NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

for the Annual and Special Meeting

of Shareholders of

Riverside Resources Inc.

to be held on March 31, 2020

Unless otherwise stated, the information herein is given as of February 25, 2020

Information has been incorporated by reference in this document from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Riverside Resources Inc. ("**Riverside**") at Suite 550 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6, Telephone: (778) 327-6671, and are also available electronically on Riverside's website at www.rivres.com and under Riverside's profile at www.SEDAR.com.

February 25, 2020

Dear Shareholders:

You are cordially invited to attend the annual general and special meeting of shareholders of Riverside Resources Inc. ("**Riverside**") to be held at 10:00 A.M. (Vancouver time) on March 31, 2020 at Suite 910 – 800 West Pender Street, Vancouver, British Columbia.

At the meeting, among other items of business including the annual election of directors, shareholders will be asked to consider and vote on a special resolution to approve a spin-out of Riverside's Peñoles Project, located in Durango, Mexico, to its shareholders by way of a share capital reorganization effected through a statutory plan of arrangement (the "**Plan of Arrangement**"). The Peñoles Project will be held through Riverside's wholly-owned subsidiary, Capitan Mining Inc. ("**Capitan**"). The Plan of Arrangement involves, among other things, the distribution of common shares of Capitan Mining Inc. ("**Capitan**") to current shareholders of Riverside on the basis of 0.2767 of a Capitan common share per outstanding common share of Riverside. Once the Plan of Arrangement has completed, shareholders of Riverside will own shares in two public companies: Capitan, which will focus on the development of the Peñoles Project, and Riverside, which will continue to generate prospective mineral properties.

The board of directors of Riverside has determined that the Plan of Arrangement is fair and is in the best interests of Riverside and its shareholders and unanimously recommends that shareholders vote in favour of the special resolution.

The accompanying notice of meeting and management information circular provide a full description of the Plan of Arrangement and includes certain additional information to assist you in considering how to vote in respect of the Plan of Arrangement. You are encouraged to consider carefully all of the information in the accompanying management information circular, including the documents incorporated by reference therein. If you require assistance, you should contact your financial, legal, tax or other professional adviser.

Your vote is important regardless of the number of shares of Riverside that you own. If you are a registered holder of shares of Riverside, we encourage you to complete, sign, date and return the enclosed form of proxy by no later than 10:00 A.M. (Vancouver time) on Friday, March 27, 2020, to ensure that your shares are voted at the meeting in accordance with your instructions, whether or not you are able to attend in person. If you hold your shares through a broker or other intermediary, you should follow the instructions provided by them to vote your shares.

If you are a registered Riverside shareholder, we also encourage you to complete and return the accompanying letter of transmittal ("**Letter of Transmittal**") together with the certificate(s) (if any) representing your Riverside shares and any other required documents and instruments, to Computershare Investor Services Inc., acting as the depositary, in the accompanying return envelope in accordance with the instructions set out in the Letter of Transmittal so that, if the Plan of Arrangement is completed, new Riverside shares and Capitan shares can be sent to you as soon as possible after the Plan of Arrangement becomes effective. The Letter of Transmittal contains other procedural information related to the Plan of Arrangement, and should be reviewed carefully. If you hold your Riverside shares through a broker or other intermediary, please contact them for instructions and assistance in receiving new Riverside shares and Capitan shares in exchange for your Riverside shares. Assuming that all conditions to completion of the Plan of Arrangement are satisfied, it is anticipated that the Plan of Arrangement will become effective on or about April 8, 2020.

On behalf of Riverside, we thank all shareholders for their ongoing support.
Yours very truly,

"*John-Mark Staude*"

John-Mark Staude
President, Chief Executive Officer and Director

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

To the Shareholders of Riverside Resources Inc.:

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders (the "**Riverside Shareholders**") of common shares ("**Riverside Shares**") of Riverside Resources Inc. ("**Riverside**") will be held at Suite 910 – 800 West Pender Street, Vancouver, British Columbia on March 31, 2020 at 10:00 A.M. (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of Riverside for the fiscal year ended September 30, 2019, together with the report of the auditors thereon;

2. to determine the number of directors at five;

3. to elect the directors of Riverside for the ensuing year;

4. to re-appoint the auditor of Riverside for the ensuing fiscal year and to authorize the directors of Riverside to fix the auditor's remuneration;

5. to consider, and if deemed advisable, pass an ordinary resolution, substantially in the form set out in the accompanying management information circular (the "**Information Circular**"), re-approving the continued use of Riverside's stock option plan;

6. to consider and, if deemed advisable, to approve, with or without variation, a special resolution of the Riverside Shareholders (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") among Riverside, the Riverside securityholders and Capitan Mining Inc. ("**Capitan**"), as more fully described in the Information Circular;

7. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the adoption by Capitan of a rolling 10% stock option plan, subject to stock exchange acceptance, as more fully described in the accompanying Information Circular; and

8. to transact such further or other business as may properly come before the Meeting and any adjournment(s) or postponement(s) thereof.

AND TAKE NOTICE that registered Riverside Shareholders have a right of dissent in respect of the proposed Arrangement and to be paid the fair value of their Riverside Shares in accordance with the provisions of the Plan of Arrangement governing the Arrangement and sections 237 to 247 of the BCBCA. The dissent rights are described in the accompanying Information Circular (and specifically Schedule "E"). Failure to strictly comply with required procedure may result in the loss of any right of dissent.

Only Riverside Shareholders of record at the close of business on February 25, 2020 will be entitled to receive notice of and vote at the Meeting. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

It is desirable that as many Riverside Shares as possible be represented at the Meeting. Whether or not you expect to attend the Meeting, please exercise your right to vote. Please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of Riverside, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment(s) or postponement(s) thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

This notice is accompanied by the Information Circular and either a form of proxy for Registered Holders or a voting instruction form for beneficial Riverside Shareholders.

THE SECURITIES DESCRIBED IN THE ACCOMPANYING INFORMATION CIRCULAR HAVE NOT BEEN RECOMMENDED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN SECURITIES COMMISSION OR REGULATORY AUTHORITY PASSED ON THE ACCURACY OR ADEQUACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The New Riverside Shares, Capitan Shares, Riverside Replacement Options, Capitan Options and modified Riverside Warrants to be distributed or deemed to be distributed under the Arrangement have not been registered under the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and are being distributed in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court as described in this Information Circular. The solicitation of proxies is not subject to the requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended (the "**U.S. Exchange Act**"). Accordingly, this Information Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act. Likewise, information concerning the properties and operations of Riverside, including the Peñoles Property, has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies. The terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" are Canadian mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects, under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIMM**") Standards on Mineral Resources and Mineral Reserves Definitions and guidelines adopted by the CIMM Council on August 20, 2000, as amended. While the terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" are recognized and required by Canadian regulations, they are not defined terms under Industry Guide 7 of the United States Securities and Exchange Commission (the "**SEC**"). As such, certain information contained in this Information Circular concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of Industry Guide 7. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence and there is great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "Inferred Mineral Resource" will ever be upgraded to a higher category. **Investors are cautioned not to assume that any part or all of an "Inferred Mineral Resource" exists, or is economically or legally mineable.** In addition, the definitions of Proven Mineral Reserves and Probable Mineral Reserves under CIMM standards differ in certain respects from Industry Guide 7 standards.

DATED at Vancouver, British Columbia this 25th day of February, 2020.

BY ORDER OF THE BOARD

(*signed*) "*John-Mark Staude*"
John-Mark Staude
President, Chief Executive Officer and Director

Registered Riverside Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Riverside Shareholder and receive these materials through your broker or through another Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

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Capitalized terms used in this Notice of Meeting are defined in the Glossary of Terms or elsewhere in the Information Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Information Circular contains "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information is provided as of the date of this Information Circular or, in the case of documents incorporated by reference herein, as of the date of such documents and neither Riverside nor Capitan intend to, nor do they assume any obligation, to update this forward-looking information, except as required by law. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on reasonable assumptions that have been made by Riverside as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Riverside to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the risk of Riverside not obtaining court, shareholder or stock exchange approvals to proceed with the Arrangement; the risk of unexpected tax consequences to the Arrangement; the risk of unanticipated material expenditures required by Riverside prior to completion of the Arrangement; risks of the market valuing Riverside and/or Capitan in a manner not anticipated by Riverside; risks relating to the benefits of the Arrangement not being realized or as anticipated; risks associated with mineral exploration and development; metal and mineral prices; availability of capital, including the ability of Capitan to complete the Capitan Financing (as herein defined) with sufficient proceeds to operate its business and to satisfy the listing requirements of the TSXV (as herein defined); accuracy of Riverside's projections and estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of activities; government regulation; political or economic developments; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of base and precious metal exploration and development; contests over title to properties; changes and volatility in project parameters as plans continue to be refined; the inherent uncertainties regarding cost estimates, changes in commodity prices, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations; global financial conditions; the market price of Riverside's securities; ability to access capital; changes in interest rates; liabilities and risks inherent in exploration and development operations; uncertainties associated with estimating mineral resources and production; uncertainty as to reclamation and decommissioning liabilities; failure to obtain industry partner and other third party consents and approvals when required; delays in obtaining permits and licenses for development properties; competition for, among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions or dispositions; property title risk; geological, technical and processing problems; the ability of Riverside to meet its obligations to its creditors; actions taken by regulatory authorities with respect to mining activities; the potential influence of or reliance upon Riverside's business partners, and the adequacy of insurance coverage; as well as those factors discussed in the sections entitled "*Riverside Resources Inc. – Risk Factors*" and "*Capitan Mining Inc. – Risk Factors*" herein. Other documents incorporated by reference in the Information Circular, such as the audited financial statements of Riverside as at, and for the financial years ended, September 30, 2019 and 2018 (together with the auditor's report thereon and the notes thereto) and related management's discussion and analysis for the financial years ended September 30, 2019 and 2018, each include forward-looking information with respect to, among other things, Riverside's corporate development and strategy. Forward-looking information is based on certain assumptions that Riverside and Capitan believe are reasonable, including that the required shareholder, court and regulatory and stock exchange approvals for the transactions described in this Information Circular will be obtained; that the transactions described in this Information Circular will be completed as disclosed herein; that the current directors and officers of Riverside and Capitan will continue in their respective capacities as directors and officers of Riverside and Capitan, as applicable; that sufficient working capital will be available for both Riverside and Capitan; that the Capitan Shares will be listed on the TSXV; and that shareholdings of certain shareholders of Riverside will not change prior to the closing of the transactions described herein; the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general

business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that Riverside will not experience any material labour dispute, accident, or failure of plant or equipment and such other assumptions and factors as set out herein.

Although Riverside has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information. Riverside does not undertake to update any forward-looking information contained herein or that is incorporated by reference herein, except in accordance with applicable securities laws.

DATE OF INFORMATION

Information contained in this Information Circular is as at February 25, 2020, unless otherwise indicated.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

The historical financial statements of Riverside and Capitan contained in this Information Circular are reported in Canadian dollars and have been prepared in accordance with IFRS. All references to dollar amounts in this Information Circular are to Canadian dollars unless stated otherwise or the context otherwise requires.

CURRENCY

Unless otherwise indicated herein, references to "$", "Cdn$" "Canadian dollars" are to Canadian dollars, and references to "US$" or "U.S. dollars" are to United States dollars.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Information Circular from documents filed by Riverside with the securities commissions or similar authorities in British Columbia, Alberta and Ontario. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Riverside at Suite 550-800 West Pender Street, Vancouver, British Columbia, V6C 2V6 (Telephone (778) 327-6671). These documents are also available under Riverside's profile on the SEDAR website at www.SEDAR.com.

The following documents are specifically incorporated by reference into, and form an integral part of, this Information Circular:

1. the audited financial statements of Riverside as at, and for the financial years ended, September 30, 2019 and 2018, together with the auditors' report thereon and the notes thereto;

2. management's discussion and analysis for the financial years ended September 30, 2019 and 2018;

3. the Technical Report; and

4. the Arrangement Agreement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Information Circular to the extent that a statement contained in this Information Circular or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is

required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

NOTE TO UNITED STATES SECURITYHOLDERS

THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE PLAN OF ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Capitan Shares and New Riverside Shares to be issued to Riverside Shareholders in exchange for Riverside Shares under the Plan of Arrangement, the Capitan Options and Riverside Replacement Options to be issued to Riverside Optionholders in exchange for Riverside Options under the Plan of Arrangement, and the modification of the Riverside Warrants pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act, and are being issued and exchanged or accomplished in reliance on the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act (the "**Section 3(a)(10) Exemption**") on the basis of the approval of the Court, and similar exemptions from registration under applicable state securities laws. The Section 3(a)(10) Exemption exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on February 27, 2020 and, subject to the approval of the Arrangement by the Riverside Shareholders, a hearing of the application for the Final Order will be held on April 2, 2020 at 9:45 a.m. (Pacific Time) at the Courthouse, at 800 Smithe Street, Vancouver, British Columbia, Canada. All Securityholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the Section 3(a)(10) Exemption with respect to the Capitan Shares and New Riverside Shares to be issued to in exchange for their Riverside Shares pursuant to the Arrangement, with respect to the Capitan Options and Riverside Replacement Options to be issued to Riverside Optionholders in exchange for their Riverside Options pursuant to the Arrangement and with respect to the modification of the Riverside Warrants pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order. "*U.S. Securities Laws*" and "*Approval of the Arrangement - Court Approval of the Arrangement*".

The solicitation of proxies hereby is not subject to the proxy requirements of section 14(a) of the U.S. Exchange Act. Furthermore, this Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada, and the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with applicable Canadian corporate and securities laws. U.S. Securityholders should be aware that such requirements are different than those of the United States.

Likewise, information concerning the properties and operations of Riverside and Capitan has been prepared in accordance with Canadian standards, and may not be comparable to similar information for United States companies. In particular, disclosure of scientific or technical information regarding mineral prospects in this Information Circular has been made in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. For example, the terms "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" are used in this Information Circular to comply with the reporting standards in Canada. While those terms are recognized and required by Canadian regulations, the SEC's Industry Guide 7 does not recognize them and disclosure of information concerning such categories is generally not permitted under Industry Guide 7. U.S. Securityholders are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of measured mineral resources, indicated mineral resources, inferred mineral resources or probable mineral reserves will ever be upgraded to a higher category. In accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis

of feasibility or other economic studies. Disclosure of "contained ounces" is permitted disclosure under Canadian regulations however, Industry Guide 7 normally only permits issuers to report mineralization that does not constitute reserves as in place tonnage and grade without reference to unit measures. Accordingly, information included or incorporated by reference in this Information Circular containing descriptions of the Parties' mineral properties may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the SEC's Industry Guide 7.

Certain financial statements and information included or incorporated by reference herein have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IASB**"), and are subject to auditing and auditor independence standards in Canada, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles and United States auditing and auditor independence standards.

U.S. Securityholders should be aware that the issue and exchange of the securities described herein may have tax consequences both in the United States and in the Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein.

Each U.S. Securityholder should consult its own tax adviser regarding the proper treatment of the Arrangement and the ownership and disposition of securities of Riverside or Capitan for United States federal income tax purposes.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that Riverside and Capitan are incorporated or organized outside the United States, that most of their officers and directors and the experts named herein may be residents of a country other than the United States, and that all or a substantial portion of the assets of Riverside, Capitan and said persons are located outside the United States. As a result, it may be difficult or impossible for U.S. Securityholders to effect service of process within the United States upon Riverside or Capitan, their respective directors or officers, or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. Securityholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

The Capitan Shares and New Riverside Shares to be issued to Riverside Shareholders in exchange for their Riverside Shares pursuant to the Arrangement will be freely transferable under U.S. federal securities laws, except by persons who are "affiliates" (as defined in Rule 144 under the U.S. Securities Act) of Capitan or Riverside, respectively, after the Effective Date, or were "affiliates" of Capitan or Riverside, respectively, within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Capitan Shares or New Riverside Shares by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. See "*U.S. Securities Laws*".

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Capitan Shares issuable upon the exercise of the Capitan Options or Riverside Warrants following the Effective Date, and the New Riverside Shares issuable upon the exercise of the Riverside Replacement Options or Riverside Warrants following the Effective Date, may not be issued in reliance upon the Section 3(a)(10) Exemption and may be exercised only pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information and financial data and statements contained elsewhere in the Information Circular, including the schedules hereto. This Summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The information contained herein is as of February 25, 2020 unless otherwise indicated.

Capitalized terms used in this Summary are defined in the Glossary of Terms.

The Meeting

Time, Date and Place of Meeting

The Meeting of Riverside Shareholders will be held on March 31, 2020 at 10:00 A.M. (Vancouver time) at Suite 910, 800 West Pender Street, Vancouver, British Columbia.

The Record Date

The Record Date for determining the Registered Holders (as herein defined) entitled to receive notice of and to vote at the Meeting is February 25, 2020.

Purpose of the Meeting

This Information Circular is furnished in connection with the solicitation of proxies by management of Riverside for use at the Meeting which will be held for the following purposes:

Election of Directors

The Riverside Shareholders will be asked to elect the directors of Riverside. See "*Particulars of Matters to be Acted Upon – Election of Directors*" in this Information Circular.

Appointment of the Auditor

The Riverside Shareholders will be asked to appoint the auditor of Riverside and to authorize the directors of Riverside to fix the remuneration of the auditor. See "*Particulars of Matters to be Acted Upon – Appointment of Auditor*" in this Information Circular.

Riverside Stock Option Plan

The Riverside Shareholders will be asked to approve, by ordinary resolution, the continuing use of the Riverside Stock Option Plan (as defined herein) pursuant to applicable TSXV policies. See "*Particulars of Matters to be Acted Upon – Approval of Riverside Stock Option Plan*" in this Information Circular.

The Arrangement

The Riverside Shareholders, by Special Resolution, will be asked to approve the Arrangement involving Riverside, the Riverside Securityholders and Capitan, a wholly-owned subsidiary of Riverside incorporated for the purposes of the Arrangement. Under the Arrangement, Riverside will spin-out the shares of its wholly-owned subsidiary, Capitan, which will hold the Peñoles Property in Mexico, to the Riverside Shareholders. See "*Particulars of Matters to be Acted Upon – Approval of the Arrangement*" in this Information Circular.

Capitan Stock Option Plan

The Riverside Shareholders will also be asked to approve, by ordinary resolution, the Capitan Stock Option Plan (as defined herein) pursuant to applicable TSXV policies. See "*Particulars of Matters to be Acted Upon – Approval of Capitan Stock Option Plan*" in this Information Circular.

Summary of the Arrangement

The Arrangement will be completed by way of plan of arrangement pursuant to Section 288 of the BCBCA involving Riverside, the Riverside Securityholders and Capitan. The disclosure of the principal features of the Arrangement, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is available on SEDAR under Riverside's profile at www.SEDAR.com and is incorporated by reference herein.

Reasons for the Arrangement

Riverside believes that the Arrangement is in the best interests of Riverside for numerous reasons, including:

(i) At the moment, the capital markets value the Peñoles Property together with all of Riverside's other properties. By completing the Arrangement, the markets will value the Peñoles Property separately and independently of Riverside's other properties, which should create additional value for Riverside Shareholders;

(ii) Separating the Peñoles Property from Riverside's other properties is expected to accelerate the development of the Peñoles Property;

(iii) Riverside Shareholders will benefit by holding shares in two separate public companies;

(iv) Upon completion of the Arrangement, Capitan will have a separate board and management which will include members with specialized skills necessary to advance the Peñoles Project;

(v) Separating Riverside and Capitan will expand Capitan's potential shareholder base and access to development capital by allowing investors that want specific ownership in a focused gold development asset like the Peñoles Property to invest directly in Capitan rather than through Riverside; and

(vi) the Peñoles Property is not required for Riverside's primary business focus which will remain project generation and advancement through joint ventures and similar arrangements.

In the course of its deliberations, the Riverside Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to, the risks set out under "*Approval of the Arrangement – Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Riverside Board in their consideration of the Plan of Arrangement. The Riverside Board collectively reached its unanimous decision with respect to the Plan of Arrangement in light of the factors described above and other factors that each member of the Riverside Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Riverside Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Riverside Board may have given different weight to different factors.

For further information on the reasons for the Arrangement, see "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors*" in this Information Circular.

Principal Steps of the Arrangement

Prior to the Effective Time, Capitan will issue the Capitan Spinout Shares to Riverside to complete the acquisition of the Peñoles Property. The following is a summary of the principal steps of the Arrangement:

(i) the existing Riverside Shares will be redesignated as Riverside Class A Shares;

(ii) Riverside will create a new class of common shares known as the New Riverside Shares;

(iii) each Riverside Class A Share will be exchanged for one New Riverside Share and 0.2767 of a Capitan Spinout Share;

(iv) the Riverside Class A Shares will be cancelled; and

(v) as part of the Arrangement, all outstanding Riverside Options and Riverside Warrants will be adjusted to allow holders to acquire, upon exercise, New Riverside Shares and Capitan Shares in amounts reflective of the relative fair market values of Riverside and Capitan at the Effective Time.

As a result of the Arrangement, Riverside Shareholders will own the Capitan Spinout Shares, and Riverside will have no further interest in Capitan or the Capitan Shares. Capitan, through its Mexican subsidiary, will own the Peñoles Property and will focus on the further exploration and development of that property. The Arrangement is subject to a number of conditions including TSXV acceptance, approval by the Riverside Shareholders, and Court approval.

The TSXV has conditionally accepted the Arrangement and Capitan has made application to list the Capitan Shares on the TSXV. Any listing will be subject to Capitan fulfilling all of the listing requirements of the TSXV.

Pursuant to Section 288 of the BCBCA and in accordance with the terms of the Arrangement Agreement, the Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Riverside Shareholders.

The Riverside Board may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Riverside Shareholders.

The foregoing is a summary only. For further details see "*Particulars of Matters to be Acted Upon – Approval of the Arrangement*" in this Information Circular.

Effect of the Arrangement

As a result of the Arrangement, Riverside Shareholders will no longer hold their Riverside Shares and instead, will receive one New Riverside Share and 0.2767 of a Capitan Share for every one Riverside Share held at the Effective Time, and as a result, will hold shares in two public companies.

Capitan will be a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Capitan has made application to list the Capitan Shares on the TSXV.

Recommendation of the Directors

After careful consideration, the Riverside Board, after receiving legal and financial advice, has unanimously determined that the Arrangement is in the best interests of Riverside and is fair to the Riverside Shareholders. Accordingly, the Riverside Board unanimously recommends that Riverside Shareholders vote FOR the Arrangement Resolution.

Each director and officer of Riverside who owns Riverside Shares has indicated his or her intention to vote his or her Riverside Shares in favour of the Arrangement Resolution. See "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors*" in this Information Circular.

Directors and Officers of Capitan

The Capitan Board will be comprised of John-Mark Staude, Alberto J. Orozco, Francisco Arturo Bonillas and one or more additional directors to be chosen by Riverside. Executive management of Capitan will consist of Alberto J. Orozco, Chief Executive Officer and Robert J. Scott, Chief Financial Officer. It is the intent of Capitan to add individuals to the Capitan Board and management to ensure Capitan has the appropriate amount of local knowledge and skill sets to advance the Peñoles Property and additional assets Capitan may acquire in the future. Since Riverside's focus is primarily as a mineral exploration project generator and Capitan's focus will be on the Peñoles Property, any common directors on the Capitan Board and the Riverside Board are not expected to be subject to any conflicts of interest. See "*Capitan Mining Inc. – Directors and Officers*" in this Information Circular.

The Companies

Riverside, a BCBCA incorporated company, is listed on the TSXV and is a mining exploration project generator and posseses several mineral exploration projects in Mexico and Canada.

Capitan is a wholly-owned subsidiary of Riverside incorporated under the BCBCA for the purpose of the Arrangement. As of the Effective Date, Capitan will indirectly own the Peñoles Property. For further information, see "*Peñoles Property*" below.

See "*Riverside Resources Inc.*" and "*Capitan Mining Inc.*" in this Information Circular for disclosure about each of Riverside and Capitan, on a current and post-Arrangement basis.

The Capitan Financing

In order to obtain a listing of the Capitan Shares on the TSXV, Capitan must have sufficient cash resources to complete the work program recommended in the Technical Report and for working capital. Capitan intends to complete the Capitan Financing to raise approximately $2,000,000, or such other amount as the Capitan Board may determine on terms acceptable to Capitan in order to allow Capitan to satisfy the initial listing requirements of the TSXV.

See "*Capitan Mining Inc. – Capitan Financing*".

Pro forma Business Objectives

Upon completion of the Arrangement, Riverside will continue to hold all of its other assets including Los Cuarentas, Cecilia, Sandy, Tajitos and Ariel Projects. Riverside is actively pursuing future growth opportunities, primarily through the acquisition and subsequent sale, farm-out, joint venture or other arrangement of promising mineral exploration properties. Upon completion of the Arrangement, Capitan will hold the Peñoles Property. Capitan intends to concentrate its activities on the exploration and development of the Peñoles Property.

Conditions to the Arrangement

The Arrangement is subject to a number of conditions, certain of which may only be waived in accordance with the Arrangement Agreement, including receipt by Riverside and Capitan of all required approvals, including approval by: not less than two-thirds of the votes cast at the Meeting in person or by proxy by Riverside Shareholders; approval of the TSXV of the Arrangement, including the listing of the New Riverside Shares in substitution for the Riverside Class A Shares, approval of the listing of the Capitan Shares on the TSXV; completion of the Capitan Financing; and approval of the Arrangement by the Court (as herein defined). See "*Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals*" and "*Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" in this Information Circular.

Conduct of Meeting and Other Approvals

Shareholder Approval of the Arrangement

The Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Riverside Shareholders.

Court Approval of the Arrangement

Under the BCBCA, Riverside is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. On February 27, 2020, prior to mailing the material in respect of the Meeting, Riverside obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order and the Requisition of Hearing of Petition for Final Order are appended as Schedules "C" and "D", respectively, to this Information Circular. As set out in the Requisition of Hearing of Petition for Final Order, the Court hearing in respect of the Final Order is scheduled to take place at 10:00 A.M. (Vancouver time) on April 2, 2020, following the Meeting or as soon thereafter as the Court may direct or counsel for Riverside may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. **Securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, any Securityholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the

Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Securityholders.

Under the terms of the Interim Order, each Securityholder will receive proper notice that they will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Requisition of Hearing of Petition for Final Order is required to file with the Court and serve upon Riverside, at the address set out below, prior to 4:00 P.M. (Vancouver time) on March 27, 2020, the Response to Petition, including his address for service, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered to:

Whitelaw Twinning LLP
2400 - 200 Granville St.
Vancouver, British Columbia
V6C 1S4
Attention: Nicole Chang

Regulatory Approvals

If the Arrangement Resolution is approved by the requisite two-thirds of the Riverside Shareholders voting together as a single class, final regulatory approval must be obtained for all the transactions contemplated by the Arrangement before the Arrangement may proceed.

The Riverside Shares are currently listed and posted for trading on the TSXV. Riverside is a reporting issuer in British Columbia, Alberta and Ontario. Approval from the TSXV is required for the completion of the Arrangement, including listing of the New Riverside Shares in substitution for the Riverside Shares, conditional acceptance having been obtained on February 26, 2020. Upon completion of the Arrangement, it is expected that Capitan will be a reporting issuer in British Columbia, Alberta and Ontario and intends to seek a listing of the Capitan Shares on the TSXV. Capitan has made an application to list the Capitan Shares on the TSXV. Any listing will be subject to the approval of the TSXV. There can be no assurances that Capitan will be able to attain a listing on the TSXV or any other stock exchange. Capitan has also applied for a waiver of the sponsorship requirements under the rules of the TSXV. There is no assurance that such a waiver will be available to Capitan.

Riverside Shareholders should be aware that certain of the foregoing approvals, including a listing on the TSXV or a determination that Capitan will be a reporting issuer in the specified jurisdictions, have not yet been received from the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

See "*Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals*" in this Information Circular. There is no assurance that Capitan and Riverside will receive the required approvals.

Dissent Rights to the Arrangement

Registered Holders have the right to dissent to the Arrangement. Dissenting Shareholders who strictly comply with Sections 237-247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, are entitled to be paid the fair value of their Riverside Shares by Riverside if the Plan of Arrangement becomes effective. See the Interim Order appended as Schedule "C" to this Information Circular. In addition, the Dissent Rights applicable to the Arrangement are summarized under the heading "*Rights of Dissenting Riverside Shareholders*" and the provisions of the BCBCA with regard to the Dissent Rights are set out in Schedule "E" to this Information Circular. A Registered Holder is not entitled to dissent with respect to such holder's shares if such holder votes any of those shares in favour of the Arrangement Resolution.

Dissenting Shareholders should note that the exercise of dissent rights can be a complex, time-sensitive and expensive procedure. Dissenting Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement and the dissent rights.

Procedure for Receipt of New Riverside Shares and Capitan Shares

Riverside Shareholders on the Share Distribution Record Date will be entitled to receive New Riverside Shares and Capitan Shares pursuant to the Arrangement.

Each registered Riverside Shareholder will receive a Letter of Transmittal containing instructions with respect to the deposit of certificates for Riverside Shares for use in exchanging their Riverside Shares for Certificates or Direct Registration System ("**DRS**") statements representing New Riverside Shares and Capitan Shares, to which they are entitled under the Arrangement. Upon return of a properly completed Letter of Transmittal, together with certificates formerly representing Riverside Shares and such other documents as Computershare Investor Services Inc., acting as the depositary (the "**Depositary**"), may require, certificates or DRS statements for the appropriate number of New Riverside Shares and Capitan Shares will be distributed.

Riverside Selected Financial Information

The following table sets out selected consolidated financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the financial statements of Riverside for the fiscal years ended September 30, 2019 and 2018, incorporated by reference in this Information Circular and filed on SEDAR under Riverside's profile at www.SEDAR.com. The financial statements have been prepared in accordance with IFRS.

	Year Ended September 30, 2019 ($)	**Year Ended September 30, 2018 ($)**
Loss	(1,310,831)	(1,462,695)
Comprehensive loss	(1,532,749)	(1,411,764)
Basic and diluted loss per share	(0.02)	(0.03)
Total assets	12,341,457	8,869,608
Mineral interests	6,436,939	5,344,749

Riverside Selected *Pro Forma* Financial Information

The following table sets out selected *pro forma* financial information in respect of Riverside as at September 30, 2019, as if the Arrangement had been completed as of September 30, 2019 and should be considered in conjunction with the more complete information contained in the *pro forma* balance sheet of Riverside appended as Schedule "H" to this Information Circular.

	September 30, 2019 ($)
Current assets	5,731,268
Mineral property interests	5,076,356
Total assets	10,980,874
Total liabilities	2,278,871
Riverside Shareholders' equity	8,702,003

The following table sets out selected *pro forma* financial information in respect of Riverside for the year ended September 30, 2019, as if the Arrangement had been completed as of September 30, 2019 and should be read in

conjunction with the more complete information provided in the *pro forma* consolidated statement of loss and comprehensive loss of Riverside appended as Schedule ”H” to this Information Circular.

	Year Ended September 30, 2019 ($)
Net Income	765,847
Comprehensive Income	543,929
Income per Share (basic and diluted)	0.01

Capitan Selected *Pro Forma* Financial Information

The following table sets out selected *pro forma* financial information in respect of Capitan as at October 30, 2019 as if the Arrangement had been completed as of September 30, 2019 and should be considered in conjunction with the more complete information contained in the *pro forma* balance sheet of Capitan appended as Schedule “H” to this Information Circular.

	September 30, 2019 ($)
Current assets	1,745,000
Mineral property interests	3,500,000
Total assets	5,245,000
Total liabilities	Nil
Capitan Shareholders’ equity	5,245,000

The following table sets out selected *pro forma* financial information in respect of Capitan as of October 30, 2019, as if the Arrangement had been completed as of September 30, 2019, and should be read in conjunction with the more complete information provided in the *pro forma* consolidated statement of loss and comprehensive loss of Capitan appended as Schedule “H” to this Information Circular.

	Upon Arrangement ($)
Net Loss	(60,311)
Comprehensive Loss	(60,311)
Loss per Share (basic and diluted)	(60,311)

Certain Canadian Federal Income Tax Considerations

Securityholders should consult their own tax advisors about the applicable Canadian federal, provincial, and local tax consequences of the Arrangement. A summary of the principal Canadian federal income tax considerations of the Arrangement is included under “*Certain Canadian Federal Income Tax Considerations*” in this Information Circular.

Certain United States Federal Income Tax Considerations

Securityholders should consult their own tax advisors about the applicable United States federal, state and local tax consequences of the Arrangement. A summary of certain United States federal income tax considerations of the Arrangement is included under “*Certain United States Federal Income Tax Considerations*” in this Information Circular.

Securities Laws Information for Securityholders

The following disclosure is provided as general information only. Each Riverside Shareholder should consult his, her or its own professional advisors to determine the conditions and restrictions applicable to trades in the New Riverside Shares and Capitan Shares.

The issuance and distribution of the New Riverside Shares and the Capitan Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The New Riverside Shares and the Capitan Shares issued pursuant to the Arrangement may be resold in each of the provinces and territories of Canada, provided the holder is not a 'control person' as defined in the applicable legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

Each Riverside Shareholder is urged to consult its own professional advisors to determine the conditions and restrictions applicable to trades in such securities.

See "*Securities Law Considerations – Canadian Securities Laws and Resale of Securities*" in this Information Circular.

See "*Securities Law Considerations – U.S. Securities Laws*" for a summary of U.S. securities laws applicable to the Arrangement.

Risk Factors

The securities of Riverside and Capitan should be considered highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Riverside Shareholders should carefully consider all of the information disclosed in this Information Circular prior to voting on the matters being put before them at the Meeting.

There are risks associated with the Arrangement that should be considered by Riverside Shareholders, including but not limited to: (i) market reaction to the Arrangement and the future trading prices of the Riverside Shares and of the Capitan Shares, if listed, cannot be predicted; (ii) the transactions may give rise to significant adverse tax consequences to Riverside Shareholders and each Riverside Shareholder is urged to consult his, her or its own tax advisor; (iii) uncertainty as to whether the Arrangement will have a positive impact on the entities involved in the transactions; and (iv) there is no assurance that required regulatory, stock exchange or court approvals will be received, that the Capitan Financing will be completed or that the Capitan Shares will be listed or quoted on any stock exchange.

There are risks associated with the businesses of Riverside and Capitan that should be considered by Riverside Shareholders, including but not limited to: (i) the need for additional capital by Riverside and Capitan, through financings and the risk that such funds may not be raised including that the Capitan Financing may not raise sufficient proceeds to fund Capitan's operations or enable it to obtain a listing on the TSXV; (ii) the speculative nature of exploration and the stages of the properties or assets of Riverside and Capitan; (iii) the effect of changes in commodity prices; (iv) regulatory risks that development will not be acceptable for social, environmental or other reasons; (v) reliance on management; (vi) the potential for conflicts of interest; and (vii) other risks associated with either Riverside or Capitan as described in greater detail elsewhere in this Information Circular.

Riverside Shareholders should review carefully the risk factors set forth under "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Arrangement Risk Factors*", "*Riverside Resources Inc. – Risk Factors" and "Capitan Mining Inc. – Risk Factors*".

GLOSSARY OF TERMS

In this Information Circular, the following capitalized words and terms shall have the following meanings:

ACB	Adjusted cost base, as defined in the *Tax Act.*
Arrangement	The arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and the Plan of Arrangement.
Arrangement Agreement	The arrangement agreement dated as of February 24, 2020 between Riverside and Capitan, as may be supplemented or amended from time to time.
Arrangement Provisions	Part 9, Division 5 of the BCBCA.
Arrangement Resolution	The special resolution of the Riverside Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA, in the form attached as Schedule ”A” hereto.
Audit Committee	The audit committee of Riverside.
BCBCA	The *Business Corporations Act*, S.B.C. 2002, c. 57, as amended.
Business Day	A day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia.
Capitan	Capitan Mining Inc., a company incorporated pursuant to the laws of British Columbia.
Capitan Board	The duly appointed board of directors of Capitan.
Capitan Incorporation Share	The one Capitan Share held by Riverside that was issued to Riverside on the incorporation of Capitan.
Capitan Financing	A private placement by Capitan of Capitan securities to raise gross proceeds of approximately $2,000,000, or such other amount as the Capitan Board may determine, on terms acceptable to Capitan, in order to allow Capitan to satisfy the initial listing requirements of the TSXV.
Capitan Options	The share purchase options issued pursuant to the Capitan Stock Option Plan, including the Capitan Options pursuant to section 3.1(d) of the Plan of Arrangement.
Capitan Shareholder	A holder of Capitan Shares.
Capitan Shares	The common shares without par value which Capitan is authorized to issue as the same are constituted on the date hereof.
Capitan Spinout Shares	The 17,500,000 Capitan Shares (or such other amount determined by the Capitan Board) to be issued to Riverside prior to the Effective Date to complete the acquisition of the Peñnoles Property and to be distributed to the Riverside Shareholders pursuant to the Plan of Arrangement.
Capitan Stock Option Plan	The stock option plan to be adopted by Capitan pursuant to the Arrangement Agreement and the Plan of Arrangement, in substantially similar terms as the Riverside Stock Option Plan and may otherwise be modified, amended or restated as more particularly set forth in this Information Circular.
Carve-Out Financial Statements	Audited carve-out financial statements for the years ended September 30, 2019 and 2018 of Riverside in respect of the Peñoles Property.
Court	The Supreme Court of British Columbia.

