of three blocks of concessions: Tajitos, El Tejo and Cortez. 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. Previous drilling by the Fresnillo plc intersected gold quartz veins and found mineralization extending beyond the veins into the wall rock zones on ground currently optioned by the Company.

The Company completed a ground magnetic survey which shows favourable indications that the prospective trend of gold-rich Mesozoic volcanosedimentary mineralization extends to the southeast under shallow post-mineralization cover. The Company has since completed further follow up on the more than 10 known small workings on the Tejo and Cortez concessions generating new and expanding existing target areas for future drill testing. On October 20, 2015, subsequent to the year-end, the Company signed an option agreement with Centerra Gold Inc. ("Centerra") whereby Centerra can earn a 70% interest in the Tajitos Project. In order to exercise the option, Centerra must incur \$6-million (U.S.) in aggregate exploration expenditures within approximately four years of signing the agreement.

The Company continues to take steps toward identifying a large orogenic gold body with similar geologic structures, surface mineralization, and age of host rocks to nearby open-pit mines like the ones at Chanate, Herradura, and Noche Buena mines.

On October 14, 2015, the Company entered into an option agreement with Centerra Exploration B.V. (“Centerra”) whereby Centerra can acquire a 70% interest in the Company’s Tajitos Project. In order to exercise the option, Centerra must incur USD \$6,000,000 in aggregate exploration expenditures within approximately four years of signing the agreement. The Company will act as the Project Manager and collect management fees until the earlier of December 31, 2017 or \$2,000,000 in exploration expenditures have been completed.

Please visit the Company’s website and SEDAR filings for further information on the option agreement signed with Centerra and for further project details.

Peñoles Project, Durango, Mexico

On January 15, 2015, and March 31, 2015, the Company extended the option agreement exercise date with Morro Bay Resources Ltd. (“Morro Bay”) from December 31, 2014 to March 31, 2015 and subsequently to May 1, 2015. The final payment of \$750,000 (payable in cash or shares at Morro Bay’s election provided Morro Bay shares are valued at \$0.05 or greater) was also extended to May 1, 2015. On May 5, 2015, the Company announced that Morro Bay exercised the option by making the final payment of 15,000,000 common shares of Morro Bay. As a result, Riverside has ownership and control over 28,841,109 common shares of Morro Bay.

The US\$1,250,000 and CAD\$100,000 cash payments previously required to be paid by December 31, 2014 will now be applied as a credit for Riverside towards initial joint venture expenditures under the joint venture. Morro Bay will be required to incur a minimum of \$750,000 in joint venture expenditures for each of the first three years of the Joint Venture. In the event that Morro Bay fails to meet the minimum required joint venture expenditures, Riverside will have the right to take back 100% ownership of the Project, subject to returning 80% of the common shares issued by Morro Bay to Riverside under the option agreement, and granting Morro Bay a 0.75% NSR, which can be purchased by Riverside for \$750,000 at any time.

On March 2, 2015, the Company and its partner, Morro Bay, reported an initial maiden resource estimate for the Jesus Maria Silver and El Capitan Gold zones. The Jesus Maria and El Capitan deposits form relatively continuous zones of mineralization that are potentially amenable to open pit extraction methods. Jesus Maria is a silver and base metals deposit with minor amounts of contained gold. Conversely, El Capitan is primarily a gold-bearing deposit with minor silver credits. The deposits are separated by approximately 300m and the mineralized zones are interpreted to merge together to the west, where additional drilling is planned to potentially connect the zones and expand resources.

The mineral resource estimate for the Jesus Maria Silver Zone is based on results from 30 diamond drill-core holes and 3,114 metres of drilling completed as at December 30, 2014, and consists of (30 g/t silver cut-off):

- An inferred resource of 7.6 million tonnes containing 15,158,000 ounces of silver at an average grade of 62.3 g/t and 26,000 ounces of gold at an average grade of 0.105 g/t gold.

