SIRIOS RESOURCES INC.
TSX-V: SOI

Interim Financial Statements (unaudited)

DECEMBER 31, 2019

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The attached interim financial statements have been prepared by Sirios Resources Inc. and its external auditors have not been reviewed these financial statements.

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SIRIOS RESOURCES INC.
Interim Statement of Financial Position (unaudited)
(in Canadian dollars)

	Notes	**December 31, 2019**	June 30, 2019
		$	$
ASSETS			
Current			
Cash		2,783,341	301,569
Term deposit	4	50,950	50,950
Other receivables	5	4,481	64,468
Listed shares		440,490	455,476
Good and services tax receivable		57,030	117,151
Tax credits receivable		368,903	1,252,763
Prepaid expenses		114,160	291,042
		3,819,355	2,533,419
Non current			
Property and equipment	6	901,732	1,022,682
Exploration and evaluation assets	7	26,755,098	25,371,544
Total assets		31,476,185	28,927,645
LIABILITIES			
Current			
Trade and other payables		82,613	240,046
Other liabilities		619,842	119,972
		702,455	360,018
Non current			
Future tax liabilities		1,171,075	1,025,996
Total liabilities		1,873,530	1,386,014
EQUITY			
Share capital	9.1	48,896,412	46,313,259
Contributed surplus		4,608,111	4,032,711
Deficit		(23,901,868)	(22,804,339)
Total equity		29,602,655	27,541,631
Total liabilities and equity		31,476,185	28,927,645

The accompanying notes are an integral part of the interim financial statements.

These interim financial statements were approved and authorized by the Board of Directors on February 11, 2020.

(signed) Dominique Doucet
Dominique Doucet, President

(signed) Luc Cloutier
Luc Cloutier, Director

SIRIOS RESOURCES INC.

Interim Statement of Comprehensive Loss (unaudited)

(in Canadian dollars)

	Notes	Three-month period ended December 31, 2019	Three-month period ended December 31, 2018	Six-month period ended December 31, 2019	Six-month period ended December 31, 2018
		$	$	**$**	$
EXPENSES					
Salaries and employee benefit expenses	10.1	429,437	245,382	516,163	316,649
Investors and shareholders' relations		93,092	117,315	190,059	151,780
Professional fees		55,783	45,356	94,220	89,279
Publicity and sponsorship		30,033	6,963	32,932	14,004
Trustees and registration fees		22,862	19,290	28,276	20,968
Rent expenses		18,036	18,036	38,586	39,776
Amortization of property and equipment		5,649	4,611	11,335	9,234
Office expenses		5,443	6,142	10,626	10,151
Training		3,058	-	3,058	-
Insurances, taxes and permits		1,649	2,641	3,327	4,377
Bank charges		366	711	792	1,295
Consulting fees		-	2,212	-	17,456
OPERATIONAL LOSS		665,408	468,659	929,374	674,969
OTHER REVENUES AND EXPENSES					
Finance costs	11	-	(48,410)	(29,506)	(310,259)
Finance income	11	54,408	6,144	13,254	18,151
		54,408	(42,266)	(16,252)	(292,108)
LOSS BEFORE INCOME TAX		(611,000)	(510,925)	(945,626)	(967,077)
Deferred income taxes		(166,469)	56,236	(51,726)	56,236
NET LOSS AND COMPREHENSIVE LOSS		(777,469)	(454,689)	(997,352)	(910,841)
NET LOSS PER SHARE - basic and diluted	12	(0.005)	(0.003)	(0.006)	(0.007)

The accompanying notes are an integral part of the interim financial statements.

SIRIOS RESOURCES INC.

