



S I R I O S

SIRIOS RESOURCES INC.

TSX-V: SOI

Management's Discussion and Analysis
Quarterly highlights
For the three-month period ended September 30, 2019

This quarterly Management Discussion and Analysis, dated November 19, 2019, highlights Sirios Resources Inc.'s ("the Company" or "Sirios") operations and constitutes management's review of the factors that affected the Company's financial operating performance for the three-month period ended September 30, 2019.

This discussion and analysis should be read in conjunction with:

- The September 30, 2019 unaudited interim financial statements;
- The 2019 Annual Management report;
- The Company's audited financial statements for the years ended June 30, 2019 and 2018.

These documents and additional information are available through www.sedar.com website, under the Company's section "Sedar filing" or at www.sirios.com.

1. Nature of activities

Since its creation in 1994 under the Canada Business Corporations Act, Sirios' goal is to discover world-class gold deposits in the James Bay region, in Quebec. Over the years, Sirios has developed extensive expertise in the exploration of this region.

The address of the Company's registered office is 1000, St-Antoine West, Suite 410, Montreal, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange, under the symbol "SOI". As at September 30, 2019, there are 156,213,503 common shares of Sirios issued and outstanding.

2. Financing activities

On October 18, 2019, the Company completed a private placement for a total of \$1,480,000. In total, 7,400,000 shares were issued at a price of \$0.30 as well as 3,700,000 warrants.

On October 23, 2019, 125,000 options were exercised at a price of \$0.10.

3. Investing activities

During the three-month period ended September 30, 2019, the Company incurred \$731,090 in exploration expenses compared to \$533,038 for the same period in 2018.

*The Company has changed the categories in the following table to better represent the breakdown of exploration expenses incurred.

	Aquilon	Cheechoo	Goldorak	Amikap	39	Tilly 2	TOTAL
Geology	87,955	149,622	40,335	37,623	26,938	9,702	352,175
Geochemistry	-	-	-	-	-	-	-
Geophysics	-	-	-	-	-	-	-
Surveying	-	71,542	-	-	-	-	71,542
Property evaluation	-	-	782	-	3,213	-	3,995
Stripping /Excavation	-	2,782	-	-	-	-	2,782
Bulk sampling	-	-	-	-	-	-	-
Technical Evaluation	-	66,727	-	-	-	-	66,727
Other	14,303	216,032	1,786	1,750	-	-	233,871
Total	102,258	506,705	42,903	39,373	30,151	9,702	731,092

4. Exploration projects

The technical data concerning the Cheechoo property that are included in this report have been revised by Dominique Doucet, engineer, President of Sirios and Jordi Turcotte, geologist, qualified persons, as defined by National Instrument 43-101. Information for the Aquilon property that are included in this report have been revised by Roger Moar, Geologist, also a qualified person. Information for the Amikap, 39 and Tilly 2 properties that are included in this report have been revised by Dominique Doucet, President of Sirios, a qualified person as defined by National Instrument 43-101. Projects are located in figure 1.

