



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, 2021**

This quarterly Management Discussion and Analysis dated November 18, 2021, 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, 2021.

This discussion and analysis should be read in conjunction with:

- The September 30, 2021, unaudited interim financial statements;
- The 2021 Annual Management report;
- The Company's audited financial statements for the years ended June 30, 2021, and 2020.

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, 2021, there are 212,956,760 common shares of Sirios issued and outstanding.

2. Financing activities

On September 17, 2021, the Company completed a private placement for a total of \$350,000. The unit, offered at \$0.10, consisted of one common share and one warrant. In total, 3,500,000 shares were issued as well as 3,500,000 warrants.

On August 31 and September 17, 2021, the Company completed a flow-through private placement for a total of \$886,468. In total, 7,387,233 flow-through shares were issued, at a price of \$0.12. Management is required to fulfill its commitments within the prescribed period of two years from the date of renouncement.

3. Investing activities

During the three-month period ended September 30, 2021, the Company incurred \$2,820,038 in exploration expenses compared to \$792,429 for the same period in 2020.

	Aquilon	Cheechoo	TOTAL
Geology	-	-	-
Geochemistry	-	-	-
Geophysics	61,585	-	61,585
Drilling	1,033	2,379,621	2,380,654
Property evaluation	-	-	-
Stripping/Excavation	-	-	-
Bulk sampling	9,002	-	9,002
Technical evaluation	-	-	-
Others*	280	368,517	368,797
TOTAL	71,900	2,748,138	2,820,038

* An amount of \$145,524, included in the "Others" category, does not constitute an outflow of money. It is mainly composed of the amortization charge.

4. Exploration projects

The technical data on the Cheechoo property contained in this report have been approved by Dominique Doucet, P.Eng., President of Sirius and Jordi Turcotte, Senior Geologist, qualified persons, as defined by National Instrument 43-101. The technical data for the Aquilon property contained in this report has been approved by Dominique Doucet and Roger Moar, Senior Geologist, also qualified persons. The projects are located in Figure 1. Readers are asked to refer to the Company's website (www.sirios.com) for more information about its exploration activities.



Figure 1: Location of Sirius projects

4.1 Cheechoo property

The property located 320 km north of Matagami, Eeyou Istchee James Bay in Quebec, is composed of two blocks of non-contiguous claims that cover an area of 81 km². Its 121-claims main block is adjacent to the east of Newmont Corp.'s Eleonore gold mine in the 33B12 NTS sheet (Figure 2). The second block consists of 35 claims and is located about 20 km west of the main block. The 156 claims are 100% held by Sirius with a net return royalty for gold on 145 claims to Golden Valley Mines Ltd. which varies between 2.5% and 4% of the net return depending on the price of gold and 4% net return for all other minerals extracted from the project. Notably, the gold royalty would be 3% for a price of gold between CAD\$1,200 and \$2,400 per ounce.

The most recent project resource estimate (October 2020) delineated an inferred resource of 2.0 million ounces of gold contained in 93.0 million tonnes at 0.65 g/t Au, with significant potential for increase in these resources (BBA, Mineral Resource Estimate Update for The Cheechoo Project, October 31, 2020).