Interim Statement of Changes in Equity (unaudited)

(in Canadian dollars)

	Notes	Equity	Contributed surplus	Deficit	Total Equity
		$	$	$	$
As of July 1st, 2018		42,909,356	3,820,961	(21,759,537)	24,970,780
Net loss and comprehensive loss		-	-	(910,841)	(910,841)
Share-based payments	10.2	-	184,000	-	184,000
Issuance costs of shares		-	-	(176,318)	(176,318)
Issuance of units and shares	9.1	1,890,990	17,500	-	1,908,490
Exercise of options	9.1	4,500	(1,500)	-	3,000
As of December 31, 2018		44,804,846	4,020,961	(22,846,696)	25,979,111
As of July 1st, 2019		46,313,259	4,032,711	(22,804,339)	27,541,631
Net loss and comprehensive loss		-	-	(997,352)	(997,352)
Share-based payments	10.2	-	418,000	-	418,000
Issuance costs of shares (a)		-	-	(100,177)	(100,177)
Issuance of units and shares	9.1	2,510,753	185,000	-	2,695,753
Exercise of options	9.1	72,400	(27,600)	-	44,800
As of December 31, 2019		48,896,412	4,608,111	(23,901,868)	29,602,655

(a) Net of a deferred tax asset of an amount of $37,129.

The accompanying notes are an integral part of the interim financial statements.

SIRIOS RESOURCES INC.

Interim Statement of Cash Flows (unaudited)

(in Canadian dollars)

	Notes	Six-month period ended December 31, 2019	2018
		$	$
OPERATING ACTIVITIES			
Net loss		(997,352)	(910,841)
Adjustments			
Share-based payments		305,140	119,600
Amortization of property and equipment		11,335	9,234
Change in fair value of listed shares		29,506	305,403
Deferred income taxes		51,726	(56,236)
Changes in working capital items	13	132,438	(138,677)
Cash flows from operating activities		(467,207)	(671,517)
INVESTING ACTIVITIES			
Tax credits received		883,860	1,085,428
Additions to listed shares		(50,000)	-
Disposal of listed shares		35,480	-
Additions to property and equipment		(117,445)	(366,871)
Additions to exploration and evaluation assets		(1,036,515)	(1,157,011)
Cash flows from investing activities		(284,620)	(438,454)
FINANCING ACTIVITIES			
Issuance of units and shares		3,370,905	2,720,452
Issuance cost of shares		(137,306)	(176,317)
Payment on obligation under finance lease		-	(37,794)
Cash flows from investing activities		3,233,599	2,506,341
NET CHANGE ON CASH		2,481,772	1,396,370
CASH, BEGINNING OF THE PERIOD		301,569	1,346,704
CASH, END OF THE PERIOD		2,783,341	2,743,074
Supplementary information			
Interests paid related to operating activities		4,856	-
Interests received related to operating activities		18,151	13,254

The accompanying notes are an integral part of the interim financial statements.

1. NATURE OF OPERATIONS

Since its creation in 1994, Sirios Resources Inc.'s ("Sirios" or "the Company") 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 Company is incorporated under the Canada Business Corporations Act. The address of the Company's registered office and its principal place of business 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".

2. SUMMARY OF ACCOUNTING POLICIES

Basis presentation

These interim financial statements of the Company were prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) under International Accounting Standard (IAS) 34 - Interim Financial Reporting. These interim financial statements were prepared using the same basis of presentation, accounting policies and methods of computations outlined in Note 4, SUMMARY OF ACCOUNTING POLICIES, as described in our financial statements for the year ended June 30, 2019. The interim financial statements do not include all of the notes required in annual financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Company. Management anticipates that all of the pronouncements will be adopted on the Company's accounting policies for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have an impact on the Company's financial statements.

IFRS 16, Operating lease agreement

IFRS 16 will replace IAS 17 'Lease' lease accounting. Leases will be recorded in the statement of financial position in the form of a right-of-use asset and a lease liability. There are two important reliefs provided by IFRS 16 for assets of low value and short-term leases of less than 12 months.

IFRS 16 is effective from periods beginning on or after January 1st, 2019.

Management is in the process of assessing the full impact of the standard. So far, the Company:

- has decided to make use of the practical expedient not to perform a full review of existing leases and apply IFRS 16 only to new or modified contracts;
- concludes that there will not be a significant impact to the financial statements of the Company because, as December 31, 2019, it has only one lease, ending on June 30, 2020. As at December 31, 2019, future minimum lease payments amount to $36,072.