The mineral resource estimate for the El Capitan Gold Zone is based on results from 50 diamond drill-core holes and 7,004 metres of drilling completed as at December 30, 2014, and consists of (0.25 g/t gold cut-off):

- An inferred resource of 20.7 million tonnes containing 305,000 ounces gold at an average grade of 0.458 g/t gold and 1,832,000 ounces of silver at an average grade of 2.8 g/t silver. (See table below).

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.

Hochschild Exploration Alliance, Sonora, Mexico

On April 9, 2013 the Company signed a three-year strategic exploration alliance (the “Hochschild Alliance”) with Hochschild Mining Holdings Limited (“Hochschild”), for generative exploration throughout the Mega-shear Gold Belt in western Sonora, Mexico. The Hochschild Alliance commenced at a time when gold and silver prices were materially higher. The Alliance has continued to operate and generate new exploration opportunities and ideas, but the additional project funding required to pursue and progress new targets beyond the generative budgets has

decreased during the year. Management attributes this reduction in partner exploration spending primarily to challenging market conditions. As of year-end, the Alliance has US \$562,500 in remaining partner funding for further project generation and the Company will continue leveraging its technical knowledge and experience in Sonora to search for distressed asset acquisition opportunities within the Alliance boundary.

On March 26, 2015, the Company announced that it had signed an option agreement with Argonaut Gold Inc. to acquire a 100-per-cent interest in the Glor gold project located approximately eight kilometres west of AuRico's El Chanate mine in Sonora, Mexico. The project acquisition and initial mapping and sampling work were completed as part of Alliance funded activities.

In November 2015, the Company notified the underlying owner of the Cajon project that the Company was terminating the option agreement.

Further information on the Hochschild Alliance please visit the Company's website.

Antofagasta Exploration Alliance, Sonora, Mexico

On July 18, 2013 the Company signed a three-year, US\$1,800,000 strategic exploration alliance (the "Antofagasta Mexico Alliance") with Antofagasta Investment Company Limited ("AICL") for generative exploration throughout the southern extension of the Laramide Copper Belt in eastern Sonora, and western Chihuahua, Mexico. The Antofagasta Mexico Alliance is focused on identifying potential new large porphyry-copper deposits using the Company's locally based technical knowledge and experience in Sonora.

On February 18, 2015, the Company announced the staking and acquisition of the Thor claims located in Sonora, Mexico. Thor is a Laramide aged porphyry copper target that the Company identified during field evaluations, with initial rock chip sampling returning copper values up to 0.9%. On April 13, 2015, the Antofagasta Mexico Alliance designated the Thor porphyry copper project, as a designated project and agreed to finance up to \$500,000 (U.S.) for a phase I exploration program on the project. The Company is waiting to receive mineral title for the previously staked claims and expects a drill campaign to commence shortly after title and permits are received.

The Company is actively reviewing potential projects for acquisition and hopes to add additional projects into the Antofagasta Mexico Alliance in 2016.

Clemente Silver-Gold Project

The Company's Clemente project is a strategic early stage exploration property located in Sonora, Mexico. The Company did not complete material work on the Project during the year. A brief summary of the project is available on the Company's website.

Other Mexico Properties

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. The Company plans to explore consolidation potential with other land owners in the district. In an effort to minimize carrying costs, the Company has dropped older exploration ground that was earlier stage and becoming too costly to hold with such a suppressed market for grassroots exploration. The Company has reduced and rightsized its portfolio in an effort to make room for opportunities to further upgrade the portfolio while market conditions challenge other companies with limited capital.

The scientific and technical data contained in the property descriptions pertaining to the Company's Mexico portfolio were reviewed by Riverside's VP Exploration, Greg Myers, PhD, P.Geo, a non-independent qualified person to Riverside Resources, 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.

USA

Sugarloaf Peak Project, Arizona, USA

The Sugarloaf Peak Project ("Sugarloaf") has the potential to host a large, low-grade, bulk-tonnage gold deposit with additional porphyry copper-gold targets discovered during previous partner funded exploration. The Company owns 100% of the Sugarloaf Peak Project subject to a 1.5% NSR. One percent (1%) of the underlying NSR can be repurchased for \$1,000,000.