CRA	Canada Revenue Agency, the federal agency that administers tax laws for the Government of Canada.
Dissent Rights	The rights of dissent granted in favour of registered holders of Riverside Shares in accordance with Article 5 of the Plan of Arrangement.
Dissenting Shareholder	A registered holder of Riverside Shares who dissents in respect of the Arrangement in strict compliance with the dissent procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.
Dissenting Share	Has the meaning given in section 3.1(a) of the Plan of Arrangement.
Effective Date	Shall be the date of the closing of the Arrangement.
Effective Time	12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Riverside and Capitan.
Final Order	The final order of the Court approving the Arrangement.
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board or a successor entity, as amended from time to time.
Information Circular	This management information circular of Riverside, including all schedules thereto, to be sent to the Riverside Shareholders in connection with the Meeting, together with any amendments or supplements thereto.
In the Money Amount	At a particular time with respect to a Riverside Option, Riverside Replacement Option or Capitan Option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time.
Interim Order	The interim order of the Court providing advice and directions in connection with the Meeting and the Arrangement.
Intermediary	Banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, among others, that the Non- Registered Holder deals with in respect of their Riverside Shares.
Letter of Transmittal	The letter of transmittal in respect of the Arrangement to be sent to Riverside Shareholders together with the Information Circular.
Management	Management of Riverside.
Meeting	The annual and special meeting of Riverside Shareholders scheduled to be held at 10:00 A.M. (Vancouver time) on March 31, 2020 and any adjournment(s) or postponement(s) thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and any other matters set out in the Notice of Meeting.
Meeting Materials	The Notice of Meeting, the Information Circular, and the form of proxy together with any other materials required to be sent to shareholders in respect of the Meeting.
New Riverside Shares	A new class of voting common shares without par value which Riverside will create and issue as described in section 3.1(b)(ii) of the Plan of Arrangement and for which the Riverside Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Riverside Shares
NOBOs	Non-Objecting Beneficial Owners are beneficial owners who do not object to their name being made known to the issuers of securities which they own.

Non-Registered Holders	Riverside Shareholders, being NOBOs and OBOs, whose shares are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.
Notice of Meeting	The notice of the Meeting to be sent to the Riverside Shareholders, which notice will accompany the Information Circular.
NI 43-101	National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
NI 54-101	National Instrument 54-101 – *Communication with Beneficial Owners of Securities of Reporting Issuers*.
OBOs	Beneficial owners of Riverside Shares who object to their name being made known to the issuers of securities which they own.
Peñoles Property	The mineral exploration property in Mexico owned indirectly by Capitan and known as the Peñoles Property.
Person or person	Is and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof.
Plan of Arrangement	The plan of arrangement attached as Exhibit I to the Arrangement Agreement, as the same may be amended from time to time.
Record Date	February 25, 2020, being the date determined by the Riverside Board for the determination of which Riverside Shareholders are entitled to receive notice of and vote at the Meeting
Registered Holder	A holder of record of Riverside Shares
Regulation S	Regulation S promulgated under the U.S. Securities Act.
Response to Petition	The response to petition filed with the Court and served upon Riverside if any Riverside Shareholder desires to appear at the hearing to be held by the Court to approve the Arrangement as detailed in the Requisition of Hearing of Petition for the Final Order.
Riverside	Riverside Resources Inc., a company incorporated pursuant to the laws of British Columbia.
Riverside Board	The duly appointed board of directors of Riverside.
Riverside Class A Shares	The renamed and redesignated Riverside Shares as described in section 3.1(b)(i) of the Plan of Arrangement
Riverside Optionholders	The holders of Riverside Options on the Effective Date
Riverside Options	Options to acquire Riverside Shares, including options under the terms of which are deemed exercisable for Riverside Shares, that are outstanding immediately prior to the Effective Time
Riverside Replacement Option	An option to acquire a New Riverside Share to be issued by Riverside to a holder of a Riverside Option pursuant to section 3.1(d) of the Plan of Arrangement
Riverside Shares	The common shares without par value which Riverside is authorized to issue as the same are constituted on the date hereof.
Riverside Shareholder	A holder of Riverside Shares.
Riverside Stock Option Plan	The stock option plan of Riverside dated effective January 23, 2015.
Riverside Warrantholders	The holders of Riverside Warrants on the Effective Date

Riverside Warrants	The share purchase warrants of Riverside exercisable to acquire Riverside Shares, including warrants under the terms of which are deemed exercisable for Riverside Shares, that are outstanding immediately prior to the Effective Time
SEC	United States Securities Exchange Commission.
Securities Legislation	The securities legislation of the provinces and territories of Canada, the U.S. Exchange Act and the U.S. Securities Act, each as now enacted or as amended, and the applicable rules, regulations, rulings, orders, instruments and forms made or promulgated under such statutes, as well as the rules, regulations, by-laws and policies of the TSXV.
Securityholder	A Riverside Shareholder, Riverside Optionholder or Riverside Warrantholder.
SEDAR	System for Electronic Document Analysis and Retrieval at www.SEDAR.com.
Share Distribution Record Date	The close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Riverside Shareholders entitled to receive New Riverside Shares and Capitan Shares pursuant to the Plan of Arrangement or such other date as the Board of Directors may select.
Share Exchange	The exchange of Riverside Shares for New Riverside Shares and Capitan Shares pursuant to the Plan of Arrangement.
Special Resolution	A resolution required to be approved under the BCBCA by not less than two-thirds of the votes cast by those Riverside Shareholders who vote in person or by proxy at the Meeting for which appropriate notice has been given.
Subsidiary	Is, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.
Tax Act	The *Income Tax Act* (Canada) and the regulations made thereunder, as promulgated or amended from time to time.
Technical Report	The NI 43-101 technical report dated January 12, 2020, prepared by Derrick Strickland, P. Geo. and Robert Sim, P. Geo., titled "NI 43-101 Technical Report on the Peñoles Gold-Silver Project Durango Mexico at 104° 31' 45' Longitude and 25° 39' 01' " with an effective date of January 12, 2020.
Transfer Agent	Computershare Investor Services Inc. or such other trust company or transfer agent as may be designated by Riverside.
TSXV	TSX Venture Exchange Inc.
U.S.	United States.
U.S. Securityholder	A Securityholder who is subject to the securities laws of the United States.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated from time to time thereunder.
U.S. Securities Act	The United States Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

RIVERSIDE RESOURCES INC.

Suite 550 - 800 West Pender Street
Vancouver, British Columbia V6C 2V6
Tel: (778) 327-6671 Fax: (778) 327-6675

MANAGEMENT INFORMATION CIRCULAR

(As at February 25, 2020, except as indicated)

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is provided to registered and beneficial owners of the Riverside Shares in connection with the solicitation of proxies by the management of Riverside for use at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment(s) or postponement(s) thereof. This Information Circular and other proxy-related materials are not provided to registered or beneficial owners of Riverside Shares under the notice and access provisions of NI 54-101.

Persons or Companies Making the Solicitation

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of Riverside. Riverside may reimburse Riverside Shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by Riverside. None of the directors of Riverside have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

Appointment and Revocation of Proxies

This Information Circular is accompanied by a management instrument of proxy that permits registered shareholders (a "**Registered Holder**") who do not attend the Meeting in person to have their Riverside Shares voted at the Meeting by a proxyholder appointed by the Registered Holder. The persons named in the accompanying instrument of proxy are directors or officers of Riverside. **A Riverside Shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the Riverside Shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at Riverside's transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays.

The instrument of proxy must be signed by the Riverside Shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the Riverside Shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies that do not strictly conform to the foregoing requirements.

In addition to revocation in any other manner permitted by law, a Riverside Shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment(s) or postponement(s) thereof, or (c) registering with the scrutineer at the Meeting as a Riverside Shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

Voting of Shares and Exercise of Discretion Of Proxies

On any poll, the persons named as proxyholder in the enclosed instrument of proxy will vote the Riverside Shares in respect of which they are appointed and, where directions are given by the Riverside Shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such Riverside Shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of Riverside is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

Advice to Beneficial Holders of Riverside Shares

The following information is of significant importance to Riverside Shareholders who do not hold Riverside Shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Holders (those whose names appear on the records of Riverside as the Registered Holder of Riverside Shares).

If shares are listed in an account statement provided to a Riverside Shareholder by a broker, then in almost all cases those Riverside Shares will not be registered in the Riverside Shareholder's name on the records of Riverside. Such Riverside Shares will most likely be registered under the names of the Riverside Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Riverside Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of Riverside Shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for "Non-Objecting Beneficial Owners").

Riverside is taking advantage of the provisions of NI 54-101, which permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form (a "**VIF**") from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone and internet voting options, as described in the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions with respect to the Riverside Shares represented by the VIFs they receive.

These Meeting Materials are being sent to both Registered Holders and certain Non-Registered Holders of the Riverside Shares. If you are a Non-Registered Holder and Riverside or its agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of Riverside Shares have been obtained

in accordance with applicable securities regulatory requirements from the Intermediary holding Riverside Shares on your behalf.

By choosing to send these Meeting Materials to you directly, Riverside (and not the Intermediary holding on your behalf) has assumed responsibility for delivering these Meeting Materials to you and executing your proper voting instructions. Please return your voting instructions by completing and returning the enclosed VIF in accordance with the instructions contained in the VIF.

Beneficial shareholders who are OBOs will not receive the materials unless their Intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs, such instructions will typically be sought by the Riverside Shareholder receiving either a form of proxy or a voting instruction form. If a form of proxy is supplied to you by your broker, it will be similar to the proxy provided to Registered Holders by Riverside. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the "**Broadridge VIF**") which appoints the same persons as Riverside's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a beneficial shareholder of Riverside), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the"Appointee" section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

Voting Securities and Principal Holders of Voting Securities

On February 25, 2020, 63,241,188 Riverside Shares without par value were issued and outstanding, each Riverside Share carrying the right to one vote. At a general meeting of Riverside, on a show of hands, every shareholder present in person has one vote and, on a poll, every Riverside Shareholder has one vote for each Riverside Share of which he is the holder. Quorum for the Meeting is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued Riverside Shares entitled to be voted at the Meeting. Only Riverside Shareholders of record at the close of business on February 25, 2020, will be entitled to have their Riverside Shares voted at the Meeting or any adjournment(s) or postponement(s) thereof. All such holders of record of Riverside Shares are entitled either to attend and vote thereat in person the Riverside Shares held by them or, provided a completed and executed proxy shall have been delivered to the Transfer Agent within the time specified in the attached Notice of Annual and Special Meeting of Riverside Shareholders, to attend and vote by proxy the Riverside Shares held by them.

To the knowledge of the directors and executive officers of Riverside, no person beneficially owns or controls or directs, directly or indirectly, shares carrying more than l0% of the voting rights attached to all outstanding Riverside Shares.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of Riverside at any time since the commencement of Riverside's last completed financial year and no associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, other than directors and executive officers of Riverside having an interest in the resolution regarding the approval of the Capitan Stock Option Plan as such persons will be eligible to participate in such plan as directors and executive officers of Capitan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Information Circular, no informed person (as defined in NI 51-102), no proposed director of Riverside and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of Riverside's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect Riverside or any of its subsidiaries.

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

Number of Directors to be elected at the Meeting

The Riverside Board presently consists of five directors and Management intends to propose for adoption an ordinary resolution to fix the number of directors at five for the ensuing year, subject to such increase as may be permitted by the articles of Riverside.

Term

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as Management's nominees and the persons proposed by Management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of Riverside or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the articles of incorporation of Riverside or the provisions of the BCBCA.

Pursuant to the Advance Notice Policy adopted by the Riverside Board on August 27, 2013, which was approved by shareholders at the annual and special meeting of Riverside Shareholders held on February 27, 2014 and is filed on SEDAR under Riverside's profile at www.sedar.com, any additional director nominations for the Meeting must have been received by Riverside in compliance with the Advance Notice Policy on or before the close of business on March 1, 2020. No additional director nominations were received by Riverside.

Nominees

The following table and notes thereto sets out the name of each person proposed to be nominated by Management for election as a director (each a "**proposed director**"), the province and country in which he is ordinarily resident, all offices of Riverside now held by him, his principal occupation, the period of time for which he has been a director of Riverside, and the number of Riverside Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof:

Name, Province or State and Country of Residence[(1)] of Proposed Directors and Present Positions Held	Principal Occupation[(1)]	Director Since	Number of Riverside Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly[(2)]
John-Mark Staude British Columbia, Canada Director, President & CEO	President & CEO of Riverside since July 2007.	February 2007	2,398,460[(3)]
Brian Groves[(3)] British Columbia, Canada Director	Business Consultant.	October 2007	Nil
James Clare[(4)] Ontario, Canada Director	Lawyer – Partner at Bennett Jones LLP.	June 2008	23,500
Carol Ellis[(3)] British Columbia, Canada Director	Business Consultant; Professional Geoscientist; and self-employed consultant to mining, exploration and venture companies on corporate strategy.	June 2016	225,000
Walter Henry[(3)(4)] Ontario, Canada Director	Business Analyst; and President of Frontline Gold Corporation; a mineral exploration company listed on the TSX Venture Exchange.	June 2016	46,875

(1) The information as to the province or state, country of residence and principal occupation, not being within the knowledge of Riverside, has been furnished by the respective directors individually.
(2) The information as to Riverside Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of Riverside, has been furnished by the respective directors individually.
(3) Member of the Audit Committee.
(4) Member of the Compensation Committee.
(5) 1,928,460 Riverside Shares are held directly by John-Mark Staude and 470,000 Riverside Shares are held by Arriva Management Inc., a private company, controlled by John-Mark Staude.

A Riverside Shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise indicated, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of Riverside.**

Corporate Cease Trade Orders or Bankruptcies

None of the proposed directors (or any of their personal holding companies) of Riverside:

(a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company, including Riverside, that:

(i) was subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for

a period of more than 30 consecutive days while that person was acting in the capacity as director, executive officer or chief financial officer; or

(ii) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief financial officer; or

(b) is as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company, including Riverside, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

None of the proposed directors (or any of their personal holding companies) has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The Riverside Board recommends a vote FOR the election of each of the nominated directors. Unless such authority is withheld, the persons named in the enclosed form of proxy intend to vote FOR the election of the individuals set forth in the tables above. Management does not contemplate that any of such nominees will be unable to serve as a director of Riverside but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

See "*Riverside Resources Inc. – Statement of Executive Compensation for Riverside*".

Appointment of the Auditor

Management of Riverside will recommend the re-appointment of Davidson & Company LLP, Chartered Professional Accountants ("**Davidson**"), as auditor of Riverside for the ensuing year at a remuneration to be fixed by the directors.

The Riverside Board recommends a vote FOR the re-appointment of Davidson as auditor of Riverside to hold office until the next annual meeting of shareholders and to authorize the directors of Riverside to fix their remuneration. Unless another choice is specified, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of Davidson as the auditor of Riverside to hold office until the next annual meeting of the Riverside Shareholders and to authorize the directors of Riverside to fix their remuneration.

Approval of Riverside Stock Option Plan

Riverside has adopted a rolling stock option plan (the "**Riverside Stock Option Plan**") enabling the directors to grant options to employees, directors and officers of Riverside and persons providing ongoing services to Riverside. The policies of the TSXV state that rolling stock option plans must receive shareholder approval upon initial adoption and on an annual basis thereafter. The Riverside Stock Option Plan was last approved by the Riverside Shareholders at the Annual General Meeting held March 8, 2019 and will again be presented for approval at the Meeting.

Terms of the Stock Option Plan

The purpose of the Riverside Stock Option Plan is to attract, retain and motivate management, staff, consultants and other qualified individuals by providing them with the opportunity, through share options, to acquire a proprietary interest in Riverside and benefit from its growth. The material features of the Riverside Stock Option Plan are as follows:

1. the Riverside Stock Option Plan is administered by the Riverside Board or, if the Riverside Board so designates, a committee of the Riverside Board appointed to administer the Riverside Stock Option Plan;

2. options granted under the Riverside Stock Option Plan are non-assignable and may be granted for a term not exceeding that permitted by the TSXV, currently limited to ten years;

3. the maximum number of Riverside Shares in respect of which options may be outstanding under the Riverside Stock Option Plan at any time is equivalent to 10% of the issued and outstanding Riverside Shares (the "**Outstanding Riverside Shares**") at that time, less the number of Riverside Shares, if any, subject to options outstanding under any prior stock option plan, and less the number of Riverside Shares that remain unissued, from time to time, from the number of Riverside Shares reserved for the issuance of bonus shares under the Riverside Bonus Share Plan as described hereafter;

4. upon an optionee ceasing to hold any position with Riverside that would qualify a person to receive an option under the terms of the Stock Option Plan, the optionee's option shall terminate upon the expiry of such reasonable period of time following termination as has been fixed by the plan administrator. Also, an option granted under the Stock Option Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option that would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;

5. as long as required by TSXV policy, no one individual may receive options on more than 5% of the Outstanding Riverside Shares in any 12 month period, the insiders as a group may not receive options on a number of shares exceeding 10% of the Outstanding Riverside Shares in any 12 month period, no one consultant may receive options on more than 2% of the Outstanding Riverside Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Riverside Shares in any 12 month period and must vest in stages over a minimum period of 12 months;

6. the exercise price of options is subject to the discretion of the plan administrator, provided however that options may not be granted at prices that are less than the Discounted Market Price as defined in TSXV policy. Discounted Market Price generally means, subject to certain exceptions, the most recent closing price of the Riverside Shares on the TSXV, less a discount of from 15% to 25% depending on the trading value of the Riverside Shares;

7. any amendment of the terms of an option is subject to any required regulatory and Riverside Shareholder approvals; and

8. options granted under the Riverside Stock Option Plan are not assignable, negotiable or otherwise transferable other than by will or the laws of descent and distribution and, subject to the terms of the Riverside Stock Option Plan, are exercisable only by the optionee and his legal heirs or personal representatives.

The Riverside Stock Option Plan does not provide for any financial assistance or support to be provided to optionees by Riverside or any affiliated entity of Riverside to facilitate the purchase of Riverside Shares under the Riverside Stock Option plan.

At the Meeting, the Riverside Shareholders will be asked to approve the following ordinary resolution:

"RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Riverside Stock Option Plan, in the form ratified, confirmed and approved by the Riverside Shareholders at the annual general meeting held on March 9, 2019, is ratified, confirmed and approved;

2. Riverside is authorized to grant stock options pursuant and subject to the terms and conditions of the Riverside Stock Option Plan entitling all of the optionholders in aggregate to purchase up to such number of Riverside Shares as is equal to 10% of the number of Riverside Shares issued and outstanding on the applicable grant date;

3. the Riverside Board or any committee created pursuant to the Riverside Stock Option Plan is authorized to make such amendments to the Riverside Stock Option Plan from time to time as the Riverside Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Riverside Stock Option Plan, the Riverside Shareholders; and

4. any director or officer of Riverside is hereby authorized and directed for and in the name of and on behalf of Riverside to execute or cause to be executed, whether under corporate seal of Riverside or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing resolutions."

An ordinary resolution is a resolution passed by the Riverside Shareholders at a general meeting by a simple majority of the votes cast in person or by proxy.

The Riverside Board recommends that the Riverside Shareholders vote in favour of the above resolution. Unless otherwise directed, or where the instructions are unclear, the persons named in the enclosed proxy intend to vote FOR the ratification and approval of the Riverside Stock Option Plan until the next annual meeting of Riverside.

APPROVAL OF THE ARRANGEMENT

The Arrangement will become effective on the Effective Date, subject to satisfaction of the applicable conditions. The disclosure of the principal features of the Arrangement among Riverside, the Riverside Shareholders and Capitan, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is available under Riverside's profile on SEDAR at www.SEDAR.com.

Reasons for the Arrangement

Riverside believes that the Arrangement is in the best interests of Riverside for numerous reasons, including:

1. At the moment, the capital markets value the Peñoles Property together with all of Riverside's other properties. By completing the Arrangement, the markets will value the Peñoles Property separately

and independently of Riverside's other properties, which should create additional value for Riverside Shareholders;

2. Separating the Peñoles Property from Riverside's other properties is expected to accelerate the development of the Peñoles Property;

3. Riverside Shareholders will benefit by holding shares in two separate public companies;

4. Upon completion of the Arrangement, Capitan will have a separate board and management which will include members with specialized skills necessary to advance the Peñoles Project;

5. Separating Riverside and Capitan will expand Capitan's potential shareholder base and access to development capital by allowing investors that want specific ownership in a focused gold development asset like the Peñoles Property to invest directly in Capitan rather than through Riverside; and

6. the Peñoles Property is not required for Riverside's primary business focus which will remain project generation and advancement through joint ventures and similar arrangements.

In the course of its deliberations, the Riverside Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to, the risks set out under "*Approval of the Arrangement – Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Riverside Board in their consideration of the Plan of Arrangement. The Riverside Board collectively reached its unanimous decision with respect to the Plan of Arrangement in light of the factors described above and other factors that each member of the Riverside Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Riverside Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Riverside Board may have given different weight to different factors.

Principal Steps of the Arrangement

Prior to the Effective Time, Capitan will issue the Capitan Spinout Shares to Riverside to complete the acquisition of the Peñoles Property. Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

(a) each Riverside Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights shall be directly transferred and assigned by such Dissenting Shareholder to Riverside, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Riverside Shareholders other than the right to be paid the fair value for their Riverside Shares by Riverside;

(b) the authorized share structure of Riverside shall be altered by:

(i) renaming and redesignating all of the issued and unissued Riverside Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "Riverside Class A Shares"; and

(ii) creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Riverside Shares immediately prior to the Effective Time, being the "New Riverside Shares";

(c) Riverside's Notice of Articles shall be amended to reflect the alterations in section 3.1(b) of the Plan of Arrangement;

(d) each Riverside Option then outstanding to acquire one Riverside Share shall be transferred and exchanged for:

(i) one Riverside Replacement Option to acquire one New Riverside Share having an exercise price equal to the product of the original exercise price of the Riverside Option multiplied by the fair market value of a New Riverside Share at the Effective Time divided by the total of the fair market value of a New Riverside Share and the fair market value of 0.2767 of a Capitan Share at the Effective Time; and

(ii) one Capitan Option to acquire 0.2767 of a Capitan Share, each whole Capitan Option having an exercise price equal to the product of the original exercise price of the Riverside Option multiplied by the fair market value of 0.2767 of a Capitan Share at the Effective Time divided by the total of the fair market value of one New Riverside Share and 0.276**7** of a Capitan Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Riverside Replacement Option and the Capitan Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Riverside Option so exchanged. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Riverside Options;

(e) each Riverside Warrant then outstanding shall be deemed to be amended to entitle the Riverside Warrantholder to receive, upon due exercise of the Riverside Warrant, for the original exercise price:

(i) one New Riverside Share for each Riverside Share that was issuable upon due exercise of the Riverside Warrant immediately prior to the Effective Time; and

(ii) 0.2767 of a Capitan Share for each Riverside Share that was issuable upon due exercise of the Riverside Warrant immediately prior to the Effective Time;

(f) each issued and outstanding Riverside Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Riverside Share; and (ii) 0.2767 of a Capitan Spinout Share, the holders of the Riverside Class A Shares will be removed from the central securities register of Riverside as the holders of such and will be added to the central securities register of Riverside as the holders of the number of New Riverside Shares that they have received on the exchange set forth in section 3.1(f) of the Plan of Arrangement, and the Capitan Spinout Shares transferred to the then holders of the Riverside Class A Shares will be registered in the name of the former holders of the Riverside Class A Shares and Riverside will provide Capitan and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Capitan;

(g) the Riverside Class A Shares, none of which will be issued or outstanding once the exchange in section 3.1(f) of the Plan of Arrangement is completed, will be cancelled and the appropriate entries made in the central securities register of Riverside and the authorized share structure of Riverside will be amended by eliminating the Riverside Class A Shares, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Riverside Shares will be equal to that of the Riverside Shares immediately prior to the Effective Time less the fair market value of the Capitan Spinout Shares distributed pursuant to section 3.1(f) of the Plan of Arrangement;

(h) the Capitan Incorporation Share issued to Riverside on incorporation shall be cancelled for no consideration and as a result thereof:

(i) Riverside shall cease to be, and shall be deemed to have ceased to be, the holder of the Capitan Incorporation Share and to have any rights as a holder of the Capitan Incorporation Share; and

(ii) Riverside shall be removed as the holder of the Capitan Incorporation Share from the register of Capitan Shares maintained by or on behalf of Capitan; and

(i) In the event that the number of outstanding Riverside Shares changes between the date hereof and the Effective Time, the fraction 0.2767 referred to in the Plan of Arrangement shall be adjusted so that it is the fraction calculated by dividing the number of Capitan Spinout Shares by the number of outstanding Riverside Shares immediately prior to the Effective Time.

Effect of the Arrangement

As a result of the Arrangement, Riverside Shareholders will no longer hold their Riverside Shares and instead, will receive one New Riverside Share and 0.2767 of a Capitan Share for every one Riverside Share held at the Effective Time, and as a result, will hold shares in two public companies.

Capitan will be a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Capitan has made application to list the Capitan Shares on the TSXV.

Directors and Officers of Capitan

The Capitan Board will be comprised of John-Mark Staude, Alberto J. Orozco, Arturo Bonillas and one or more additional directors to be chosen by Riverside. Executive management of Capitan will consist of Alberto J. Orozco, Chief Executive Officer and Robert J. Scott, Chief Financial Officer. It is the intent of Capitan to add individuals to the Capitan Board and management to ensure Capitan has the appropriate amount of local knowledge and skill sets to advance the Peñoles Property and additional assets Capitan may acquire in the future. Since Riverside's focus is primarily as a mineral exploration project generator and Capitan' focus will be on the Peñoles Property, any common directors on the Capitan Board and the Riverside Board are not expected to be subject to any conflicts of interest. See "*Capitan Mining Inc. – Directors and Officers*" in this Information Circular.

Recommendation of the Directors

Riverside has reviewed the terms and conditions of the proposed Arrangement and has concluded that the Arrangement is fair and reasonable to the Riverside Shareholders and in the best interests of Riverside.

In arriving at this conclusion, the Riverside Board considered, among other matters:

1. the financial condition, business and operations of Riverside, on both a historical and prospective basis, and information in respect of Capitan on a *pro forma* basis;

2. the procedures by which the Arrangement is to be approved, including the requirement for approval of the Arrangement by the Court after a hearing at which fairness to Securityholders will be considered;

3. the availability of Dissent Rights to Registered Holders with respect to the Arrangement;

4. the assets to be held by each of Riverside and Capitan after completion of the Arrangement and the unrealized value of the Peñoles Property within Riverside;

5. the advantages of segregating the property risk profiles of the Peñoles Property and Riverside's other projects;

6. historical information regarding the price of the Riverside Shares;

7. the tax treatment to Riverside Shareholders under the Arrangement;

8. Riverside Shareholders will own securities of two publicly-listed companies, if the intended listing of the Capitan Shares is obtained; and

9. Capitan will be able to concentrate its efforts on developing the Peñoles Property and Riverside will be able to concentrate its efforts on the advancement of Riverside's other mineral project(s) and business.

The Riverside Board did not assign a relative weight to each specific factor and each director may have given different weights to different factors. Based on its review of all the factors, the Riverside Board considers the Arrangement to be advantageous to Riverside and fair and reasonable to the Riverside Shareholders. The Riverside Board also identified disadvantages associated with the Arrangement including the fact that there will be the additional costs associated with running two companies and there is no assurance that the proposed Arrangement will result in positive benefits to Riverside Shareholders. See "*Particulars of Matters to be Acted Upon –Approval of the Arrangement – Arrangement Risk Factors*", "*Riverside Resources Inc. – Risk Factors*" and "*Capitan Mining Inc. – Risk Factors*".

The Arrangement Resolution is set out in Schedule "A" to this Information Circular. In order to be approved, the Arrangement Resolution requires the votes in favour of 66 2/3% of the votes cast at the Meeting.

The Riverside Board recommends that the Riverside Shareholders vote in favour of the Arrangement Resolution. Each director and officer of Riverside who owns Riverside Shares has indicated his or her intention to vote his or her Riverside Shares in favour of the Arrangement Resolution.

Arrangement Risk Factors

Riverside and Capitan should each be considered as highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Riverside Shareholders should carefully consider all of the information disclosed in this Information Circular prior to voting on the matters being put before them at the Meeting.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Riverside and Capitan, including receipt of Riverside Shareholder approval at the Meeting and receipt of the Final Order. There can be no certainty, nor can Riverside or Capitan provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

In addition to the other information presented in this Information Circular (without limitation, see also "*Riverside Resources Inc. – Risk Factors*" and "*Capitan Mining Inc. – Risk Factors*"), the following risk factors should be given special consideration:

1. The trading price of Riverside Shares on the Effective Date may vary from the price as at the date of execution of the Arrangement Agreement, the date of this Information Circular and the date of the Meeting and may fluctuate depending on investors' perceptions of the merits of the Arrangement.

2. The number of Capitan Shares being issued in connection with the Arrangement will not change despite decreases or increases in the market price of the Riverside Shares. Many of the factors that affect the market price of the Riverside Shares are beyond the control of Riverside. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

3. There is no assurance that the Arrangement will be completed or that, if completed, the Capitan Shares will be listed and posted for trading on the TSXV or on any other stock exchange.

4. There is no assurance that Capitan will complete the entire Capitan Financing. If the entire Capitan Financing is not completed, the Riverside Board may still proceed with the Arrangement provided Capitan will have sufficient funds to meet the initial listing requirements of the TSXV.

5. There is no assurance that the Arrangement can be completed as proposed or without Riverside Shareholders exercising their dissent rights in respect of a substantial number of Riverside Shares.

6. There is no assurance that the businesses of Riverside or Capitan, after completing the Arrangement, will be successful.

7. While Riverside believes that the Capitan Shares to be issued to Riverside Shareholders pursuant to the Arrangement will not be subject to any resale restrictions save securities held by control persons and save for any restrictions flowing from current restrictions associated with a Riverside Shareholder's Riverside Shares, there is no assurance that this is the case and each Riverside Shareholder is urged to obtain appropriate legal advice regarding applicable securities legislation.

8. The transactions may give rise to significant adverse tax consequences to Riverside Shareholders and each such Riverside Shareholder is urged to consult his, her or its own tax advisor.

9. Certain costs related to the Arrangement, such as legal and accounting fees, must be paid by Riverside even if the Arrangement is not completed.

10. If the Arrangement Resolution is not approved by the Riverside Shareholders or, even if the Arrangement Resolution is approved, as a result of the Peñoles Property being transferred to Capitan, an entity separate from Riverside, the market price of the Riverside Shares may decline to the extent that the current market price of the Riverside Shares reflects a market assumption that the Plan of Arrangement will be completed or to the extent the current market price of the Riverside Shares reflects the value associated with the Peñoles Property, as applicable.

Effects of the Arrangement on Shareholders' Rights

As a result of the Arrangement, Riverside Shareholders will continue to be shareholders of Riverside and will also be shareholders of Capitan. Shareholders of Riverside and Capitan will have the same rights afforded to them as Riverside Shareholders of each respective entity, as both Riverside and Capitan are governed by the BCBCA.

Conduct of Meeting and Other Approvals

Shareholder Approval of the Arrangement

The Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Riverside Shareholders.

Court Approval of the Arrangement

Under the BCBCA, Riverside is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. On February 27, 2020, prior to mailing the material in respect of the Meeting, Riverside obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order and the Requisition of Hearing of Petition for Final Order are appended as Schedules "C" and "D", respectively, to this Information Circular. As set out in the Requisition of Hearing of Petition for Final Order, the Court hearing in respect of the Final Order is scheduled to take place at 10:00 A.M. (Vancouver time) on April 2, 2020, following the Meeting or as soon thereafter as the Court may direct or counsel for Riverside may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. **Securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, any Securityholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Securityholders.

Under the terms of the Interim Order, each Securityholder will receive proper notice that they will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Requisition of Hearing of Petition for Final Order is required to file with the Court and serve upon Riverside, at the address set out below, prior to 4:00 P.M. (Vancouver time) on March 27, 2020, the Response to Petition, including his address for service, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered to:

Whitelaw Twinning LLP
2400 - 200 Granville St.
Vancouver, British Columbia
V6C 1S4
Attention: Nicole Chang

Regulatory Approvals

If the Arrangement Resolution is approved by the requisite two-thirds of the Riverside Shareholders voting together as a single class, final regulatory approval must be obtained for all the transactions contemplated by the Arrangement before the Arrangement may proceed.

The Riverside Shares are currently listed and posted for trading on the TSXV. Riverside is a reporting issuer in British Columbia, Alberta and Ontario. Approval from the TSXV is required for the completion of the Arrangement, including listing of the New Riverside Shares in substitution for the Riverside Shares, conditional acceptance having been obtained on February 26, 2020. Upon completion of the Arrangement, it is expected that Capitan will be a reporting issuer in British Columbia, Alberta and Ontario and intends to seek a listing of the Capitan Shares on the TSXV. Capitan has made an application to list the Capitan Shares on the TSXV. Any listing will be subject to the approval of the TSXV. There can be no assurances that Capitan will be able to attain a listing on the TSXV or any other stock exchange. Capitan has also applied for a waiver of the sponsorship requirements under the rules of the TSXV. There is no assurance that such a waiver will be available to Capitan.

Riverside Shareholders should be aware that certain of the foregoing approvals, including a listing on the TSXV or a determination that Capitan will be a reporting issuer in the specified jurisdictions, have not yet been received from the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

Procedure for Receipt of New Riverside Shares and Capitan Shares

Riverside Shareholders on the Share Distribution Record Date will be entitled to receive New Riverside Shares and Capitan Shares pursuant to the Arrangement.

Each registered Riverside Shareholder will receive a Letter of Transmittal containing instructions with respect to the deposit of certificates for Riverside Shares for use in exchanging their Riverside Shares for Certificates or Direct Registration System ("**DRS**") statements representing New Riverside Shares and Capitan Shares, to which they are entitled under the Arrangement. Upon return of a properly completed Letter of Transmittal, together with certificates formerly representing Riverside Shares and such other documents as the Depositary may require, certificates or DRS statements for the appropriate number of New Riverside Shares and Capitan Shares will be distributed.

Fees and Expenses

Riverside will pay the costs, fees and expenses of the Arrangement.

Effective Date of Arrangement

If:

1. the Arrangement Resolution is approved by Special Resolution of the Riverside Shareholders;
2. the Final Order of the Court is obtained approving the Arrangement;
3. the required TSXV approvals to the completion of the Arrangement are obtained;
4. every requirement of the BCBCA relating to the Arrangement has been complied with; and
5. all other conditions disclosed under "*Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are met or waived,

the Arrangement will become effective on the Effective Date.

The full particulars of the Arrangement are contained in the Plan of Arrangement appended as Schedule "B" to this Information Circular. See also "*Arrangement Agreement*" below.

Notwithstanding receipt of the above approvals, Riverside may abandon the Arrangement without further approval from the Riverside Shareholders.

Arrangement Agreement

The Arrangement will be carried out pursuant to the provisions of the BCBCA and will be effected in accordance with the Arrangement Agreement, the Interim Order and the Final Order. The steps of the Arrangement, as set out in the Arrangement Agreement, are summarized under "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Principal Steps of the Arrangement*" herein.

The general description of the Arrangement Agreement which follows is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available for review by Riverside Shareholders, at the head office of Riverside as shown on the Notice of Meeting, during normal business hours prior to the Meeting and under Riverside's profile on SEDAR at www.SEDAR.com.

General

On February 24, 2020, Riverside and Capitan entered into the Arrangement Agreement which includes the Plan of Arrangement. The Plan of Arrangement is reproduced as Schedule "B" to this Information Circular. Pursuant to the Arrangement Agreement, Riverside and Capitan agree to effect the Arrangement pursuant to the provisions of Section 288 of the BCBCA on the terms and subject to the conditions contained in the Arrangement Agreement.