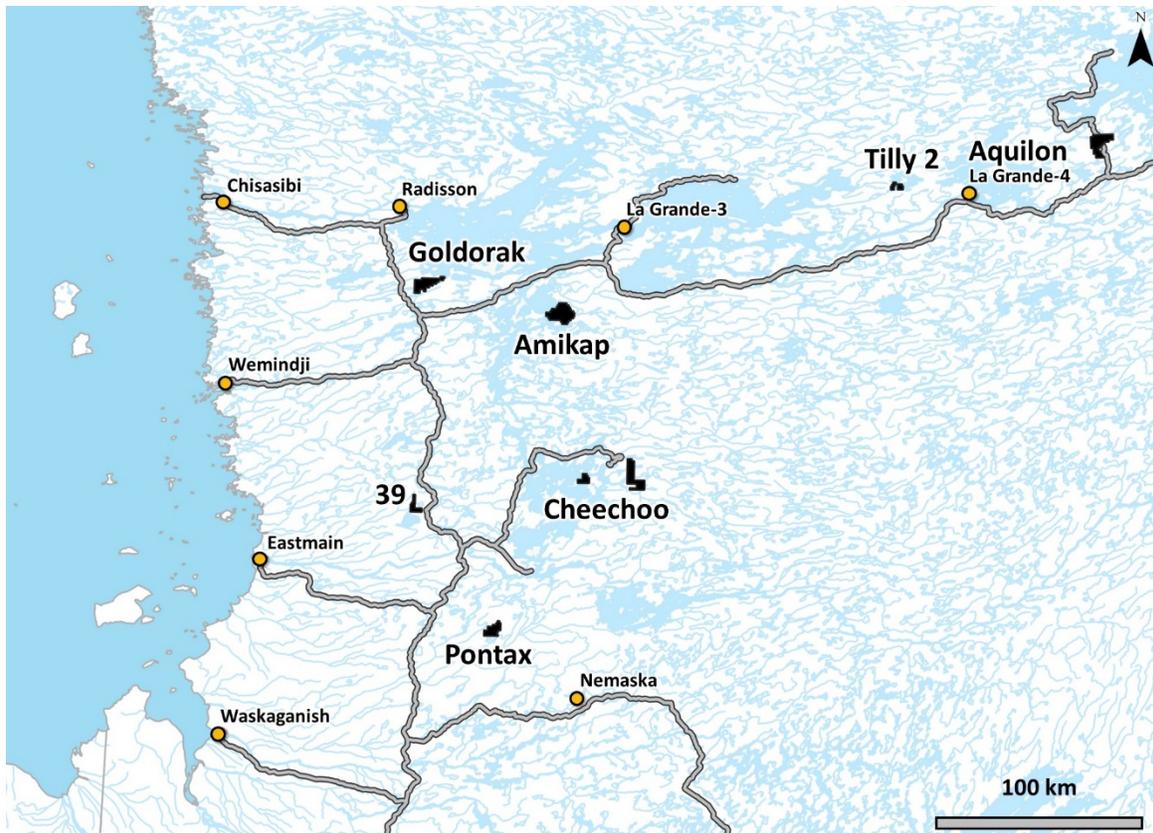


Figure 1: Location of Sirios' projects

4.1 Cheechoo property

The Company owns 100% of the property which consists of 145 claims, covering 75 km² divided in two non-contiguous blocks (figure 1). It is located 320 km north of Matagami in Quebec, and 13 km east of the Eleonore gold mine of Newmont Goldcorp Inc. The main block of 124 claims, located in the 33B12 NTS sheet, is adjacent to the east of the Eleonore mine. The second block of 21 claims is located in the 33C09 NTS sheet and at around 20 km west of the main block. Golden Valley Mines Ltd. retains a net smelter return royalty ranging between 2.5% and 4% depending on the gold price and 4% net return for all other minerals extract of the project. Notably, the gold royalty would be 3% for a gold price per ounce between \$1,200 and \$2,400.

4.1.1 Executed work

The following were completed during the period for a total amount of \$506,702:

1. Metallurgical tests, Phase II;
2. Resource estimate;
3. Interpretation report of a pedogeochemical survey and prospection;
4. Infrastructure upgrades;
5. Permit application and fieldwork planning.

4.1.2 Metallurgical tests, Phase II

The metallurgical tests of Phase I completed in the previous period made it possible to determine the parameters to be used for the treatment of all the 30 other composite samples which constitutes Phase II of the work currently underway at COREM. Phase II testing should be completed by the end of November 2019.

4.1.3 Estimate of resources

On October 11, 2019, a field visit was conducted in accordance with the Canadian National Instrument for Disclosure for 43-101 Mining Projects. The visit was conducted by a qualified person representing the BBA engineering firm, Jordi Turcotte, geo. (Sirios) and Daniel Boudreau, geo. (Sirios). The work leading up to the first estimate of Cheechoo's resources is ongoing as of the date of this report.

4.1.4 Interpretation report of a pedogeochemical survey and prospection

The interpretation report of humus soil sampling campaigns conducted from 2010 to 2016 by IOS Geoscientific Services and Sirios was received. Seven targets have been identified, four are arsenic anomalies, two are copper and one is molybdenum anomaly (figure 2).

Prospecting was conducted to verify the soil sampling targets provided by IOS Geoscientific Services. Due to the lack of exposure of the bedrock, the anomalies remain unexplained. No significant gold or sulphide mineralization was observed. Some analysis results from selected samples of rocks at the periphery of soil anomalies are pending.