On December 17, 2014, Riverside signed an option agreement with a private company, Croesus Gold Corp., ("Croesus") whereby Croesus could acquire a 100% interest in Sugarloaf by completing staged exploration expenditures and cash and share payments (see press release dated December 22, 2014 for more details). On December 18, 2015, the Company agreed to amend the terms of the option agreement with Croesus. Under the revised terms, Croesus paid an additional \$400,000 (CAD) on signing and must make \$300,000 (CAD) in additional cash payments by December 18, 2017. Croesus issued the Company an additional 4,000,000 common shares in the capital of Croesus bringing the Company's ownership to 6,000,000 common shares. Once all of the cash and share payments are completed, Croesus will earn an undivided 100 percent interest in the Sugarloaf Peak gold project, with the Company retaining a 2 percent net-smelter-return royalty.

For additional information on the agreement and the Sugarloaf Peak Project please visit the Company's website and SEDAR filings.

The scientific and technical data contained in the property descriptions pertaining to the Company's Sugarloaf Peak Project were reviewed by Riverside's VP Exploration, Greg Myers, PhD, P.Geo, a non-independent qualified person to Riverside Resources, 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 December 31, 2015

The Company incurred a net loss of \$385,417, resulting in a loss per share of \$0.01. The loss was attributable to operating expenses of \$261,155 before considering the effect of the foreign exchange gain of \$42,366, an unrealized loss on short-term investments of \$432,617, recovery on exploration & evaluation assets of \$655,702, and a write-down of short-term investments of \$400,000, which were supplemented by finance income of \$10,287.

Three-month period ended December 31, 2014

The Company incurred a net loss of \$809,235, resulting in a loss per share of \$0.02. The loss was attributable to operating expenses of \$213,729 before considering the effect of the foreign exchange gain of \$3,074, an unrealized loss on short-term investments of \$418,278, and a write-down of short-term investments of \$200,000, which were offset by finance income of \$18,253 and other income of \$1,445.

Exploration

The Company capitalizes all exploration costs relating to its resource interests whereas pre-exploration costs are expensed as incurred. During the period ended December 31, 2015, the Company recorded \$125,442 in acquisition and exploration of its properties as follows:

- US
 - Sugarloaf Peak \$ 11,479
- Mexico
 - Penoles \$ 51,262

○ Tajitos	\$ 57,677
○ Clemente	\$ 52
○ La Silla	\$ 4,972

The Company recovered \$800,000 of the acquisition and exploration expenditures through option agreements with partners on various properties during the period ended December 31, 2015 which reduced the cumulative exploration costs.

During the period ended December 31, 2014, the Company recorded \$98,269 in acquisition and exploration of its properties as follows:

• US	
○ Sugarloaf Peak	\$ 34,500
• Mexico	
○ Penoles	\$ 15,445
○ Tajitos	\$ 37,075
○ Clemente	\$ 5,084
○ Sierra Salada	\$ 6,165

The Company recovered \$250,000 of the acquisition and exploration expenditures through an option agreement with a partner on Sugarloaf Peak property during the period ended December 31, 2014, which reduced the cumulative exploration costs.

Full particulars of the deferred exploration costs are shown in Note 8 to the Financial Statements.

Recoveries and Other Income

During the period ended December 31, 2015, the Company received \$400,000 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 \$800,000 recovered, \$393,823 was offset against the carrying value of the property bringing the balance down to \$nil as at December 31, 2015. The remaining \$406,177 was recorded as a recovery on the exploration and evaluation asset on the statement of operations and comprehensive loss. In addition, the Company recovered \$249,525 from exploration alliances which was recognized in the statement of operations and comprehensive loss.

During the three month period ended December 31, 2014, the Company received 2,000,000 Croesus Gold Corp. (“Croesus Gold”) shares valued at \$200,000 and \$50,000 cash with respect to an option agreement on the Sugarloaf Peak Property, which were recorded as a reduction to the capitalized cost of exploration and evaluation assets.

Finance income and other income for the period ended December 31, 2015 were \$10,287 and \$nil. Finance income and other income for the period ended December 31, 2014 were \$18,253 and \$1,445. Other income consists of revenue from exploration equipment rentals to the alliance programs and from administration fees while acting as the operator on various exploration programs.