In the Arrangement Agreement, Riverside and Capitan provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Arrangement Agreement, Riverside agrees to call the Meeting for the purpose of, among other matters, the Riverside Shareholders approving the Arrangement Resolution, and that, if the approval of the Riverside Shareholders of the Arrangement Resolution as set forth in the Interim Order is obtained by Riverside, as soon as reasonably practicable thereafter, Riverside will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order.

Conditions to the Arrangement Becoming Effective

The respective obligations of Riverside and Capitan to complete the transactions contemplated by the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date, of a number of conditions precedent, certain of which may only be waived in accordance with the Arrangement Agreement. The mutual conditions precedent, among others, are as follows:

(a) the Interim Order shall have been granted in form and substance satisfactory to Riverside;

(b) the Arrangement Resolution, with or without amendment, shall have been approved and adopted at the Meeting in accordance with the Arrangement Provisions, the Constating Documents of Riverside, the Interim Order and the requirements of any applicable regulatory authorities;

(c) the Final Order shall have been obtained in form and substance satisfactory to each of Riverside and Capitan;

(d) the TSXV shall have conditionally approved the Arrangement, including the listing of the New Riverside Shares issuable under the Arrangement in substitution for the Riverside Class A Shares and the delisting of the Riverside Class A Shares, as of the Effective Date, subject to compliance with the requirements of the TSXV;

(e) the TSXV shall have conditionally approved the listing of the Capitan Shares, subject to compliance with the requirements of the TSXV;

(f) prior to the Effective Date, Capitan shall have completed or shall be in a position to complete the Capitan Financing;

(g) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in the Arrangement Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to Riverside and Capitan;

(h) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Plan of Arrangement;

(i) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a material adverse effect on any of Riverside, the Riverside Shareholders or Capitan if the Arrangement is completed;

(j) notices of dissent pursuant to Article 5 of the Plan of Arrangement shall not have been delivered by Riverside Shareholders holding greater than 5% of the outstanding Riverside Shares; and

(k) the Agreement shall not have been terminated under Article 6 of the Arrangement Agreement.

Amendment and Termination of Arrangement Agreement

Subject to any mandatory applicable restrictions under the Arrangement Provisions or the Final Order, the Arrangement Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Meeting, but prior to the Effective Date, be amended by the written agreement of Riverside and Capitan without, subject to applicable law, further notice to or authorization on the part of the Riverside Shareholders.

Subject to Section 6.3 of the Arrangement Agreement, the Arrangement Agreement may at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the Riverside Board without further action on the part of the Riverside Shareholders and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Riverside Board to elect to terminate the Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

RIGHTS OF DISSENTING RIVERSIDE SHAREHOLDERS

As indicated in the Notice of Meeting, any Registered Holder is entitled to be paid the fair value of his, her or its Riverside Shares in accordance with Sections 242 to 247 of the BCBCA if such holder dissents to the Plan of Arrangement and the Plan of Arrangement becomes effective.

A Registered Holder is not entitled to dissent with respect to such holder's Riverside Shares if such holder votes any of their Riverside Shares in favour of the Arrangement Resolution. For greater certainty, a Proxy submitted by a Registered Holder that does not contain voting instructions will, unless revoked, be voted in favour of the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

Strict Compliance with Dissent Provisions Required

The following summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of his Riverside Shares. Section 244 of the BCBCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenter's rights. Accordingly, each Shareholder who might desire to exercise the dissenter's rights should carefully consider and comply with the provisions of the section, the full text of which is set out in Schedule "E" to this Information Circular, and consult such holder's legal advisor.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholder should seek independent legal advice, as failure to comply strictly with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of all Dissent Rights.

Dissent Provisions of the BCBCA

A written notice of dissent from the Arrangement Resolution pursuant to Section 242 of the BCBCA, must be received by Riverside, from a dissenting Riverside Shareholder, by 4:00 p.m., Vancouver time, on Friday, March 27, 2020 or prior to the second last business day preceding the Meeting or any adjournment(s) or postponement(s) thereof. The notice of dissent should be delivered by registered mail to Riverside at the address for notice described below. After the Arrangement Resolution is approved by Riverside Shareholders and within one month after Riverside notifies the dissenting Riverside Shareholder of Riverside's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the dissenting Riverside Shareholder must send to Riverside, a written notice that such Riverside Shareholder requires the purchase of all of the Riverside Shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those Riverside Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Riverside Shareholder on behalf of a beneficial holder). A dissenting Riverside Shareholder who does not strictly comply with the dissent procedures or, for any other reason, is not entitled to be paid fair value for his, her or its Dissenting Shares will be deemed to have participated in the Plan of Arrangement on the same basis as non-dissenting Riverside Shareholders.

Any dissenting Riverside Shareholder who has duly complied with Section 244(1) of the BCBCA or Riverside may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Riverside to apply to the Court. The dissenting Riverside Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the passing of the Arrangement Resolution.

Address for Notice

All notices of dissent to the Arrangement pursuant to Section 242 of the BCBCA should be sent, within the time specified, to:

Riverside Resources Inc.
550 - 800 West Pender Street
Vancouver, British Columbia
V6C 2V6
Attention: John-Mark Staude
President, Chief Executive Officer and Director

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH RIVERSIDE SHAREHOLDER AND OTHER FACTORS. ACCORDINGLY, RIVERSIDE SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.

The following fairly summarizes the principal Canadian federal income tax consequences under the Tax Act generally applicable to Riverside Shareholders in respect of the disposition of Riverside Shares pursuant to the Arrangement, and the acquisition, holding, and disposition of New Riverside Shares and Capitan Spinout Shares acquired pursuant to the Arrangement.

In this summary, an otherwise undefined term that first appears in quotation marks has the meaning ascribed to it in the Tax Act.

Comment is restricted to Riverside Shareholders who, for purposes of the Tax Act, (i) hold their Riverside Shares, and will hold their New Riverside Shares and Capitan Spinout Shares solely as capital property, and (ii) deal at arm's length with and are not affiliated with Capitan and Riverside (each such Riverside Shareholder, a "**Holder**").

Generally a Holder's Riverside Share, New Riverside Share or Capitan Spinout Share will be considered to be capital property of the Holder provided that the Holder does not hold the share in the course of carrying on a business of buying and selling securities and has not acquired the share in one or more transactions considered to be an adventure in the nature of trade.

A Resident Holder (as defined below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada*") whose Riverside Shares, New Riverside Shares or Capitan Spinout Shares might not otherwise be capital property may in certain circumstances irrevocably elect under subsection 39(4) of the Tax Act to have those shares, and all other "Canadian securities" held by the Resident Holder in the taxation year of the election or in any subsequent taxation year treated as capital property. Resident Holders should consult their own tax advisers regarding the advisability of making such an election.

This summary does not apply to a Holder that:

(a) is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act or a "specified financial institution";

(b) has elected to report its Canadian federal income tax results in a currency other than Canadian currency;

(c) has entered or will enter into a "derivative forward agreement", a "synthetic disposition arrangement", or a "synthetic equity arrangement";

(d) has acquired Riverside Shares, or will acquire New Riverside Shares or Capitan Spinout Shares, on the exercise of an employee stock option;

(e) holds one or more Riverside Options, in respect of those Riverside Options; or

(f) is a person or partnership an interest in which is a "tax shelter investment".

Each such Holder should consult the Holder's own tax advisers with respect to the consequences of the Arrangement.

This summary is based on the current provisions of the Tax Act, the regulations thereunder and counsel's understanding of the current published administrative practices and policies of the CRA. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date. It is assumed that the Proposed Amendments will be enacted as currently proposed and that there will be no other change in law or administrative or assessing practice, whether by legislative, governmental, or judicial action or decision, although no assurance can be given in these respects. This summary does not take into account provincial, territorial or foreign income tax considerations, which may differ materially from the Canadian federal income tax considerations discussed below.

Additional considerations, not discussed in this summary, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of New Riverside Shares or Capitan Spinout Shares, controlled by a non-resident corporation for purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Such Holders should consult their Canadian tax advisers with respect to the consequences of the Arrangement.

This summary is of a general nature only and is not and should not be construed as legal or tax advice to any particular person. Each person who may be affected by the Arrangement should consult the person's own tax advisers with respect to the person's particular circumstances.

Holders Resident in Canada

This portion of this summary applies solely to Holders each of whom is or is deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each a "**Resident Holder**").

Exchange of Riverside Shares for New Riverside Shares and Capitan Shares

A Resident Holder who exchanges his, her or its Riverside Shares for New Riverside Shares and Capitan Spinout Shares pursuant to the Arrangement (the "**Share Exchange**") will be deemed to have received a taxable dividend equal to the amount, if any, by which the fair market value of the Capitan Spinout Shares distributed to the Resident Holder pursuant to the Share Exchange at the time of the Share Exchange exceeds the "paid-up capital" ("**PUC**") of the Resident Holder's Riverside Shares determined at that time. Any such taxable dividend will be taxable as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Taxation of Dividends*". Riverside expects that the fair market value of all Capitan Spinout Shares distributed to Riverside Shareholders pursuant the Share Exchange under the Arrangement will not exceed the PUC of the Riverside Shares. Accordingly, Riverside does not expect that any Resident Holder will be deemed to receive a taxable dividend on the Share Exchange.

A Resident Holder who exchanges his, her or its Riverside Shares for New Riverside Shares and Capitan Spinout Shares on the Share Exchange will realize a capital gain equal to the amount, if any, by which the fair market value of those Capitan Spinout Shares at the time of the Share Exchange, less the amount of any taxable dividend deemed to be received by the Resident Holder as described in the preceding paragraph, exceeds the "adjusted cost base" ("**ACB**") of the Resident Holder's Riverside Shares determined immediately before the Share Exchange. Any capital gain so realized will be taxable as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Taxation of Capital Gains and Losses*".

The Resident Holder will acquire the Capitan Spinout Shares received on the Share Exchange at a cost equal to their fair market value at that time, and the New Riverside Shares received on the Share Exchange at a cost equal to the amount, if any, by which the ACB of the Resident Holder's Riverside Shares immediately before the Share Exchange exceeds the fair market value of the Capitan Spinout Shares at the time of the Share Exchange.

Disposition of New Riverside Shares or Capitan Spinout Shares after the Arrangement

A Resident Holder who disposes or is deemed to dispose of a New Riverside Share or Capitan Spinout Share generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition therefor are greater (or less) than the ACB of the share to the Resident Holder, less reasonable costs of disposition. Any such capital gain or capital loss will be taxable or deductible as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Taxation of Dividends

A Resident Holder who is an individual (other than certain trusts) and receives or is deemed to receive a taxable dividend in a taxation year on the Resident Holder's Riverside Shares, New Riverside Shares, or Capitan Spinout Shares will be required to include the amount of the dividend in income for the year, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a "taxable Canadian corporation", including the enhanced dividend gross-up and tax credit applicable to the extent that Riverside or Capitan, as the case may be, designates the taxable dividend to be an "eligible dividend" in accordance with the Tax Act.

A Resident Holder that is a corporation and receives or is deemed to receive a taxable dividend in a taxation year on its Riverside Shares, New Riverside Shares, or Capitan Spinout Shares must include the amount in its income for the year, but generally will be entitled to deduct an equivalent amount from its taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" may be liable under Part IV of the Tax Act to pay a tax of 38 1/3% (refundable in certain circumstances) on any such dividends to the extent that the dividend is deductible in computing the corporation's taxable income.

Taxation of Capital Gains and Capital Losses

A Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a Riverside Share, New Riverside Share or Capitan Spinout Share generally will be required to include one half of any such capital gain (a "**taxable capital gain**") in income for the year, and entitled to deduct one half of any such capital loss (an "**allowable capital loss**") against taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the actual or deemed disposition of a Riverside Share, New Riverside Share or Capitan Spinout Share may be reduced by the amount of dividends received or deemed to have been received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share.

A Resident Holder that is a "Canadian-controlled private corporation" throughout the relevant taxation year may be liable to pay an additional tax of 10 2/3% (refundable in certain circumstances) on its "aggregate investment income", which includes taxable capital gains, for the year.

Alternative Minimum Tax on Individuals

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a Riverside Share, New Riverside Share or Capitan Spinout Share may thereby be liable for alternative minimum tax to the extent and within the circumstances set out in the Tax Act.

Dissenting Riverside Shareholders

A Dissenting Riverside Shareholder to whom Riverside consequently pays the fair value of his, her or its Riverside Shares will be deemed to receive a taxable dividend in the taxation year of payment equal to the amount, if any, by which the payment (excluding interest) exceeds the PUC of the Dissenting Riverside Shareholder's Riverside Shares determined immediately before the Arrangement. Any such taxable dividend will be taxable as described above under "*Canadian Federal Income Tax Considerations - Holders Resident in Canada – Taxation of Dividends*". The Dissenting Riverside Shareholder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (is exceeded by) the ACB of the Dissenting Riverside Shareholder's Riverside Shares determined immediately before the Arrangement. Any such capital gain or loss will generally be taxable or deductible as described above under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

The Dissenting Riverside Shareholder will be required to include any portion of the payment that is on account of interest in income in the year the interest is received or becomes receivable, depending on the method regularly followed by the Dissenting Riverside Shareholder in computing income. **Resident Holders who are contemplating exercising their Dissent Rights should consult their own tax advisers.**

Eligibility for Investment – New Riverside Shares and Capitan Spinout Shares

A New Riverside Share will be a "qualified investment" for a trust governed by an RRSP, RRIF, deferred profit sharing plan, RESP, RDSP or TFSA (collectively, "**Registered Plans**") at any time at which the New Riverside Shares are listed on a "designated stock exchange" (which includes the TSX-V), or Riverside is a "public corporation".

A Capitan Spinout Share will be a qualified investment for a Registered Plan at any time at which the Capitan Spinout Shares are listed on a designated stock exchange (which includes the TSX-V), or Capitan is a public corporation. If the Capitan Spinout Shares are not listed on a designated stock exchange at the time they are distributed pursuant to the Arrangement, but become so listed before Capitan's "filing-due date" for its first taxation year and Capitan makes the appropriate election in its tax return for that year, Capitan will be deemed to be a public corporation from the beginning of the year and the Capitan Spinout Shares consequently will be considered to be qualified investments for Registered Plans from their date of issue. Capitan intends that the Capitan Spinout Shares will be listed on a designated exchange before the filing-due date for its first taxation year, and that Capitan will make the appropriate election in its tax return for that year.

Notwithstanding the foregoing, the "controlling individual" of an RRSP, RRIF, RDSP, RESP or TFSA will be subject to a penalty tax in respect of a New Riverside Share or a Capitan Spinout Share held in the RRSP, RRIF, RDSP, RESP or TFSA, as applicable, if the share is a "prohibited investment" under the Tax Act. A New Riverside Share or a Capitan Spinout Share generally will not be a prohibited investment for an RRSP, RRIF, RDSP, RESP or TFSA, as applicable, provided that (i) the controlling individual of the account does not have a "significant interest" in Riverside or Capitan, as applicable, and (ii) Riverside or Capitan, as applicable, deals at arm's length with the controlling individual for the purposes of the Tax Act. **Riverside Shareholders should consult their own tax advisers to ensure that the New Riverside Shares and Capitan Spinout Shares would not be a prohibited investment for a trust governed by a RRSP, RRIF, RDSP, RESP or TFSA in their particular circumstances.**

Holders Not Resident in Canada

This portion of this summary applies solely to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold Riverside Shares, New Riverside Shares, or Capitan Spinout Shares in connection with carrying on a business in Canada (each a "**Non-resident Holder**").

Special rules, which are not discussed in this summary, may apply to a Non-resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank". Such Non-resident Holders should consult their own tax advisers with respect to the Arrangement.

Exchange of Riverside Shares for New Riverside Shares and Capitan Spinout Shares

The discussion of the tax consequences of the Share Exchange for Resident Holders under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Exchange of Riverside Shares for New Riverside Shares and Capitan Spinout Shares*" generally will also apply to Non-resident Holders in respect of the Share Exchange. The general taxation rules applicable to Non- resident Holders in respect of a deemed taxable dividend or capital gain arising on the Share Exchange are discussed below under the headings "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada – Taxation of Dividends*" and "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*" respectively.

Taxation of Dividends

A Non-resident Holder to whom Riverside or Capitan pays or credits (or is deemed to pay or credit) an amount as a dividend in respect of the Non-resident Holder's Riverside Shares, New Riverside Shares, or Capitan Spinout Shares will be subject to Canadian withholding tax equal to 25% of the gross amount of the dividend, or such lower rate as may be available under an applicable income tax convention, if any. The rate of withholding tax under *The Canada-US Income Tax Convention* (1980) (the "**Treaty**") applicable to a Non-resident Holder who is entitled to all of the benefits under the Treaty, and who holds less than 10% of the voting stock of Capitan or Riverside (as applicable), will be 15%. The payor of the dividend will be required to withhold the Canadian withholding tax from the dividend and remit the withheld amount to the CRA for the Non-resident Holder's account.

Taxation of Capital Gains and Capital Losses

A Non-resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of a Riverside Share, New Riverside Share or Capitan Spinout Share unless at the time of disposition the share is "taxable Canadian property", and is not "treaty-protected property".

Generally, a Riverside Share, New Riverside Share, or Capitan Spinout Share, as applicable, of the Non-resident Holder will not be taxable Canadian property of the Non-resident Holder at any time at which the share is listed on a designated stock exchange (which includes the TSXV) unless, at any time during the 60 months immediately preceding the disposition of the share,

(a) the Non-resident Holder, one or more persons with whom the Non-resident Holder does not deal at arm's length, partnerships in which the Non-resident Holder or persons with whom the Non-resident Holder does not deal at arm's length hold a membership interest in directly or indirectly through one or more partnerships, or any combination thereof, owned 25% or more of the issued shares of any class of the capital stock of Riverside or Capitan, as applicable, and

(b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties", and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be taxable Canadian property under other provisions of the Tax Act.

Generally, a Riverside Share, New Riverside Share, or Capitan Spinout Share, as applicable, of the Non-resident Holder will be treaty-protected property of the Non-resident Holder at the time of disposition if at that time any income or gain of the Non-resident Holder from the disposition of the share would be exempt from Canadian income tax under Part I of the Tax Act because of a tax treaty between Canada and another country.

A Non-resident Holder who disposes or is deemed to dispose of a Riverside Share, New Riverside Share, or Capitan Spinout Share that, at the time of disposition, is taxable Canadian property and is not treaty-protected property will realize a capital gain (or capital loss) equal to the amount, if any, by which the Non-resident Holder's proceeds of disposition of the share exceeds (or is exceeded by) the Non-resident Holder's ACB in the share and reasonable costs of disposition. The Non-resident Holder generally will be required to include one half of any such capital gain (taxable

capital gain) in the Non-resident Holder's taxable income earned in Canada for the year of disposition, and be entitled to deduct one half of any such capital loss (allowable capital loss) against taxable capital gains included in the Non-resident Holder's taxable income earned in Canada for the year of disposition and, to the extent not so deductible, against such taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances set out in the Tax Act.

Dissenting Non-Resident Holders

The discussion above applicable to Resident Holders under the heading "*Holders Resident in Canada - Dissenting Riverside Shareholders*" will generally also apply to a Non-resident Holder who validly exercises Dissent Rights in respect of the Arrangement. The Non-resident Holder generally will be subject to Canadian federal income tax in respect of any deemed taxable dividend or capital gain or loss arising as a consequence of the exercise of Dissent Rights as discussed above under the headings "*Holders Not Resident in Canada – Taxation of Dividends*" and "*Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*" respectively.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERTATIONS

The following discussion summarizes certain material U.S. federal income tax consequences to a U.S. Holder (as defined below), as defined below, of the Arrangement and the ownership and disposition of New Riverside Shares and Capitan Spinout Shares received in the Arrangement. This summary does not address the U.S. federal income tax consequences to holders of Riverside Options or Riverside Warrants regarding the Arrangement or the adjustment to such Riverside Options and Riverside Warrants to allow the holders thereof to acquire, upon exercise, New Riverside Shares and Capitan Shares.

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations promulgated under the Code ("**Treasury Regulations**"), administrative pronouncements, rulings or practices, and judicial decisions, all as of the date of this Circular. Future legislative, judicial, or administrative modifications, revocations, or interpretations, which may or may not be retroactive, may result in U.S. federal income tax consequences significantly different from those discussed in this Circular. No legal opinion from U.S. legal counsel has been or will be sought or obtained regarding the U.S. federal income tax consequences of the Arrangement. In addition, this summary is not binding on the U.S. Internal Revenue Service (the "**IRS**"), and no ruling has been or will be sought or obtained from the IRS with respect to any of the U.S. federal income tax consequences discussed in this Circular. There can be no assurance that the IRS will not challenge any of the conclusions described in this Circular or that a U.S. court will not sustain such a challenge.

This summary is for general informational purposes only and does not address all possible U.S. federal tax issues that could apply with respect to the Arrangement. This summary does not take into account the facts unique to any particular U.S. Holder that could impact its U.S. federal income tax consequences with respect to the Arrangement. This discussion is not, and should not be, construed as legal or tax advice to a U.S. Holder. Except as provided below, this summary does not address tax reporting requirements. Each U.S. Holder should consult its own tax advisors regarding the U.S. federal income, the Medicare contribution tax on certain net investment income, the alternative minimum, U.S. state and local, and non-U.S. tax consequences of the Arrangement and the ownership and disposition of Riverside Shares, New Riverside Shares, or Capitan Spinout Shares.

This summary does not address the U.S. federal income tax consequences to U.S. Holders subject to special rules, including, but not limited to, U.S. Holders that: (i) are banks, financial institutions, or insurance companies; (ii) are regulated investment companies or real estate investment trusts; (iii) are brokers, dealers, or traders in securities or currencies; (iv) are tax-exempt organizations; (v) hold Riverside Shares (or after the Arrangement, New Riverside Shares or Capitan Spinout Shares) as part of hedges, straddles, constructive sales, conversion transactions, or other integrated investments; (vi) except as specifically provided below, acquire Riverside Shares (or after the Arrangement, New Riverside Shares or Capitan Spinout Shares) as compensation for services or through the exercise or cancellation of employee stock options or warrants; (vii) have a functional currency other than the U.S. dollar; (viii) own or have owned directly, indirectly, or constructively 10% or more of the voting power of all outstanding shares of Riverside (and after the Arrangement, Riverside and Capitan); (ix) are U.S. expatriates; (x) are subject to special tax accounting rules as a result of any item of gross income with respect to Riverside Shares (and after the Arrangement, New Riverside Shares or Capitan Spinout Shares) being taken into account in an applicable financial statement; (xi) are

subject to the alternative minimum tax; (xii) are deemed to sell Riverside Shares (or after the Arrangement, New Riverside Shares or Capitan Spinout Shares) under the constructive sale provisions of the Code; or (xiii) own or will own Riverside Shares, New Riverside Shares and/or Capitan Spinout Shares that it acquired at different times or at different market prices or that otherwise have different per share cost bases or holding periods for U.S. tax purposes. In addition, this discussion does not address U.S. federal tax laws other than those pertaining to U.S. federal income tax (such as U.S. federal estate or gift tax and the Medicare contribution tax on certain net investment income), nor does it address any aspects of U.S. state, local or non-U.S. taxes. U.S. Holders that are subject to special provisions under the Code, including U.S. Holders described immediately above, should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of New Riverside Shares and Capitan Spinout Shares.

For the purposes of this summary, "**U.S. Holder**" means a beneficial owner of Riverside Shares, Capitan Spinout Shares or New Riverside Shares (as applicable) that is: (i) an individual who is a citizen or resident of the U.S. for U.S. federal income tax purposes; (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the U.S., any U.S. state, or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust that (a) is subject to the primary jurisdiction of a court within the U.S. and for which one or more U.S. persons have authority to control all substantial decisions or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a pass-through entity, including a partnership or other entity taxable as a partnership for U.S. federal income tax purposes, holds Riverside Shares, New Riverside Shares or Capitan Spinout Shares, the U.S. federal income tax treatment of an owner or partner generally will depend on the status of such owner or partner and on the activities of the pass-through entity. This summary does not address any U.S. federal income tax consequences to such owners or partners of a partnership or other entity taxable as a partnership for U.S. federal income tax purposes holding Riverside Shares, New Riverside Shares or Capitan Spinout Shares and such persons are urged to consult their own tax advisors.

For purposes of this summary, "non-U.S. Holder" means a beneficial owner of Riverside Shares, New Riverside Shares or Capitan Spinout Shares (as applicable) other than a U.S. Holder. This summary does not address the U.S. federal income tax consequences of the Arrangement to non-U.S. Holders. Accordingly, non-U.S. Holders should consult their own tax advisors regarding the U.S. federal income, other U.S. federal, U.S. state and local, and non-U.S. tax consequences (including the potential application and operation of any income tax treaties) of the Arrangement.

This summary assumes that the Riverside Shares, New Riverside Shares and Capitan Spinout Shares are or will be held as capital assets (generally, property held for investment), within the meaning of the Code, in the hands of a U.S. Holder at all relevant times.

U.S. Federal Income Tax Consequences of the Arrangement

The Arrangement will be effected under applicable provisions of Canadian corporate law, which are technically different from analogous provisions of U.S. corporate law. Accordingly, the U.S. federal income tax consequences of certain aspects of the Arrangement are not certain. Nonetheless, Riverside believes, and the following discussion assumes, that (a) the renaming and redesignation of the Riverside Shares as Riverside Class A Shares and (b) the exchange by the Riverside Shareholders of the Riverside Class A Shares for New Riverside Shares and Capitan Spinout Shares, taken together, will properly be treated for U.S. federal income tax purposes, under the step-transaction doctrine or otherwise, as (i) a tax-deferred exchange by the Riverside Shareholders of their Riverside Shares for New Riverside Shares, either under Section 1036 or Section 368(a)(l)(E) of the Code, combined with (ii) a distribution of the Capitan Spinout Shares to the Riverside Shareholders under Section 301 of the Code. In addition, except as discussed below, a U.S. Holder should have the same basis and holding period in his, her or its New Riverside Shares as such U.S. Holder had in its Riverside Shares immediately prior to the Arrangement.

There can be no assurance that the IRS will not challenge the U.S. federal income tax treatment of the Arrangement or that, if challenged, a U.S. court would not agree with the IRS. Each U.S. Holder should consult its own tax advisors regarding the proper treatment of the Arrangement for U.S. federal income tax purposes.

Reporting Requirements for Significant Holders

Assuming that the Arrangement qualifies as a reorganization within the meaning of Section 368(a)(1)(E) of the Code, U.S. Holders that are "significant holders" within the meaning of Treasury Regulations Section l.368-3(c) are required to report certain information to the IRS on their U.S. federal income tax returns for the taxable year in which the Arrangement occurs and all such U.S. Holders must retain certain records related to the Arrangement. Each U.S. Holder should consult its own tax advisors regarding its information reporting and record retention responsibilities in connection with the Arrangement.

Receipt of Capitan Spinout Shares pursuant to the Arrangement

Subject to the "passive foreign investment company" ("**PFIC**") rules discussed below under *"Potential Application of the PFIC Rules"*, a U.S. Holder that receives Capitan Spinout Shares pursuant to the Arrangement will be treated as receiving a distribution of property in an amount equal to the fair market value of the Capitan Spinout Shares received on the distribution date (without reduction for any Canadian income or other tax withheld from such distribution). Such distribution would be taxable to the U.S. Holder as a dividend to the extent of Riverside's current and accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent the fair market value of the Capitan Spinout Shares distributed exceeds Riverside's adjusted tax basis in such shares (as calculated for U.S. federal income tax purposes), the Arrangement can be expected to generate additional earnings and profits for Riverside in an amount equal to the extent the fair market value of the Capitan Spinout Shares distributed by Riverside exceeds Riverside's adjusted tax basis in those shares for U.S. income tax purposes. Any such dividend generally will not be eligible for the "dividends received deduction" in the case of U.S. Holders that are corporations. To the extent that the fair market value of the Capitan Spinout Shares exceeds the current and accumulated earnings and profits of Riverside, the distribution of the Capitan Spinout Shares pursuant to the Arrangement will be treated first as a non-taxable return of capital to the extent of a U.S. Holder's tax basis in the Riverside Shares, with any remaining amount being taxed as a capital gain. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation.

A dividend paid by Riverside to a U.S. Holder who is an individual, estate or trust generally will be taxed at the preferential tax rates applicable to long-term capital gains if Riverside is a '"qualified foreign corporation" ("**QFC**") and certain holding period and other requirements for the Riverside Shares are met. Riverside generally will be a QFC as defined under Section 1(h)(11) of the Code if Riverside is eligible for the benefits of the Treaty or its shares are readily tradable on an established securities market in the U.S. However, even if Riverside satisfies one or more of these requirements, Riverside will not be treated as a QFC if Riverside is a PFIC (as defined below) for the tax year during which it pays a dividend or for the preceding tax year. See the section below under the heading *"Potential Application of the PFIC Rules."*

If a U.S. Holder is not eligible for the preferential tax rates discussed above, a dividend paid by Riverside to a U.S. Holder generally will be taxed at ordinary income tax rates (rather than the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. Holder should consult its own tax advisors regarding the application of such rules.

Dissenting U.S. Holders

Subject to the PFIC rules discussed below under *"Potential Application of the PFIC Rules"*, a U.S. Holder that exercises Dissent Rights in connection with the Arrangement (a "**Dissenting U.S. Holder**") and receives cash for such U.S. Holder's Riverside Shares generally will recognize gain or loss in an amount equal to the difference, if any, between (a) the amount of cash received by such U.S. Holder in exchange for the Riverside Shares (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (b) the adjusted tax basis of such U.S. Holder in the Riverside Shares surrendered, provided such U.S. Holder does not actually or constructively own any New Riverside Shares after the Arrangement. Such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if the Riverside Shares are held for more than one year. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

If a U.S. Holder that exercises Dissent Rights in connection with the Arrangement and receives cash for such U.S. Holder's Riverside Shares actually or constructively owns New Riverside Shares after the Arrangement, all or a portion of the cash received by such U.S. Holder may be taxable as a distribution under the same rules as discussed under *"Receipt of Capitan Spinout Shares pursuant to the Arrangement"* above.

Potential Application of the PFIC Rules

The tax considerations of the Arrangement to a particular U.S. Holder will depend on whether Riverside was a PFIC during any year in which a U.S. Holder owned Riverside Shares. In general, a foreign corporation is a PFIC for any taxable year in which either (i) 75% or more of the foreign corporation's gross income is passive income, or (ii) 50% or more of the average quarterly value of the foreign corporation's assets produced are held for the production of passive income. Passive income includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Passive income does not include gains from the sale of commodities that arise in the active conduct of a commodities business by a non-U.S. corporation, provided that certain other requirements are satisfied. In determining whether or not it is classified as a PFIC, a foreign corporation is required to take into account its pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest by value.

The determination of PFIC status is inherently factual and generally cannot be determined until the close of the taxable year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. U.S. Holders are urged to consult their own U.S. tax advisors regarding the application of the PFIC rules to the Arrangement. Certain subsidiaries and other entities in which a PFIC has a direct or indirect interest could also be PFICs with respect to a U.S. person owning an interest in the first-mentioned PFIC. Riverside has not made a determination regarding its PFIC status for any taxable year, including the current taxable year. Although there can be no assurance as to whether Riverside will or will not be treated as a PFIC during the current taxable year or any prior or future taxable year, and no legal opinion of counsel or ruling from the IRS concerning the status of Riverside as a PFIC has been obtained or is currently planned to or will be requested, U.S. Holders should be aware that Riverside may be treated as a PFIC for U.S. federal income tax purposes for its prior, current and future taxable years. U.S. Holders should consult their own tax advisors regarding the PFIC status of Riverside.

If Riverside is a PFIC or was a PFIC at any time during a U.S. Holder's holding period for his, her or its Riverside Shares, the effect of the PFIC rules on a U.S. Holder receiving Capitan Spinout Shares pursuant to the Arrangement will depend on whether such U.S. Holder has made a timely and effective election to treat Riverside as a qualified electing fund (a "**QEF**") under Section 1295 of the Code (a "**QEF Election**") or has made a mark-to-market election with respect to its Riverside Shares under Section 1296 of the Code (a "**Mark-to-Market Election**"). In this summary, a U.S. Holder that has made a timely QEF Election or Mark-to-Market Election with respect to its Riverside Shares is referred to as an "**Electing Riverside Shareholder**" and a U.S. Holder that has not made a timely QEF Election or a Mark-to-Market Election with respect to its Riverside Shares is referred to as a "**Non-Electing Riverside Shareholder**". For a description of the QEF Election and Mark-to-Market Election, U.S. Holders should consult the discussion below under *"U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Capitan Spinout Shares and New Riverside Shares - Passive Foreign Investment Company Rules - QEF Election"* and *"- Mark-to-Market Election"*.

An Electing Riverside Shareholder generally would not be subject to the default rules of Section 1291 of the Code discussed below upon the receipt of the Capitan Spinout Shares pursuant to the Arrangement. Instead, the Electing Riverside Shareholder generally would be subject to the rules described below under *"U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Capitan Spinout Shares and New Riverside Shares - Passive Foreign Investment Company Rules - QEF Election"* and *"-Mark-to-Market Election"*.

With respect to a Non-Electing Riverside Shareholder, if Riverside is a PFIC or was a PFIC at any time during a U.S. Holder's holding period for his, her or its Riverside Shares, the default rules under Section 1291 of the Code will apply to gain recognized on any disposition of Riverside Shares and to "excess distributions" from Riverside (generally, distributions received in the current taxable year that are in excess of 125% of the average distributions received during the three preceding years (or during the U.S. Holder's holding period for the Riverside Shares, if shorter)). Under Section 1291 of the Code, any such gain recognized on the sale or other disposition of Riverside

Shares and any excess distribution must be ratably allocated to each day in a Non-Electing Riverside Shareholder's holding period for the Riverside Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or receipt of the excess distribution and to years before Riverside became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such prior year without regard to the Non-Electing Riverside Shareholder's U.S. federal income tax net operating losses or other attributes and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such prior year. Such Non-Electing Riverside Shareholders that are not corporations must treat any such interest paid as "personal interest," which is not deductible.

If the distribution of the Capitan Spinout Shares pursuant to the Arrangement constitutes an "excess distribution" or results in the recognition of capital gain as described above under *"Receipt of Capitan Spinout Shares pursuant to the Arrangement"* with respect to a Non-Electing Riverside Shareholder, such Non-Electing Riverside Shareholder will be subject to the rules of Section 1291 of the Code discussed above upon the receipt of the Capitan Spinout Shares. In addition, the distribution of the Capitan Spinout Shares pursuant to the Arrangement may be treated, under proposed Treasury Regulations, as the "indirect disposition" by a Non-Electing Riverside Shareholder of such Non-Electing Riverside Shareholder's indirect interest in Capitan, which generally would be subject to the rules of Section 1291 of the Code discussed above.

U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Capitan Spinout Shares and New Riverside Shares

If the Arrangement is approved by Riverside Shareholders, each Riverside Shareholder will ultimately receive 0.2767 of a Capitan Spinout Share and one New Riverside Share for each Riverside Share held by such Riverside Shareholder. If the Arrangement is not approved by the Riverside Shareholders, each Riverside Shareholder shall retain his, her or its Riverside Shares. The U.S. federal income tax consequences to a U.S. Holder related to the ownership and disposition of Capitan Spinout Shares or New Riverside Shares, as the case may be, will generally be the same and are described below.

In General

The following discussion is subject to the rules described below under the heading *"Passive Foreign Investment Company Rules."*

Distributions

A U.S. Holder that receives a distribution, including a constructive distribution, with respect to a Capitan Spinout Share or New Riverside Share will be required to include the amount of such distribution in gross income as a dividend (without reduction for any Canadian income tax withheld from such distribution) to the extent of the current or accumulated "earnings and profits" of the distributing company, as computed for U.S. federal income tax purposes. A dividend generally will be taxed to a U.S. Holder at ordinary income tax rates if the distributing company is a PFIC. To the extent that a distribution exceeds the current and accumulated "earnings and profits" of the distributing company, such distribution will be treated first as a tax-free return of capital to the extent of a U.S. Holder's tax basis in the shares of the distributing company and thereafter as gain from the sale or exchange of such shares. See the discussion below under the heading *"Sale or Other Taxable Disposition of Shares."* However, the distributing company may not maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution with respect to the Capitan Spinout Shares or New Riverside Shares will constitute ordinary dividend income. Dividends received on Capitan Spinout Shares or New Riverside Shares generally will not be eligible for the "dividends received deduction." In addition, distributions from Capitan or Riverside (either on New Riverside Shares or Capitan Spinout Shares) will not constitute qualified dividend income eligible for the preferential tax rates applicable to long-term capital gains if the distributing company were a PFIC either in the year of the distribution or in the immediately preceding year, or if the distributing company is not eligible for the benefits of the Treaty and its shares are not readily tradable on an established securities market in the U.S. The dividend rules are complex, and each U.S. Holder should consult its own tax adviser regarding the application of such rules.