The Company is planning to adopt IFRS 16 on July 1st, 2019 using the Standard's modified retrospective approach. Under this approach the cumulative effect of initially applying IFRS 16 is recognized as an adjustment to equity at the date of initial application. Comparative information is not restated.

3. JUDGMENTS, ESTIMATES AND ASSUMPTIONS

When preparing the financial statements, management undertakes a number of judgments, estimations and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimations and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimations and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Impairment of property and equipment

Evaluation facts and circumstances that demonstrate the existence of any indication that an asset may have depreciated or recover in value is a subjective process that involves judgment and often a number of estimates and assumptions.

As at December 31, 2019 and June 30, 2019, no impairment was recorded on property and equipment.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are provided below. Actual results may be substantially different.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in many cases.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating units must be estimated. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined.

(in Canadian dollars)

3. JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available. If, after, expenditures is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

For the six-month period ended December 31, 2019 and 2018, there were no impairment. No reversal impairment losses has been recognized for the reporting periods.

There was no testing impairment required during the period on properties, the Company has the capacity to keep these properties because it has sufficient funds to respect its short term obligation. Additionally, claims will not expire in the near future or are expected to be renewed, work was performed during the last three years and/or promising results were obtained on these properties.

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the probable life of share options and warrants granted and the time of exercise of the share options and warrants. The model used by the Company is the Black-Scholes valuation model.

Tax credits

The calculation of the Company's refundable tax credit on qualified exploration expenditures incurred and refundable tax credit involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessment has been issued by the relevant taxation authority and payment has been received. Differences arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit and refundable tax credit, exploration and evaluation assets, and income tax expense in future periods.

4. TERM DEPOSIT

Term deposit presented in the interim statement of financial position ($50,950 on December 31, 2019 and June 30, 2019) is redeemable annually, bearing interest at 2.15% and maturing in June 2023.

5. OTHER RECEIVABLES

	December 31, 2019	June 30, 2019
	$	$
Receivable from listed companies	4,481	64,468

(in Canadian dollars)

6. PROPERTY AND EQUIPMENT

	Leasehold improvements	Vehicles	Exploration camp and equip.	Office furniture	Computer equipment	Total
	$	$	$	$	$	$
Gross carrying amount						
Balance on July 1st, 2019	3,388	31,846	1,512,960	36,683	119,318	1,704,195
Additions	-	-	116,537	-	908	117,445
Balance on July December 31, 2019	3,388	31,846	1,629,497	36,683	120,226	1,821,640
Accumulated amortization						
Balance on July 1st, 2019	1,084	11,603	524,438	36,683	107,705	681,513
Amortization	341	3,202	223,858	-	10,994	238,395
Balance on July December 31, 2019	1,425	14,805	748,296	36,683	118,699	919,908
Carrying amount on December 31, 2019	1,963	17,041	881,201	-	1,527	901,732

All amortization expenses are presented in *Amortization of Property and equipment* except for *Exploration camps and equipment* and *Vehicles*, where the expenses is presented in *Exploration and evaluation assets*.

7. EXPLORATION AND EVALUATION ASSETS

Mining rights	June 30, 2019	Additions	December 31, 2019
	$	$	$
(a) Aquilon	908,598	-	908,598
(b) Cheechoo	1,007,012	-	1,007,012
(c) Cheechoo-extension	4,674	-	4,674
(d) Pontax	262,090	5,082	267,172
(e) Goldorak	17,075	906	17,981
(f) Amikap	25,093	-	25,093
(g) 39	5,791	-	5,791
(h) Tilly 2	4,407	-	4,407
(i) Keoz	1	-	1
	2,234,741	5,988	2,240,729

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

Exploration and evaluation expenses	June 30, 2019	Additions	Tax credits	December 31, 2019
	$	$	$	$
(a) Aquilon	1,542,026	157,492	(192)	1,699,326
(b) Cheechoo	18,952,303	1,100,952	(9,418)	20,043,837
(d) Pontax	2,641,617	-	-	2,641,617
(e) Goldorak	461	45,069	-	45,530
(f) Amikap	396	39,915	-	40,311
(g) 39	-	34,046	-	34,046
(h) Tilly 2	-	9,702	-	9,702
	23,136,803	1,387,176	(9,610)	24,514,369
TOTAL	25,371,544	1,393,164	(9,610)	26,755,098

(a) Aquilon

This 140-claim gold property, owned at 100%, is located near LA-1 hydro-electric complex in the James Bay area (Qc) and is fully owned by the Company since August 2016.