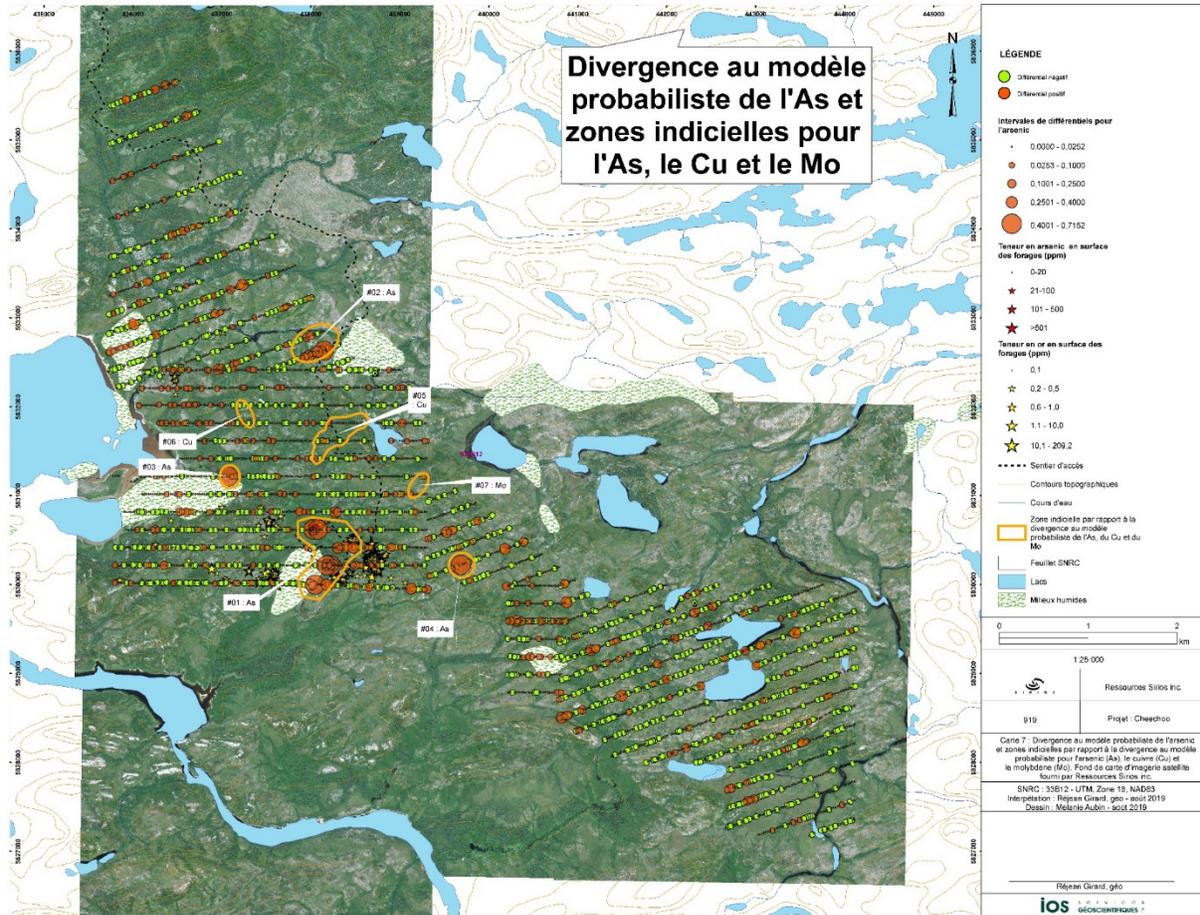


Figure 2: Soil anomalies

4.1.5 Infrastructures upgrades

A new permanent bridge was installed at km 6.75 between the Eleonore mine road and the Cheechoo camp (photo 1). The bridge has a load capacity of 65 tonnes and meets the new requirements of the Sustainable Forest Management Regulation of the "RADF" state domain. Parts of the Cheechoo camp have also been repaired and modernized.