Sale or Other Taxable Disposition of Shares

Upon the sale or other taxable disposition of Capitan Spinout Shares or New Riverside Shares, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the U.S. dollar value of cash received plus the fair market value of any property received and such U.S. Holder's adjusted tax basis in such shares sold or otherwise disposed of. A U.S. Holder's tax basis in Capitan Spinout Shares or New Riverside Shares generally will be such holder's U.S. dollar cost for such shares. Gain or loss recognized on such sale or other disposition generally will be long-term capital gain or loss if, at the time of the sale or other disposition, the shares have been held for more than one year.

Preferential tax rates apply to long-term capital gain of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gain of a U.S. Holder that is a corporation. Deductions for capital losses are subject to significant limitations under the Code.

Passive Foreign Investment Company Rules

If Capitan or Riverside were to constitute a PFIC under the meaning of Section 1297 of the Code (as described above under *"US Federal Income Tax Consequences of the Arrangement - Receipt of Capitan Spinout Shares pursuant to the Arrangement")* for any year during a U.S. Holder's holding period, then certain potentially adverse rules will affect the U.S. federal income tax consequences to such U.S. Holder resulting from the acquisition, ownership and disposition of Capitan Spinout Shares or New Riverside Shares, as applicable. Riverside has not made a determination regarding its PFIC status for any taxable year, including the current taxable year. Riverside has also not made a determination regarding whether Capitan should be a PFIC for its initial tax year or whether it may be a PFIC in future tax years. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge whether Riverside (or a Subsidiary PFIC as defined below) was a PFIC in a prior year or whether Capitan or Riverside is a PFIC in the current or future years. Each U.S. Holder should consult its own tax advisors regarding the PFIC status of Capitan, Riverside and any of their Subsidiary PFICs. Neither Capitan nor Riverside currently intend to provide information to its shareholders concerning whether it is a PFIC for the current or future tax years.

Each U.S. Holder generally must file an IRS Form 8621 reporting distributions received and gain realized with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. In addition, subject to certain rules intended to avoid duplicative filings, U.S. Holders generally must file an annual information return on IRS Form 8621 with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. Each U.S. Holder should consult its own tax advisors regarding these and any other applicable information or other reporting requirements.

Under certain attribution rules, if either Capitan of Riverside is a PFIC, U.S. Holders will generally be deemed to own their proportionate share of its direct or indirect equity interest in any subsidiary that is also a PFIC (a "**Subsidiary PFIC**"), and will be subject to U.S. federal income tax on any indirect gain realized on the stock of a Subsidiary PFIC on the sale of the Capitan Spinout Shares or New Riverside Shares, as applicable, and their proportionate share of (a) any excess distributions on the stock of a Subsidiary PFIC and (b) a disposition or deemed disposition of the stock of a Subsidiary PFIC by Capitan or Riverside or another Subsidiary PFIC, both as if such U.S. Holders directly held the shares of such Subsidiary PFIC. Accordingly, U.S. Holders should be aware that they could be subject to tax even if no distributions are received and no redemptions or other dispositions of Capitan Spinout Shares or New Riverside Shares are made.

Default PFIC Rules Under Section 1291 of the Code

If either Capitan or Riverside is a PFIC for any tax year during which a U.S. Holder owns Capitan Spinout Shares or New Riverside Shares, as applicable, the U.S. federal income tax consequences to such U.S. Holder of the acquisition, ownership, and disposition of such shares will depend on whether and when such U.S. Holder makes a QEF Election to treat Capitan or Riverside, as applicable, and each Subsidiary PFIC, if any, as a QEF under Section 1295 of the Code or makes a Mark-to-Market Election under Section 1296 of the Code. A U.S. Holder that does not make either

a timely QEF Election or a Mark-to-Market Election with respect to its Capitan Spinout Shares or New Riverside Shares, as applicable, will be referred to in this summary as a "**Non-Electing Shareholder**".

A Non-Electing Shareholder will be subject to the rules of Section 1291 of the Code (described below) with respect to (a) any gain recognized on the sale or other taxable disposition of Capitan Spinout Shares or New Riverside Shares, as applicable, and (b) any excess distribution received on the Capitan Spinout Shares or New Riverside Shares, as applicable. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions received in the current tax year) exceeds 125% of the average distributions received during the three preceding tax years (or during a U.S. Holder's holding period for the applicable shares, if shorter).

Under Section 1291 of the Code, any gain recognized on the sale or other taxable disposition of Capitan Spinout Shares or New Riverside Shares, as applicable, (including an indirect disposition of the stock of any Subsidiary PFIC), and any "excess distribution" received on such shares, must be ratably allocated to each day in a Non-Electing Shareholder's holding period for the respective shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or distribution of the excess distribution and to years before the entity became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year without regard to the shareholder's net operating losses or other U.S. federal income tax attributes, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing Shareholder that is not a corporation must treat any such interest paid as "personal interest," which is not deductible.

If either Capitan or Riverside is a PFIC for any tax year during which a Non-Electing Shareholder holds Capitan Spinout Shares or New Riverside Shares, as applicable, the applicable company will continue to be treated as a PFIC with respect to such Non-Electing Shareholder, regardless of whether that company ceases to be a PFIC in one or more subsequent tax years. A Non-Electing Shareholder may terminate this deemed PFIC status by electing to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above), but not loss, as if such shares were sold on the last day of the last tax year for which the applicable company was a PFIC.

QEF Election

A U.S. Holder that makes a timely and effective QEF Election for the first tax year in which its holding period of its Capitan Spinout Shares or New Riverside Shares, as applicable, begins generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to those shares. A U.S. Holder that makes a timely and effective QEF Election will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (a) the net capital gain of Capitan or Riverside, as applicable, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary earnings of Capitan or Riverside, as applicable, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short- term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which Capitan or Riverside, as applicable, is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Holder. However, for any tax year in which Capitan or Riverside, as applicable, is a PFIC and has no net income or gain as determined for U.S. income tax purposes, U.S. Holders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Holder that made a QEF Election has an income inclusion, such a U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If such U.S. Holder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible.

A U.S. Holder that makes a timely and effective QEF Election with respect to Capitan or Riverside, as applicable, generally (a) may receive a tax-free distribution from the applicable company to the extent that such distribution represents "earnings and profits" of the distributing company that were previously included in income by the U.S. Holder because of such QEF Election and (b) will adjust such U.S. Holder's tax basis in the shares of the applicable company to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Holder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of Capitan Spinout Shares or New Riverside Shares, as applicable.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" if such QEF Election is made for the first year in the U.S. Holder's holding period for the Capitan Shares or New Riverside Shares in which Capitan or Riverside, as applicable, was a PFIC. A U.S. Holder may make a timely QEF Election by filing the appropriate QEF Election documents at the time such U.S. Holder files a U.S. federal income tax return for such year. If a U.S. Holder does not make a timely and effective QEF Election for the first year in the U.S. Holder's holding period for the Capitan Shares or New Riverside Shares, the U.S. Holder may still be able to make a timely and effective QEF Election in a subsequent year if such U.S. Holder meets certain requirements and makes a "purging" election to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above) as if such shares were sold for their fair market value on the day the QEF Election is effective. If a U.S. Holder owns PFIC stock indirectly through another PFIC, separate QEF Elections must be made for the PFIC in which the U.S. Holder is a direct shareholder and the Subsidiary PFIC in order for the QEF rules to apply to both PFICs.

A QEF Election will apply to the tax year for which such QEF Election is timely made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S. Holder makes a QEF Election and, in a subsequent tax year, Capitan or Riverside ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which Capitan or Riverside, as applicable, is not a PFIC. Accordingly, if Capitan or Riverside becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Holder will be subject to the QEF rules described above during any subsequent tax year in which Capitan or Riverside, as applicable, qualifies as a PFIC.

U.S. Holders should be aware that there can be no assurances that Capitan or Riverside will satisfy the record keeping requirements that apply to a QEF for the current or future years, or that Capitan or Riverside will supply U.S. Holders with information that such U.S. Holders require to report under the QEF rules, in the event that Capitan or Riverside is a PFIC. Neither Capitan nor Riverside commits to provide information to its shareholders that would be necessary to make a QEF Election with respect to Capitan or Riverside for any year in which it is a PFIC. Thus, U.S. Holders may not be able to make a QEF Election with respect to their Capitan Spinout Shares or New Riverside Shares (or with respect to any Subsidiary PFIC). Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a QEF Election.

A U.S. Holder makes a QEF Election by attaching a completed IRS Form 8621, including a PFIC Annual Information Statement, to a timely filed United States federal income tax return. However, if Capitan or Riverside does not provide the required information with regard to Capitan, Riverside or any of their Subsidiary PFICs, U.S. Holders will not be able to make a QEF Election for such entity and will continue to be subject to the rules discussed above that apply to Non-Electing Shareholders with respect to the taxation of gains and excess distributions.

Mark-to-Market Election

A U.S. Holder may make a Mark-to-Market Election only if the Capitan Spinout Shares or New Riverside Shares, as applicable, are marketable stock. These shares generally will be "marketable stock" if they are regularly traded on: (i) a national securities exchange that is registered with the Securities and Exchange Commission; (ii) the national market system established pursuant to section 11A of the Securities and Exchange Act of 1934; or (iii) a foreign securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that: (i) such foreign exchange has trading volume, listing, financial disclosure, and surveillance requirements, and meets other requirements and the laws of the country in which such foreign exchange is located, and together with the rules of such foreign exchange, ensure that such requirements are actually enforced; and (ii) the rules of such foreign exchange effectively promote active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be "regularly traded" for any calendar year during which such stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. There is no assurance that the Capitan Spinout Shares or New Riverside Shares will be marketable stock for this purpose.

A U.S. Holder that makes a Mark-to-Market Election with respect to its Capitan Spinout Shares or New Riverside Shares generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to such shares. However, if a U.S. Holder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Holder's holding period for such shares or such U.S. Holder has not made a timely QEF Election, the rules of Section 1291 of the Code discussed above will apply to certain dispositions of, and distributions on, those shares.

A U.S. Holder that makes a Mark-to-Market Election with respect to Capitan Spinout Shares or New Riverside Shares will include in ordinary income, for each tax year in which Capitan or Riverside, as applicable, is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the applicable shares, as of the close of such tax year over (b) such U.S. Holder's tax basis in such shares. A U.S. Holder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (a) such U.S. Holder's adjusted tax basis in the applicable shares, over (b) the fair market value of such shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Holder that makes a Mark-to-Market Election with respect to Capitan Spinout Shares or New Riverside Shares generally also will adjust such U.S. Holder's tax basis in the applicable shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of such shares, a U.S. Holder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years). Losses that exceed this limitation are subject to the rules generally applicable to losses provided in the Code and Treasury Regulations.

A Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless the Capitan Spinout Shares or New Riverside Shares, as applicable, cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Holder may be eligible to make a Mark-to-Market Election with respect to the Capitan Spinout Shares or New Riverside Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Holder is treated as owning, because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to eliminate the application of the default rules of Section 1291 of the Code described above with respect to deemed dispositions of Subsidiary PFIC stock or distributions from a Subsidiary PFIC.

Other PFIC Rules

Under Section 1291(f) of the Code, the IRS has issued proposed Treasury Regulations that, subject to certain exceptions, would cause a U.S. Holder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of Capitan Spinout Shares or New Riverside Shares that would otherwise be tax- deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Holder may vary based on the manner in which such shares are transferred.

Certain additional adverse rules may apply with respect to a U.S. Holder if Capitan or Riverside is a PFIC, regardless of whether such U.S. Holder makes a QEF Election. For example, under Section 1298(b)(6) of the Code, a U.S. Holder that uses Capitan Spinout Shares or New Riverside Shares as security for a loan will, except as may be provided in Treasury Regulations, be treated as having made a taxable disposition of such shares.

Special rules also apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated, and a U.S. Holder should consult with its own tax adviser regarding the availability of the foreign tax credit with respect to distributions by a PFIC.

The PFIC rules are complex, and each U.S. Holder should consult with its own tax advisors regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the acquisition, ownership, and disposition of Capitan Spinout Shares or New Riverside Shares.

Additional Considerations

Foreign Tax Credit

Subject to the PFIC rules discussed above, a U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement or in connection with the ownership or disposition of Capitan Spinout Shares or New Riverside Shares may elect to deduct or credit such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year. The foreign tax credit rules are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Each U.S. Holder should consult its own U.S. tax advisors regarding the foreign tax credit rules.

Receipt of Foreign Currency

The U.S. dollar value of any cash payment in Canadian dollars to a U.S. Holder will be translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of the dividend, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. A U.S. Holder will generally have a tax basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who receives payment in Canadian dollars and converts or disposes of the Canadian dollars after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, which generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting.

Each U.S. Holder should consult its own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Information Reporting and Backup Withholding Tax

Under U.S. federal income tax law and Treasury Regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, Section 6038D of the Code generally imposes U.S. return disclosure obligations (and related penalties) on individuals who are U.S. Holders that hold certain specified foreign financial assets in excess of certain thresholds. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. Holders may be subject to these reporting requirements unless their shares are held in an account at a domestic financial institution. A U.S. Holder's disclosure of foreign financial assets pursuant to Section 6038D of the Code should be made on IRS Form 8938. Penalties for failure to file certain of these information returns are substantial. U.S. Holders should consult with their own tax advisers regarding the requirements of filing information returns under these rules, including the requirement to file an IRS Form 8938.

Payments made within the U.S. or by a U.S. payor or U.S. middleman, of (a) distributions on the Capitan Spinout Shares or New Riverside Shares, (b) proceeds arising from the sale or other taxable disposition of Capitan Spinout Shares or New Riverside Shares, or (c) any payments received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising dissent rights under the Arrangement) generally may be subject to information reporting and backup withholding tax, at the current rate of 24% if a U.S. Holder (i) fails to furnish its correct U.S. taxpayer identification number (generally on IRS Form W-9), (ii) furnishes an incorrect U.S. taxpayer identification number, (iii) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (iv) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Any amounts withheld under the U.S. Backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner. Each U.S. Holder should consult its own tax advisors regarding the information reporting and backup withholding rules.

THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS APPLICABLE TO SECURITYHOLDERS WITH RESPECT TO THE DISPOSITION OF THOSE SECURITIES PURSUANT TO THE ARRANGEMENT OR THE OWNERSHIP AND DISPOSITION OF THOSE SECURITIES RECEIVED PURSUANT TO THE ARRANGEMENT. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE TAX CONSIDERATIONS APPLICABLE TO THEM IN THEIR PARTICULAR CIRCUMSTANCES.

SECURITIES LAW CONSIDERATIONS

The following is a brief summary of the securities law considerations applicable to the transactions contemplated herein.

Canadian Securities Laws and Resale of Securities

Each Riverside Shareholder is urged to consult such holder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Capitan Shares.

Riverside is a "reporting issuer" in the provinces of British Columbia, Alberta and Ontario. The Riverside Shares are currently listed and posted for trading on the TSXV.

Upon completion of the Arrangement, Capitan is expected to be a reporting issuer in British Columbia, Alberta and Ontario. Capitan has made an application to list the Capitan Shares on the TSXV. There can be no asurances that Capitan will be able to obtain such a listing in the TSXV or any other stock exchange. Any listing will be subject to the approval of the TSXV. Capitan has also applied for a waiver of the sponsorship requirements under the rules of the TSXV.

The issuance of the New Riverside Shares and Capitan Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The New Riverside Shares and Capitan Shares issued to Riverside Shareholders may be resold in each of the provinces and territories of Canada provided the holder is not a 'control person' as defined in the applicable Securities Legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

U.S. Securities Laws

Status Under U.S. Securities Laws

Each of Riverside and Capitan is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act. The Riverside Shares are quoted in the United States on the OTCQB market. The Capitan Shares are not listed or quoted for trading in the United States, nor does Capitan intend to seek such a listing or quotation at this time.

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to U.S. Securityholders. All U.S. Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of the New Riverside Shares and Capitan Shares, or Capitan Options and Riverside Replacement Options issued to them, or the Riverside Warrants, as applicable, under the Plan of Arrangement complies with applicable securities legislation. **Further information applicable to U.S. Securityholders is disclosed under the heading "*Note to United States Securityholders*".**

The following discussion does not address the Canadian securities laws that will apply to the issue of the New Riverside Shares and Capitan Shares or the resale of these shares by U.S. Securityholders within Canada. U.S. Securityholders reselling their New Riverside Shares and Capitan Shares, or Capitan Options and Riverside Replacement Options, or Riverside Warrants, as applicable, in Canada must comply with Canadian securities laws, as outlined elsewhere in this Information Circular.

Exemption from the Registration Requirements of the U.S. Securities Act

The New Riverside Shares and Capitan Shares to be issued to Riverside Shareholders in exchange for their Riverside Shares pursuant to the Plan of Arrangement, and the Capitan Options and Riverside Replacement Options to be issued to Riverside Optionholders in exchange for their Riverside Options pursuant to the Plan of Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, but will be issued in reliance upon the Section 3(a)(10) Exemption and exemptions provided under the securities laws of each state of the United States in which U.S. Securityholders reside. The Section 3(a)(10) Exemption exempts from registration the issuance of a security that is issued in exchange for one or more outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear and receive timely and adequate notice thereof, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the New Riverside Shares, Capitan Shares, Capitan Options and Riverside Replacement Options issued in connection with the Plan of Arrangement. See "*Approval of the Arrangement – Court Approval of the Arrangement*" above.

Resales of Capitan Shares and New Riverside Shares after the Effective Date

The manner in which a Riverside Shareholder may resell the Capitan Shares and New Riverside Shares received on completion of the Plan of Arrangement will depend on whether such holder is, at the time of such resale, an "affiliate" of Capitan or Riverside, as applicable, after the Effective Date, or has been such an "affiliate" at any time within 90 days immediately preceding the Effective Date.

As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, that issuer. Typically, persons who are executive officers, directors or 10% (or greater) holders of an issuer are considered to be its "affiliates," as well as any other person or group that actually controls the issuer.

Persons who are affiliates of Capitan or Riverside, as applicable, after the Effective Date, or within 90 days immediately preceding the Effective Date may not sell their Capitan Shares and New Riverside Shares that they receive in connection with the Plan of Arrangement in the absence of registration under the U.S. Securities Act, unless an exemption from such registration is available, such as the exemptions provided by Rule 144 under the U.S. Securities Act or Rule 904 of Regulation S.

Rule 144

In general, Rule 144 under the U.S. Securities Act provides that persons who are affiliates of Capitan or Riverside, as applicable, after the Effective Date or, at any time during the 90 day period immediately prior to the Effective Date, will be entitled to sell, during any three-month period, a portion of the Capitan Shares and New Riverside Shares that they receive in connection with the Plan of Arrangement, provided that the number of each such securities sold does not exceed the greater of one percent of the number of then outstanding securities of such class or, if such securities are listed on a United States securities exchange (which neither Capitan nor Riverside intends to seek at this time), the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules and the availability of current public information about Capitan or Riverside, as applicable. In addition, subject to certain exceptions, Rule 144 will not be available for resales of Capitan Shares or New Riverside Shares if the issuer of such securities is, or has at any time previously been, a shell company, which means a company with no or nominal operations and no or nominal assets other than cash and cash equivalents.

Regulation S

Subject to certain limitations, all persons who are affiliates of Capitan or Riverside, as applicable, after the Effective Date or, at any time during the 90-day period immediately prior to the Effective Date, may immediately resell such securities outside the United States, without registration under the U.S. Securities Act, pursuant to Regulation S.

Generally, subject to certain limitations, holders of Capitan Shares and New Riverside Shares who are not affiliates of Capitan or Riverside, as applicable, or who are its affiliates of Capitan or Riverside, as applicable, solely by virtue of being an officer and/or director of the applicable corporation and who pay only the usual and customary broker's commission in connection with the transaction, may resell their Capitan Shares or New Riverside Shares, as applicable, in an "offshore transaction" (which would generally include a sale through the TSXV) if no offer is made to a person in the United States, the sale is not prearranged with a buyer in the United States, neither the seller, any affiliate of the seller, nor any person acting on any of their behalf engages in any "directed selling efforts" in the United States, and subject to certain additional conditions. For the purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered" in the resale transaction. Under Regulation S, certain additional restrictions and qualifications are applicable to holders of Capitan Shares or New Riverside Shares who are affiliates of Capitan or Riverside, as applicable, other than by virtue of being an officer and/or director or the applicable corporation.

The foregoing discussion is only a general overview of the requirements of United States securities laws for the resale of the Capitan Shares and New Riverside Shares received pursuant to the Plan of Arrangement. Holders of Capitan Shares and New Riverside Shares are urged to seek legal advice prior to any resale of such securities to ensure that the resale is made in compliance with the requirements of applicable securities legislation.

Resales of Capitan Options and Riverside Replacement Options after the Effective Date

The Capitan Options and Riverside Replacement Options are not generally transferable other than by will or the laws of descent and may be exercised during the lifetime of the optionee only by the optionee.

Issuance of Capitan Options and Riverside Replacement Options, and Capitan Shares and New Riverside Shares upon Exercise of the Capitan Options and Riverside Replacement Options

The issuance of the Capitan Options and Riverside Replacement Options to Riverside Optionholders will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be issued in reliance upon the Section 3(a)(10) Exemption, and similar exemptions provided under the securities laws of each state of the United States in which Riverside Optionholders reside.

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Capitan Shares issuable upon the exercise of the Capitan Options following the Effective Date, and the New Riverside Shares issuable upon the exercise of the Riverside Replacement Options following the Effective Date, may not be issued in reliance upon the Section 3(a)(10) Exemption and such options may be exercised only pursuant to an available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Capitan Shares or New Riverside Shares pursuant to any such exercise, Capitan or Riverside, as applicable, may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to Capitan or Riverside, as applicable, to the effect that the issuance of such New Riverside Shares or Capitan Shares, as applicable, does not require registration under the U.S. Securities Act or applicable state securities laws. Any Capitan Shares or New Riverside Shares, as applicable, issued upon exercise of the Capitan Options and Riverside Replacement Options, as applicable, pursuant to an exemption from the registration requirements of the U.S. Securities Act will be "restricted securities" as defined in Rule 144 under the U.S. Securities Act and will be subject to restrictions on resales imposed by the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale and exercise of Capitan Options and Riverside Replacement Options received upon completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale or exercise of their securities complies with applicable securities legislation.**

Resales of Riverside Warrants after the Effective Date

The Riverside Warrants are non-transferable.

Modification of Riverside Warrrants, and Issuance of Capitan Shares and New Riverside Shares upon Exercise of the Riverside Warrants

The modification of the Riverside Warrants pursuant to the Arrangement will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be effected in reliance upon the Section 3(a)(10) Exemption, and similar exemptions provided under the securities laws of each state of the United States in which Riverside Warrantholders reside.

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Capitan Shares and the New Riverside Shares issuable upon the exercise of the Riverside Warrants following the Effective Date may not be issued in reliance upon the Section 3(a)(10) Exemption and the Riverside Warrants may be exercised only pursuant to an available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Capitan Shares or New Riverside Shares pursuant to any such exercise, Capitan or Riverside, as applicable, may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to Capitan or Riverside, as applicable, to the effect that the issuance of such New Riverside Shares or Capitan Shares, as applicable, does not require registration under the U.S. Securities Act or applicable state securities laws. Any Capitan Shares or New Riverside Shares, as applicable, issued upon exercise of the Riverside Warrants pursuant to an exemption from the registration requirements of the U.S. Securities Act will be "restricted securities" as defined in Rule 144 under the U.S. Securities Act and will be subject to restrictions on resales imposed by the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale and exercise of the Riverside Warrants following completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale or exercise of their securities complies with applicable securities legislation.**

APPROVAL OF CAPITAN STOCK OPTION PLAN

As the Riverside Stock Option Plan will not carry forward to Capitan, and in contemplation of the successful completion of the Arrangement, Riverside Shareholders will be asked to approve the Capitan Stock Option Plan at the Meeting.

A full copy of the Capitan Stock Option Plan will be available at the Meeting for review by Riverside Shareholders. Shareholders may also obtain copies of the Capitan Stock Option Plan from Riverside prior to the meeting on written request. The following is a summary of the material terms of the Capitan Stock Option Plan:

(a) Capitan must not grant an option to a director, officer, employee, management company employee, consultant, or consultant company in any 12 month period that exceeds 5% of the outstanding Capitan Shares, unless Capitan has obtained by a majority of the votes cast by the Capitan Shareholders eligible to vote at a shareholders' meeting, excluding votes attaching to Capitan Shares beneficially owned by insiders and their associates ("**Capitan Disinterested Shareholder Approval**"); Capitan must not grant an option where the aggregate number of Capitan Shares reserved for issuance under options granted to insiders may exceed 10% of the outstanding Shares, unless Capitan has obtained Capitan Disinterested Shareholder Approval to do so;

(b) Capitan must not grant an option where the number of optioned Capitan Shares issued to insiders in any 12 month period exceeds 10% of the outstanding Capitan Shares, unless Capitan has obtained Capitan Disinterested Shareholder Approval to do so;

(c) the aggregate number of options granted to all persons conducting Investor Relations Activities in any 12 month period must not exceed 2% of the outstanding Capitan Shares calculated at the date of the grant, without the prior consent of the TSXV;

(d) Capitan must not grant aggregate options to any one consultant in any 12 month period that exceeds 2% of the outstanding Capitan Shares calculated at the date of the grant of the option, without the prior consent of the TSXV;

(e) the exercise price of an option previously granted to an insider must not be reduced, unless Capitan has obtained Capitan Disinterested Shareholder Approval to do so;

(f) options granted under the Capitan Stock Option Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;

(g) where a grant is made to an optionee ("**Capitan Optionee**") who is an employee, consultant, consultant company or management company employee, Capitan represents that the Capitan Optionee is a bona fide employee, consultant, consultant company or management company employee, as the case may be, of Capitan or its affiliates;

(h) any option granted to an Capitan Optionee other than a director or officer of Capitan, will expire within 90 days (30 days if the Capitan Optionee was engaged in Investor Relations Activities) after the Capitan Optionee ceases to be employed by or provide services to Capitan, but only to the extent that such option has vested at the date the Capitan Optionee ceased to be so employed by or to provide services to Capitan;

(i) any option granted to an Capitan Optionee that is a director or officer of Capitan, will expire within the earlier of: (i) one (1) year after the date the Capitan Optionee ceased to be a director or officer of Capitan, (ii) the date of expiration of the term otherwise applicable to such Option, and (iii) such shorter period as Capitan determines is reasonable, and only to the extent that such Option has vested at the date the Capitan Optionee ceased to be so employed by or to provide services to Capitan;

(j) if an Capitan Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Capitan Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Capian Optionee and the date of expiration of the term otherwise applicable to the option;

(k) in the case of an Capitan Optionee being dismissed from employment or service for cause, the Capitan Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without any right of exercise;

(l) the exercise price of each option will be set by the Capitan Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the policies of the TSXV);

(m) vesting of options shall be at the discretion of the Capitan Board, subject to the requirements of the policies of the TSXV (including any vesting requirements for persons performing Investor Relations Activities (as defined in the policies of the TSXV)), and will generally be subject to: (i) the Capitan Optionee remaining employed by or continuing to provide services to Capitan or its affiliates, as well as, at the discretion of the Capitan Board, achieving certain milestones which may be defined by the Capitan Board from time to time or receiving a satisfactory performance review by Capitan or its affiliates during the vesting period; or (ii) the Capitan Optionee remaining as a director of Capitan or its affiliates during the vesting period;

(n) Capitan may withhold and remit income tax payable upon the exercise of stock options to comply with the Tax Act;

(o) Capitan, may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law; and

(p) the Capitan Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Capitan Stock Option Plan with respect to all Capitan Shares in respect of options granted under the Capitan Stock Option Plan.

The foregoing is only a summary of the salient features of the Capitan Stock Option Plan. A copy of the Capitan Stock Option Plan may be inspected at the offices of Riverside, during normal business hours and at the Meeting. In addition, a copy of the Capitan Stock Option Plan will be mailed, free of charge, to any Riverside Shareholder who requests a copy, in writing, mailed to Riverside at Suite 550-800 West Pender Street, Vancouver, BC V6E 2V6.

Unless such authority is withheld, the persons named in the enclosed proxy intend to vote for the approval of the Capitan Stock Option Plan.

At the Meeting, Riverside Shareholders will be asked to pass an ordinary resolution, with or without amendment, in substantially the form set forth below:

"RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. subject to completion of the Arrangement, a stock option plan for Capitan, being a "rolling" stock option plan, as described in Riverside's Information Circular dated February 25, 2020, and the grant of options thereunder in accordance therewith, be approved;

2. Capitan is authorized to grant stock options pursuant and subject to the terms and conditions of the Capitan Stock Option Plan entitling all of the optionholders in aggregate to purchase up to such number of Capitan Shares as is equal to 10% of the number of Capitan Shares issued and outstanding on the applicable grant date;

3. the Capitan Board or any committee created pursuant to the Capitan Stock Option Plan is authorized to make such amendments to the Capitan Stock Option Plan from time to time as the Capitan Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Capitan Stock Option Plan; and

4. any director or officer of Capitan is hereby authorized and directed for and in the name of and on behalf of Capitan to execute or cause to be executed, whether under corporate seal of Capitan or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing resolutions."

An ordinary resolution is a resolution passed by the Riverside Shareholders at a general meeting by a simple majority of the votes cast in person or by proxy.

Recommendation of the Directors

The Riverside Board has reviewed the proposed resolution and concluded that it is fair and reasonable to the Riverside Shareholders and in the best interests of Riverside. **The Riverside Board recommends that the Riverside Shareholders vote in favour of the above resolution. Unless otherwise directed, or where the instructions are unclear, the persons named in the enclosed proxy intend to vote FOR the approval of the Capitan Stock Option Plan until the next annual meeting of Capitan.**

RIVERSIDE RESOURCES INC.

The following information is provided by Riverside and is reflective of the current business, financial and share capital position of Riverside and includes certain information reflecting the status of Riverside following the completion of the Arrangement. Unless otherwise indicated, all currency amounts are stated in Canadian dollars.

Summary Description of Business

Riverside is a mining exploration project generator and possesses several mineral exploration projects in Mexico and Canada.

For further information regarding Riverside, see the documents incorporated by reference in this Information Circular which are available at www.SEDAR.com under Riverside's profile.

Business Objectives

Riverside's objective is to complete the Arrangement and to continue to acquire, explore and joint venture mineral exploration properties.

Authorized and Issued Share Capital

The authorized share capital of Riverside consists of an unlimited number of Riverside Shares, of which 63,241,188 Riverside Shares are issued and outstanding as of the date of this Information Circular. Upon completion of the Arrangement, all Riverside Shares will be exchanged for New Riverside Shares having identical rights and restrictions as the Riverside Shares. In the section headed "*Riverside Resources Inc.*", all references to "Riverside Shares" shall be deemed to be to "New Riverside Shares" upon completion of the Arrangement.

Riverside Shareholders are entitled to one vote per Riverside Share at all meetings of Riverside Shareholders. Riverside Shareholders are entitled to receive dividends as and when declared by the Riverside Board and to receive a pro rata share of the assets of Riverside available for distribution to Riverside Shareholders in the event of the liquidation, dissolution or winding-up of Riverside. All Riverside Shares rank equally as to all benefits which might accrue to the Riverside Shareholders.

Riverside Selected Financial Information

The following table sets out selected financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the financial statements of Riverside for the fiscal years ended September 30, 2019 and 2018 incorporated by reference in this Information Circular and filed on SEDAR at www.SEDAR.com.

	Year Ended September 30, 2019 ($)	**Year Ended September 30, 2018 ($)**
Net Loss	(1,310,831)	(1,462,695)
Comprehensive loss	(1,532,749)	(1,411,764)
Basic and diluted loss per share	(0.02)	(0.03)
Total assets	12,341,457	8,869,608
Mineral interests	6,436,939	5,344,749

The following table sets out selected *pro forma* financial information in respect of Riverside as at September 30, 2019, as if the Arrangement had been completed as of September 30, 2019 and should be considered in conjunction with the

more complete information contained in the *pro forma* balance sheet of Riverside appended as Schedule "H" to this Information Circular.

	September 30, 2019 ($)
Current assets	5,731,268
Mineral property interests	5,076,356
Total assets	10,980,874
Total liabilities	2,278,871
Riverside Shareholders' equity	8,702,003

The following table sets out selected *pro forma* financial information in respect of Riverside for the year ended September 30, 2019, as if the Arrangement had been completed as of September 30, 2019 and should be read in conjunction with the more complete information provided in the *pro forma* consolidated statement of loss and comprehensive loss of Riverside appended as Schedule "H" to this Information Circular.

	Year Ended September 30, 2019 ($)
Net Income	765,847
Comprehensive Income	543,929
Income per Share (basic and diluted)	0.01

Consolidated Capitalization

There have not been any material changes in the share capital of Riverside since the date of Riverside's most recently filed September 30, 2019 financial statements. As a result of the Arrangement, there will be changes to Riverside's share capital. For details of these changes, and the share capital of Riverside upon completion of the Arrangement, please see "*The Arrangement*", and the pro forma financial statements of Riverside appended at Schedule "H" to this Information Circular

Prior Sales

The following table summarizes details of the Riverside Shares issued by Riverside during the 12 month period prior to the date of this Information Circular.

Date of Issuance	**Security**	**Price per Security ($)**	**Number of Securities**
January 31, 2020	Riverside Shares	$0.14	400,000
September 20, 2019	Riverside Shares	$0.16	150,000
March 19, 2019	Riverside Shares	$0.16	28,000
March 19, 2019	Riverside Shares	$0.16	17,488,875

Riverside Options

The following table summarizes details of the Riverside Options issued by Riverside during the 12 month period prior to the date of this Information Circular.

Date of Issuance	Security	Price per Security ($)[(1)]	Number of Securities
November 15, 2019	Riverside Options	$0.14	1,265,000

(1) Exercise price of the Riverside Options.

Riverside Warrants

The following table summarizes details of the Riverside Warrants issued by Riverside during the 12 month period prior to the date of this Information Circular.

Date of Issuance	Security	Price per Security ($)[(1)]	Number of Securities
March 19, 2019	Riverside Warrants	$0.22	17,516,875[(2)]

(1) Exercise price of the Riverside Warrants.
(2) This includes 28,000 finder's warrants.

Trading Price and Volume

The Riverside Shares are listed and posted for trading on the TSXV under the symbol "RRI". The following table sets forth information relating to the trading of the Riverside Shares on the TSXV on a monthly basis for each month, or, if applicable, partial months of the 12 month period prior to the date of this Information Circular:

Month	High ($)	Low ($)	Volume
February 2020	$0.19	$0.135	3,459,739
January 2020	$0.165	$0.125	2,404,016
December 2019	$0.16	$0.125	1,960,478
November 2019	$0.145	$0.125	1,683,148
October 2019	$0.16	$0.14	1,730,774
September 2019	$0.20	$0.155	1,516,708
August 2019	$0.22	$0.145	3,088,248
July 2019	$0.165	$0.145	1,896,518
June 2019	$0.17	$0.135	1,359,998
May 2019	$0.175	$0.135	1,405,546
April 2019	$0.17	$0.15	1,008,098
March 2019	$0.175	$0.15	1,097,982

(1) From February 1 to 24, 2020.

At the close of business on February 24, 2020, the price of the Riverside Shares as quoted by the TSXV was $0.185.

Statement of Executive Compensation for Riverside

Definitions

For the purpose of this Information Circular:

"**CEO**" means each individual who, in respect of Riverside, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

"**CFO**" means each individual who, in respect of Riverside, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments, including stock appreciation rights, deferred share units and restricted stock units, granted or issued by Riverside or any of its subsidiaries for services provided or to be provided, directly or indirectly, to Riverside or any of its subsidiaries;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) in respect of Riverside and its subsidiaries, the most highly compensated executive officer, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation exceeded $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year;

(d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of Riverside, and was not acting in a similar capacity, at the end of that financial year.

During Riverside's financial year ended September 30, 2019, the following individuals were the Named Executive Officers of Riverside: John-Mark Straude, President and CEO and Robert J. Scott, CFO.

Compensation Excluding Compensation Securities

Particulars of compensation, excluding compensation securities, paid to each NEO and director in the two most recently completed financial years is set out in the table below:

Name and position	Year ending	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisities ($)	Value of all other compen-sation ($)	Total compen-sation ($)
John-Mark Staude[(1)] President, CEO and Director	09/30/19 09/30/18	250,440 224,970	Nil Nil	Nil Nil	Nil Nil	Nil Nil	250,440 224,970
Robert J. Scott[(1)] CFO	09/30/19 09/30/18	96,000 96,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	96,000 96,000
James Clare Director	09/30/19 09/30/18	3,000 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	3,000 12,000
Walter Henry Director	09/30/19 09/30/18	12,000 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	12,000 12,000
Carol Ellis Director	09/30/19 09/30/18	12,000 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	12,000 12,000
Brian Groves Director	09/30/19 09/30/18	12,000 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	12,000 12,000

(1) Mr. Staude and Mr. Scott were paid consulting fees and performance bonuses pursuant to consulting agreements as disclosed under *"External Management Contracts"* below.