Soquem Inc. retains a 1% NSR royalty, half of which is redeemable for $500,000.

(b) Cheechoo

The Cheechoo gold project consists of 145 claims owned at 100% by the Company. The property covers 7,400 acres in two distinct blocks adjoining the Eleonore gold deposit owned by Newmont Inc. It is located at approximately 13 km east of the discovery area of the Eleonore mine which is itself located 320 km north of Matagami (Qc).

Golden Valley Mines Ltd. will retain a royalty on gold production ranging from 2.5% to 4% NSR, depending on the gold price and 4% NSR on the production of any other minerals.

(c) Cheechoo-extension

The project, owned at 100%, consists of 11 claims in the James Bay area (Qc). It is located about 15 km southwest of the Eleonore gold deposit owned by Newmont Inc. and is adjacent to the west block of the Cheechoo property.

(d) Pontax

The property, owned at 100% by the Company, consists of 77 claims, divided in two-continuous blocks of 69 and 8 claims. It is located in James Bay (Qc), approximately 350 km north of Matagami.

(e) Goldorak

The property, owned at 100%, consists of 115 claims in the James Bay area (Qc).

(f) Amikap

The property, owned at 100%, consists of 169 claims in the James Bay area (Qc) located about 70 km north of the Cheechoo property.

(g) 39

The property, owned at 100%, consists of 39 claims in the James Bay area (Qc).

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

(h) Tilly 2

The property, owned at 100%, consists of 26 claims in the James Bay area (Qc).

(i) Keoz

The property, owned at 100%, consists of 66 claims in the James Bay area (Qc) located about 70 km north of the Cheechoo property.

8. OPERATING LEASE

The Company's future minimum operating lease payments are as follows:

	Minimum lease payment due		
	Within 1 year	1 to 4 years	Total
	$	$	$
December 31, 2019	36,072	-	36,072
June 30, 2019	72,144	-	72,144

The Company leases its office under a lease expiring June 30, 2020.

Lease payments recognized as an expense during the six-month period amounts to $38,586 ($39,776 on December 31, 2018). This amount consists of minimum lease payment.

9. EQUITY

9.1 Share capital

The share capital of the Company consists of fully paid common and preferred shares.

Authorized

Unlimited number of common shares without par value, voting, participating, dividend as declared by the Board of Directors.

Unlimited preferred shares, issuable in one or several series, composed of the number of shares, rights, liens, conditions and restrictions as determined before issuance by resolutions of directors of the Company, without par value. The preferred shares, series A, are redeemable at the Company's option at their issuance price, non-voting and not entitled to dividends.

	Number of shares Six-month period ended December 31,	
	2019	2018
Common shares issued and fully paid at beginning of the period	156,213,503	136,304,404
Private placements (a) (b)	7,400,000	875,000
Flow-through private placements (c) (d) (e)	8,105,022	11,556,599
Exercise of options (f) (g)	440,000	25,000
Common shares issued and fully paid at the end of the period	172,158,525	148,761,003
Preferred shares, Serie A	100,000	100,000

9.1 Share capital (cont'd)

(a) On October 23, 2018, the Company completed the closing of a private placement for a total of $175,000. It was composed of 875,000 units. The unit, offered at $0.20, was composed of one common share and half a warrant. In total, 875,000 shares, as well as, 437,500 warrants were issued. Each warrant entitled its holder to subscribe for one common share at $0.26 per share for a period of twenty-four months. An amount of $17,500, related to warrants, was recorded as an increase in contributed surplus.