Photo 1: Permanent bridge at km 6.75

4.1.6 Permit application and fieldwork planning

Planning and permit application for exploration work in 2020 are underway. Fieldwork will include at least six trenches that would provide important additional geological information as well as follow-up on pedogeochemical targets identified by IOS Geoscience Services.

4.2 Aquilon property

A short prospecting, mapping and channel sampling program was conducted on the Aquilon property during the month of August. A total of 125 samples were selected and sent for gold analysis. Four selected samples returned values ranging from 2.2 g/t Au to 10.2 g/t Au. Channel sampling of a gold vein, discovered in 2002 and located 200 metres west of Wolf Lake, yielded 15.6 g/t Au over 0.80 metre. Sixty-three core samples were also collected from five old boreholes and sent for total rock analysis. These samples were collected to characterize the alteration associated with gold veins. The compilation work already in progress in the previous period is continuing with the integration of new data collected during the exploration work in August. It can already be seen that further work on Aquilon will have to be done by drilling since the sector with the highest potential for gold corresponds to the marshy zone which covers the zone of deformation of Wolf Lake.

4.3 Goldorak property

A reconnaissance prospecting program was conducted on the Goldorak property during the period. A total of 77 lithological samples (71 outcrops and 6 blocks) were collected and sent to the laboratory. All results were received and only one sample gave an anomalous gold value of 0.27 g/t Au.

4.4 Amikap property

A reconnaissance prospecting program was conducted on the Amikap property during the period. A total of 90 lithological samples (outcrops) were collected and sent to the laboratory. All results were received and these did not identify any gold anomalies.

4.5 39 property

A reconnaissance prospecting program was conducted on the 39 property during the period. A total of 52 lithological samples (46 outcrops and 6 blocks) were collected and sent to the laboratory. All results were received and a sample taken from a quartz vein about 30 cm thick (indeterminate length) yielded 1.27 g/t Au. A much greater lithological variability than the mapped by the MERN could be observed on the property and additional prospecting work will have to be undertaken.

4.6 Tilly 2 property

A reconnaissance prospecting program was conducted on the Tilly 2 property in July to attempt to explain the presence of a significant magnetic anomaly in the western portion of Tilly Lake. Five (5) samples were collected (1 outcrop and 4 blocks). All the results were received but these and the time spent on the project, did not explain the presence of the magnetic anomaly that is located near the shore, but under the lake. One or more surveys may be required in order to eventually verify this anomaly.

5. Overall performance

The net loss of the period is \$219,590 (net loss of \$\$456,152 for the same period last year) whereas expenses for the period totalled \$257,987 (\$201,687 for the same period last year).

Analysis

- Increase in *Investors and shareholders' relation* that can be explained by increased promotional activities by the Company during the three-month period ended in 2019, mainly with communication firms;
- Increase in *Salaries and employee benefit expenses* due to salary increases;
- Decrease in *Consulting fees* due to the hiring of a part-time controller to replace the controller who was on maternity leave last year.

Analysis of the non-monetary operations that does not require an outflow or an inflow of cash

	Three-month period ended September 30, 2019 \$	Three-month period ended September 30, 2018 \$
Change in fair value of listed shares	(79,608)	(258,399)
Amortization of property and equipment	(5,685)	(4,623)
Deferred income taxes	114,742	-

6. Financial position

- Working capital decreased by \$936,090, going from \$2,173,401 on June 30, 2019 to \$1,237,311 on September 30, 2019. The decrease can be explained by the decrease of the value of listed shares, as well as administrative and exploration expenses incurred during the period;
- Cash and term deposit totaled \$397,244 on September 30, 2019 in comparison with \$352,519 on June 30, 2019;
- The product of unspent funding related to flow-through financings is nil on September 30, 2019. The Company is in the exploration stage, thus it is dependent on obtaining regular financing in order to continue exploration. Despite previous success in acquiring sufficient financing, there is no guarantee of obtaining any future financing;
- On September 30, 2019, Sirios has accrued \$468,122 in refundable tax credits related to exploration expenditures.

7. Related party transactions

Key management personnel of the Company are members of the Board of Directors, as well as the President and the Chief Financial Officer. For the three-month period ended September 30, 2019, the compensation in salaries was \$64,668 (\$60,880 for the same period last year) of which an amount of \$13,031 (\$12,366 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.
November 19, 2019.