

# Riverside-BHP Exploration Agreement Adds Llano De Nogal Copper Project Tenure from Orogen Royalties in Sonora, Mexico

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Vancouver, May 5, 2022 - [Riverside Resources Inc.](#) (TSXV: RRI) (OTCQB: RVSDF) (FSE: 5YY) ("Riverside" or the "Company"), working with funding partner BHP, is pleased to report that it has signed an option agreement with Orogen Royalties Inc. (TSXV: OGN) ("Orogen") to acquire 100% interest in the Llano de Nogal copper project (the "Project") in Sonora, Mexico as a new property acquisition within the BHP - Riverside Sonora Mexico Exploration Financing Agreement ("EFA"). The Llano de Nogal Project will become the fifth active Work Project within the EFA. The new project will have an exploration budget of USD \$1,000,000 for the initial work phase of geology, geophysics and geochemistry. Riverside previously acquired minor tenure of the Llano de Nogal district from Millrock Resources in 2019 and has subsequently worked with BHP on the Project through the EFA to consolidate a larger portion.

## Highlights:

- The Llano de Nogal Copper Project is a large porphyry Cu district located between the two largest copper districts of Mexico; Cananea and La Caridad in northern Sonora, Mexico
- Riverside has signed an option agreement to acquire a 100% interest of Orogen's 98 km<sup>2</sup> mineral tenure in the Project through the BHP-Riverside EFA.
- The EFA program funded Option contemplates cash payments totaling US\$2.48 million and exploration expenditures of US\$5 million over a six-year period to acquire Orogen's mineral tenure.
- Riverside will receive a 10% management fee and conduct the exploration work on the Project.
- Under the terms of the EFA, BHP can earn up to 80% and Riverside up to a 20% interest into Orogen's mineral concessions of Llano de Nogal by making cash payments totaling US\$2.48 million and exploration expenditures of US\$5 million over a six-year period with BHP fully funding all generative programs.
- BHP will fund all generative work to be completed in the Project through the EFA with subsequent work funded by both BHP and Riverside. If the option is fully exercised, Riverside will be entitled to acquire up to a 20% interest of the Project.

Figure 1: Properties Riverside owns and is active on for copper exploration in Sonora and the Llano de Nogal district location.

To view an enhanced version of this graphic, please visit:

[https://orders.newsfilecorp.com/files/6101/122894\\_f3749a928456fa01\\_002full.jpg](https://orders.newsfilecorp.com/files/6101/122894_f3749a928456fa01_002full.jpg)

Riverside also separately controls 100% of small tenures shown in figure 2 within the Project area and the overall geology and location of the concessions involved in this option.

Figure 2: Tenure map showing Orogen claims. The smaller dark grey claims blocks are pre-existing Riverside claims.

To view an enhanced version of this graphic, please visit:

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Riverside's President and CEO, John-Mark Staude: "We are pleased to work together and progress this project to the next stage of mineral exploration and add it to our EFA program with BHP in Sonora, Mexico."

## About the Llano Del Nogal

Riverside's Llano del Nogal Project tenure is a land package fully owned by Riverside with indications for porphyry Cu and post-mineral Baucarit middle and late Tertiary gravel cover. Riverside's tenure is located within the prolific Cananea-La Caridad porphyry copper trend. The Project is located 35 km northwest of the La Caridad mine that after 35 years of historic mining, has a measured and indicated mineral resource of over 6.4 Bt at 0.17% copper<sup>[1]</sup>. The Project is also located 60 km southeast of the Cananea (Buena Vista Mine), one of the world's largest porphyry copper deposits with a total global resource of over 15Bt at 0.22% copper<sup>1</sup> remaining after more than 120 years of continuous mining.

The Orogen tenure adds an additional 98 km<sup>2</sup> to the Riverside-BHP EFA land package. Orogen's tenure displays evidence of an extensive post mineral cover with outcrops showing hydrothermal alteration within exposures of Cretaceous age altered volcanics cut by Laramide intrusions and breccias. The target zones will be worked on by Riverside-BHP through a field and geophysics exploration program in the coming months with BHP funding having been provided to Riverside as part of the signing of this transaction.

## Option Agreement for the Project

The EFA Program is structured such that Riverside can earn up to 20% and BHP can earn up to 80% in the Project as laid out in the news release (May 16, 2019) which in this specific third party property option case by making cash payments of US\$2.48 million and US\$5.0 million in exploration expenditures subject to the following schedule which would give BHP-Riverside 100% ownership of the tenure, subject to NSRs:

Table 1: Exploration Payment Schedule

Date	Cash (\$US)	Cumulative Exploration Expenditures (\$US)
Closing of transaction	\$30,000	-
First Anniversary	\$50,000	\$500,000
Second Anniversary	\$50,000	\$1,300,000
Third Anniversary	\$100,000	\$2,000,000
Fourth Anniversary	\$200,000	\$3,000,000
Fifth Anniversary	\$300,000	\$4,000,000
Sixth Anniversary	\$1,750,000	\$5,000,000

During the option period, Orogen and Riverside will jointly have the right to exercise and retain any Net Smelter Return ("NSR") royalty buydown rights with respect to the Suanse claims (0.5% NSR royalty for C\$1 million) and the Coyotes claims (1.5% NSR royalty for US\$1.5 million).

Once the Option is exercised on Llano de Nogal, the Optionee will grant to Orogen a 1% Production Royalty, of which 0.5% can be purchased for US\$10 million within 10 years of the exercise date.

Once BHP has funded all exploration expenditures, other than those expenditures funded by Riverside, amounting up to US\$5,000,000, and made other payments to Riverside it will have earned the conditions to convert to up to a 80% owner in a subsequent JV with Riverside. Once BHP has funded all generative expenditures in the Project, Riverside can elect to fund between 10% and 20% of the remaining exploration expenditures. At any time after the Generative program ends, BHP can request Riverside to transfer its rights and obligations under the Agreement for Llano de Nogal Orogen concessions to BHP Exploration Chile SpA ("BHP") or its affiliates pursuant to the Exploration and Financing Agreement between BHP and Riverside dated May 15, 2019.<sup>[2],[3]</sup>

Riverside's mineral concessions at the current time are still controlled by Riverside but may be added to BHP's earn in interest in the future. Currently Riverside controls these 100% for Llano de Nogal of Riverside.

## Qualified Person & QA/QC:

The scientific and technical data contained in this news release was reviewed and approved by Freeman Smith, P.Geol, a non-independent qualified person to Riverside Resources, who is responsible for ensuring

that the geologic information provided within this news release is accurate and who acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

About Riverside Resources Inc.:

Riverside is a well-funded exploration company driven by value generation and discovery. The Company has over \$4M in cash, no debt and less than 75M shares outstanding with a strong portfolio of gold-silver and copper assets and royalties in North America. Riverside has extensive experience and knowledge operating in Mexico and Canada and leverages its large database to generate a portfolio of prospective mineral properties. In addition to Riverside's own exploration spending, the Company also strives to diversify risk by securing joint-venture and spin-out partnerships to advance multiple assets simultaneously and create more chances for discovery. Riverside has properties available for option, with information available on the Company's website at [www.rivres.com](http://www.rivres.com).

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

"John-Mark Staude"

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

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<sup>1</sup> <https://www.southernperu.com/ENG/invrel/2021/10K/10k2021.pdf>

<sup>2</sup>

<https://www.rivres.com/news/2019-news/riverside-signs-us-2-000-000-strategic-funding-agreement-with-bhp-in-sonora>

<sup>[3]</sup> <https://www.rivres.com/news/2022-news/riversideesourcesorporateutlookfor202220220112070000>

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