(b) On October 18, 2019, the Company completed the closing of a private placement for a total of $1,480,000. It was composed of 7,400,000 units. The unit, offered at $0.20, was composed of one common share and half a warrant. In total, 7,400,000 shares, as well as, 3,700,000 warrants were issued. Each warrant entitled its holder to subscribe for one common share at $0.30 per share for a period of eighteen months. An amount of $185,000, related to warrants, was recorded as an increase in contributed surplus.

(c) On November 28, 2018, the Company completed the closing of a flow-through private placement for a total of $2,542,452. It was composed of 11,556,599 flow-through shares at a price of $0.22 each. An amount of $1,733,490 was recorded in share capital and an amount of $808,962 was recorded as other liabilities in the statement of financial position.

(d) On December 20, 2019, the Company completed the closing of a flow-through private placement for a total of $1,781,125. It was composed of 7,744,022 flow-through shares at a price of $0.23 each. An amount of $1,161,603 was recorded in share capital and an amount of $619,522 was recorded as other liabilities in the statement of financial position.

(e) On December 20, 2019, the Company completed the closing of a flow-through private placement for a total of $64,980. It was composed of 361,000 flow-through shares at a price of $0.18 each. An amount of $54,150 was recorded in share capital and an amount of $10,830 was recorded as other liabilities in the statement of financial position.

(f) During the six-month period ended December 31, 2018, 25,000 options were exercised. An amount of $3,000 was received and an amount of $1,500, representing the fair value of the options at the time of the issue, were recorded as an increase in share capital.

(g) During the six-month period ended December 31, 2019, 440,000 were exercised. An amount of $44,800 was received and an amount of $27,600, representing the fair value of the options at the time of the issue, were recorded as an increase in share capital.

(in Canadian dollars)

9.2 Warrants

Outstanding warrants entitle their holders to subscribe to an equivalent number of ordinary shares, as follows:

	Six-month period ended December 31, 2019		Year ended June 30, 2019	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		$		$
Balance, at beginning	2,225,000	0.29	666,666	0.45
Issued	3,700,000	0.30	2,225,000	0.29
Exercised	-	-	-	-
Expired	-	-	(666,666)	(0.45)
Balance, at the end	5,925,000	0.30	2,225,000	0.29

The number of outstanding warrants which could be exercised for an equivalent number of common shares is as follows:

	December 31, 2019	
Expiration date	Number of warrants	Exercise price
		$
October 22, 2020	437,500	0.26
November 8, 2020	1,287,500	0.30
December 18, 2020	500,000	0.30
March 18, 2021	3,700,000	0.30
	5,925,000	0.30

10. EMPLOYEE REMUNERATION

10.1 Salaries and employee benefit expenses

Salaries and employee benefit expenses recognized are analyzed below:

	Three-month period ended December 31,		Six-month period ended December 31,	
	2019	2018	2019	2018
	$	$	$	$
Salaries and benefits	276,528	401,871	524,158	693,595
Share-based payments	418,000	184,000	418,000	184,000
	694,528	585,871	942,158	877,595
Less: salaries and share-based payments capitalized in Exploration and evaluation assets	(265,091)	(340,489)	(425,995)	(560,946)
Salaries and employee benefit expenses	429,437	245,382	516,163	316,649

(in Canadian dollars)

10.2 Share-based payments

The Company has a share-based payments plan for eligible directors, officers, employees, consultants and service suppliers of investors' relations. The most important terms of the plan are as follows:

i) the maximum number of shares that may be issued under the plan is limited to 10% of the issued shares at the time of the grant of the option, maximum of 17,215,852 on December 31, 2019 (maximum of 15,621,350 on June 30, 2019);

ii) the maximum number of shares that can be reserved for a beneficiary is limited to 5% of issued and outstanding shares;

iii) the maximum number of shares that can be reserved for a consultant during a 12-month period is limited to 2% of issued and outstanding shares;

iv) the maximum number of shares that can be reserved for a supplier of investors' relation services during any 12-month period is limited to 2% of issued and outstanding shares; moreover, the options granted maybe exercised by steps over a period of 12 months after the grant, at the rate of 25% per quarter;

v) the options granted to directors, officers, employees and consultants may be exercised entirely at the date of the grant.