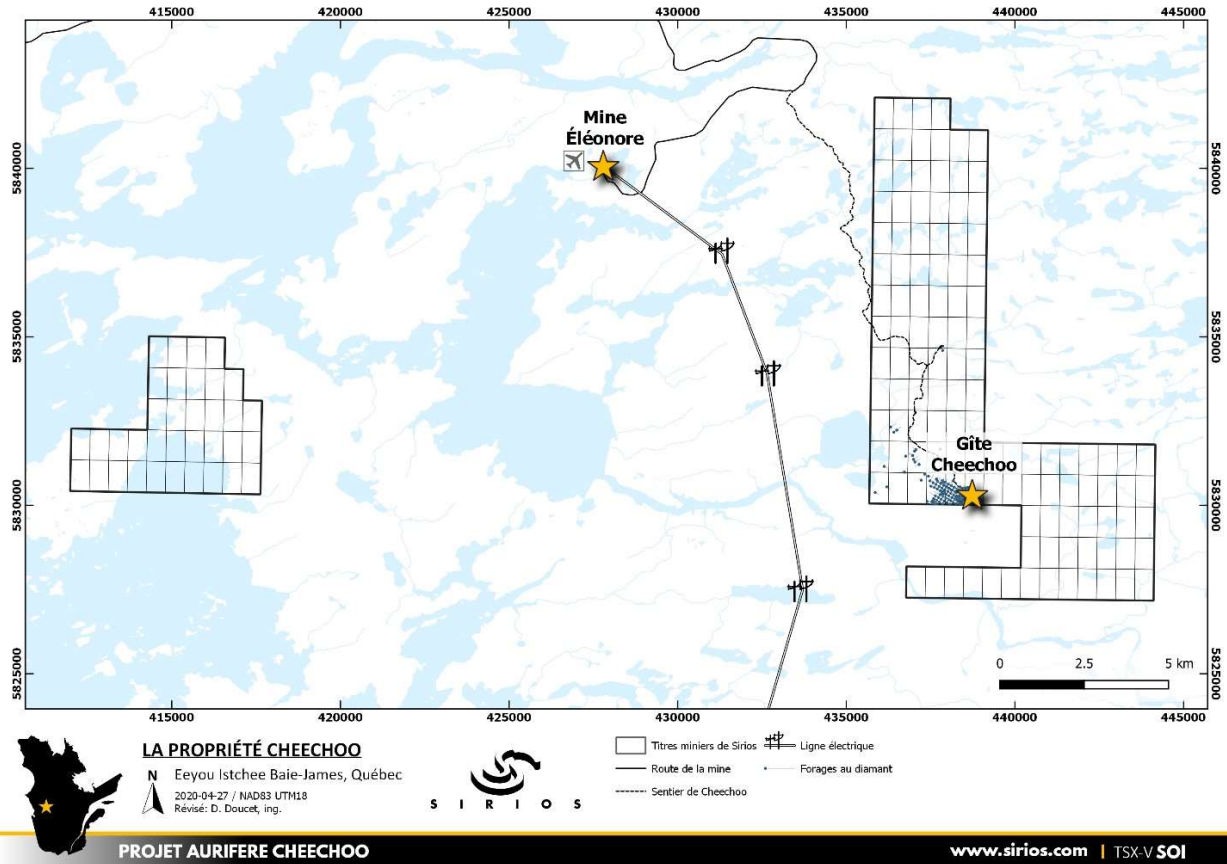


Figure 2: Location of the Cheechoo Project claims

4.1.1 Executed work

Definition drilling campaign

The definition drilling campaign that began in June 2021 ended in late September. A total of 34 holes totaling 6,837 m were completed including two holes by reverse circulation for 221 m. The samples were sent and prepared in Rouyn-Noranda by Technominex Services, and the samples are gradually transported to the Actlabs analysis laboratory as they are ready. As of the date of this report, final results from only 3 holes have been received. These are awaiting public release but meet the expectations of the Sirios exploration team. Results of the 31 other holes should be available in the coming months. Definition drilling is expected to convert a significant proportion of inferred resources into indicated resources during the next update scheduled for 2022.

Aquatic environment component study

In September 2021, a study on aquatic environment components was completed on the Cheechoo property by biologists of the environmental consultant company Groupe Hémisphère. This had been started earlier in the summer but had to be suspended due to logistical problems. This study will allow for the completion of an environmental baseline study on the Cheechoo project. Environmental characterization studies are conducted in order to better understand the natural environment of the area and to help support the decisions regarding the development of the project. Sirios actively conducts environmental studies in order to have the necessary data for developing the project and to meet regulatory requirements.

Preliminary environmental characterization of acidic drainage

A preliminary environmental characterization program of the acidic drainage of ore and waste rock samples in two phases was initiated in September 2021 to support a possible preliminary economic assessment ("PEA") for the Cheechoo project. The first phase will carry out using 16 samples from existing half-core drill holes representing the four main lithologies of the Cheechoo gold deposit (tonalite, which is the main lithology comprising more than 80% of the deposit, metasediments (greywacke), pegmatite and the mafic dyke). The samples were sent to SGS Canada Inc. in Lakefield, Ontario. The initial characterization program will take approximately four weeks and a final report will follow. The extent of the second phase of testing will be determined based on the results of the initial testing.