External Management Contracts

Neither John-Mark Staude, Riverside's CEO, nor Robert J. Scott, Riverside's CFO, are employees of Riverside, but derive their compensation indirectly through consulting agreements as described in the following.

Pursuant to a consulting agreement dated January 1, 2011, between Riverside and Arriva Management Inc. ("**Arriva**"), a company controlled by John-Mark Staude, Arriva supplies the services of John-Mark Staude as Riverside's CEO for an annual fee of $184,000. As of January 1, 2017, the annual fee was amended to $252,000 (the "**Annual Fee**"). In addition to the Annual Fee, a share (or cash if necessary) bonus is payable by Riverside equivalent to 1% of the increase in the size of Riverside's market capitalization during the year of at least $25,000,000, calculated as at December 31 of each year, subject to a maximum annual pay-out of $500,000. In addition, a bonus of $25,000 is paid annually for the life of any new exploration alliance that is generated for Riverside. The termof the agreement is three years, with renewal thereafter on a yearly basis. Riverside may terminate the contract for any reason by giving three months written notice and payment equivalent to the sum of the Annual Fee. In the event of a change of control of Riverside during the term, Arriva may elect to terminate the agreement and receive a termination payment equal to two times the Annual Fee plus any benefits and bonus that would otherwise accrue in the two months following such termination.

Pursuant to a consulting agreement dated October 1, 2007, between Riverside and GSBC Financial Management Inc. ("**GSBC**"), a company wholly-owned by Robert J. Scott, GSBC supplies the services of Robert J. Scott as Riverside's CFO, and all related services, for a monthly fee of $14,167. As of July 2017, the monthly fee was reduced to $12,167 and as of October 2017, the monthly fee was further reduced to $8,000. In addition to the monthly fee, at the discretion

of the Board, GSBC may be granted a performance bonus payable in cash or Riverside Shares. As at the date of this Information Circular, GSBC is continuing this agreement on a month to month basis. One month's advance notice is required by either party to terminate the agreement.

The base cash and bonus components of compensation payable for the services of John-Mark Staude and Robert J. Scott are paid to their respective companies, Arriva and GSBC. Stock options and bonus shares, when granted and issued, are granted and issued to these individuals in their personal capacities.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO and director of Riverside during the most recently completed financial year for services provided or to be provided, directly or indirectly, to Riverside or any of its subsidiaries:

COMPENSATION SECURITIES							
Name and Position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date ($)**
John-Mark Staude President, CEO and Director	Stock Options	150,000[(1)] (3.90%)	01/08/2019	0.17	0.17	0.155	01/08/2024
Robert J. Scott CFO	Stock Options	50,000[(2)] (1.30%)	01/08/2019	0.17	0.17	0.155	01/08/2024
Brian Groves Director	Stock Options	50,000[(3)] (1.30%)	01/08/2019	0.17	0.17	0.155	01/08/2024
James Clare Director	Stock Options	50,000[(3)] (1.30%)	01/08/2019	0.17	0.17	0.155	01/08/2024
Carol Ellis Director	Stock Options	50,000[(3)] (1.30%)	01/08/2019	0.17	0.17	0.155	01/08/2024
Walter Henry Director	Stock Options	50,000[(3)] (1.30%)	01/08/2019	0.17	0.17	0.155	01/08/2024

(1) Of these stock options, Mr. Staude, received, in his capacity as CEO of Riverside, 100,000 stock options, vesting 25% every three months from the date of grant and, in his capacity as a director of Riverside, 50,000 stock options, vesting 33% every six months from the date of grant.
(2) These stock options vest 25% every six months from the date of grant.
(3) These stock options vest 33% every six months from the date of grant.

Subsequent to the year end, on November 15, 2019, Mr. Staude, Mr. Groves, Mr. Clare, Mr. Henry, and Ms. Ellis, each received 50,000 stock options, vesting in the amount of 33% every six months from the date of grant, exercisable on or before November 15, 2024 at an exercise price of $0.135. Mr. Staude and Mr. Scott, with respect to their roles as officers, also received 150,000 stock options and 100,000 stock options, respectively, vesting in the amount of 25% every three months from the date of grant, exercisable on or before November 15, 2024 at an exercise price of $0.135.

The Black-Scholes calculation on this grant was based on the estimated risk-free rate of 1.33%, expected volatility of 82.34%, estimated annual dividend of 0%, and the expected life of the options is 5 years.

The following table discloses all stock options held and bonus shares received by each NEO and director of Riverside at the end of the most recently completed financial year:

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry date ($)
John-Mark Staude President, CEO and Director	Stock Options Stock Options Stock Options Stock Options Stock Options Bonus Shares Bonus Shares Bonus Shares Bonus Shares Bonus Shares	150,000 120,000 150,000 250,000 235,000 100,000 120,000 75,000 50,000 50,000	01/08/2019 11/03/2017 12/16/2016 01/07/2016 11/14/2014 01/08/2019 11/03/2017 11/30/2015 10/17/2013 05/08/2013	0.170 0.280 0.420 0.145 0.270 0.180 0.280 0.150 0.335 0.400	0.170 0.280 0.420 0.145 0.270 0.180 0.280 0.150 0.335 0.400	0.155	01/08/2024 11/03/2022 12/16/2021 01/07/2021 11/14/2019 N/A N/A N/A N/A N/A
Robert J. Scott CFO	Stock Options Stock Options Stock Options Stock Options Stock Options Bonus Shares Bonus Shares Bonus Shares Bonus Shares Bonus Shares Bonus Shares	50,000 60,000 125,000 150,000 160,000 50,000 50,000 75,000 40,000 40,000 40,000	01/08/2019 11/03/2017 12/16/2016 01/07/2016 11/14/2014 01/08/2019 11/03/2017 11/30/2015 10/20/2014 10/17/2013 05/08/2013	0.170 0.280 0.420 0.145 0.270 0.180 0.280 0.150 0.350 0.335 0.400	0.170 0.280 0.420 0.145 0.270 0.180 0.280 0.150 0.330 0.335 0.400	0.155	01/08/2024 11/03/2022 12/16/2021 01/07/2021 11/14/2019 N/A N/A N/A N/A N/A N/A
Brian Groves Director	Stock Options Stock Options Stock Options Stock Options Stock Options	50,000 60,000 50,000 75,000 55,000	01/08/2019 11/03/2017 12/16/2016 01/07/2016 11/14/2014	0.170 0.280 0.420 0.145 0.270	0.170 0.280 0.420 0.145 0.270	0.155	01/08/2024 11/03/2022 12/16/2021 01/07/2021 11/14/2019
James Clare Director	Stock Options Stock Options Stock Options Stock Options Stock Options	50,000 60,000 50,000 75,000 55,000	01/08/2019 11/03/2017 12/16/2016 01/07/2016 11/14/2014	0.170 0.280 0.420 0.145 0.270	0.170 0.280 0.420 0.145 0.270	0.155	01/08/2024 11/03/2022 12/16/2021 01/07/2021 11/14/2019
Carol Ellis Director	Stock Options Stock Options Stock Options	50,000 60,000 75,000	01/08/2019 11/03/2017 12/16/2016	0.170 0.280 0.420	0.170 0.280 0.420	0.155	01/08/2024 11/03/2022 12/16/2021

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry date ($)
Walter Henry Director	Stock Options Stock Options Stock Options	50,000 60,000 75,000	01/08/2019 11/03/2017 12/16/2016	0.170 0.280 0.420	0.170 0.280 0.420	0.155	01/08/2024 11/03/2022 12/16/2021

No compensation securities were re-priced, cancelled or replaced, extended or otherwise materially modified during the most recently completed financial year.

Exercise of Compensation Securities by Directors and NEO's

Particulars of compensation securities exercised by each NEO and director in the most recently completed financial year is set out in the table below:

Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security ($)	Date of exercise ($)	Closing price per security on date of exercise ($)	Difference between exercise price and closing price on date of exercise ($)	Total value on exercise date ($)
John-Mark Staude President, CEO and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Robert J. Scott CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brian Groves Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James Clare Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carol Ellis Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Walter Henry Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Stock Option Plans and Other Incentive Plans

Riverside Stock Option Plan

Riverside has adopted a rolling 10% stock option plan (the "**Riverside Stock Option Plan**") enabling the directors to grant options to employees, directors and officers of Riverside and persons providing ongoing services to Riverside. The policies of the TSXV state that rolling stock option plans must receive shareholder approval upon initial adoption

and on an annual basis thereafter. The Riverside Stock Option Plan was last approved by the Riverside Shareholders at the Annual General Meeting held March 8, 2019 and will again be presented for approval at the Meeting. For a summary of the material terms of the Riverside Stock Option Plan see "*Particulars of Matters to be Acted Upon – Approval of Riverside Stock Option Plan*".

Riverside Bonus Share Plan

Riverside has adopted a bonus share plan (the "**Riverside Bonus Share Plan**") enabling the Riverside Board to issue bonus shares to employees, officers and directors. Following its adoption, the Riverside Bonus Share Plan required disinterested shareholder approval under the policy of the TSXV, which was obtained at Riverside's Annual General Meeting held March 8, 2019. The Riverside Bonus Share Plan does not require further Riverside Shareholder approval until such time as the number of Riverside Shares reserved for the issue of bonus shares is increased, or the Riverside Bonus Share Plan is otherwise amended in such a manner as to require Riverside Shareholder approval under TSXV policy.

Terms of the Riverside Bonus Share Plan

The purpose of the Bonus Share Plan is to attract, retain and motivate management and staff by providing them with the opportunity, through the issue of bonus shares, to acquire a proprietary interest in Riverside and benefit from its growth. The material features of the Bonus Share Plan are as follows:

1. the Bonus Share Plan is administered by the Riverside Board or, if the Riverside Board so designates, a committee of the Riverside Board appointed to administer the Bonus Share Plan;

2. the plan administrator may from time to time determine that an employee, officer or director of Riverside has performed services for Riverside that have a value in excess of the value for which the person has otherwise been compensated, the amount of such excess value being hereafter referred to as "Excess Value", and may issue to that person Riverside Shares as compensation for providing such Excess Value ("**Riverside Bonus Shares**");

3. the number of Riverside Bonus Shares so issuable is in the discretion of the plan administrator, provided however that the number of shares cannot exceed the number that results when the Excess Value is divided by the Discounted Market Price as defined in TSXV policy. Discounted Market Price generally means, subject to certain exceptions, the most recent closing price of the Riverside Shares on the TSXV, less a discount of from 15% to 25% depending on the trading value of the Riverside Shares;

4. in any 12 month period, no one person may receive a number of Bonus Shares that exceeds 1% of the issued and outstanding shares of Riverside at that time (the "**Outstanding Shares**") unless otherwise permitted by TSXV policy, and Bonus Shares may not be issued in respect of Excess Value provided in the form of investor relations services. The plan administrator may impose such other restrictions, terms and conditions on the issue of Bonus Shares as it may determine in each case; and

5. the original number of Bonus Shares reserved for issuance under the Bonus Share Plan is 400,000 common shares, and no more.

Employment, Consulting and Management Agreements

Other than as disclosed under *"External Management Contracts"*, no services were provided to Riverside during the most recently completed financial year by a director or named executive officer, or any other party who provided services typically provided by a director or named executive officer, pursuant to any employment, consulting or management agreement between Riverside and any other party, and Riverside has no agreement or arrangement with any director, named executive officer or any other party with respect to any change of control of Riverside or any

severance, termination or constructive dismissal of any director, named executive officer or any other party, or any incremental payments triggered by any such change of control, severance, termination or constructive dismissal.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of the Named Executive Officers and directors is determined by the full Riverside Board, based on the recommendations of the Compensation Committee. Compensation is determined based on factors considered relevant and appropriate, including the level of service provided, the background and expertise of the individual director or officer, amounts paid by other companies in similar industries at similar stages of development, and compensation levels necessary to attract, retain and develop management of a high calibre. Compensation is typically reviewed annually by the Compensation Committee and the Riverside Board, usually in the first fiscal quarter, but may also be reviewed on an ad hoc basis as the need arises.

Riverside's compensation structure has two primary components, cash compensation and share-based compensation in the form of incentive stock options and bonus shares. Cash compensation has two components, base salary and bonuses.

For the most recently completed financial year, Arriva Management Inc. ("**Arriva**"), which provides the services of John-Mark Staude as CEO, received base cash compensation of $250,440 for providing those services. Also for the most recently completed financial year, GSBC Financial Management Inc. ("**GSBC**"), which provides the services of Robert J. Scott as CFO, received base cash compensation of $96,000. The base cash compensation paid to Riverside's NEOs is based on the Board's subjective assessment of the value to Riverside of the services provided by each, and the other factors referred to in the foregoing. For further particulars of Riverside's agreements with Arriva and GSBC, see "*External Management Contracts*".

Bonuses are awarded annually to Riverside's CEO on two bases. A share (or cash if necessary) bonus is payable by Riverside equivalent to 1% of the increase in the size of Riverside's market capitalization during the year of at least $25,000,000, calculated as at December 31 of each year, subject to a maximum annual pay-out of $500,000. In addition, a bonus of $25,000 is paid annually for the life of any new exploration alliance that is generated for Riverside. A bonus may be awarded annually to Riverside's CFO in the discretion of the Riverside Board, on the recommendation of the Compensation Committee, based on the overall performance of Riverside and other criteria the Riverside Board considers relevant. For the most recently completed financial year, no bonus was awarded to Arriva or GSBC.

Riverside may grant stock options pursuant to its stock option plan and/or issue bonus shares pursuant to its Bonus Share Plan to the Named Executive Officers and directors on an ad hoc basis, based on the same subjective performance criteria referred to in the foregoing and other performance criteria considered relevant by the Riverside Board. See "*Stock Options and Other Compensation Securities*", "*Stock Options and Other Incentive Plans*" and "*Equity Compensation Plan Information*".

Riverside regards the strategic use of incentive stock options and bonus shares as a significant component of its compensation structure. In evaluating option grants and bonus share issues, the Riverside Board evaluates a number of factors including, but not limited to: (i) the number of options or bonus shares already held by or issued to an individual; (ii) a fair balance between the number of options held by or bonus shares issued to an individual and those held by or issued to other directors or officers, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black- Scholes analysis) and bonus shares as a component of the individual's overall compensation.

No significant events occurred during the most recently completed financial year that significantly affected compensation. While the Riverside Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. No significant changes were made to Riverside's compensation policies since the commencement of the most recently completed financial year.

Disclosure of Corporate Governance Practices

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. Riverside's approach to corporate governance is provided in Schedule "I".

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

The following table sets forth details of Riverside's compensation plans under which equity securities of Riverside are authorized for issuance at the end of Riverside's most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	3,845,500	$0.26	2,438,618(1)
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	**3,845,500**	**$0.26**	**2,438,618**

(1) This number includes 2,303,618 Riverside Shares remaining under the Stock Option Plan, and 135,000 Riverside Shares remaining under the Bonus Share Plan.

For a description of the terms of the Riverside Stock Option Plan and the Riverside Bonus Share Plan see "*Particulars of Matters to be Acted Upon –Approval of the Riverside Stock Option Plan*" and "*Statement of Executive Compensation for Riverside - Stock Option Plans and Other Incentive Plans – Riverside Bonus Share Plan*".

Indebtedness of Directors and Executive Officers

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to Riverside or its subsidiaries at any time since the commencement of Riverside's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by Riverside or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

Management Contracts

Except as otherwise disclosed herein, the management functions of Riverside are substantially performed by the directors and officers of Riverside and not to any substantial degree by any other persons other than the directors and executive officers of Riverside.

Audit Committee

Under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor.

Audit Committee Charter

Riverside's Audit Committee is governed by the Audit Committee Charter. A copy of the Audit Committee Charter is attached hereto as Schedule "J".

Composition of the Audit Committee

Riverside's Audit Committee is comprised of three directors, Brian Groves, Carol Ellis and Walter Henry. As defined in NI 52-110, all of the members of the Audit Committee are "independent". Also as defined in NI 52-110, all of the Audit Committee members are "financially literate". The experience of the Audit Committee members is set forth in below.

Relevant Education and Experience

All Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Riverside's financial statements and are therefore considered financially literate.

Brian Groves, Director

Brian Groves has worked in the Australian and Canadian mining and exploration industries for more than 38 years and has held senior positions with larger industry participants as well as mid-level producers. A graduate of the University of Sydney, Australia, Mr. Groves began his career in exploration as a geophysicist in Australia. He has been involved in exploration for gold, base metals and coal with AMAX Minerals and Noranda from Australian and Canadian bases. Most of his professional career has been spent in Canada where he spent 1990 to 2003 with Placer Dome, and his final position was Manager of Corporate Development based in Toronto. Following his tenure with Placer Dome, Mr. Groves became President and Chief Executive Officer of Temex Resources Corp., a junior exploration company. Mr. Groves has also held positions as President, CEO and Director for Spanish Mountain Gold Ltd. and is currently CEO and a director of Genesis Metals Corp., and a director of Kootenay Silver Inc.

Carol Ellis, Director

Carol Ellis consults on mining, exploration and venture strategy and is based in Vancouver. Ms. Ellis has diverse experience in the junior resource sector, recently as an investment banker with a full service dealer headquartered in Vancouver, and previously as a manager with the TSX Venture Exchange, as a mining analyst with a boutique investment company and as a vice-presidentinvestor relations with a junior resource company. She started her career as a geologist with the federal government in Yellowknife, NWT, promoting mineral exploration in Canada's north. She holds a B.Sc. in Geological Sciences and an MBA from Queen's University and is a Professional Geoscientist. Ms. Ellis is a past Director of the Association for Mineral Exploration British Columbia.

Walter Henry, Director

Walter Henry is currently President of Frontline Gold Corporation, holds a BA in Political Science/Economics, and has several years of experience in the finance and mining industries. He served with CIBC, BNP Paribas, and Price Waterhouse Coopers where he managed portfolios and arranged project financing totaling over $1 billion.

Since 2003 he has since held executive positions with Tiberon Minerals, Royal Nickel Corporation, Alturas Minerals and Satori Resources Inc. He currently holds various Chairman, Audit Chairman and Director roles in the following companies: Alexandria Minerals Corporation, Alturas Minerals Corp., and Platinex Inc. He has completed the requirements of the Chartered Financial Analyst program and the Institute of Corporate Directors - Director Education Program.

Audit Committee Oversight

Since the commencement of Riverside's most recently completed financial year, the Riverside Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

At no time since the commencement of Riverside's most recently completed financial year has Riverside relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), the exemptions in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer)*, Subsection 6.1.1(5) *(Events Outside Control of Member)*, Subsection 6.1.1(6) *(Death, Incapacity or Resignation)* or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions)*.

Pre-Approval Policies and Procedures

No specific policies or procedures have been adopted with respect to the provision of non-audit services by Riverside's external auditor although, under Riverside's Audit Committee Charter, such services are required to be approved by the Audit Committee.

In the following table, "audit fees" are fees billed by Riverside's external auditor for services provided in auditing Riverside's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of Riverside's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to Riverside by its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
September 30, 2019	$55,000	Nil	Nil	Nil
September 30, 2018	$40,000	Nil	Nil	Nil

Exemption

Riverside is relying on the exemption provided by section 6.1 of NI 52-110, which provides that Riverside, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Interest of Experts

Davidson & Company LLP, Chartered Professional Accountants, is the auditor of Riverside and is independent of Riverside within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Derrick Strickland, P. Geo. and Robert Sim, P. Geo. prepared the Technical Report. As of the date of this Information Circular, none of them own any of the issued and outstanding Riverside Shares.

Risk Factors

In addition to the other information contained in this Information Circular, the following factors, among others, should be considered carefully when considering risks related to Riverside's business (including, without limitation, the documents incorporated by reference). The risks described herein and in the documents incorporated by reference in this Information Circular are not the only risks facing Riverside. Additional risks and uncertainties not currently known

to Riverside, or that Riverside currently deems immaterial, may also materially and adversely affect its business. Furthermore, if the Arrangement is completed, Riverside Shareholders will be shareholders of Riverside and Capitan and will be subject to the Capitan risk factors. See "*Capitan Mining Inc. – Risk Factors*".

Future Sales or Issuances of Securities

Riverside may issue additional securities to finance future activities. Riverside cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Riverside Shares. Sales or issuances of substantial numbers of Riverside Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Riverside Shares. With any additional sale or issuance of Riverside Shares, investors will suffer dilution to their voting power and Riverside may experience dilution in its earnings per share.

Regulatory Compliance

As a reporting issuer listed on the TSXV, Riverside is subject to various rules and regulations governing matters such as timely disclosure, continuous disclosure obligations and corporate governance practices. Non-compliance with such rules and regulations may result in enforcement actions by the applicable securities regulatory authorities and/or the TSXV.

CAPITAN MINING INC.

The following information is provided by Capitan, is presented on a post-Arrangement basis and is reflective of the proposed business, financial and share capital position of Capitan. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The following information should be read together with the audited financial statements as at the date of incorporation on October 30, 2019 appended hereto as Schedule "F" and related management discussion and analysis appended hereto as Schedule "L", the *Pro Forma* Financial Statements appended hereto as Schedule "H", and the audited carve-out consolidated financial statements for the years ended September 30, 2019 and 2018 (the "**Carve-Out Financial Statements**") appended hereto as Schedule "G" and the related management discussion and analysis appended hereto as Schedule "K".

Name and Incorporation

Capitan was incorporated under the BCBCA on October 30, 2019 for the purposes of the Arrangement. Capitan is currently a private company and is a wholly-owned subsidiary of Riverside. No material amendments have been made to Capitan's articles or other constating documents since its incorporation.

Capitan's head and principal business address are all located at Suite 550 - 800 West Pender Street, Vancouver, British Columbia V6C 2V6. Capitan' registered office address is located at Suite 550 - 800 West Pender Street, Vancouver, British Columbia V6C 2V6.

As at the date of this Information Circular, Capitan does not have any of its securities listed or quoted on any stock exchange, but has applied to list the Capitan Shares on the TSXV.

General Description of the Business

After completion of the Arrangement, Capitan will, through its Mexican subsidiary Rios de Suerte S.A. de C.V., own the Peñoles Property. Capitan intends to operate as a gold and silver exploration and development company and will continue to advance its Peñoles Property and seek other mining assets. The Peñoles Property is a gold/silver project situated in the Peñoles Mining District of Durango, Mexico. See "*Peñoles Property*" below for further details regarding the Peñoles Property.

Intercorporate Relationships

Capitan currently has one subsidiary, Rios de Suerte S.A. de C.V., a Mexican corporation which holds the Peñoles Property.

General Development of the Business – Three Year History

Capitan was incorporated on October 30, 2019 and has had no business operations to date. Prior to completion of the Arrangement, Capitan will complete the acquisition of the Peñoles Property from Riverside in consideration of $3,500,000 paid by the issuance of Capitan Spinout Shares, and also intends to complete the Capitan Financing.

Trends

Management is not aware of any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on Capitan' business, financial condition or results of operations as at the date of this Information Circular, except as otherwise disclosed herein or except in the ordinary course of business.

Peñoles Property

Capitan's only material property will be the Peñoles Property for which disclosure is provided below.

The following disclosure regarding the Peñoles Property is derived from the NI 43-101 technical report prepared by Derrick Strickland, P. Geo. and Robert Sim, P. Geo., titled "NI 43-101 Technical Report on the Peñoles Gold-Silver Project Durango Mexico at 104° 31' 45' Longitude and 25° 39' 01'" with an effective date of January 12, 2020 (the "**Technical Report**"). The Technical Report is incorporated by reference herein and is available under Riverside's profile on SEDAR www.SEDAR.com.

Mr. Derrick Strickland, P.Geo. and Mr. Robert Sim, P. Geo., authors of the Technical Report, are the qualified persons for the purposes of NI 43-101, and have reviewed and approved the scientific and technical information contained herein related to the Peñoles Property.

Summary

Riverside Resources Inc. ("**Riverside**") and its wholly owned subsidiary Capitan Mining Inc. ("**Capitan**") retained Derrick Strickland, P. Geo. and Robert Sim, P. Geo. of SIM Geological Inc. ("**SGI**") to provide updated mineral resource estimate for the mineralized zones located on the Peñoles Project. They are both responsible for the preparation of this technical report on the Peñoles Project, and has been prepared in accordance with National Instrument 43-101 ("**NI 43-101**").

The Peñoles Project is easily accessible and is located approximately 170 km, by road, west of the city of Torreón, Coahuila State, Mexico. The centre of the Peñoles Project is located approximately 180 km north-northeast of the city of Durango, and 50 km north of the town of Rodeo in the Municipality of San Pedro del Gallo, Durango State, Mexico.

The Peñoles Project includes two historic silver mines (Jesus Maria and San Rafael), an oxide gold prospect (El Capitan) and several exploration targets located in the historic Peñoles Mining District, in Durango State, Mexico. Historic mine workings, surface trenching and diamond drilling have partially delineated several precious metal-enriched epithermal-type vein systems, poly-metallic skarns, and silicified breccia zones localized at or near the unconformity between Tertiary-age volcaniclastic rocks and Cretaceous-age sediments. To date, 87 diamond drill holes totalling approximately 11,559 m have been completed on the Peñoles Project tenures that Riverside Resources Inc. controls.

In 2008 and 2009, Riverside Resources Inc. acquired the Peñoles Project by purchasing two groups of concessions and staking two large surrounding concessions. The two groups of purchased concessions (the Altiplano Option and

Guerrero Option) collectively cover the El Capitan prospect and the historic Jesus Maria and San Rafael mine workings. The two staked concessions (initially comprising 35,694.1 ha) currently comprise 6,612.1 ha and cover several early-stage exploration targets. The purchased concessions cover both the El Capitan prospect, and the historic mine workings and comprise a total of 259.8 hectares. All mineral titles are beneficially held by subsidiaries 100% owned by Riverside Resources Inc.

The only modern exploration work completed on the subject property consisted of a four-hole drill program completed by Aurcana Corporation ("**Aurcana**") in 2004, and surface mapping, sampling, a limited geophysical induced polarization ground survey, and a five-hole drill program completed by Riverside Resources Inc. in 2008 and 2009. According to Daniels (2011), the drill holes completed by Aurcana and Riverside Resources Inc. returned encouraging results and suggested that El Capitan prospect had potential to host a bulk-tonnage, low-grade gold deposit. Preliminary metallurgical tests completed by Sierra Madre in 2011, using Riverside Resources Inc.'s drill core showed that the gold mineralization at El Capitan can be recovered using cyanide leaching.

Since March 2011, exploration work and drilling has been focused on the Jesus Maria Silver Zone and the El Capitan Gold Zone. The El Capitan and Jesus Maria deposits are south dipping, west- to west-northwest-trending mineralized zones located on the concessions purchased by Riverside Resources Inc. in 2008.

During 2011 and 2012, drilling at El Capitan encountered numerous intervals of gold mineralization ranging from apparent 50 m to 140 m width. Mineralization is localized along the unconformity between Tertiary-age volcaniclastic rocks and Cretaceous-age sediments. The upper part of the mineralized zone consists of porous, volcanic agglomerate cut by narrow quartz veinlets and hydrothermal breccias (averaging 0.2 g/t to 0.5 g/t Au). At the base of the volcanic unit, there is a shallow-dipping, 10 m to 35 m wide silicified zone (averaging 0.7 g/t to 1.5 g/t Au), and, below this zone, there is a sequence of oxidized shales that is also cut by quartz veinlets and hydrothermal breccias (averaging 0.2 g/t to 0.6 g/t Au) with low silver values.

The Jesus Maria prospect was initially considered to be a relatively narrow but high-grade vein-type target; however, drilling carried out in 2013 and 2014 encountered 20 m to 80 m wide intervals of predominantly silver-rich mineralization (with accessory gold and base-metal values) in the hanging wall of the zone that was mined historically. Based on the widths of mineralization, the Jesus Maria might be amenable to open-pit extraction methods. At their eastern limits, the deposits are separated by approximately 300 m; however, the mineralized zones are interpreted as merging to the west. Additional drilling between the western limit of the Jesus Maria deposit and the El Capitan deposit could connect the two zones and delineate additional mineralization.

Between 2012 and 2014, preliminary metallurgical test work carried out by Inspectorate Exploration & Mining Services Ltd. ("**Inspectorate**") indicates that the gold and silver mineralization at Jesus Maria can be recovered by using flotation or whole-ore cyanide leaching. Preliminary metallurgical test work also indicates that gold mineralization at El Capitan can be recovered by using cyanide leaching.

The NI 43-101 resource estimates are based primarily on diamond drilling conducted by Morro Bay and previous operator Sierra Madre Developments Inc. between 2011 and 2014.

Mineral Resources

The mineral resource estimates have been generated from drill hole sample assay results, limited surface trench and underground drift channel samples, and the interpretation of geological models, which relate to the spatial distribution of gold and silver in the El Capitan and Jesus Maria deposits. Interpolation characteristics have been defined based on the geology, drill hole spacing, and geostatistical analysis of the data. The resources have been classified by their proximity to the sample locations and are reported, as required by NI 43-101, according to the CIM Definition Standards for Mineral Resources and Reserves (May, 2014).

Estimates are made from 3D block models based on geostatistical applications using commercial mine planning software (MinePlan® v15.6). The project limits are based in the UTM coordinate system using a nominal block size of 10 m x 5 m x 10 m, with the shorter blocks roughly perpendicular to the east-southeast-oriented strike direction of the deposits. The mineral resource estimate for the El Capitan Gold Zone is based on results from 50 diamond drill-

core holes totalling 7,004 m of drilling. The mineral resource estimate for the Jesus Maria Silver Zone is based on results from 30 diamond drill-core holes totalling 3,114 m of drilling. Diamond drilling was conducted from surface drill stations in the hanging wall of the deposits. Holes are generally spaced at 40 m intervals and drilled to depths of between 100 m and 200 m below surface.

Both deposits are at a relatively early stage of evaluation with respect to drilling and, as a result, some assumptions have to be made using the available data. Classification at El Capitan is primarily influenced by the nature of gold in the deposit. Similarly, classification at Jesus Maria is primarily driven by the distribution of silver in the deposit. Visual observations and studies of indicator variogram ranges suggest that zones of continuous mineralization, above the base-case cut-off limits, can be inferred when drill holes are spaced at a maximum distance of 150 m. Therefore, blocks in the model within a maximum distance of 75 m from a drill hole have been included in the Inferred category.

Gold and silver mineralization occurs over relatively continuous zones for more than 500 m of strike length at Jesus Maria, and for more than 1,000 m of strike length at El Capitan. Floating cone pit shells, based on projected technical and economic parameters, suggest that mineralization to depths of 150 m below surface exhibits reasonable prospects for eventual economic extraction using open-pit extraction methods. The Mineral Resource statement for the El Capitan and Jesus Maria deposits is shown in Table 1. The resources are not constrained within pit shells but include mineralization, above cut-off, that is within a maximum depth of 150 m below surface. There are no adjustments for recovery or dilution in the statement of mineral resources. It is important to note that these are estimates of mineral *resources*, not mineral reserves, as the economic viability has not been demonstrated. It is reasonable to expect that a majority of mineral resources in the Inferred category will be upgraded to Indicated or Measured mineral resources with additional exploration.

Table 1: Inferred Mineral Resource Estimate

Deposit	ktonnes	Gold (g/t)	Silver (g/t)	Contained Gold (koz)	Contained Silver (koz)
El Capitan	20,722	0.458	2.8	305	1,832
Jesus Maria	7,573	0.105	62.3	26	15,158
Combined	**28,295**	**0.364**	**18.7**	**331**	**16,990**

Notes: "Base case" cut-off grade for El Capitan is 0.25 g/t Au, and for Jesus Maria is 30 g/t Ag
Mineral resources occur within a maximum depth of 150 m below surface
Resources are not mineral reserves as the economic viability has not been demonstrated

The base-case cut-off grades of 0.25 g/t Au at El Capitan and 30 g/t Ag at Jesus Maria are based on projected metal prices of $1,500/oz Au and $20/oz Ag. Variations in these projected prices will result in changes to the cut-off grades. The sensitivity of mineral resources to the cut-off grade is shown in Table 2 and Table 3.

Table 2: Sensitivity of El Capitan Mineral Resource to Gold Cut-Off Grade

Cut-Off Grade (Au g/t)	ktonnes	Au (g/t)	Ag (g/t)	Contained Gold (koz)	Contained Silver (koz)
0.15	33,101	0.362	2.0	385	2,150
0.20	27,388	0.401	2.3	353	2,043
0.25 (base case)	**20,722**	**0.458**	**2.8**	**305**	**1,832**
0.30	15,726	0.517	3.2	261	1,608
0.35	12,236	0.572	3.5	225	1,393
0.40	9,648	0.626	3.9	194	1,207

Cut-Off Grade (Au g/t)	ktonnes	Au (g/t)	Ag (g/t)	Contained Gold (koz)	Contained Silver (koz)
0.45	7,879	0.671	4.2	170	1,054
0.50	6,477	0.714	4.4	149	912

Notes: "Base case" cut-off grade of 0.25 g/t Au using a price of $1,500/oz Au is highlighted in the table
Mineral Resources are not mineral reserves as the economic viability has not been demonstrated

Table 3: Sensitivity of Jesus Maria Mineral Resource to Silver Cut-Off Grade

Cut-Off Grade (Ag g/t)	ktonnes	Ag (g/t)	Au (g/t)	Contained Silver (koz)	Contained Gold (koz)
15	10,764	50.6	0.095	17,507	33
20	9,836	53.7	0.099	16,983	31
25	8,740	57.6	0.102	16,192	29
30 (base case)	**7,573**	**62.3**	**0.105**	**15,158**	**26**
35	6,425	67.6	0.109	13,960	23
40	5,493	72.7	0.113	12,840	20
45	4,566	78.9	0.120	11,577	18
50	3,896	84.3	0.124	10,561	16

Notes: "Base case" cut-off grade of 30 g/t Ag using a $20/oz Ag price is highlighted in the table
Resources are not mineral reserves as the economic viability has not been demonstrated

Conclusions and Recommendations

In summary, drilling to 2015 on the Peñoles Project defined significant intervals of near-surface silver mineralization (with associated gold, lead and zinc values) at Jesus Maria, and wide intervals of near-surface gold mineralization (with low silver values) at El Capitan could potentially be amenable to open-pit extraction methods. Further drilling is recommended and a large, expanded exploration program is warranted.

In the Authors' opinions, the Peñoles Project has sufficient merit to warrant further exploration work. To date, the limits of the mineralized zones remain "open" in many areas and there is potential to increase the resources with additional drilling both along strike and at depth.

It is recommended that Capitan Mining Inc. complete a trenching program and 5,500 m of drilling to test the continuity and further extensions of the Jesus Maria silver deposit. The next stage of drilling should also include step-out holes drilled between the current western limit of the Jesus Maria Silver Zone and the El Capitan Gold Zone (the "Gully Fault" target) to determine whether the two zones merge into a single mineralized zone. It is also recommended to drill the 'wedge' between the north dipping Gully Fault and the South dipping Jesus Maria structure.

A two-phase exploration program is recommended with phase two contingent on the results of phase one. The total cost of phase one is expected to be $500,000 CDN. The total cost of phase two is expected to be $1,755,000 CDN.

It is also recommended that Capitan Mining Inc. conduct additional metallurgical test work on both the Jesus Maria and El Capitan mineralized zones. A 2,000 m drill program specifically for metallurgical test work is proposed. On completion of the planned drill program and metallurgical test work, the results could be used to calculate an updated

resource estimates and, if warranted, proceed to PEA-level assessments for both the Jesus Maria and El Capitan deposits.

Capitan Selected *Pro Forma* Financial Information

The following table sets out selected *pro forma* financial information in respect of Capitan as at October 30, 2019, as if the Arrangement had been completed as of September 30, 2019 and should be considered in conjunction with the more complete information contained in the *pro forma* balance sheet of Capitan appended as Schedule "H" to this Information Circular.

	September 30, 2019 ($)
Current assets	1,745,000
Mineral property interests	3,500,000
Total assets	5,245,000
Total liabilities	Nil
Capitan Shareholders' equity	5,245,000

The following table sets out selected *pro forma* financial information in respect of Capitan as at October 30, 2019 as if the Arrangement had been completed as of September 30, 2019 and should be read in conjunction with the more complete information provided in the *pro forma* consolidated statement of loss and comprehensive loss of Capitan appended as Schedule "H" to this Information Circular.