The options' term cannot exceed ten years. The option exercise price is established by the Board of Directors and may not be lower than the market price of the common shares at the time of the grant.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

The Company's share options are as follow for the period presented:

	Six-month period ended December 31, 2019		Year ended June 30, 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		$		$
Outstanding, at the beginning	8,590,000	0.31	7,790,000	0.30
Granted	3,800,000	0.185	2,300,000	0.22
Exercised	(440,000)	(0.10)	(325,000)	(0.12)
Expired or cancelled	-	-	(1,175,000)	(0.16)
Outstanding, at the end	11,950,000	0.28	8,590,000	0.31

On November 19, 2019, the Board of Directors of the Company has granted 3,800,000 options under its stock option incentive plan to employees, directors and officers, at an exercise price of $0.185. The options expire five (5) years from the date of grant.

(in Canadian dollars)

10.2 Share-based payments (cont'd)

The weighted average fair value of stock options granted is $0.11 each ($0.08 for the period ended December 31, 2018) and was estimated using the Black-Scholes model and based on the following weighted average assumptions:

	2019	2018
Share price at the date of issuing	0.185 $	0.15 $
Expected dividend yield	0%	0%
Expected weighted volatility	72%	75%
Expected interest average rate	1.53%	1.75%
Expected average life	5 years	5 years
Exercise price at the date of grant	0.185 $	0.22 $

The underlying expected volatility was determined by reference to historical date of the Company's share over the expected average life of the options. No special features inherent to the options granted were incorporated into measurement of fair value.

The table below summarizes the information related to outstanding share options:

	December 31, 2019	
Range of exercise price	Number of options	Remaining life (years)
From $0 to $0.35	9,525,000	3.72
From $0.36 to $0.70	2,425,000	1.90
	11,950,000	

In total, 418,000 of share-based payments (all of which related to equity-settled share-based payment transactions) was recorded ($305,140 in profit or loss as salaries and employee benefit expenses and $112,860 capitalized in exploration and evaluation assets) for the six-month period ended December 31, 2019 ($119,600 in profit or loss as salaries and employee benefit expenses and $64,400 capitalized in exploration and evaluation assets for the six-month period ended December 31, 2018) and credited to contributed surplus.

11. FINANCE COSTS AND INCOME

Finance costs can be analyzed as follow for the reporting periods presented:

	Three-month period ended December 31,		Six-month period ended December 31,	
	2019	2018	2019	2018
	$	$	$	$
Change in fair value of listed shares	-	(47,004)	(29,506)	(305,403)
Interests on finance lease payments	-	(1,406)	-	(4,761)
Interests on trade accounts	-	-	-	95
	-	(48,410)	(29,506)	(310,069)

(in Canadian dollars)

11. FINANCE COSTS AND INCOME (cont'd)

Finance income can be analyzed as follow for the reporting periods presented:

	Three-month period ended December 31,		Six-month period ended December 31,	
	2019	2018	2019	2018
	$	$	$	$
Change in fair value of listed shares	50,102	-	-	-
Interests income from cash and term deposit	4,306	6,144	13,254	10,885
Interests income from other receivables	-	-	-	7,266
	54,408	6,144	13,254	18,151

12. LOSS PER SHARE

In calculating the diluted loss per share, dilutive potential common shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive. Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Notes 9.2 and 10.2.

Both the basic and diluted loss per share have been calculated using the net loss as a numerator, i.e. no adjustment to the net loss was necessary in 2019 and 2018.