Re-assaying program on 1 kg samples

The program to re-assay previous drill samples started in April 2021 is still ongoing. The first results were received in August 2021. A total of 359 samples were re-assayed using 1 kg of material per sample using the "LeachWELL" leaching technique. The recent assay result shows an increase in the gold content of approximately 15% compared to previous assays performed on 50 g of material (August 26, 2021, press release). Assays are ongoing, with many more results expected during the next period.

This program was set up following a statistical analysis comparing the different masses sampled with their gold content (AA on 50 g and metal sieve on 1,000 g). This analysis demonstrated that the average gold grade of the Cheechoo deposit could be underestimated by at least 10% and that the most appropriate method of analysis for the project should be for 1 kg samples.

4.2 Aquilon project

The Aquilon property is 100% owned by Sirios. It consists of 140 claims and covers approximately 70 km², 10 km south of the LA-1 hydroelectric complex in the region of Eeyou Istchee James Bay, Quebec. It is located approximately 490 km east of Radisson and is easily accessible year-round by road via the Trans-Taiga highway crossing the Eeyou Istchee James Bay region. An airstrip outfitter is located at less than a 40-minute drive from the property. Drilling on the property is optimal in winter given the presence of swampy areas.

4.2.1 Executed work

High resolution helicopter-borne aeromagnetic survey

A high-resolution helicopter-borne aeromagnetic survey was completed in early September 2021 by Geo Data Solutions GDS Inc. on the property. The survey, covering the entire property, totals approximately 1,027 kilometres of lines spaced 75 metres apart. The purpose of this survey is to identify geophysical features and targets along recently identified soil anomalies and will allow the Sirios exploration team to better define the geology and detailed structural pattern of the property.

Structural geology study

In October, Sirios Resources called on the firm InnovExplo inc. to carry out a structural geological study on the gold property. Seven days of fieldwork have been carried out and a report is expected in mid-November.

Ground survey work

Ground survey work (humus) was carried out on the property during July 2020 by IOS Geoscientific Services Inc. The objective of the survey was to test the geochemical signal of part of the Wolf auriferous trend where most of the property's high-grade gold showings are located. The final report was received at the beginning of August and a rapid preliminary follow-up of the interpreted anomalies was carried out on the ground by members of the Sirios exploration

team at the beginning of October during the structural study. More in-depth anomaly monitoring is planned for summer 2022.

5. Overall performance

The net income of the quarter is \$264,356 (net loss of \$279,789 for the same period in 2020) whereas expenses for the quarter totalled \$199,032 (\$177,872 for the same period in 2020).

General analysis

- The increase in *Salaries and employee benefits expenses* can be explained by the return of the controller in 2021, following her maternity leave;
- The increase in *Professional fees* can be explained by the closing of two financings during the period compared to none during the corresponding period last year;
- The increase in *Insurance, taxes and permits* can be explained by the payment, during the period, of amounts relating to non-compliance observed on the Cheechoo property;
- The decrease in *Rent expenses* can be explained by the renegotiation of the lease of the Company's offices, after having adopted teleworking during the COVID-19 pandemic.

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

	Three-month period ended September 30, 2021	Three-month period ended September 30, 2020
	\$	\$
Deferred income taxes	518,693	73,864
Change in fair value of listed shares	(56,285)	(175,669)
Amortization of property and equipment	360	961

6. Financial position

- Working capital decreased by \$1,718,134, going from \$2,982,500 on June 30, 2021, to \$1,264,366 on September 30, 2021. 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 \$1,401,502 on September 30, 2021, in comparison with \$3,160,832 on June 30, 2021;
- The product of unspent funding related to flow-through financings is \$1,822,972 on September 30, 2021 and is to be spent by December 31, 2022. 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, 2021, Sirios has accrued \$31,181 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, 2021, the compensation in salaries was \$66,808 (\$67,733 for the same period last year) of which an amount of \$15,170 (\$13,071 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.
November 18, 2021.