

Riverside Signs US\$2,000,000 Strategic Funding Agreement With BHP in Sonora, Mexico

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VANCOUVER, May 16, 2019 - [Riverside Resources Inc.](#) ("Riverside" or the "Company") (TSX-V: RRI) (OTCQB: RVSDF) (FSE: R99), is pleased to announce the signing of a two-year, US\$2,000,000 Exploration Financing Agreement with BHP Exploration Chile SpA ("BHP") for the funding of generative exploration in the copper producing belt of Mexico (the "Program"). The Program will focus on identifying and developing exploration opportunities leading to the discovery of new large copper deposits within an Area of Interest ("AOI") using Riverside's technical knowledge base of copper systems and strong generative exploration team strategically based in Hermosillo, Sonora. BHP and Riverside will pool their data, including decades of historical work into an integrated database. Riverside can now leverage geophysical, geochemical and geological technical platforms into a new targeting synthesis to complete tenure acquisitions.

BHP will fund US\$1,000,000 on an annual basis for a minimum of two (2) years for generative grass-roots exploration within northeastern Sonora in the region of many copper deposits and some very large copper operations (Figure 1). The exploration area being explored is in the central part of the Laramide Copper Belt that continues northward into Arizona and New Mexico, hosting numerous large, Tier 1 copper deposits. For example, the third largest copper mine in the world, the Buenavista del Cobre Operations in Cananea, is located within the AOI.

Properties that are identified and deemed to be of interest will become Defined Projects ("DPs"), which will move to a second phase of the Program whereby BHP would fund up to an additional US\$5,000,000 of exploration work and make success fee payments to Riverside on a per project basis (see "Exploration Funding Agreement" below).

Riverside's President and CEO, John-Mark Staude, stated: *"We are delighted to combine the financing support of a major world copper leader with our in-country Mexico expertise to pursue exploration activities and advance promising projects. The two-year Program helps Riverside expand our copper exposure, while still conserving capital for our other self-funded initiatives."*

<http://www.globenewswire.com/NewsRoom/AttachmentNg/b3d9a77d-b16a-4394-a060-59a125d8a7f6>

Figure 1: Region of Copper Belt of Mexico and Riverside-BHP Generative Program

Exploration Funding Agreement

Overview:

The two-year, US\$2,000,000 Exploration Financing Agreement was signed on May 15, 2019. The Program will target projects containing primarily copper, with the objective of advancing quality copper prospects through three (3) distinct stages: Project Generation Phase, Project Operation Phase and Joint Venture Stage.

Project Generation Phase (I):

During the Project Generation Phase, Riverside will act as the operator and earn a monthly fee plus 10% on internal activities and 5% on third party external contractor work with an estimated ~US\$85,000/month for generative work. Riverside's technical team will carry out generative exploration and work up targets with the aim of moving prospects toward the Project Operation Phase (II).

Project Operation Phase (II):

A prospect that is advanced to the Project Operation Phase will become a DP and will trigger a success fee of US\$200,000 payable to Riverside for each prospect so advanced. Riverside can earn a bonus of an extra US\$200,000 if at least three projects are progressed to DP making a total of US\$800,000 in DP success fees. BHP will fund up to US\$5,000,000 for drilling and further exploration on each DP, having the option to become the operator of such DP. Riverside has the option to contribute between 10% and 20% of the exploration expenditures ("Riverside's Contribution to Expenses") during this phase, with BHP funding the balance (80-90%) should Riverside elect to participate. BHP may discontinue funding with respect to a specific DP at any time in which case Riverside would be entitled to 100% interest in the project and depending on the funds expended to date, BHP may retain a net smelter returns royalty interest.

Joint Venture Stage (III):

BHP may elect to advance a DP to the Joint Venture Stage, at which time title to the project would be transferred to a joint venture company and the parties would enter into a formal joint venture partners' agreement. If Riverside's cash contribution reaches a minimum of 10% in Phase (II), the Company's deemed initial interest in the joint venture company will be 20%. If Riverside's Contribution to Expenses to a DP is less than 10%, Riverside will have no interest in the Joint Venture. For each DP that is advanced to the Joint Venture Stage, Riverside will be entitled to a success fee of US\$1,500,000 if Riverside's Contribution to Expenses to a DP is at least 10% and US\$300,000 if it is less than 10%. At the point of Joint Venture formation, with respect to a DP in which Riverside has at least a 10% interest, (a) Riverside may sell its interest earned as a result of its Contribution to Expenses to BHP at the rate of US\$100,000 for each 1% interest sold; and (b) BHP may purchase the difference between 20% and Riverside's actual Contribution to Expenses at the rate of US\$300,000 for each 1% interest purchased.

Operational Details:

A Technical Committee ("TC") will be formed to approve Work Programs and Budgets during Phase (I) and (II). The TC will have two representatives from each of BHP and Riverside with equal voting powers for both groups for DP's operated by Riverside. For DP's operated by BHP, BHP will have the casting vote on the TC.

About Riverside Resources Inc.:

Riverside is a well-funded exploration company driven by value generation and discovery. The company has no debt and fewer than 63M shares outstanding with a strong portfolio of gold-silver and copper assets in North America. Riverside has extensive experience and knowledge operating in Mexico and leverages its large database to generate a portfolio of prospective mineral properties. In addition to Riverside's own exploration spending, the Company also strives to diversify risk by securing joint-venture and spin-out partnerships to advance multiple assets simultaneously and create more chances for discovery. Riverside has additional properties available for option, with more information available on the Company's website at www.rivres.com.

ON BEHALF OF [Riverside Resources Inc.](http://www.rivres.com)

"John-Mark Staude"

Dr. John-Mark Staude, President & CEO

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Figure 1
Region of Copper Belt of Mexico and Riverside-BHP Generative Program

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