	Three-month period ended December 31,		Six-month period ended December 31,	
	2019	2018	2019	2018
Net loss	(777,469) $	(454,689) $	(997,352) $	(910,841) $
Weighted average number of shares	163,541,278	141,269,343	159,877,390	138,786,873
Basic and diluted loss per share	(0.005) $	(0.003) $	(0.006) $	(0.007) $

13. ADDITIONAL INFORMATION - CASH FLOWS

The change in working capital items are detailed as follows:

	Six-month period ended December 31,	
	2019	2018
	$	$
Other receivables	59,987	4,151
Good and services tax receivable	60,121	132,690
Prepaid expenses	176,882	(15,074)
Trade and other payables	(164,552)	(260,444)
	132,438	(138,677)

(in Canadian dollars)

13. ADDITIONAL INFORMATION - CASH FLOWS (cont'd)

Non-monetary operations in the statement of financial position are as follows:

	Six-month period ended December 31,	
	2019	2018
	$	$
Tax credits receivables credited to exploration and evaluation assets	9,610	-
Trades related to exploration and evaluation assets	7,119	12,045
Share-based payments included in exploration and evaluation assets	112,860	64,400
Amortization of property and equipment included in exploration and evaluation assets	227,060	102,114

14. RELATED PARTY TRANSACTIONS

The Company's related parties includes its key management personnel. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled in cash.

14.1 Transactions with key management personnel

The remuneration of the Company's key management personnel and members of the Board of Directors includes the following expenses:

	Three-month period ended December 31,		Six-month period ended December 31,	
	2019	2018	2019	2018
	$	$	$	$
Salaries and benefits	107,407	93,102	172,075	153,982
Share-based payments	242,000	110,000	242,000	110,000
Total remuneration	349,407	203,102	414,075	263,982

For the six-month period ended December 31, 2019, an amount of $35,839 of salaries and benefits was recorded in *Exploration and evaluation assets* ($31,458 for the six-month period ended December 31, 2018).

15. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are:

- To ensure the Company's ability to continue as a going concern;
- To increase the value of the assets of the business; and
- To provide an adequate return to shareholders.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flows, either with partners or by the Company's own means.

The Company monitors capital on the basis of the carrying amount of equity.

15. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (cont'd)

The Company is not exposed to any externally imposed capital requirements except when the Company issues flow-through shares for which an amount should be used for exploration work. See all details in Notes 9.1 and 16.

The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its activities or may slow its activities until conditions improve.

16. CONTINGENCIES AND COMMITMENTS

The Company is partially financed through the issuance of flow-through shares and, according to tax rules regarding this type of financing, the Company is engaged in realizing mining exploration work.

These tax rules also set deadlines for carrying out the exploration work, which must be performed no later than the earlier of the following dates:

- Two years following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

However, there is no guarantee that the Company's exploration expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in the regard. Refusal of certain expenses by the tax authorities could have a negative tax impact for investors.

During the period ended December 31, 2019, the Company received $1,846,105 following flow-through placements ($2,542,452 on December 31, 2018) for which the Company renounced the tax deductions on December 31, 2019. The management is required to fulfill its commitments within one year from the date of renunciation.

The product of unspent funding related to flow-through financings total $1,815,891 on December 31, 2019 ($2,365,710 on December 31, 2018).

17. SUBSEQUENT EVENTS

(a) On January 16, 2020, the Company expanded its property "39" and renamed it "Niska" by map designation for 150 new mining claims. The property now consist of 189 claims held at 100% by Sirios and covers almost 100 km^2.

(b) On February 10, 2020, the Company signed an agreement with Dios Exploration Inc. ("Dios"), allowing it to obtain a 90% interest of Dios' Solo gold property. The agreement allows Sirios to obtain a 51% interest in the property over a three-year period, with payments totalling $125,000 and exploration work totalling $600,000.Once the 51% interest is obtained, Sirios will have the option to continue the exploration in a joint venture with Dios on a 51/49 basis or to increase its interest in the property to 90%. To increase its interest, Sirios will have to make payments totalling $150,000 over an additional three year period, and complete a total of 20,000 metres of drilling on the property. Sirios will have to complete a minimum of 3,000 metres of drilling in each of these three additional years. Dios could choose to convert its 10% interest into a 2% Net Smelter Return ("NSR") royalty, half of which may be purchased by Sirios for 1M$, with a first right of refusal for the remaining NSR.