	Upon Arrangement ($)
Net Loss	(60,311)
Comprehensive Loss	(60,311)
Loss per Share (basic and diluted)	(60,311)

Description of the Capitan Shares

The authorized capital of Capitan consists of an unlimited number Capitan Shares without par value. On completion of the Arrangement, including the Capitan Financing, it is anticipated that there will be approximately 27,500,000 Capitan Shares outstanding. This consists of the 17,500,000 Capitan Spinout Shares and the approximately 10,000,000 Capitan Financing Shares.

Dividend Policy

Capitan has not paid dividends since its incorporation. Capitan currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

Voting and Other Rights

Holders of Capitan Shares are entitled to one vote per Capitan Share at all meetings of Capitan Shareholders, to receive dividends as and when declared by the directors and to receive a pro rata share of the assets of Capitan available for distribution to holders of Capitan Shares in the event of liquidation, dissolution or winding up of Capitan. All rank pari passu, each with the other, as to all benefits which might accrue to the holders of Capitan Shares.

Capitan Financing

Capitan intends to complete the Capitan Financing, pursuant to which Capitan will issue 10,000,000 Capitan Shares at a price of $0.20 per Capitan Share for gross proceeds of $2,000,000. There can be no assurance that the Capitan Financing will be completed on these terms, or at all.

Consolidated Capitalization

Capitan has not completed a financial year. There have not been any material changes in the share and loan capital of Capitan since the date of incorporation other than the proposed issuance of the Capitan Spinout Shares to Riverside prior to the Effective Date. See the audited financial statements of Capitan as at the date of incorporation on October 30, 2019 appended as Schedule "F" to this Information Circular, and the Carve Out Financial Statements of Capitan appended as Schedule "G" to this Information Circular.

Options and Other Rights to Purchase Shares

The Capitan Board has adopted the Capitan Stock Option Plan, subject to approval by the Riverside Shareholders and the TSXV. The purpose of the Capitan Stock Option Plan is to allow Capitan to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Capitan. The granting of such options is intended to align the interests of such persons with that of the shareholders. See "*Particulars of Matters to be Acted Upon – Approval of Capitan Stock Option Plan*".

No other stock options have been granted under the Capitan Stock Option Plan or otherwise since incorporation. As the date hereof, there is no current market for the Capitan Shares. As such, the market value of the Capitan Shares underlying the Capitan Options has not been determined.

The full text of the Capitan Stock Option Plan is available for viewing up to the date of the Meeting at Riverside's offices at Suite 550 - 800 West Pender Street, Vancouver, British Columbia V6C 2V6 and will also be available for review at the Meeting.

Upon completion of the Arrangement, Capitan will have approximately 1,214,023 Capitan Options outstanding, held by Riverside Optionholders which will be issued pursuant to the Plan of Arrangement. These Capitan Options will be issued pursuant to and will be subject to the terms of the Capitan Stock Option Plan, and the rules and policies of the TSXV. In addition, Capitan will have obligations to issue approximately 4,846,919 Capitan Shares upon exercise of Riverside Warrants, all in accordance with the terms of the Plan of Arrangement. In addition, Capitan intends to grant Capitan Options to the new directors, officers, employees and consultants pursuant to and subject to the terms and limits in the Capitan Stock Option Plan.

Prior Sales

Capitan has not issued any shares except one incorporation Capitan Share to Riverside on October 30, 2019 for consideration of $1.00. This share will be cancelled upon closing of the Arrangement. Prior to the Effective Date, Capitan intends to issue the Capitan Spinout Shares to Riverside to complete the acquisition of the Peñoles Property.

Escrowed Securities and Securities Subject to Contractual Restriction on Transfer

There are no Capitan Shares currently held in escrow or that are subject to a contractual restriction on transfer. On completion of the Arrangement, all Capitan Shares held by principals of Capitan will be subject to the escrow requirements of the TSXV.

Resale Restrictions

See "*Particulars of matters to be Acted Upon – Approval of the Arrangement -Securities Law Considerations*" in this Information Circular.

There is currently no market through which the Capitan Shares may be sold and, unless the Capitan Shares are listed on a stock exchange, Riverside Shareholders may not be able to resell the Capitan Shares. There can be no assurances that Capitan will be able to obtain such a listing on the TSXV or any other stock exchange.

Principal Shareholders

To the knowledge of the directors and executive officers of Capitan, and based on existing information as of the date hereof, no person or company, upon completion of the Arrangement will, beneficially own, or control or direct, directly or indirectly, voting securities of Capitan carrying 10% or more of the voting rights attached to any class of voting securities of Capitan.

Directors and Officers

The following table sets forth certain information with respect to each proposed director and executive officer of Capitan:

Name, Province or State, and Country of Residence and Position(s) (1)(2)	Principal Occupation During Past Five Years (1)	Number of Capitan Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement (3)	Percentage of Capitan Shares Issued and Outstanding Immediately Following the Completion of the Arrangement (4)
Alberto Orozco Sonora, Mexico CEO and Director	CEO of Capitan since October 2019; Vice President, Corporate Development of Riverside since June 2019; and various roles with Argonaut Gold Inc., a Canadian gold company, from 2011 to 2019, including Country Manager, Director of Exploration and Vice-President of Corporate Affairs and Sustainability.	Nil	N/A
John-Mark Staude British Columbia, Canada Director	President & CEO of Riverside since July 2007.	671,954	3.84%
Arturo Bonillas Sonora, Mexico Director	President and CEO of Magna Gold Corporation, a mineral exploration company, from January 2018 to present; and President of Alio Gold Inc. from June 2006 to May 2017.	Nil	N/A
Robert J. Scott British Columbia, Canada CFO	CFO of Riverside since March 2007.	229,501	1.31%

(1) The information as to residence and principal occupation, not being within the knowledge of Riverside or Capitan, has been furnished by the respective directors and officers individually.

(2) Directors serve until the earlier of the next annual general meeting or their resignation.

(3) The information as to securities beneficially owned or over which a director or officer exercises control or direction, not being within the knowledge of Riverside or Capitan, has been furnished by the respective directors and officers individually based on shareholdings in Riverside as of the date of this Information Circular.

(4) Assuming approximately 17,500,000 Capitan Shares are outstanding after completion of the Arrangement.

Upon the completion of the Arrangement, it is expected that the directors and executive officers of Capitan as a group, will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 901,455 Capitan Shares, representing approximately 5.15% of the issued Capitan Shares assuming approximately 17,500,000 Capitan Shares are outstanding after completion of the Arrangement.

The principal occupations of each of the proposed directors and executive officers of Capitan within the past five years are disclosed in the table above.

Alberto J. Orozco – Chief Executive Officer and a Director

Alberto Orozco holds an MSc from the University of Sonora, Mexico, in collaboration with Saint Mary's University in Canada. He was also a PhD candidate at Dalhousie University in Earth Science and his academic work was published in Tectonophysics. He also holds the LEAD Certificate in Corporate Innovation from Stanford Graduate School of Business. He has 15 years of experience in the mining industry having worked for Linear Gold Corp., Pediment Gold and more recently in Argonaut Gold with roles of increasing responsibility. He has held the roles of Country Manager, Director of Exploration and more recently Vice President of Corporate Affairs and Sustainability and has been involved in exploring, developing and permitting a number of +1M Oz gold deposits in Mexico including, Ixhuatán, San Antonio, La Colorada and San Agustín. Alberto has a technical background and is also experienced in leading institutional and government affairs. Mr. Orozco is currently the President of the Sonora Mining Cluster in Mexico.

Mr. Orozco is engaged by the Issuer as a full time employee and expected to commit 100% of his time to Capitan's business. He has not executed a non-competition or non-disclosure agreement with Capitan.

Robert J. Scott – Chief Financial Officer

Robert J. Scott has over 17 years of professional experience in the areas of corporate finance, accounting, and merchant and commercial banking. He is a C.A., a CFA Charterholder and earned a B.Sc. from the University of British Columbia. Mr. Scott has served as the Chief Financial Officer of Riverside Resources Inc. since March 2007 and prior to that, Mr. Scott worked at a private Vancouver-based merchant bank and a major Canadian bank in its commercial banking division and merchant banking subsidiary. He earned his C.A. designation in 1998 while working in corporate tax, accounting and assurance at a Vancouver-based accounting firm, and in 2002, he qualified for the Chartered Financial Analyst designation.

Mr. Scott is engaged by the Issuer as a full time employee and expected to commit 20% of his time to Capitan's business. He has not executed a non-competition or non-disclosure agreement with Capitan.

John-Mark Staude – Director

John-Mark Staude holds a Ph.D. in economic geology and has over 20 years of diverse mining and exploration experience in precious and base metals. He earned a Masters of Science from Harvard University in 1989 and a Ph.D. in economic geology from the University of Arizona in 1995. Mr. Staude held positions of increasing responsibility with a number of major international mining companies including Kennecott, BHP-Billiton, and most recently Teck Cominco. He also worked with smaller commodity-focused companies like Magma Copper Company and consulted to private investment groups. Mr. Staude's extensive Latin America mineral resource experience began in Mexico and then extended through South America. Recently, Mr. Staude has ventured into Europe and Asia initiating companies and managing successful exploration programs in Turkey, Romania and China. Mr. Staude has been successful in creating shareholder value through discoveries of gold and copper in Mexico, Peru and Turkey. He has located additional resources in known districts and helped convert discoveries into new mining operations. His technical and managerial experience spans more than 30 countries in diverse geologic environments. Through Riverside Resources,

Mr. Staude will continue to build strong portfolios and profitable businesses through prospect generation, early stage partnering and drill discoveries.

Mr. Staude will not work full time for Capitan but will devote such time as is required in connection with his duties. Management of Capitan does not anticipate that Mr. Staude will enter into a non-competition or non-disclosure agreement with Capitan.

Arturo Bonillas – Director

Arturo Bonillas is an Industrial Engineer with over 40 years of experience in the Mexican mining industry and extensive experience in all aspects of exploration, financing, building and operations. His knowledge and experience with international markets has helped solidify partnerships with long time shareholders and institutions, vested in the mining projects and ventures he has developed. During his 10 year tenure as President of Timmins Gold Corp. (now Alio Gold), he spearheaded the company's transition from one of exploration and development to a mid-tier gold producer, a crucial strategy in securing several years of positive reserve and resource growth, throughput and production. Prior to Timmins Gold, he was President and Co-Founder of Silvermex Resources Inc. for 3 years; General Manager (Latin America) for Continuum Resources Ltd. Overseeing the development of the San Jose del Progreso project in Oaxaca, Mexico (sold to Fortuna Silver Mines Inc); and has also had operational and financial roles with Compañía Minera de Cananea (owned by Grupo Mexico) and Minera de Real de Angeles (Placer Dome Inc./Empresas Frisco joint venture). Mr. Bonillas has in-depth knowledge and experience in corporate social responsibility and government relations, with an impeccable track record in community relations over the course of his career. In 2017, Mr. Bonillas received the prestigious Ostotakani Award, given to distinguished leaders in the Mexican mining industry. Mr. Bonillas earned his B.Sc. degree in Industrial Engineering from the University of Arizona.

Mr. Bonillas will not work full time for Capitan but will devote such time as is required in connection with his duties. Management of Capitan does not anticipate that Mr. Bonillas will enter into a non-competition or non-disclosure agreement with Capitan.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies, Penalties or Sanctions or Individual Bankruptcies

Other than as disclosed below, to the knowledge of Capitan, no director or executive officer:

(a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Capitan) that:

(i) was the subject, while the director was acting in that capacity as a director, chief executive officer or chief financial officer of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer but which resulted from an event that occurred while the director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including Capitan) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any

proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director;

None of the proposed directors or executive officers (or any of their personal holding companies) has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Indebtedness of Directors, Executive Officers and Senior Officers

There is and has been no indebtedness of any director, executive officer or senior officer or associate of any of them, to or guaranteed or supported by Capitan during the period from incorporation.

Conflicts of Interest

The common directors and officers of Riverside and Capitan are not expected to be subject to any conflicts of interest.

Statement of Executive Compensation

Compensation Discussion and Analysis

Capitan was incorporated on October 30, 2019 and, accordingly, has not yet completed a financial year and has not yet developed a compensation program. Capitan anticipates that it will adopt a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, option-based awards and annual cash incentives, which elements are similar to those paid by Riverside and described in this Information Circular. Please see "*Riverside Resources Inc. – Statement of Executive Compensation for Riverside*" in this Information Circular. There will be a cost-sharing arrangement between Riverside and Capitan to be implemented upon completion of the Arrangement.

Summary Compensation

Capitan was incorporated on October 30, 2019 and has not yet completed a financial year. No compensation has been paid to date. In addition, it has no compensatory plan or other arrangements in respect of compensation received or that may be received by its Chief Executive Officer or its Chief Financial Officer in its current financial year.

Following the completion of the Arrangement, Capitan will establish a Compensation Committee (the "**Compensation Committee**"), which will administer the compensation mechanisms to be implemented by the Capitan Board. The individuals that will be appointed to the Compensation Committee, once formed, will each have direct experience that is relevant to their responsibilities in determining executive compensation for Capitan.

On an annual basis, the Compensation Committee will review the compensation of the Named Executive Officers to ensure that each is being compensated in accordance with the objectives of Capitan' compensation program, which will be to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with shareholder interests;
- pay for performance;
- support the Capitan's vision, mission and values; and
- be flexible to recognize the needs of Capitan in different business environments.

Capitan does not currently have any compensation policies or mechanisms in place. The compensation policies are anticipated to be comprised of three components; namely, base salary, equity compensation in the form of stock options, and discretionary performance-based. In addition, Named Executive Officers will be entitled to participate in a benefits program to be implemented by Capitan. A Named Executive Officer's base salary will be intended to remunerate the Named Executive Officer for discharging job responsibilities and will reflect the executive's performance over time. Base salaries are used as a measure to compare to, and remain competitive with, compensation offered by competitors and as the base to determine other elements of compensation and benefits. The stock option component of a NEO's compensation, which includes a vesting element to ensure retention, will aim to meet the objectives of the compensation program to be implemented, by both motivating the executive towards increasing share value and enabling the executive to share in the future success of Capitan. Discretionary performance-based bonuses will be considered from time to time to reward those who have achieved exceptional performance and meet the objectives of Capitan' compensation program by rewarding pay for performance. Other benefits will not form a significant part of the remuneration package of any of the Named Executive Officers of Capitan.

The Capitan Board has adopted the Capitan Stock Option Plan, which plan is also subject to approval by the Riverside Shareholders and the TSXV. The Capitan Stock Option Plan, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Capitan in compensating, attracting, retaining and motivating the directors of Capitan and to closely align the personal interests of such persons to that of the shareholders of Capitan. For a summary of the terms of the Capitan Stock Option Plan see "*Particulars of Matters to be Acted Upon – Approval of Capitan Stock Option Plan"*.

Option-Based Awards

The purpose of the Capitan Stock Option Plan is to allow Capitan to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Capitan. The granting of such options is intended to align the interests of such persons with that of the shareholders. The Capitan Stock Option Plan, once implemented, will be used to provide stock options which will be awarded based on the recommendations of the directors of Capitan, taking into account the level of responsibility of such person, as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer term operating performance of Capitan. In determining the number of options to be granted, Capitan Board will take into account the number of options, if any, previously granted, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSXV and to closely align the interests of such person with the interests of shareholders. The Capitan Board will determine the vesting provisions of all stock option grants.

Incentive Plan Awards

Capitan does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to its Named Executive Officers. Other than the Capitan Options that the Named Executive Officers will receive on completion of the Arrangement, Capitan has made no option-based or share-based awards to any of its Named Executive Officers.

Pension Plan Benefits

Capitan does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

Capitan has no employment contracts between it and either of its Named Executive Officers. Further, it has no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of Capitan or its subsidiaries, if any, or a change in responsibilities of a Named Executive Officer following a change of control. Capitan will consider entering into contracts with its Named Executive Officers following completion of the Arrangement.

Defined Benefit or Actuarial Plan Disclosure

Capitan has no defined benefit or actuarial plans.

Director Compensation

Capitan currently has no arrangements, standard or otherwise, pursuant to which directors are compensated by Capitan for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert since its incorporation on October 30, 2019 and up to and including the date of this Information Circular.

Upon completion of the Arrangement, Capitan will adopt a compensation program for directors. The objectives of the director compensation program will be to attract, retain and inspire performance of members of the Capitan Board of a quality and nature that will enhance Capitan' growth. The compensation will be intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The philosophy, and market comparisons and review with respect to director compensation, will be the same as for the executive compensation programs to be implemented by Capitan.

The Capitan Stock Option Plan, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Capitan in compensating, attracting, retaining and motivating the directors of Capitan and to closely align the personal interests of such persons to that of the shareholders of Capitan.

No stock options have been granted by Capitan since the date of its incorporation on October 30, 2019 and Capitan does not have a share-based awards program.

Aggregate Options Exercised and Option Values

No stock options have been granted by Capitan or exercised since the date of its incorporation on October 30, 2019.

Audit Committee and Corporate Governance

Audit Committee

Capitan will appoint an Audit Committee following the completion of the Arrangement. Each member of the Audit Committee to be appointed will have adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Capitan's financial statements.

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to preapprove audit and non-audit services provided by the independent auditor. All such preapprovals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

The charter to be adopted by the Audit Committee is expected to be substantially similar to that of Riverside's Audit Committee, which is appended to this Information Circular as Schedule "J".

To date, Capitan has paid no fees to its external auditor.

Corporate Governance

Please refer to Schedule "I" for the required disclosure under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* for Capitan.

Risk Factors

In addition to the other information contained in this Information Circular, the following factors should be considered carefully when considering risk related to Capitan's proposed business.

Nature of the Securities and No Assurance of any Listing

Capitan Shares are not currently listed on any stock exchange and there is no assurance that the shares will be listed. Even if a listing is obtained, the holding of Capitan Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Capitan Shares should not be held by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of Capitan should not constitute a major portion of an investor's portfolio.

Possible Non-Completion of Arrangement

There is no assurance that the Arrangement will receive regulatory, stock exchange, Court or shareholder approval or will be completed. If the Arrangement is not completed, Capitan will remain a private company and a wholly-owned subsidiary of Riverside. If the Arrangement is completed, Capitan Shareholders (which will consist of Riverside Shareholders who receive Capitan Shares) will be subject to the risk factors described below relating to resource properties.

Limited Operating History

Capitan was incorporated on October 30, 2019 and has a limited operating history and no operating revenues.

Dependence on Management

Capitan will be very dependent upon the personal efforts and commitment of its directors and officers**.** If one or more of Capitan' proposed executive officers become unavailable for any reason, a severe disruption to the business and operations of Capitan could result, and Capitan may not be able to replace them readily, if at all. As Capitan' business activity grows, Capitan will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that Capitan will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If Capitan is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Capitan' future cash flows, earnings, results of operations and financial condition.

Capitan's operations are subject to human error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Capitan' interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Capitan. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Capitan might undertake and legal claims for errors or mistakes by Capitan personnel.

Financing Risks

If the Arrangement is completed, additional funding will be required to conduct future exploration programs on the Peñoles Property and to conduct other exploration programs. If Capitan's proposed exploration programs are successful, additional funds will be required for the development of an economic mineral body and to place it in commercial production. The only sources of future funds presently available to Capitan are the sale of equity capital, or the offering by Capitan of an interest in its properties to be earned by another party or parties carrying out exploration or development thereof. There is no assurance that any such funds will be available for operations. Failure to obtain additional financing on a timely basis could cause Capitan to reduce or terminate its proposed operations.

Conflicts of Interest

Certain directors and officers of Capitan are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Capitan, including possibly Riverside. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Capitan. Directors and officers of Capitan with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

No History of Earnings

Capitan has no history of earnings or of a return on investment, and there is no assurance that the Peñoles Property or any other property or business that Capitan may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Capitan has no plans to pay dividends for some time in the future, if ever. The future dividend policy of Capitan will be determined by the Capitan Board.

Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk. There are no known mineral reserves on the Peñoles Property. There is no certainty that the expenditures to be made by Capitan in the exploration of the Peñoles Property or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by Capitan will be affected by numerous factors beyond the control of Capitan. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Capitan not receiving an adequate return on invested capital.

Environmental Risks and Other Regulatory Requirements

The current or future operations of Capitan, including future exploration and development activities and commencement of production on its property or properties, will require permits or licences from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which Capitan

may require for the conduct of its operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which Capitan might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions 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 such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on Capitan and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Dilution

Issuances of additional securities including, but not limited to, its common shares or some form of convertible debentures, will result in a substantial dilution of the equity interests of any persons who may become Capitan Shareholders as a result of or subsequent to the Arrangement.

Market for securities

There is currently no market through which the Capitan Shares may be sold and Capitan Shareholders may not be able to resell the Capitan Shares acquired under the Plan of Arrangement. There can be no assurance that an active trading market will develop for the Capitan Shares following the completion of the Plan of Arrangement, or if developed, that such a market will be sustained at the trading price of the Capitan Shares on the TSXV immediately after the Effective Date. There can be no assurances that any securities regulatory authority will recognize Capitan as a reporting issuer, or that Capitan will be able to obtain a listing on the TSXV or any stock exchange.

Nature of Mineral Exploration and Development

All of Capitan's operations are at the exploration stage and there is no guarantee that any such activity will result in commercial production of mineral deposits. The exploration for mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineralization may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by Capitan or any future development programs will result in a profitable commercial mining operation. There is no assurance that the Capitan' mineral exploration activities will result in any discoveries of commercial mineralization. There is also no assurance that, even if commercial mineralization is discovered, a mineral property will be brought into commercial production. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted. The long-term profitability of Capitan will be in part directly related to the cost and success of its exploration programs and any subsequent development programs.

No Operating History

Exploration projects have no operating history upon which to base estimates of future cash flows. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and future economic returns may differ materially from Capitan's estimates. There can be no assurance that the underlying assumed levels of expenses for any project will prove to be accurate. Further, it is not unusual in the mining industry for new mining operations

to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. There can be no assurance that Capitan's projects will move beyond the exploration stage and be put into production, achieve commercial production or that Capitan will produce revenue, operate profitably or provide a return on investment in the future. Mineral exploration involves considerable financial and technical risk. There can be no assurance that the funds required for exploration and future development can be obtained on a timely basis. There can be no assurance that Capitan will not suffer significant losses in the near future or that Capitan will ever be profitable.

Commodity Prices

The price of the Capitan Shares and Capitan's financial results may be significantly adversely affected by a decline in the price of gold, silver, copper and other mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond Capitan' control. The level of interest rates, the rate of inflation, world supply of mineral commodities, global and regional consumption patterns, speculative trading activities, the value of the United States dollar and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, political systems and political and economic developments. The price of mineral commodities has fluctuated widely in recent years and future serious price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on Capitan.

Dividend Policy

No dividends on Capitan Shares have been paid by Capitan to date. Capitan anticipates that it will retain all earnings and other cash resources for the foreseeable future for the operation and development of its business. Capitan does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Capitan Board after taking into account many factors, including Capitan' operating results, financial condition and current and anticipated cash needs.

Permitting

Capitan's mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Prior to any development of any of their properties, Capitan must receive permits from appropriate governmental authorities. There can be no assurance that Capitan will continue to hold all permits necessary to develop or continue its activities at any particular property. 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 activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on Capitan, resulting in increased capital expenditures and other costs or abandonment or delays in development of properties.

Land Title

The acquisition of title to resource properties is a very detailed and time-consuming process. No assurances can be given that there are no title defects affecting the properties in which Capitan has an interest. The properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. The title may also be affected by undetected encumbrances or defects or governmental actions. Capitan has not conducted surveys of properties in which it holds an interest and the precise area and location of claims or the properties may be challenged. Capitan may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict Capitan' ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by Capitan invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although Capitan believes it has taken reasonable measures to ensure proper title to the properties in which it has an interest, there is no guarantee that such title will not be challenged or impaired.

Influence of Third Party Stakeholders

The mineral properties in which Capitan holds an interest, or the exploration equipment and road or other means of access which Capitan intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Capitan's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Capitan.

Insurance

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and Capitan may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Capitan's properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. Capitan expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. Capitan expects to carry liability insurance with respect to its mineral exploration operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Capitan. If Capitan is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect Capitan' future cash flow and overall profitability.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Capitan expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Capitan, Capitan may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Capitan's ability to consummate and to integrate effectively any future acquisitions on terms that are favourable to Capitan may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Capitan's ability to obtain financing on satisfactory terms, if at all.

Promoter

Riverside took the initiative in Capitan's organization and, accordingly, may be considered to be the promoter of Capitan within the meaning of applicable Securities Legislation. Riverside will not, at the closing of the Arrangement, beneficially own, or control or direct, any Capitan Shares. During the period from incorporation to and including the closing of the Arrangement, the only material thing of value which Riverside has or will receive from Capitan is the Capitan Spinout Shares to be issued to Riverside in consideration for the transfer to Capitan by Riverside of the Peñoles Property, which Capitan Spinout Shares will be distributed to the Riverside Shareholders pursuant to the Arrangement.

Legal Proceedings

To the best of Capitan's knowledge, following due enquiry, Capitan is not a party to any material legal proceedings and Capitan is not aware of any such proceedings known to be contemplated.

To the best of Capitan's knowledge, following due enquiry, there have been no penalties or sanctions imposed against Capitan by a court relating to federal, state, provincial and territorial securities legislation or by a securities regulatory authority since incorporation, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Capitan and it has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

Interest of Management and Others in Material Transactions

No director, executive officer or greater than 10% shareholder of Capitan and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction since incorporation or in any proposed transaction which in either such case has materially affected or will materially affect Capitan save as described herein.

Auditors

The auditor of Capitan is Davidson & Company LLP, Chartered Professional Accountants of 1200-609 Granville Street, Vancouver, British Columbia V7Y 1G6.

Registrar and Transfer Agent

The registrar and transfer agent for the Capitan Shares and the Riverside Shares is Computershare Investor Services Inc. at its principal offices at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

Material Contracts

The only agreements or contracts that Capitan has entered into since its incorporation or will enter into as part of the Arrangement which may be reasonably regarded as being material are as follows:

- the Arrangement Agreement.

A copy of any material agreement may be inspected at any time up to the commencement of the Meeting during normal business hours at Capitan's offices located Suite 550 – 800 West Pender Street. Vancouver, British Columbia V6C 2V6 and under Riverside's profile on the SEDAR website at www.SEDAR.com.

Interest of Experts

Davidson & Company LLP, Chartered Professional Accountants, is the auditor of Capitan and is independent of Capitan within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Derrick Strickland, P. Geo. and Robert Sim, P. Geo. prepared the Technical Report. As of the date of this Information Circular, neither Mr. Strickland nor Mr. Sim own any of the issued and outstanding Capitan Shares.

Other Matters

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

Additional Information

Additional information relating to Riverside is on SEDAR at www.sedar.com. Riverside Shareholders may contact Riverside at 778.327-6671 to request copies of Riverside's financial statements and management's discussion and analysis.

Financial information is provided in Riverside's comparative audited financial statements and management's discussion and analysis for its most recently completed financial years ended September 30, 2019 and 2018 which are filed on SEDAR.

DIRECTOR'S APPROVAL

The contents of this Information Circular and the sending thereof to the Riverside Shareholders have been approved by the Riverside Board.

DATED at Vancouver, British Columbia, this 25th day of February, 2020.

BY ORDER OF THE RIVERSIDE BOARD
(signed) "John-Mark Staude"
President, Chief Executive Officer and Director

SCHEDULE "A"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

ARRANGEMENT RESOLUTION

(see attached)

ARRANGEMENT RESOLUTION

RESOLVED AS A SPECIAL RESOLUTION OF THE RIVERSIDE SHAREHOLDERS THAT:

1. The arrangement (the "**Arrangement**") involving Riverside Resources Inc., a corporation existing under the laws of British Columbia ("**Riverside**"), its shareholders ((the "**Riverside Shareholders**") and Capitan Mining Inc., a corporation existing under the laws of British Columbia ("**Capitan**"), as it may be modified, supplemented or amended from time to time in accordance with its terms, all as more particularly described and set forth in the management information circular (the "**Information Circular**") of Riverside dated February 25, 2020 accompanying the notice of meeting, is hereby authorized, approved and adopted.

2. The plan of arrangement, as it has been or may be modified, supplemented or amended in accordance with its terms (the "**Plan of Arrangement**"), under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") implementing the Arrangement, the full text of which is set out in Schedule "B" to the Information Circular, is hereby authorized, approved and adopted.

3. The arrangement agreement, as may be, or may have been, modified or amended in accordance with its terms (the "**Arrangement Agreement**") between Riverside and Capitan dated February 24, 2020 and all the transactions contemplated therein, the actions of the directors of Riverside in approving the Arrangement and the actions of the directors and officers of Riverside in executing and delivering the Arrangement Agreement and causing the performance by Riverside of its obligations thereunder are hereby confirmed, ratified, authorized and approved.

4. Notwithstanding that this resolution has been passed (and the Plan of Arrangement approved and agreed to) by the Riverside Shareholders, voting as a single class, or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Riverside are hereby authorized and empowered, without further notice to, or approval of, the Riverside Shareholders of Riverside:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any director or officer of Riverside is hereby authorized and directed, for and on behalf and in the name of Riverside, to execute and deliver, whether under the corporate seal of Riverside or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

   (a) all actions required to be taken by or on behalf of Riverside, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Riverside;

   such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "B"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

PLAN OF ARRANGEMENT UNDER THE PROVISIONS OF SECTION 288 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

(see attached)

PLAN OF ARRANGEMENT
UNDER PART 9, DIVISION 5 OF
THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

(a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and this Plan of Arrangement;

(b) "**Arrangement Agreement**" means the arrangement agreement dated as of February 24, 2020 between Riverside and Capitan, as may be supplemented or amended from time to time;

(c) "**Arrangement Provisions**" means Part 9, Division 5 of the BCBCA;

(d) "**Arrangement Resolution**" means the special resolution of the Riverside Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA, in the form attached as Schedule "A" hereto;

(e) "**BCBCA**" means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;

(f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

(g) "**Capitan**" means Capitan Mining Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(h) "**Capitan Board**" means the board of directors of Capitan;

(i) "**Capitan Financing**" means a private placement by Capitan of Capitan securities to raise gross proceeds of approximately $2,000,000, or such other amount as the Capitan Board may determine, on terms acceptable to Capitan, in order to allow Capitan to satisfy the initial listing requirements of the TSXV;

(j) "**Capitan Incorporation Share**" means the one Capitan Share held by Riverside that was issued to Riverside on the incorporation of Capitan;

(k) "**Capitan Options**" means share purchase options issued pursuant to the Capitan Stock Option Plan, including the Capitan Options pursuant to §3.1(d) of this Plan of Arrangement;

(l) "**Capitan Shares**" means the common shares without par value which Capitan is authorized to issue as the same are constituted on the date hereof;

(m) "**Capitan Shareholder**" means a holder of Capitan Shares;

(n) "**Capitan Spinout Shares**" means the 17,500,000 Capitan Shares (or such other amount determined by the Capitan Board) to be issued to Riverside prior to the Effective Date to complete the acquisition of the Peñoles Property and to be distributed to the Riverside Shareholders pursuant to this Plan of Arrangement;

(o) "**Capitan Stock Option Plan**" means the stock option plan to be adopted by Capitan pursuant to the Arrangement Agreement and this Plan of Arrangement, in substantially similar terms as the

Riverside Stock Option Plan and may otherwise be modified, amended or restated as more particularly described in the Information Circular;

(p) "**Court**" means the Supreme Court of British Columbia;

(q) "**Depositary**" means Computershare Investor Services Inc., or such other depositary as Riverside may determine;

(r) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of this Plan of Arrangement;

(s) "**Dissent Rights**" means the rights of dissent granted in favour of registered holders of Riverside Shares in accordance with Article 5 of this Plan of Arrangement;

(t) "**Dissenting Share**" has the meaning given in §3.1(a) of this Plan of Arrangement;

(u) "**Dissenting Shareholder**" means a registered holder of Riverside Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

(v) "**Effective Date**" shall be the date of the closing of the Arrangement;

(w) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Riverside and Capitan;

(x) "**Final Order**" means the final order of the Court approving the Arrangement;

(y) "**In the Money Amount**" at a particular time with respect to a Riverside Option, Riverside Replacement Option or Capitan Option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;

(z) "**Information Circular**" means the management information circular of Riverside, including all schedules thereto, to be sent to the Riverside Shareholders in connection with the Riverside Meeting, together with any amendments or supplements thereto;

(aa) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Riverside Meeting and the Arrangement;

(bb) "**Letter of Transmittal**" means the letter of transmittal in respect of the Arrangement to be sent to Riverside Shareholders together with the Information Circular;

(cc) "**New Riverside Shares**" means a new class of voting common shares without par value which Riverside will create and issue as described in §3.1(b)(ii) of this Plan of Arrangement and for which the Riverside Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Riverside Shares;

(dd) "**Peñoles Property**" means the mineral exploration property in Mexico owned indirectly by Capitan and known as the Peñoles Property;

(ee) "**Plan of Arrangement**" means this plan of arrangement, as the same may be amended from time to time;

(ff) "**Riverside**" means Riverside Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(gg) "**Riverside Board**" means the board of directors of Riverside;

(hh) "**Riverside Class A Shares**" means the renamed and redesignated Riverside Shares as described in §3.1(b)(i) of this Plan of Arrangement;

(ii) "**Riverside Meeting**" means the annual and special meeting of the Riverside Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;

(jj) "**Riverside Optionholders**" means the holders of Riverside Options on the Effective Date;

(kk) "**Riverside Options**" means options to acquire Riverside Shares, including options under the terms of which are deemed exercisable for Riverside Shares, that are outstanding immediately prior to the Effective Time;

(ll) "**Riverside Replacement Option**" means an option to acquire a New Riverside Share to be issued by Riverside to a holder of a Riverside Option pursuant to §3.1(d) of this Plan of Arrangement;

(mm) "**Riverside Shareholder**" means a holder of Riverside Shares;

(nn) "**Riverside Shares**" means the common shares without par value which Riverside is authorized to issue as the same are constituted on the date hereof;

(oo) "**Riverside Warrantholders**" means the holders of Riverside Warrants on the Effective Date;

(pp) "**Riverside Warrants**" means the share purchase warrants of Riverside exercisable to acquire Riverside Shares, including warrants under the terms of which are deemed exercisable for Riverside Shares, that are outstanding immediately prior to the Effective Time;

(qq) "**Share Distribution Record Date**" means the close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Riverside Shareholders entitled to receive New Riverside Shares and Capitan Shares pursuant to this Plan of Arrangement or such other date as the Riverside Board may select;

(rr) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended;

(ss) "**TSXV**" means the TSX Venture Exchange Inc.; and

(tt) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

1.2 Interpretation Not Affected by Headings. The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number and Gender. Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 Meaning. Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA, unless the context otherwise requires.

1.5 **Date for any Action.** If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action shall be required to be taken on the next succeeding Business Day.

1.6 **Governing Law.** This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement.** This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

2.2 **Arrangement Effectiveness.** The Arrangement and this Plan of Arrangement shall become final and conclusively binding on Riverside, the Riverside Shareholders (including Dissenting Shareholders), Riverside Optionholders, Riverside Warrantholders and Capitan Shareholders at the Effective Time without any further act or formality as required on the part of any person, except as expressly provided herein.