Expenses

Compared to the previous year, investor relations expenses were higher due to advisory fees incurred to attract investors. Property investigation and evaluation was higher due to additional investigation of potential projects. Consulting fees were higher as a result of less recovery from various alliance operator fees.

General and administrative expenses consist of filing fees, directors fees, general office expenses and administrative services related to maintaining the Company’s exchange listing and complying with securities regulations. General and administrative expenses also include other office expenses for our subsidiaries in Mexico and the United States.

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, 2015 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)	Loss per share (basic & fully diluted)
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)
30-Jun-15	25,010	(20,424)	(4,205)	(671,486)	(0.02)
31-Mar-15	16,079	14,111	283,637	15,494	0.00
31-Dec-14	18,253	1,445	(418,278)	(809,235)	(0.02)
30-Sep-14	21,246	97,452	(316,311)	(1,082,711)	(0.03)
30-Jun-14	19,459	43,095	92,069	(271,536)	(0.01)
31-Mar-14	18,062	39,264	(190,775)	(600,549)	(0.02)

The net loss for the quarter ended December 31, 2015 was primarily due the unrealized loss and write-down on short-term investments, offset by the recovery on exploration and evaluation assets. The net loss for the quarter ended September 30, 2015 was mainly due to the write-down of loan receivable and mark to market unrealised losses on marketable securities in short-term investments. The net income for the quarter ended March 31, 2015 compared to the succeeding and the immediately preceding quarter was due to the unrealized gain on 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 for the period ended December 31, 2015 was \$1,010,578 and short-term investments decreased by \$1,126,503. Working capital as at December 31, 2015 was \$4,040,693. The Company has sufficient funds to meet ongoing corporate activities and planned exploration programs for the ensuing year.

Decrease in cash for the period ended December 31, 2014 was \$508,022 and short-term investments decreased by \$411,720. Working capital as at December 31, 2014 was \$4,942,722.

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 upon between the Company and the related parties.

The Company entered into the following transactions with related parties:

Payee	Nature of transactions	Period ending December 31	Fees (\$)	Shares (\$)	Amount payable (\$)
Arriva Management Inc.	Management and consulting fees (i)	2015 2014	42,800 92,800	11,250 nil	12/31/2015: 5,765 09/30/2015: nil
GSBC Financial Management Inc.	Management and consulting fees (i)	2015 2014	42,501 42,501	11,250 14,000	12/31/2015: nil 09/30/2015: nil
Dorado Minerals	Consulting fees (i)	2015 2014	28,271 37,500	5,625 nil	12/31/2015: nil 09/30/2015: nil
Michael Doggett	Director fees	2015 2014	3,000 3,000	nil nil	12/31/2015: 6,000 09/30/2015: 3,000
William Lee	Director fees	2015 2014	3,000 3,000	nil nil	12/31/2015: 3,000 09/30/2015: 1,521
Brian Groves	Director fees	2015 2014	3,000 3,000	nil nil	12/31/2015: nil 09/30/2015: nil
James Clare	Director fees	2015 2014	3,000 3,000	nil nil	12/31/2015: 6,000 09/30/2015: 3,000

At December 31, 2015, the amount payable to Corex Management Inc. was \$12,092 (September 30, 2015 - \$9,616) 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 office lease commitments are as follows: \$172,001 in 2016; \$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, 2015.

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 10 Investment Entities – Amendment: effective for periods beginning on or after January 1, 2014.
- IFRIC 21 Levies: effective for periods beginning on or after January 1, 2014.

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 7 Financial instruments - disclosures: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.
- IFRS 9 Financial instruments: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 15 Revenue from contracts with customers: effective for periods beginning on or after January 1, 2018.

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 37,371,778 common shares were issued and outstanding as of the date of this MD&A.

The Company has no 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
605,000	\$0.500	08-Sep-2016
625,000	\$0.650	14-Dec-2017
1,052,000	\$0.270	14-Nov-2019
955,000	\$0.145	07-Jan-2021
3,237,000		