ARTICLE 3
THE ARRANGEMENT

3.1 **The Arrangement.** Commencing at the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality notwithstanding anything contained in the provisions attaching to any of the securities of Riverside or Capitan, but subject to the provisions of Article 5:

(a) each Riverside Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each, a "**Dissenting Share**") shall be directly transferred and assigned by such Dissenting Shareholder to Riverside, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Riverside Shareholders other than the right to be paid the fair value for their Riverside Shares by Riverside;

(b) the authorized share structure of Riverside shall be altered by:

(i) renaming and redesignating all of the issued and unissued Riverside Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "Riverside Class A Shares"; and

(ii) creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Riverside Shares immediately prior to the Effective Time, being the "New Riverside Shares";

(c) Riverside's Notice of Articles shall be amended to reflect the alterations in §3.1(b);

(d) each Riverside Option then outstanding to acquire one Riverside Share shall be transferred and exchanged for:

(i) one Riverside Replacement Option to acquire one New Riverside Share having an exercise price equal to the product of the original exercise price of the Riverside Option multiplied by the fair market value of a New Riverside Share at the Effective Time divided by the total of the fair market value of a New Riverside Share and the fair market value of 0.2767 of a Capitan Share at the Effective Time; and

(ii) one Capitan Option to acquire 0.2767 of a Capitan Share, each whole Capitan Option having an exercise price equal to the product of the original exercise price of the

Riverside Option multiplied by the fair market value of 0.2767 of a Capitan Share at the Effective Time divided by the total of the fair market value of one New Riverside Share and 0.2767 of a Capitan Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Riverside Replacement Option and the Capitan Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Riverside Option so exchanged. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Riverside Options;

(e) each Riverside Warrant then outstanding shall be deemed to be amended to entitle the Riverside Warrantholder to receive, upon due exercise of the Riverside Warrant, for the original exercise price:

(i) one New Riverside Share for each Riverside Share that was issuable upon due exercise of the Riverside Warrant immediately prior to the Effective Time; and

(ii) 0.2767 of a Capitan Share for each Riverside Share that was issuable upon due exercise of the Riverside Warrant immediately prior to the Effective Time;

(f) each issued and outstanding Riverside Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Riverside Share; and (ii) 0.2767 of a Capitan Spinout Share, the holders of the Riverside Class A Shares will be removed from the central securities register of Riverside as the holders of such and will be added to the central securities register of Riverside as the holders of the number of New Riverside Shares that they have received on the exchange set forth in this §3.1(f), and the Capitan Spinout Shares transferred to the then holders of the Riverside Class A Shares will be registered in the name of the former holders of the Riverside Class A Shares and Riverside will provide Capitan and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Capitan;

(g) the Riverside Class A Shares, none of which will be issued or outstanding once the exchange in §3.1(f) is completed, will be cancelled and the appropriate entries made in the central securities register of Riverside and the authorized share structure of Riverside will be amended by eliminating the Riverside Class A Shares, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Riverside Shares will be equal to that of the Riverside Shares immediately prior to the Effective Time less the fair market value of the Capitan Spinout Shares distributed pursuant to §3.1(f);

(h) the Capitan Incorporation Share issued to Riverside on incorporation shall be cancelled for no consideration and as a result thereof:

(i) Riverside shall cease to be, and shall be deemed to have ceased to be, the holder of the Capitan Incorporation Share and to have any rights as a holder of the Capitan Incorporation Share; and

(ii) Riverside shall be removed as the holder of the Capitan Incorporation Share from the register of Capitan Shares maintained by or on behalf of Capitan; and

(i) In the event that the number of outstanding Riverside Shares changes between the date hereof and the Effective Time, the fraction 0.2767 referred to in this Plan of Arrangement shall be adjusted so that it is the fraction calculated by dividing the number of Capitan Spinout Shares by the number of outstanding Riverside Shares immediately prior to the Effective Time.

3.2 No Fractional Shares or Options. Notwithstanding any other provision of this Arrangement, no fractional Capitan Shares shall be distributed to the Riverside Shareholders and no fractional Capitan Options shall be distributed to the holders of Riverside Options, and, as a result, all fractional amounts arising under this Plan of

Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Capitan Shares not distributed as a result of so rounding down shall be cancelled by Capitan.

3.3 Share Distribution Record Date. In §3.1(f) the reference to a holder of a Riverside Class A Share shall mean a person who is a Riverside Shareholder on the Share Distribution Record Date, subject to the provisions of Article 5.

3.4 Deemed Time for Redemption. In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the exchange of Riverside Class A Shares for New Riverside Shares and Capitan Spinout Shares set out in §3.1(f) shall occur and shall be deemed to occur immediately after the time of listing of the New Riverside Shares on the TSXV on the Effective Date.

3.5 Deemed Fully Paid and Non-Assessable Shares. All New Riverside Shares, Riverside Class A Shares and Capitan Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.6 Supplementary Actions. Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Riverside and Capitan shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, any necessary additions to or deletions from share registers, and agreements for stock options.

3.7 Withholding. Each of Riverside, Capitan and the Depositary shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Riverside Shares, Capitan Shares, Riverside Replacement Options or Capitan Options made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Riverside Shares or Capitan Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

3.8 No Liens. Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

3.9 U.S. Securities Law Matters. The Court is advised that the Arrangement will be carried out with the intention that all securities issued on completion of the Arrangement will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act.

ARTICLE 4
CERTIFICATES

4.1 Riverside Class A Shares. Recognizing that the Riverside Shares shall be renamed and redesignated as Riverside Class A Shares pursuant to §3.1(b)(i) and that the Riverside Class A Shares shall be exchanged partially for New Riverside Shares pursuant to §3.1(f), Riverside shall not issue replacement share certificates representing the Riverside Class A Shares.

4.2 Capitan Share Certificates. As soon as practicable following the Effective Date, Riverside or Capitan shall deliver or cause to be delivered to the Depositary certificates representing the Capitan Shares required to be distributed to registered holders of Riverside Shares as at immediately prior to the Effective Time in accordance

with the provisions of §3.1(f) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.3 **New Riverside Share Certificates.** As soon as practicable following the Effective Date, Riverside shall deliver or cause to be delivered to the Depositary certificates representing the New Riverside Shares required to be issued to registered holders of Riverside Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(f) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.4 **Interim Period.** Any Riverside Shares traded after the Share Distribution Record Date will represent New Riverside Shares as of the Effective Date and shall not carry any rights to receive Capitan Shares.

4.5 **Stock Option Agreements.** The stock option agreements for the Riverside Options shall be deemed to be amended by Riverside to reflect the adjusted exercise price of the Riverside Replacement Options, and Capitan shall enter into stock option agreements for the Capitan Options issued pursuant to §3.1(d) of this Plan of Arrangement.

ARTICLE 5
RIGHTS OF DISSENT

5.1 **Dissent Right.** Registered holders of Riverside Shares may exercise Dissent Rights with respect to their Riverside Shares in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in the Dissent Procedures, as they may be amended by the Interim Order, Final Order or any other order of the Court, and provided that such dissenting Shareholder delivers a written notice of dissent to Riverside at least two Business Days before the day of the Riverside Meeting or any adjournment or postponement thereof.

5.2 **Dealing with Dissenting Shares.** Riverside Shareholders who duly exercise Dissent Rights with respect to their Dissenting Shares and who:

(a) are ultimately entitled to be paid fair value for their Dissenting Shares by Riverside shall be deemed to have transferred their Dissenting Shares to Riverside for cancellation as of the Effective Time pursuant to §3.1(a); or

(b) for any reason are ultimately not entitled to be paid for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Riverside Shareholder and shall receive New Riverside Shares and Capitan Shares on the same basis as every other non-dissenting Riverside Shareholder;

but in no case shall Riverside be required to recognize such persons as holding Riverside Shares on or after the Effective Date.

5.3 **Reservation of Capitan Shares.** If a Riverside Shareholder exercises Dissent Rights, Riverside shall, on the Effective Date, set aside and not distribute that portion of the Capitan Shares which is attributable to the Riverside Shares for which Dissent Rights have been exercised. If the dissenting Riverside Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Riverside shall distribute to such Riverside Shareholder his or her pro rata portion of the Capitan Shares. If a Riverside Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Riverside shall retain the portion of the Capitan Shares attributable to such Riverside Shareholder and such shares will be dealt with as determined by the Riverside Board in its discretion.

ARTICLE 6
DELIVERY OF SHARES

6.1 Delivery of Shares.

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Riverside Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate representing the New Riverside Shares and a certificate representing the Capitan Shares that such holder is entitled to receive in accordance with §3.1 hereof.

(b) After the Effective Time and until surrendered for cancellation as contemplated by §6.1(a) hereof, each certificate that immediately prior to the Effective time represented one or more Riverside Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Riverside Shares and a certificate representing the Capitan Shares that such holder is entitled to receive in accordance with §3.1 hereof.

6.2 Lost Certificates. If any certificate that immediately prior to the Effective Time represented one or more outstanding Riverside Shares that were exchanged for New Riverside Shares and Capitan Shares in accordance with §3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the New Riverside Shares and Capitan Shares that such holder is entitled to receive in accordance with §3.1 hereof. When authorizing such delivery of New Riverside Shares and Capitan Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a condition precedent to the delivery of such New Riverside Shares and Capitan Shares give a bond satisfactory to Riverside, Capitan and the Depositary in such amount as Riverside, Capitan and the Depositary may direct, or otherwise indemnify Riverside, Capitan and the Depositary in a manner satisfactory to Riverside, Capitan and the Depositary, against any claim that may be made against Riverside, Capitan or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Riverside.

6.3 Distributions with Respect to Unsurrendered Certificates. No dividend or other distribution declared or made after the Effective Time with respect to New Riverside Shares or Capitan Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Riverside Shares unless and until the holder of such certificate shall have complied with the provisions of §6.1 or §6.2 hereof. Subject to applicable law and to §3.7 hereof, at the time of such compliance, there shall, in addition to the delivery of the New Riverside Shares and Capitan Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Riverside Shares and/or Capitan Shares, as applicable.

6.4 Limitation and Proscription. To the extent that a former Riverside Shareholder shall not have complied with the provisions of §6.1 or §6.2 hereof, as applicable, on or before the date that is six (6) years after the Effective Date (the "**Final Proscription Date**"), then the New Riverside Shares and Capitan Shares that such former Riverside Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the New Riverside Shares and Capitan Shares to which such Riverside Shareholder was entitled, shall be delivered to Capitan (in the case of the Capitan Shares) or Riverside (in the case of the New Riverside Shares) by the Depositary and certificates representing such New Riverside Shares and Capitan Shares shall be cancelled by Riverside and Capitan, as applicable, and the interest of the former Riverside Shareholder in such New Riverside Shares and Capitan Shares or to which it was entitled shall be terminated as of such Final Proscription Date.

6.5 Paramountcy. From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Riverside Shares, Riverside Options or Riverside Warrants issued prior to the Effective Time; and (ii) the rights and obligations of the registered holders of Riverside Shares, Riverside Options,

Riverside Warrants, Capitan, the Depositary and any transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement.

ARTICLE 7
AMENDMENTS & WITHDRAWAL

7.1 Amendments. Riverside, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Riverside Meeting, approved by the Court.

7.2 Amendments Made Prior to or at the Riverside Meeting. Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Riverside at any time prior to or at the Riverside Meeting with or without any prior notice or communication, and if so proposed and accepted by the Riverside Shareholders voting at the Riverside Meeting, shall become part of this Plan of Arrangement for all purposes.

7.3 Amendments Made After the Riverside Meeting. Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Riverside after the Riverside Meeting but prior to the Effective Time and any such amendment, modification or supplement which is approved by the Court following the Riverside Meeting shall be effective and shall become part of the Plan of Arrangement for all purposes. Notwithstanding the foregoing, any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by Riverside, provided that it concerns a matter which, in the reasonable opinion of Riverside, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of New Riverside Shares or Capitan Shares.

7.4 Withdrawal. Notwithstanding any prior approvals by the Court or by Riverside Shareholders, the Riverside Board may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the Effective Time, without further approval of the Court or the Riverside Shareholders.

SCHEDULE “A”

ARRANGEMENT RESOLUTION

(See Schedule "A" attached to the Management Information Circular of Riverside Resources Inc.)

SCHEDULE "C"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

INTERIM ORDER

(see attached)

No. S202133

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE

***BUSINESS CORPORATIONS* ACT S.B.C 2002, c. 57, AS AMENDED**

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN RIVERSIDE RESOURCES INC. AND ITS SHAREHOLDERS AND OPTIONHOLDERS AND WARRANTHOLDERS AND CAPITAN MINING INC.

RIVERSIDE RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE Master Muir) The 27th day of February, 2020
)
)

ON THE APPLICATION of the Petitioner, Riverside Resources Ltd. ("**Riverside**" or the "**Petitioner**"), dated February 25, 2020, without notice, coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on February 27, 2020 and on hearing Nicole Chang, counsel for the Petitioner; and upon being advised that it is the intention of the parties to rely on section 3(a)(10) of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and that the declaration of fairness of, and the approval of, the Arrangement by this Honourable Court will serve as the basis for an exemption from the registration requirements of the U.S. Securities Act pursuant to section 3(a)(10) thereof, in connection with the Arrangement;

THIS COURT ORDERS that:

Definitions

1. All definitions used in this Interim Order, unless otherwise defined, shall have the meaning ascribed thereto in thePetition.

The Meeting

2. Riverside be permitted to, convene, hold and conduct an annual and special meeting (the "**Meeting**") of the holders (the "**Riverside Shareholders**") of the issued and outstanding common shares of Riverside (the "**Riverside Shares**") on or about March 31, 2020, to *inter alia,* consider and, if deemed advisable, pass with or without amendment, a special resolution (the "**Arrangement Resolution**"), authorizing, approving and agreeing to adopt a plan of arrangement (the "**Arrangement**") among the Petitioner, the Riverside Shareholders, Riverside Optionholders, Riverside Warrantholders and Capitan Mining Inc. ("**Capitan**") as described in the Plan of Arrangement attached as Schedule B to the draft management information circular

(the "**Circular**") which is attached as Exhibit "A" to the Affidavit #1 of Robert Scott, Chief Financial Officer of Riverside sworn on February 25, 2020 (the "**Scott Affidavit #1**"), and to transact such other business as may properly come before the Meeting.

3. The Meeting shall be called, held and conducted in accordance with the provisions of the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57 (the "**BCBCA**"), the articles of the Petitioner, and the Circular, all subject to the terms of this Order, and any further order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

4. The record date (the "**Record Date**") for determination of the Riverside Shareholders entitled to notice of, and to vote at, the Meeting shall be February 25, 2020. The Record Date will not change in respect of any adjournment of postponement of the Meeting.

Notice of Meeting

5. The following information (the "**Meeting Materials**"):

   (a) the Circular; and

   (b) the Form of Proxy or Voting Instruction Form;

   in substantially the same form referred to in the Scott Affidavit #1, with such amendments and inclusions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such amendments and inclusions are not inconsistent with the terms of this Interim Order, shall be sent to the following:

   (i) the registered Riverside Shareholders, Riverside Optionholders and Riverside Warrantholders (the "**Riverside Securityholders**") at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

      (A) by pre-paid ordinary or first class mail at the addresses of the Riverside Securityholders as they appear on the central securities register or similar register of the Petitioner, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of the Petitioner;

      (B) by delivery, in person or by recognized courier service, to the address specified in (A) above; or

      (C) by facsimile or electronic transmission to any Riverside Securityholder, who is identified to the satisfaction of the Petitioner, who requests such transmission in writing and, if required by the Petitioner, who is prepared to pay the charges for such transmission;

   (ii) non-registered holders of Riverside Shares by providing sufficient copies of the Meeting Materials, as applicable, to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer;* and

   (iii) the respective directors and auditors of the Petitioner by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting.

6. Good and sufficient notice of the Meeting for all purposes will be given by the Petitioner by the sending of the Meeting Materials in accordance with paragraph 5 of this Order. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and the Petitioner shall not be required to send to the Riverside Securityholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

7. The sending of the Meeting Materials, which includes the Requisition to set the hearing of the Petition and the Interim Order (collectively the "**Court Materials**"), in accordance with paragraph 5 of this Order shall constitute good and sufficient service of the Court Materials and the within proceedings and such service shall be effective on the business day after the said Court Materials are mailed, whether those persons reside within the jurisdiction of British Columbia or within another jurisdiction, and no other form of service need be made and no other material, including the Petition and supporting Affidavits, need be served on such persons in respect of these proceedings except upon written request to the solicitors for the Petitioner at their address for delivery set out in the Petition.

8. Accidental failure or omission by the Petitioner to give notice of the Meeting or to distribute the Meeting Materials or the Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of the Petitioner, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of the Petitioner, it shall use its best efforts to rectify it by the method and. in the time most reasonably practicable in the circumstances.

Amendments to the Arrangement and Plan of Arrangement

9. Subject to the terms and conditions of the Plan of Arrangement, after the date of this Interim Order and prior to the time of the Meeting, the Petitioner is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine, without any additional notice to the Riverside Securityholders, and the Plan of Arrangement as so amended, revised and supplemented shall be the Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

10. If any amendments, revisions or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 9 above, would, if disclosed, reasonably be expected to affect a Riverside Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, revision or supplement shall be distributed, subject to further order of this Court, by news release, newspaper advertisement, or by notice sent to Riverside Securityholders by one of the methods specified in paragraph 5 of this Interim Order.

Chair of the Meeting

11. The Chair of the Meeting shall be an officer or director of the Petitioner or such other person as may be appointed by the Riverside Shareholders for that purpose.

12. The Chair of the Meeting is at liberty to call on the assistance of legal counsel at any time and from time to time, as the Chair of the Meeting may deem necessary or appropriate, during the Meeting, and such legal counsel is entitled to attend the Meeting for this purpose.

13. The Chair of the Meeting shall be permitted to ask questions of, and demand the production of evidence, from Riverside Shareholders, the Petitioner or such other persons in attendance or represented at the Meeting, as he or she considers appropriate having regard to the orderly conduct of the Meeting, the authority of any person to vote at the Meeting, and the validity and propriety of the votes cast and the proxies submitted in respect of the Arrangement Resolution.

14. The Chair of the Meeting may, in the Chair's sole discretion, waive the deadline specified in the Form of Proxy for the deposit of proxies.

15. The Chair or another representative of the Petitioner present at the Meeting, shall, in due course, file with the Court an affidavit verifying the actions taken and the decisions reached at the Meeting with respect to the Arrangement.

Adjournments and Postponements

16. The Petitioner, if it deems advisable, is specifically authorized to adjourn or postpone the Meeting for any reason on one or more occasions, subject to the terms of the Arrangement Agreement, without the necessity of first convening the Meeting, or first obtaining any vote of the Riverside Shareholders respecting the adjournment or postponement. Notice of any such adjournments or postponements shall be given by such method and in the time that is reasonable in the circumstances, as the Petitioner may determine appropriate. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Quorum

17. The quorum required at the Meeting shall be two persons who are, or represent by proxy, two shareholders holding in the aggregate, at least five percent (5%) of the issued shares entitled to be voted at the Meeting.

Voting

18. The vote of the Riverside Shareholders required to pass the Arrangement Resolution shall be at least two thirds of the votes cast on the Arrangement Resolution by the Riverside Shareholders, voting together as a single class, present in person or by proxy at the Meeting.

19. The only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be the registered Riverside Shareholders who hold Riverside Shares as of the close of business on the Record Date each of whom is entitled to one (1) vote for each Riverside Share registered in his/her/its name. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

Solicitation and Revocation of Proxies

20. The Petitioner is authorized to use the form of proxy (the "**Form of Proxy**") substantially in the form of the draft attached to Scott Affidavit #1, with such amendments, revisions or supplemental information as the Petitioner may determine are necessary or desirable. The Petitioner is authorized at its expense to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives, including proxy advisory firms, as they may retain for the purpose, by mail or such other forms of personal or electronic communication as it may determine. The Petitioner may waive generally, in its discretion, the time limits set for the deposit or revocation of proxies, if the Petitioner considers it advisable to do so.

Dissent Rights

21. Any registered Riverside Shareholder is entitled to be paid the fair value of his Riverside Shares in accordance with Sections 242 to 247 of the BCBCA if such holder dissents to the Plan of Arrangement and the Plan of Arrangement becomes effective.

22. A registered Riverside Shareholder is not entitled to dissent with respect to such holder's Riverside Shares if such holder votes any of their Riverside Shares in favour of the Arrangement Resolution. For greater certainty, a Proxy submitted by a registered Riverside Shareholder that does not contain voting instructions will, unless revoked, be voted in favour of the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

23. A written notice of dissent from the Arrangement Resolution pursuant to Section 242 of the BCBCA, must be sent to Riverside by a dissenting Riverside Shareholder by 4:00 p.m., Vancouver time, on March 27, 2020. The notice of dissent should be delivered by registered mail to Riverside at the address for notice described below. After the Arrangement Resolution is approved by Riverside Shareholders and within one month after Riverside notifies the dissenting Riverside Shareholder of Riverside's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the dissenting Riverside Shareholder must send to Riverside, a written notice that such Riverside Shareholder requires the purchase of all of the Riverside Shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those Riverside Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Riverside Shareholder on behalf of a beneficial holder). A dissenting Riverside Shareholder who does not strictly comply with the dissent procedures or, for any other reason, is not entitled to be paid fair value for his, her or its Dissenting Shares will be deemed to have participated in the Plan of Arrangement on the same basis as non-dissenting Riverside Shareholders.

24. Any dissenting Riverside Shareholder who has duly complied with Section 244(1) of the BCBCA or Riverside may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Riverside to apply to the Court. The dissenting Riverside Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the passing of the Arrangement Resolution.

25. All notices of dissent to the Arrangement pursuant to Section 242 of the BCBCA must be sent, within the time specified, to:

Riverside Resources Ltd.
Suite 550 – 800 West Pender St.
Vancouver, BC V6C 2V6

Attention: John-Mark Staude
President, Chief Executive Officer and Director

Application for Final Order

26. Upon obtaining, in the manner set forth in this Interim Order, the approval of the Arrangement required by this Interim Order, Riverside may apply to this court for a final order approving the Arrangement contemplated by the Plan of Arrangement (the "**Final Order**"), at which the court will be advised that the court's approval of the Arrangement, if granted, which includes a finding of fairness of the terms and conditions of the Arrangement, will form the basis of a claim to an exemption from registration requirements of the United States Securities Act of 1933, as amended, provided by section 3(a)(10) thereof with respect to the Capitan securities to be distributed pursuant to the Arrangement, and the hearing shall be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on April 2, 2020 at 9:45 a.m., or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as this Court may direct.

27. Any Riverside Securityholder may appear and make submissions at the application for the Final Order provided that such person shall file a Response to Petition, in the form prescribed by the Rules of Court of the Supreme Court of British Columbia, with this Court and deliver a copy of the filed Response to Petition, together with a copy of all material on which such person intends to rely at the application for the Final Order to the solicitors for the Petitioner at their address for delivery as set out in the Petition, on or before 4:00 p.m. on March 27, 2020, or as the Court may otherwise direct.

28. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

Precedence

29. To the extent of any inconsistency or discrepancy between this Interim Order and the articles of the Petitioner, the Circular, the BCBCA or applicable securities laws, this Interim Order shall govern.

Variance and Direction

30. The Petitioner and the Riverside Securityholders, the directors and auditors shall, and hereby do, have liberty to seek leave to vary this Interim Order or apply for such further order or orders or to seek such directions as may be appropriate.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature
☐ Party ☒ Lawyer for Petitioner
Nicole Chang

By the Court

Registrar

SCHEDULE "D"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

REQUISITION OF HEARING OF PETITION FOR FINAL ORDER

(see attached)

No. S202133
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE

***BUSINESS CORPORATIONS* ACT S.B.C 2002, c. 57, AS AMENDED**

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN RIVERSIDE RESOURCES INC. AND ITS SHAREHOLDERS AND OPTIONHOLDERS AND WARRANTHOLDERS AND CAPITAN MINING INC.

RIVERSIDE RESOURCES INC.

PETITIONER

REQUISITION – GENERAL

Filed by: The Petitioner, Riverside Resources Inc. ("Riverside")

Required:

Pursuant to the Order of Master Muir pronounced February 27, 2020 the Hearing of the Petition reset for April 2, 2020 at 9:45 a.m. before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, for a final order (the "Final Order") approving an arrangement (the "Arrangement") under section 291 of the Business Corporations Act (British Columbia), S.B.C. 2002, c. 57, as amended, described in the Plan of Arrangement, which is attached as Schedule "A" to the draft form of the Final Order which is attached as Exhibit "A" to this Requisition.

Please take notice that by an Interim Order of the Supreme Court of British Columbia, pronounced February 27, 2020, the Court has given directions as to the calling of a special meeting of the shareholders of the Petitioner for the purpose of voting upon a special resolution to approve the Arrangement.

At the Hearing of the Application for the Final Order (the "Final Application"), any securityholder of the Petitioner, director or auditor of the Petitioner, or any other interested party with leave of the Court, desiring to support or oppose the Final Application may, after filing a Response and related materials as outlined in the Interim Order and further herein, appear for that purpose, either in person or by counsel. If you do not attend, either in person or by counsel, at that time, the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, without any further notice to you.

If you wish to appear at the Final Application or wish to be notified of any further proceedings, YOU MUST GIVE NOTICE of your intention by filing a Response to Petition with the Court at the Court Registry at 800 Smithe Street, Vancouver, British Columbia, and YOU MUST ALSO DELIVER a copy of the filed Response, together with a copy of all material on which you intend to rely at the Final Application, if any, to counsel for the Petitioner at their address for delivery set out below by 4:00 p.m. (Pacific Standard Time) on March 27, 2020 or at a later date with leave of the Court.

The Petitioner's address for delivery is:

Whitelaw Twining Law Corporation
2400 – 200 Granville Street
Vancouver BC V6C 1S4
Telephone: 604-891-7246
Fax: 604-682-5217

Attention: Nicole Chang

You or your counsel may file the Response. You may obtain a form of Response at the Court Registry.

If you do not file a Response and attend either in person or by counsel at the time of such Final Application, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. Any person desiring further information about the steps that must be taken prior to making submissions may contact counsel for the Petitioner at the address set out above.

A copy of the Petition and other documents in the proceedings will be furnished to any securityholder of the Petitioner or other interested party requesting the same by counsel for the Petitioner, Whitelaw Twining Law Corporation, attention: Nicole Chang.

EXHIBIT “A”

FINAL ORDER

No. S202133

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE

***BUSINESS CORPORATIONS ACT* S.B.C 2002, c. 57, AS AMENDED**

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN RIVERSIDE RESOURCES INC. AND ITS SHAREHOLDERS AND OPTIONHOLDERS AND WARRANTHOLDERS AND CAPITAN MINING INC.

RIVERSIDE RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE JUSTICE) The 2nd day of April, 2020
)
)

Upon the Petition of the Petitioner, Riverside Resources Inc. ("**Riverside**" or the "**Petitioner**") dated February 25, 2020 coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on February 27, 2020, and on hearing Nicole Chang, counsel for the Petitioner and no one else appearing although notice was duly given in accordance with the Order of Master Muir pronounced on February 27, 2020, and upon being informed that it is the intention of the parties to rely on section 3(a)(10) of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and that the declaration of fairness of, and the approval of, the Arrangement by this Honourable Court will serve as the basis for an exemption from the registration requirements of the U.S. Securities Act pursuant to section 3(a)(10) thereof, in connection with the Arrangement attached hereto as Schedule "A" (the "**Plan of Arrangement**");

THIS COURT ORDERS that:

1. the Arrangement set forth in the Plan of Arrangement, including the terms and conditions thereof, is procedurally and substantively fair and reasonable to those affected by it including the holders of Riverside common shares, stock options and warrants (the "**Riverside Securityholders**").

2. upon the implementation of the Arrangement as set forth in the said Plan of Arrangement, the Arrangement shall be binding upon the Petitioner and the Riverside Securityholders.

3. the Arrangement as provided for in the Plan of Arrangement, which is attached hereto as Schedule "A", be and the same is hereby approved pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended.

4. the Petitioner or Capitan Mining Inc. shall be entitled at any time to seek leave to vary this Order, to seek the advice and direction of this Court as to the implementation of the Order or to apply for such other Order or Orders as may be appropriate.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature
☐ Party ☒ Lawyer for Petitioner
Nicole Chang

By the Court

Registrar

SCHEDULE "A"

PLAN OF ARRANGEMENT
UNDER PART 9, DIVISION 5 OF
THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

(See Schedule "B" attached to the Management Information Circular of Riverside Resources Inc.)

APPENDIX "A"

ARRANGEMENT RESOLUTION

(See Schedule "A" attached to the Management Information Circular of Riverside Resources Inc.)

SCHEDULE "E"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

DISSENT PROVISIONS

DISSENT PROVISIONS

SECTIONS 237 TO 247 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that:

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(b) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and (b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 (1) If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(c) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable: if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(d) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(e) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(4) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 (1) If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE “F”

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

CAPITAN MINING INC. FINANCIAL STATEMENTS

(see attached)

CAPITAN MINING INC.

Financial Statements
As at the date of Incorporation on October 30, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Capitan Mining Inc.

Opinion

We have audited the accompanying financial statements of Capitan Mining Inc. (the "Company"), which comprise the statement of financial position as at the date of incorporation on October 30, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at October 30, 2019, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

February 21, 2020

CAPITAN MINING INC.

Statement of Financial Position as at the date of Incorporation on:
(Expressed in Canadian Dollars)

		October 30, 2019
Assets		
Cash	$	1
Total Assets	$	1
Shareholder's Equity		
Share Capital (Note 3)	$	1
Total Shareholder's Equity	$	1

Subsequent events (Note 4)

On behalf of the Board on February 21, 2020

John-Mark Staude Director

Robert Scott Director

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

1. Organization

Capitan Mining Inc. (the "Company") was incorporated on October 30, 2019 under the laws of the Business Corporation Act (British Columbia) as part of a plan of arrangement (the "Arrangement") to reorganize Riverside Resources Inc ("Riverside"). The Company's head office address is 550 – 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6.

The Company's intended business activity is the acquisition and exploration of mineral properties in Mexico. To date, the Company has not commenced operations.

2. Summary of Significant Accounting Policies

The statement of financial position has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Separate Statements of Loss, Changes in Shareholder's Equity and Cash Flows have not been presented as there have been no activity for the Company to date.

3. Share Capital

The Company issued one share upon incorporation. The common shares have no par value and the number of authorized shares is unlimited.

4. Subsequent events

On November 29, 2019, the Company incorporated a new wholly-owned subsidiary, Rios de Suerte S.A. de C.V.

The Company will enter into an Arrangement Agreement whereby Riverside will complete a share capital reorganization by way of statutory plan of arrangement and the Company will acquire the Peñoles property from Riverside.

SCHEDULE "G"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

AUDITED CARVE-OUT FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

(see attached)

RIVERSIDE RESOURCES INC. CARVE-OUT

CARVE-OUT FINANCIAL STATEMENTS
September 30, 2019 and 2018

(An Exploration Stage Enterprise)
(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Riverside Resources Inc.

Opinion

We have audited the accompanying carve-out financial statements of Riverside Resources Inc. (the "Company"), which comprise the carve-out statements of financial position as at September 30, 2019 and 2018 and the carve-out statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, these carve-out financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Carve-out Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the carve-out financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the carve-out financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the carve-out financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the carve-out financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Carve-out Financial Statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is Catherine Tai.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada — Chartered Professional Accountants

February 21, 2020

RIVERSIDE RESOURCES INC. CARVE-OUT

(An Exploration Stage Enterprise)
Carve-Out Statements of Financial Position as at September 30,
(Expressed in Canadian Dollars)

	Note	2019	2018
Assets			
Non-Current assets:			
Exploration and evaluation assets	6	1,360,583	1,274,557
		1,360,583	1,274,557
Liabilities and Equity			
Equity:			
Contributions from Riverside Resources Inc.	7	5,418,338	5,047,926
Deficit		(3,711,799)	(3,534,590)
Accumulated other comprehensive loss		(345,956)	(238,779)
		1,360,583	1,274,557

Nature and continuance of operations (Note 1)

On behalf of the Board on February 21, 2020

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

The accompanying notes are an integral part of these carve-out financial statements.

RIVERSIDE RESOURCES INC. CARVE-OUT

(An Exploration Stage Enterprise)
Carve-out Statements of Loss and Comprehensive Loss for the years ended September 30,
(Expressed in Canadian Dollars)

	Note	2019	2018
Expenses			
Consulting fees		$ 57,647	$ 62,474
Director fees		7,800	9,600
Foreign exchange gain		(4,366)	(19,466)
General and administration		21,564	21,883
Investor relations		49,389	37,513
Professional fees		29,697	24,005
Rent		15,478	25,134
Net loss for the year		(177,209)	(161,143)
Foreign exchange movements		(107,177)	22,288
Comprehensive loss for the year		$ (284,386)	$ (138,855)

The accompanying notes are an integral part of these carve-out financial statements.

RIVERSIDE RESOURCES INC. CARVE-OUT

(An Exploration Stage Enterprise)
Carve-out Statements of Cash Flows for the years ended September 30,
(Expressed in Canadian Dollars)

	Note	2019	2018
OPERATING ACTIVITIES			
Loss for the year		$ (177,209)	$ (161,143)
Change in non-cash working capital items:			
Accounts payable and accrued liabilities		-	-
		(177,209)	(161,143)
INVESTING ACTIVITIES			
Exploration and evaluation assets		(227,239)	(400,104)
Land tax recoveries from Mexico government		141,213	140,933
		(86,026)	(259,171)
FINANCING ACTIVITIES			
Contributions from Riverside Resources Inc.		370,412	398,026
Effect of foreign exchange on cash		(107,177)	22,288
Change in cash		-	-
Cash, beginning of the year		$ -	$ -
Cash, end of the year		$ -	$ -

The accompanying notes are an integral part of these carve-out financial statements.

RIVERSIDE RESOURCES INC. CARVE-OUT

(An Exploration Stage Enterprise)
Carve-out Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Note	Contributions from Riverside Resources Inc.	Deficit	Accumulated other comprehensive loss	Total
Balance at September 30, 2017		$ 4,649,900	$ (3,373,447)	$ (261,067)	$ 1,015,386
Issued for:					
Contributions from Riverside Resources Inc.		398,026	-	-	398,026
Loss for the year		-	(161,143)	-	(161,143)
Foreign exchange movements		-	-	22,288	22,288
Balance at September 30, 2018		$ 5,047,926	$ (3,534,950)	$ (238,779)	$ 1,274,557
Issued for:					
Contributions from Riverside Resources Inc.		370,412	-	-	370,412
Loss for the year		-	(177,209)	-	(177,209)
Foreign exchange movements		-	-	(107,177)	(107,177)
Balance at September 30, 2019		$ 5,418,338	$ (3,711,799)	$ (345,956)	$ 1,360,583

The accompanying notes are an integral part of these carve-out financial statements.

1. Nature and continuance of operations

Riverside Resources Inc. Carve-Out (the "Entity") is a mineral exploration and evaluation entity that is engaged in the acquisition, exploration and evaluation of exploration and evaluation assets in Mexico.

The Entity's head office address is 550 – 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6.

The Entity's ability to continue operations is uncertain and is dependent upon the ability of the Entity to obtain necessary financing to meet the Entity's liabilities and commitments as they become payable, acquiring assets or a business, and the ability to generate future profitable production or operations or sufficient proceeds from the disposition thereof. The outcome of these matters cannot be predicted at this time. The carve-out financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Entity be unable to continue operations.

2. Arrangement Agreement

Subsequent to September 30, 2019, Riverside intends to strategically reorganize its exploration business.

In connection with the reorganization, the Entity (through its wholly-owned Mexican subsidiary), will complete the acquisition of the Peñoles Property from Riverside Resources Inc. ("Riverside") for $3.5 million to be paid by the issuance of 17,500,000 common shares ("SpinCo Shares") to Riverside. Riverside will then complete a share capital reorganization by way of statutory plan of arrangement ("Arrangement") whereby Riverside will spin-out the SpinCo Shares to Riverside's shareholders. Prior to completing the Arrangement, Entity intends to complete a private placement to raise proceeds of $2,000,000 by the issuance of 10,000,000 common shares at $0.20 per share.

Upon closing of the Arrangement, but prior to completion of the private placement, the Entity will be owned exclusively by existing Riverside shareholders, keeping their identical proportion to their pre-Arrangement shareholdings of Riverside.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by Riverside shareholders, receipt of court and necessary regulatory approvals and securing the required financing.

These carve-out combined financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by Riverside.

3. Basis of presentation

These carve-out financial statements have been prepared on a historical cost basis, except for financial instruments classified as and measured at their fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The purpose of these carve-out financial statements is to provide general purpose historical financial information of the Entity in connection with the Arrangement detailed in Note 2. Therefore, these carve-out financial statements present the historical financial information of Riverside that make up the Entity, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocations of shared income and expenses of Riverside that are attributable to the Entity.

3. Basis of presentation (continued)

The basis of preparation for the carve-out statements of financial position, loss and comprehensive loss, cash flows and changes in equity of the Entity have been applied. The carve-out financial statements have been extracted from historical accounting records of Riverside with estimates used, when necessary, for certain allocations.

- The carve-out statements of financial position reflect the assets and liabilities recorded by Riverside which have been assigned to the Entity on the basis that they are specifically identifiable and attributable to the Entity;
- The carve-out statement of loss and comprehensive loss included a pro-rata allocation of Riverside's income and expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of Riverside's exploration and evaluation assets, and based on specifically identifiable activities attributable to the Entity. The allocation of income and expense for each period presented is as follows: 2019 and 2018 - 20%. The percentages are considered reasonable under the circumstances;
- Income taxes have been calculated as if the Entity had been a separate legal entity and had filed separate tax returns for the period presented.

Management cautions readers of these carve-out financial statements that the Entity's results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Entity been a separate entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Entity's future income and operating expenses. Riverside's investment in the Entity, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

4. Statement of compliance

These carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

5. Significant accounting policies

(a) Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Entity is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the functional currency for an entity are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the profit or loss.

5. Significant accounting policies (continued)

(b) Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. The Entity records exploration and evaluation asset interests, which consist of the right to explore for mineral deposits, at cost. The Entity records deferred exploration costs, which consist of costs attributable to the exploration of exploration and evaluation asset interests, at cost. All direct and indirect costs relating to the acquisition and exploration of these exploration and evaluation asset interests are capitalized on the basis of specific claim blocks until the exploration and evaluation asset interests to which they relate are placed into production, disposed of through sale, or where management has determined there to be an impairment. If an exploration and evaluation asset interest is abandoned, the exploration and evaluation asset interests and deferred exploration costs will be written off to operations in the period of abandonment.

On an on-going basis, the capitalized costs are reviewed on a property-by-property basis to consider if there is any impairment on the subject property. Management's determination for impairment is based on: 1) whether the Entity's exploration programs have significantly changed, such that previously identified resource targets are no longer being pursued; 2) whether exploration results to date are promising and whether additional exploration work is being planned in the foreseeable future; or 3) whether remaining lease terms are insufficient to conduct necessary studies or exploration work.

The recorded cost of exploration and evaluation asset interests is based on cash paid and the assigned value of share consideration issued (where shares are issued) for exploration and evaluation asset interest acquisitions and exploration costs incurred. The recorded amount may not reflect the recoverable value, as this will be dependent on future development programs, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Entity to bring its projects into production.

Property option payments received from its farm-out partners are recorded as a reduction to the capitalized cost of exploration and evaluation assets. Once the capitalized cost is recovered, they are recorded as property income. Management fees received pursuant to exploration alliance arrangements are recorded as a reduction in consulting fees.

5. Significant accounting policies (continued)

(c) Provision for environmental rehabilitation

The Entity recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Entity's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense. The Entity currently does not have any significant provisions for environmental rehabilitation.

(d) Impairment of long-lived assets

At the end of each reporting period, the Entity's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(e) Critical accounting estimates, judgments, and assumptions

The preparation of these carve-out financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These carve-out financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the carve-out financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the carve-out financial statements are noted below with further details of the assumptions contained in the relevant note.

5. Significant accounting policies (continued)

(e) Critical accounting estimates, judgments, and assumptions (continued)

Exploration and evaluation assets

Exploration and evaluation costs are initially capitalized as intangible exploration assets with the intent to establish commercially viable reserves. The Entity is required to make estimates and judgments about the future events and circumstances regarding whether the carrying amount of intangible exploration assets exceeds its recoverable amount. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Entity to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or the ability to generate future cash flows necessary to cover or exceed the carrying value of the Entity's exploration and evaluation assets properties.

Contingencies

Contingencies are resolved only when one or more events transpire. As a result, the assessment of contingencies inherently involves estimating the outcome of future events.

Critical accounting judgments

- the measurement of income taxes payable and deferred tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. Deferred tax assets require management to assess the likelihood that the Entity will generate taxable income in future periods in order to utilize recognized deferred tax assets;
- going concern presentation of the carve-out financial statements as discussed in Note 1, which assumes that the Entity will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due; and
- management's determination of the functional currency of the Entity requires judgment based on the factors outline in IAS 21, *The Effects of Changes in Foreign Exchange Rates.*

(f) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they revert, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

5. Significant accounting policies (continued)

(g) Financial instruments

The Entity has adopted the new accounting standard IFRS 9, *Financial Instruments* ("IFRS 9"), effective October 1, 2018. The new standard sets out requirements for classifying, recognizing and measuring financial assets and liabilities. This standard replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39").

IFRS 9*, Financial Instruments*

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9 and, therefore, the accounting policy with respect to financial liabilities is unchanged.

The following is the new accounting policy for financial assets under IFRS 9:

Financial assets

The Entity will now classify 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 Entity can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Entity'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 FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (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 Entity 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 Entity compares the risk of a default occurring on the asset as 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.

(Expressed in Canadian Dollars)

5. Significant accounting policies (continued)

(g) Financial instruments (continued)

The following table shows the classification of the Entity's financial assets and liabilities under IFRS 9 and IAS 39:

Financial asset or liability	IFRS 9 Classification	IAS 39 Classification
Accounts payable and accrued liabilities	Amortized cost	Other financial liabilities

As the accounting reflected by the adoption of IFRS 9 under the above classifications and election is similar to that of IAS 39, there was no impact on the Entity's financial statements and no restating of prior periods was required.

Financial liabilities

The Entity classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Entity'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.

Amortized cost - 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.

The Entity's accounts payable and accrued liabilities are classified as amortized cost.

(h) Contributions

Contributions from Riverside to the Entity are presented as part of equity. The Entity has no share capital, options or warrants, and as a result, there is no applicable share-related disclosures.

(i) Management fees

Management fees are earned on exploration alliance arrangements where the Entity is the operator of the underlying exploration program. Management fees received pursuant to exploration alliance arrangements are recorded as a reduction in consulting fees.

New Accounting Policies Adopted

The following accounting standards were adopted by the Entity effective October 1, 2018:

IFRS 9*, Financial Instruments* (new; replaces IAS 39) - see Note 5(g)

IFRS 15, ***Revenue from Contracts with Customers*** (new; replaces IAS 18)

On October 1, 2018, the Entity adopted IFRS 15, which supersedes IAS 18. In May 2014, the IASB issued IFRS 15 – *Revenue from Contracts with Customers* which supersedes IAS 11 – *Construction Contracts*; IAS 18 – *Revenue*; IFRIC 13 – *Customer Loyalty Programmes*; IFRIC 15 – *Agreements for the Construction of Real Estate*; IFRIC 18 – *Transfers of Assets from Customers*; and SIC 31 – *Revenue – Barter Transactions involving Advertising Services*. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

5. Significant accounting policies (continued)

The Entity is a junior mining exploration company, and it currently does not generate any revenue from contracts with customers. Therefore, the adoption of this standard did not have a significant impact on the Entity's carve-out financial statements.

New Accounting Pronouncements Not Yet Adopted

IFRS 16- *Leases* (new; replaces IAS 17)

On October 1, 2019, the Entity will adopt IFRS 16, which supersedes IAS 17- Leases ("IAS 17"). The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The Entity expects to use the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. IFRS 16 requires lessees to recognize a right of use of asset and a lease obligation at the lease commencement date. The Entity has assessed its monthly office rent payments and concluded that it does not meet the definition of a lease in the context of IFRS 16. As such, the adoption of the standard is not expected to have an impact on the Entity's carve-out financial statements.

IFRIC 23 - *Uncertainty over Income Tax Treatments*:

On October 1, 2019, the Entity will adopt IFRIC 23, which is a new standard to clarify the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The adoption of this standard is not expected to have a significant impact on the Entity's carve-out financial statements.

6. Exploration and evaluation assets

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 conveyancing history characteristic of many mineral claims. The Entity 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 interest in which the Entity has committed to earn an interest is located in Mexico.

The terms and commitments of the Entity with respect to its exploration and evaluation assets are subject to change if and when the Entity and its partners mutually agree to new terms and conditions.

Peñoles, Durango, Mexico

The Entity owns 100% of the Peñoles Property, a gold-silver project, subject to a 2% NSR payable to the underlying concession holder.

During the year ended September 30, 2019, the Entity received $141,213 (2018 - $140,933) in cash as land taxes recovery from the Government in Mexico.

On December 18, 2017, the Entity entered into an LOI for a potential option of the property and received a non-refundable deposit of US$50,000. On January 15, 2018, the party elected not to proceed with the option.

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued)

For the year ended	September 30, 2019	September 30, 2018
Acquisition costs	28,937	116,048
Exploration costs		
Access	-	55
Assaying	2,306	-
Field & camp costs	12,135	13,187
Geological consulting	226,359	225,138
Transport & support	48,250	46,266
Total current exploration costs	289,050	284,646
Professional & other fees		
Professional consulting	6,000	29,710
Legal fees	10,429	10,830
Others	-	1,012
Total current professional & other fees	16,429	41,552
Total costs incurred during the year	334,416	442,246
Balance, Opening	1,274,557	1,015,386
Recoveries	(141,213)	(205,363)
Write off	-	-
Foreign exchange movements	(107,177)	22,288
Balance, End of the year	1,360,583	1,274,557

Cumulative costs:		As at September 30, 2019		As at September 30, 2018
Acquisition	$	3,980,639	$	3,951,702
Exploration		1,926,182		1,637,132
Professional & other fees		700,846		684,417
Recoveries		(4,665,613)		(4,524,400)
Foreign exchange movements		(581,471)		(474,294)
Total	$	1,360,583	$	1,274,557

7. Contributions from Riverside

Riverside's investment in the operations of Carve-out is presented as contributions from Riverside in the carveout financial statements. Deficit/Capital contributions represent the accumulated net losses of the carve-out operation, the accumulated net contributions from Riverside

Net financing transactions with Riverside as presented in the carve-out statements of cash flows represents the net contributions related to the funding of operations between Carve-out and Riverside.

8. Capital management

As a separate resource exploration activity, the Entity does not have share capital and its equity is a carve-out amount from Riverside's equity. Riverside has no debt and does not expect to enter into debt financing.

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

There were no changes in the Entity's approach to capital management during the year ended September 30, 2019. The Entity is not currently subject to externally imposed capital requirements.

9. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Entity as a whole. The Entity has determined that key management personnel consist of executive and non-executive members of the Entity's Board of Directors and corporate officers.

During the years ended September 30, 2019 and 2018, there were no related party transactions.

10. 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 Entity's accounts payable and accrued liabilities approximate carrying value, which is the amount recorded on the statements of financial position.

10. Financial instruments (continued)

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

Liquidity risk

The Entity's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Entity manages liquidity risk through the management of its capital structure.

Price risk

The Entity is exposed to price risk with respect to commodity prices. 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 Entity 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 Entity.

Foreign currency risk

The Entity is exposed to foreign currency risk on fluctuations related to accounts payable and accrued liabilities that are denominated in US dollars (US) and Mexican pesos.

Sensitivity analysis

The Entity operates in Mexico and is exposed to risk from changes in the US dollar and the Mexican peso.

11. Segmented information

The Entity operates in one reportable segment, being the acquisition and exploration of mineral property interests in Mexico.

12. Income taxes

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	2019	2018
Net loss for the year	$ (177,209)	$ (161,143)
Expected income tax expense (recovery)	$ (48,000)	$ (43,000)
Change in statutory, foreign tax, foreign exchange rates and other	-	(34,000)
Change in unrecognized deductible temporary differences	48,000	77,000
Total income taxes	$ -	$ -

(Expressed in Canadian Dollars)

12. Income taxes (continued)

The significant components of deferred tax assets related to Canada that have not been recognized are as follows:

	2019	2018
Deferred tax assets		
Non-capital losses	$ 1,002,000	$ 954,000
	$ 1,002,000	$ 954,000

The significant components of deductible temporary differences, unused tax losses and unused tax credits that have not been included on the carve-out statements of financial position are as follows:

	September 30, 2019	**Expiry dates**	**September 30, 2018**	**Expiry dates**
Temporary Differences				
Non-capital losses	$ 3,711,000	2027-2039	$ 3,534,000	2027-2038

Tax attributes are subject to review, and potential adjustment, by tax authorities.

SCHEDULE "H"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

RIVERSIDE RESOURCES INC. AND CAPITAN MINING INC. PRO FORMA FINANCIAL STATEMENTS

(see attached)

RIVERSIDE RESOURCES INC.

CAPITAN MINING INC.

Pro Forma Consolidated Financial Statements
September 30, 2019

(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

RIVERSIDE RESOURCES INC.
CAPITAN MINING INC. ("SPINCO")
Pro Forma Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

				Pro Forma Adjustments			
		Riverside Resources Inc. As of September 30, 2019	Capitan Mining Inc. As of October 30, 2019	Riverside Resources Inc	Capitan Mining Inc.	Riverside Resources Inc. Upon Arrangement	Capitan Mining Inc. Upon Arrangement
Assets							
Current assets:							
Cash and cash equivalents	$	3,443,996	1	-	1,744,999	3,443,996	1,745,000
Short-term investments		1,698,383	-	-	-	1,698,383	-
Receivables		487,391	-	-	-	487,391	-
Prepaid expenses		101,498	-	-	-	101,498	-
		5,731,268	1	-	1,744,999	5,731,268	1,745,000
Equipment		173,250	-	-	-	173,250	-
Exploration and evaluation assets		6,436,939	-	(1,360,583)	3,500,000	5,076,356	3,500,000
	$	12,341,457	1	(1,360,583)	5,244,999	10,980,874	5,245,000
Liabilities and Shareholders' Equity							
Current Liabilities:							
Accounts payable and accrued liabilities	$	1,175,052	-	-	-	1,175,052	-
Provision liability		1,103,819	-	-	-	1,103,819	-
		2,278,871	-	-	-	2,278,871	-
Shareholders' Equity:							
Capital stock		27,344,879	1	(3,500,000)	5,244,999	23,844,879	5,245,000
Reserves		3,292,422	-	62,739	60,311	3,355,161	60,311
Deficit		(19,227,987)	-	2,076,678	(60,311)	(17,151,309)	(60,311)
Accumulated other comprehensive loss		(1,346,728)	-	-	-	(1,346,728)	-
		10,062,586	1	(1,360,583)	5,244,999	8,702,003	5,245,000
	$	12,341,457	1	(1,360,583)	5,244,999	10,980,874	5,245,000

The accompanying notes are an integral part of these pro forma consolidated financial statements.

RIVERSIDE RESOURCES INC.
CAPITAN MINING INC. ("SPINCO")
Pro Forma Consolidated Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

				Pro Forma Adjustments			
		Riverside Resources Inc. for the year ended September 30, 2019	Capitan Mining Inc. As of October 30, 2019	Riverside Resources Inc	Capitan Mining Inc.	Riverside Resources Inc. for the year ended September 30, 2019 Upon Arrangement	Capitan Mining Inc. Upon Arrangement
Expenses							
Consulting fees	$	288,237	-	-	-	288,237	-
Depreciation		21,701	-	-	-	21,701	-
Director fees		39,000	-	-	-	39,000	-
Foreign exchange loss (gain)		(21,828)	-	-	-	(21,828)	-
General and administration		107,822	-	-	-	107,822	-
Investor relations		246,946	-	-	-	246,946	-
Professional fees		148,486	-	-	-	148,486	-
Property investigation and evaluation		10,879	-	-	-	10,879	-
Rent		77,392	-	-	-	77,392	-
Share-based payments		96,397	-	62,739	60,311	159,136	60,311
Finance income		(42,591)	-	-	-	(42,591)	-
Gain on disposal of equipment		(32,852)	-	-	-	(32,852)	-
Other income		(1,305,993)	-	-	-	(1,305,993)	-
Write-down of exploration and evaluation assets		96,062	-	-	-	96,062	-
Unrealized loss on short-term investments		339,689	-	-	-	339,689	-
Realized loss on short-term investments		137,304	-	-	-	137,304	-
Gain on debt settlement		(26,846)	-	-	-	(26,846)	-
Provision tax penalty		1,131,026	-	-	-	1,131,026	-
Gain on spin-out of assets		-	-	(2,139,417)	-	(2,139,417)	-
Net income (loss) for the year	$	(1,310,831)	-	2,076,678	(60,311)	765,847	(60,311)
Foreign exchange movements		(221,918)	-	-	-	(221,918)	-
Comprehensive income (loss) for the year	$	(1,532,749)	-	2,076,678	(60,311)	543,929	(60,311)
Income (loss) per share – basic and diluted		(0.02)	-	-	-	0.01	(60,311)
Weighted average number of share outstanding – basic and diluted		54,363,054	1	-	-	54,363,054	1

The accompanying notes are an integral part of these pro forma consolidated financial statements.

1. Plan of Arrangement

The unaudited pro forma consolidated financial statements have been compiled for purposes of inclusion in an Information Circular for Riverside Resources Inc. ("Riverside") dated February 25, 2020.

Riverside intends to strategically reorganize its exploration business.

In connection with the reorganization, Capitan Mining Inc. ("Capitan" or "SpinCo"), will complete the acquisition of its interest in the Peñoles Property from Riverside Resources Inc. ("Riverside") for $3.5 million to be paid by issuing 17,500,000 common shares ("SpinCo Shares") to Riverside. Riverside will then complete a share capital reorganization by way of statutory plan of arrangement ("Arrangement") whereby Riverside will spin-out the SpinCo Shares to Riverside's shareholders. Prior to completing the Arrangement, Capitan intends to complete a private placement to raise proceeds of $2,000,000 by the issuance of 10,000,000 common shares at $0.20 per share.

Upon closing of the Arrangement, but prior to completion of the private placement, Capitan will be owned exclusively by existing Riverside shareholders, keeping their identical proportion to their pre-Arrangement shareholdings of Riverside.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by Riverside shareholders, receipt of court and necessary regulatory approvals and securing the required financing.

2. Basis of Presentation

These unaudited pro forma consolidated financial statements give effect to the Arrangement agreement whereby Riverside will transfer its interests detailed in the carve-out consolidated financial statements to SpinCo for shares in SpinCo.

The unaudited pro forma consolidated financial statements have been compiled from and include:

- An unaudited pro forma consolidated statement of financial position, which combines the statement of financial position of SpinCo as at October 30, 2019 and the audited consolidated statement of financial position of Riverside Resources Inc. ("Riverside") as at September 30, 2019, giving effect to the Arrangement agreement as if it occurred on September 30, 2019.

- An unaudited pro forma consolidated statement of loss and comprehensive loss, which combines the statement of loss and comprehensive loss of SpinCo at the date of incorporation and the consolidated statement of loss and comprehensive loss of Riverside for the year ended September 30, 2019 giving effect to the Arrangement agreement as if it had occurred on September 30, 2019.

These unaudited pro forma consolidated financial statements are provided for illustrative purposes only, and do not purport to represent the financial position that would have resulted had the Arrangement agreement actually occurred on September 30, 2019 or the results of operations that would have resulted had the Arrangement agreement actually occurred on September 30, 2019. Further, these pro forma consolidated financial statements are not necessarily indicative of the future financial position or results of operations of SpinCo as a result of the Arrangement agreement. These unaudited pro forma consolidated financial statements should be read in conjunction with the audited consolidated financial statements of Riverside for the years ended September 30, 2019 and 2018, and the audited financial statements of SpinCo as at its incorporation on October 30, 2019, all of which are contained within the Information Circular.

(Expressed in Canadian Dollars)

3. Significant Accounting Policies

The accounting policies used in the preparation of these unaudited pro forma consolidated financial statements are those as set out in the Riverside Resources Inc. audited consolidated financial statements for the year ended September 30, 2019.

4. Pro Forma Adjustments and Assumptions

a) Riverside will complete the transfer of its interest in the Peñoles mineral property, which had a carrying book value of $1,360,583 as at September 30, 2019, to SpinCo for $3,500,000 to be paid by the issuance of 17,500,000 common shares of Capitan.

b) Upon completion of the Arrangement, Riverside will distribute these 17,500,000 common shares to its shareholders, resulting in a gain of $2.1 million.

c) Upon completion of the Arrangement, Riverside will surrender its 1 common share of SpinCo back to SpinCo, after which SpinCo will retire that common share.

d) Upon completion of the Arrangement, SpinCo will also issue Riverside 1,214,013 options. Although no warrants will be issued upon the Arrangement, SpinCo will have an obligation to issue shares to Riverside shareholders upon exercise of Riverside warrants at a ratio of 0.2767 SpinCo share per each 1 Riverside share.

e) The Arrangement also contemplates that SpinCo will complete a private placement financing in the amount of $2 million at $0.20 per share. The share issuance costs and transaction costs are estimated to total $255,000, which includes 6% cash finders' fee as well as legal and audit fees.

5. Share Capital and Per Share Amounts

Share capital of SpinCo in the unaudited pro forma consolidated financial statements is comprised of the following:

Authorized: Unlimited common shares without par value

	Number of shares		Amount
Issued			
On Incorporation, October 30, 2019	1	$	1
Share surrendered upon completion of Arrangement	(1)		(1)
Shares issued to Riverside shareholders upon completion of Arrangement	17,500,000		3,500,000
Shares issued to Riverside upon completion of private placement	10,000,000		1,745,000
	27,500,000	$	5,245,000

6. Income taxes

No value has been ascribed to any acquired tax loss carry forwards obtained by SpinCo as part of the Arrangement, as SpinCo is an early stage company, and it is not known whether sufficient future taxable profits will be available to utilize these losses prior to expiry.

SCHEDULE "I"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

(see attached)

RIVERSIDE RESOURCES INC.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

General

"Corporate Governance" refers to the process and structure used to direct and manage the business and affairs of a corporation. The objective is to enhance shareholder value, including ensuring the financial viability of the business. Corporate governance processes and structures define the division of power among the shareholders, the board of directors and management, and establish ways to ensure accountability. They also take into account how the direction and management of the business will affect other stakeholders such as employees, customers, suppliers and communities.

The Canadian Securities Administrators have adopted two National Instruments, 58-201 *Corporate Governance Guidelines* ("**NI 58-201**") and 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

NI 58-201 sets forth a set of guidelines or "best practices" for reporting issuers to consider when evaluating their own corporate governance practices. Recognizing that not all of the guidelines set forth in NI 58-201 will be appropriate for all companies, full implementation of the guidelines is not mandated by either NI 58-201 or the TSX Venture Exchange. NI 58-101 mandates the disclosure of the corporate governance practices actually implemented by a reporting company, in certain prescribed disclosure documents.

As the business of Riverside is straightforward, Riverside is at an early stage of development and the Riverside Board is relatively small, Riverside's Corporate Governance practices are at an early stage of evolution. The following describes Riverside's approach to corporate governance, in compliance with NI 58-101.

Board of Directors

Riverside's Board consists of a total of five directors, John-Mark Staude, Brian Groves, James Clare, Carol Ellis and Walter Henry. John-Mark Staude is not independent in that he is the Chief Executive Officer of Riverside. The other four directors are independent. Accordingly, the majority of the directors are independent.

Directorships

Mr. Groves is a Director of Genesis Metals Corp. and Kootenay Silver Inc. Mr. Clare is a director of PJX Resources Inc., Spanish Mountain Gold Ltd. and SolGold plc. Mr. Henry is a director of Frontline Gold Corporation, Platinex Inc., Alturas Minerals Corp., and Alexandria Minerals Corporation. All of the foregoing companies are reporting issuers.

Orientation and Continuing Education

Riverside does not have a formal process of orientation for new Riverside Board members. However, Riverside does orient and educate new Riverside Board members by providing background information, conducting personal meetings and responding to questions, during the early stages of a new Riverside Board member's involvement with Riverside.

Riverside does not have a formal process of continuing education for directors. Generally, Riverside expects that existing and new Riverside Board members will have a familiarity with the business of mineral exploration and development. Professional advisors may be invited to attend Riverside Board meetings, as needed. Riverside also relies on the relatively straightforward nature of its business, and the established qualifications and expertise of its Riverside Board members.

Ethical Business Conduct

The Riverside Board has adopted a Code of Business Conduct and Disclosure Policy for Riverside's directors, officers and employees with respect to ethical business conduct. A full copy of both the Code of Business Conduct and Disclosure Policy was filed on SEDAR on November 30, 2009. To the greatest extent possible, Riverside attempts to attract and retain individuals with a well-developed personal code of ethical conduct in both their business and personal lives.

In considering a transaction in which a director has a material interest, the director is required to disclose the nature and extent of his interest to the Riverside Board and to abstain from voting on any resolution pertaining to the transaction.

Nomination of Directors

The Riverside Board does not have a Nominating Committee to identify new candidates for Riverside Board nomination. Potential candidates for appointment to the Riverside Board are considered by the Riverside Board as a whole, in reliance on the recommendations, qualifications and experience of its members. The Riverside Board recognizes that, in accordance with good corporate governance practices, it is desirable to appoint additional members who are independent, and gives weight to this consideration in Riverside Board appointments.

Compensation

Riverside's Board has a Compensation Committee consisting of Brian Groves, James Clare and Walter Henry. The Compensation Committee sets cash compensation for Riverside's CEO and CFO. Riverside Options and bonus shares are set by the Compensation Committee and then granted by the full Riverside Board. Further particulars concerning the compensation of Riverside's directors and officers are set forth under "*Riverside Resources Inc. – Statement of Executive Compensation for Riverside - Oversight and Description of Director and Named Executive Officer Compensation*".

Other Board Committees

The Riverside Board has no committees other than its Audit Committee and Compensation Committee.

Assessments

The Riverside Board has no specific procedures for regularly assessing the effectiveness and contribution of the Riverside Board, its committees or individual directors. As the business of Riverside is relatively straightforward and its Riverside Board relatively small, it is expected that a significant lack of performance on the part of a committee or individual director would become readily apparent, and could be dealt with on a case-by-case basis. With respect to the Riverside Board as a whole, the Riverside Board monitors its performance on an ongoing basis, and as part of that process considers the overall performance of Riverside and input from the Riverside Shareholders.

SCHEDULE "J"

RIVERSIDE AUDIT COMMITTEE CHARTER

(see attached)

RIVERSIDE RESOURCES INC.
(the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Company. If the Company ceases to be a "venture issuer" as that term is defined in Multilateral Instrument 52-110 entitled "Audit Committees" ("MI 52-110"), then all of the members of the audit committee shall be free from any material relationship with the Company within the meaning of MI 52-110.

2.2 Financial Literacy of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. A person is generally considered "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3. Meetings

The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

(a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

SCHEDULE "K"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

RIVERSIDE RESOURCES INC. CARVE-OUT MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

(see attached)

Riverside Resources Inc. Carve-Out
Management's Discussion and Analysis

For the Years Ended September 30, 2019 and 2018

GENERAL

The following Management Discussion and Analysis ("MD&A") of Riverside Resources Inc. Carve-out (the "Entity" or "Carve-out") has been prepared by management, in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of February 21, 2020 and should be read in conjunction with the audited carve-out financial statements of the Entity for the year ended September 30, 2019 and 2018 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Entity.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Entity, unless specifically noted.

Management of Riverside Resources Inc. ("Riverside") is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Entity's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

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 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 Entity'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 Entity'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; and the potential for conflicts of interest among certain officers or directors with certain other projects. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Entity 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 Entity's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Entity 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).

DESCRIPTION OF BUSINESS AND OVERVIEW

The Entity is a mineral exploration entity focused on properties in Mexico. The Entity's principal property is the Peñoles project in Mexico.

SIGNIFICANT EVENTS/OVERALL PERFORMANCE

Subsequent to September 30, 2019, Riverside Resources Inc. ("Riverside") intends to strategically reorganize its exploration business.

In connection with the reorganization, the Entity (through its wholly-owned Mexican subsidiary), will complete the acquisition of the Peñoles Property from Riverside Resources Inc. ("Riverside") for $3.5 million to be paid by the issuance of 17,500,000 common shares Riverside will then complete a share capital reorganization by way of statutory plan of arrangement ("Arrangement") whereby Riverside will spin-out the SpinCo Shares to Riverside's shareholders. Prior to completing the Arrangement, Entity intends to complete a private placement to raise proceeds of $2,000,000 by the issuance of 10,000,000 common shares at $0.20 per share.

Upon closing of the Arrangement, but prior to completion of the private placement, Entity will be owned exclusively by existing Riverside shareholders, keeping their identical proportion to their pre-Arrangement shareholdings of Riverside.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by Riverside shareholders, receipt of court and necessary regulatory approvals and securing the required financing.

The carve-out combined financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by Riverside.

MINERAL PROPERTY

Peñoles Project, Durango, Mexico

The Peñoles Project, 100% owned by the Entity, comprises a large land package of approximately 6,862 hectares located in north-central Durango State within the globally important Central Mexico Silver Belt. Peñoles is an advanced project having been partially delineated for gold and silver mineralization with 86 drill-holes (approx. 11,500 metres total). These drill-holes have been used to define a NI43-101-compliant Inferred Resources for the Capitan gold deposit and the nearby Jesus Maria silver deposit. The reader is referred to Riverside's website and SEDAR filings for detailed information on the resource estimates and on the various exploration programs that have been completed on the Project.

The Entity continued detailed field studies, modeling of the geology, targeting and three-dimensional geology volume evaluations. Project work, access efforts and long-term access agreement were progressed during June and throughout the 2019 financial year. The community efforts included helping with local programs and hiring local people for work and special projects in the community.

The data modeling identified high-grade target zones at a regional scale which outlines the possibilities for brownfields new discoveries in the overall district. During the past months, neighboring company Fresnillo completed drilling on their ground and Riverside looks to integrate knowledge gained into a more complete project modeling.

During the last quarter of 2018 the Entity's geologists re-examined the exploration potential for the Gully Fault, open pit targets, and satellite target areas. New soil survey and other work is on-going. A majority of the past drill-holes that tested the Jesus Maria silver deposit are now reinterpreted building upon the re-logged and updated analysis that was made of existing drill core geochemical data which resulted in an improved understanding of the types of silver mineralization found at Jesus Maria. More importantly, the re-examination of the Jesus Maria database now gives the Entity a better idea of where the best potential lies to increase the Project's silver resource.

Peñoles project for final quarter of the calendar year and first quarter of the Entity financial year had work in the field and computer on the geophysics which will be used further in 2019.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected annual financial information for the most recent three fiscal years.

	Year Ended September 30, 2019 (audited)	Year Ended September 30, 2018 (audited)	Year Ended September 30, 2017 (unaudited)
Total Revenues	$ Nil	$ Nil	$ Nil
Net Loss	177,209	161,143	219,393
Total Assets	1,360,583	1,274,557	1,015,386
Long-term Liabilities	$ 5,418,338	$ 5,047,926	$ 4,649,900

SUMMARY OF QUARTERLY RESULTS

The following is a summary of certain selected unaudited financial information for the most recent eight fiscal quarters.

	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Revenue	$Nil	$Nil	$Nil	$Nil
Loss	33,949	64,351	53,681	25,227
Comprehensive loss (income)	92,822	106,979	74,694	9,890

	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Revenue	$Nil	$Nil	$Nil	$Nil
Loss	44,971	29,128	32,326	54,719
Comprehensive loss (income)	32,821	132,588	(335,288)	308,735

RESULTS OF OPERATIONS

Years ended September 30, 2019 and 2018

The Entity is still in the exploration stage without any producing properties.

Expenses	Notes	Year ended September 30, 2019	Year ended September 30, 2018
Consulting fees		$ 57,647	$ 62,474
Directors fees		7,800	9,600
Foreign exchange gain	1	(4,366)	(19,466)
General and administration		21,564	21,883
Investor relations	2	49,389	37,513
Professional fees		29,697	24,005
Rent	3	15,478	25,134
Total expenses		$ 177,209	$ 161,143

Notes

1. Consulting fee for the year ended September 30, 2019 were lower than the year ended September 30, 2018 as a result of a decrease in financial advisory services retained during the year.

2. Investor relations for the year ended September 30, 2019 was higher than the year ended September 30, 2018 due to the Entity retaining investor relation services in connection with the completed private placement in the year ended September 30, 2019.

3. Rent was lower in the year ended September 30, 2019 than the year ended September 30, 2018 due to the Entity moving and entering into a new rental agreement with a lower rate in the year ended September 30, 2019.

Three months ended September 30, 2019 and 2018

Expenses	Notes		Three months ended September 30, 2019		Three months ended September 30, 2018
Consulting fees		$	11,554	$	16,413
Directors fees			1,800		2,400
Foreign exchange loss (gain)	1		(4,883)		1,938
General and administration			2,810		5,247
Investor relations	2		13,929		8,912
Professional fees			4,869		6,191
Rent	3		3,870		3,870
Total expenses		$	33,949	$	44,971

There were no significant variations in operating expenses during the three months ended September 30, 2019 and 2018.

LIQUIDITY AND CAPITALIZATION

Working Capital

The Entity had no working capital as at September 30, 2019 and September 30, 2018. Please refer to Note 1 (going concern).

Long-Term Liability

The Entity had no long-term liabilities as at September 30, 2019 and 2018

RELATED PARTY TRANSACTIONS

Key Management Personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Entity. The Entity has determined that key management personnel consist of executive and non-executive members of the Entity's Board of Directors and corporate officers.

During the years ended September 30, 2019 and 2018, there were no related party transactions, except as disclosed elsewhere.

As at September 30, 2019 and 2018, the following amounts were due to Riverside:

		As at September 30, 2019		As at September 30, 2018
Due to Riverside	$	5,418,338	$	5,047,926

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

Please refer to the "Significant Events/Overall Performance" note for details regarding the Arrangement.

CHANGE IN ACCOUNTING POLICIES

Please refer to the carve-out financial statements for the years ended September 30, 2019 and 2018.

FUTURE ACCOUNTING CHANGES

Please refer to the carve-out financial statements for the years ended September 30, 2019 and 2018.

CRITICAL ACCOUNTING ESTIMATES

Please refer to the carve-out financial statements for the years ended September 30, 2019 and 2018.

FINANCIAL INSTRUMENTS

Please refer to the carve-out financial statements for the years ended September 30, 2019 and 2018.

RISKS AND UNCERTAINTIES

All of the Entity's operations involve mineral exploration and development and there is no guarantee that any such activity will result in commercial production of deposits. Mineral exploration and development involve substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. Examples of these risks include, but are not limited to:

Liquidity risk

The Entity's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Entity manages liquidity risk through the management of its capital structure.

Price risk

The Entity is exposed to price risk with respect to commodity prices. 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 Entity 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 Entity.

Foreign currency risk

The Entity is exposed to foreign currency risk on fluctuations related to accounts payable and accrued liabilities that are denominated in US dollars (US) and Mexican pesos.

Sensitivity analysis

The Entity operates in Mexico and is exposed to risk from changes in the US dollar and the Mexican peso.

SCHEDULE "L"

TO THE MANAGEMENT INFORMATION CIRCULAR OF RIVERSIDE RESOURCES INC.

CAPITAN MINING INC. MANAGEMENT DISCUSSION AND ANALYSIS AS AT THE DATE OF INCORPORATION (OCTOBER 30, 2019)

(see attached)

Capitan Mining Inc.
Management's Discussion and Analysis

As at the date of incorporation of October 30, 2019

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is an overview of the activities of Capitan Mining Inc. (the "Company" or "Capitan") as at the date of incorporation on October 30, 2019. The MD&A is intended to help the reader understand the Company's operations, financial performance and present and future business environment. The MD&A should be read in conjunction with the audited consolidated financial statements at October 30, 2019, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. All amounts are stated Canadian dollars. The date of this MD&A is February 21, 2020.

DESCRIPTION OF BUSINESS AND OVERVIEW

Capitan Mining Inc. was incorporated on October 30, 2019 to focus on the exploration and development of gold-silver projects with an emphasis on projects throughout Mexico. The head office and principal address of the Company is 550-800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6. Riverside Resource Inc. ("Riverside" or "RRI") is the Company's only shareholder.

As of the date of this MD&A, the Company does not have any assets or liabilities aside from $1 in cash and has incurred no operations.

Capitan is in the process of completing an arrangement with RRI whereby RRI will acquire 17,500,000 outstanding common shares of Capitan at $0.20 per share. Under the "Arrangement", each RRI shareholder will receive 0.2767 common shares of Capitan.

In connection with the Arrangement, RRI will complete its transfer of the Peñoles exploration property located in Durango, Mexico, which has book value of $1.36 million in exploration and evaluation assets to Capitan. Consideration to be paid by Capitan for the transfer of the property will be $3.5 million which Capitan intends to settle with the issuance of 17.5 million common shares. Upon the completion of the Arrangement, RRI will own approximately zero shares of Capitan.

The Board of Directors of Captain has unanimously approved the Arrangement. The Arrangement will be carried out by way of a court-approved plan of arrangement and will require the approval of at least 66 2/3% of the votes cast by the shareholders of Riverside. The special meeting of shareholders of Riverside will take place on March 31, 2020 to seek approval for the Arrangement with closing expected to occur in early April.

In addition to shareholder and court approvals, the Arrangement is subject to applicable regulatory approvals and the satisfaction of certain other closing conditions customary in transactions of this nature.

Upon closing of the Arrangement, Capitan intends to make an application to the TSX Venture Exchange for its shares to be listed for trading on the TSX Venture Exchange. If the Capitan shares do not become listed or quoted for trading on any stock exchange, this could have a material adverse effect on the liquidity of the Capitan shares and negatively impact the share price of Capitan shares following the completion of the Arrangement.

With respect to the exploration property, management of Capitan considers the Peñoles property to be material for the purposes of National Instrument 43−101 − Standards for Disclosure of Mineral Projects. Further information about the Peñoles property can be obtained from the Information Circular of Riverside, dated February 25, 2020 prepared in connection with Riverside's AGM to be held on March 31, 2020, and the 43-101 Technical Report for the Peñoles property, which is available under Riverside on www.sedar.com.