



S I R I O S

SIRIOS RESOURCES INC.

TSX-V: SOI

OTCQB: SIREF

Management's Discussion and Analysis
Quarterly highlights
For the three-month period ended September 30, 2024

This quarterly Management Discussion and Analysis dated November 19, 2024, highlights Sirios Resources Inc's ("Sirios" or "the Company") 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, 2024.

This discussion and analysis should be read in conjunction with:

- The September 30, 2024, unaudited interim financial statements.
- The Company's audited financial statements for the years ended June 30, 2024, and 2023.
- The 2024 Annual Management report.

These documents and additional information are available through www.sedarplus.ca website, under the Company's section or at www.sirios.com.

1. Nature or activities

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

The address of the Company's registered office is 1400 Marie-Victorin, Suite 210, Saint-Bruno-de-Montarville, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange, under the symbol "SOI". As of September 30, 2024, there are 308,916,342 common shares of Sirios issued and outstanding.

2. Financing activities

On November 13, 2024, the Company completed the first closing of a flow-through private placement for a total of \$961,999. In total, 13,742,843 flow-through shares were issued at a price of \$0.07 each. Management is required to fulfill its commitments within the prescribed period of one year from the date of renouncement.

3. Investing activities

During the three-month period ended September 30, 2024, the Company incurred \$255,840 in exploration expenses compared to \$258,744 for the same period in 2023.

	Aquilon	Cheechoo	Fagnant	TOTAL
Geology	-	-	1,788	1,788
Drilling	-	244,593	-	244,593
Other*	1,650	7,809	-	9,459
TOTAL	1,650	252,402	1,788	255,840

* The amount of \$7,253 in the "Other" category, does not constitute an outflow of money. It is 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 Sirios 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 a qualified person. Projects are located in Figure 4.1. Readers are asked to refer to the Company's website (www.sirios.com) for more information about its exploration activities.

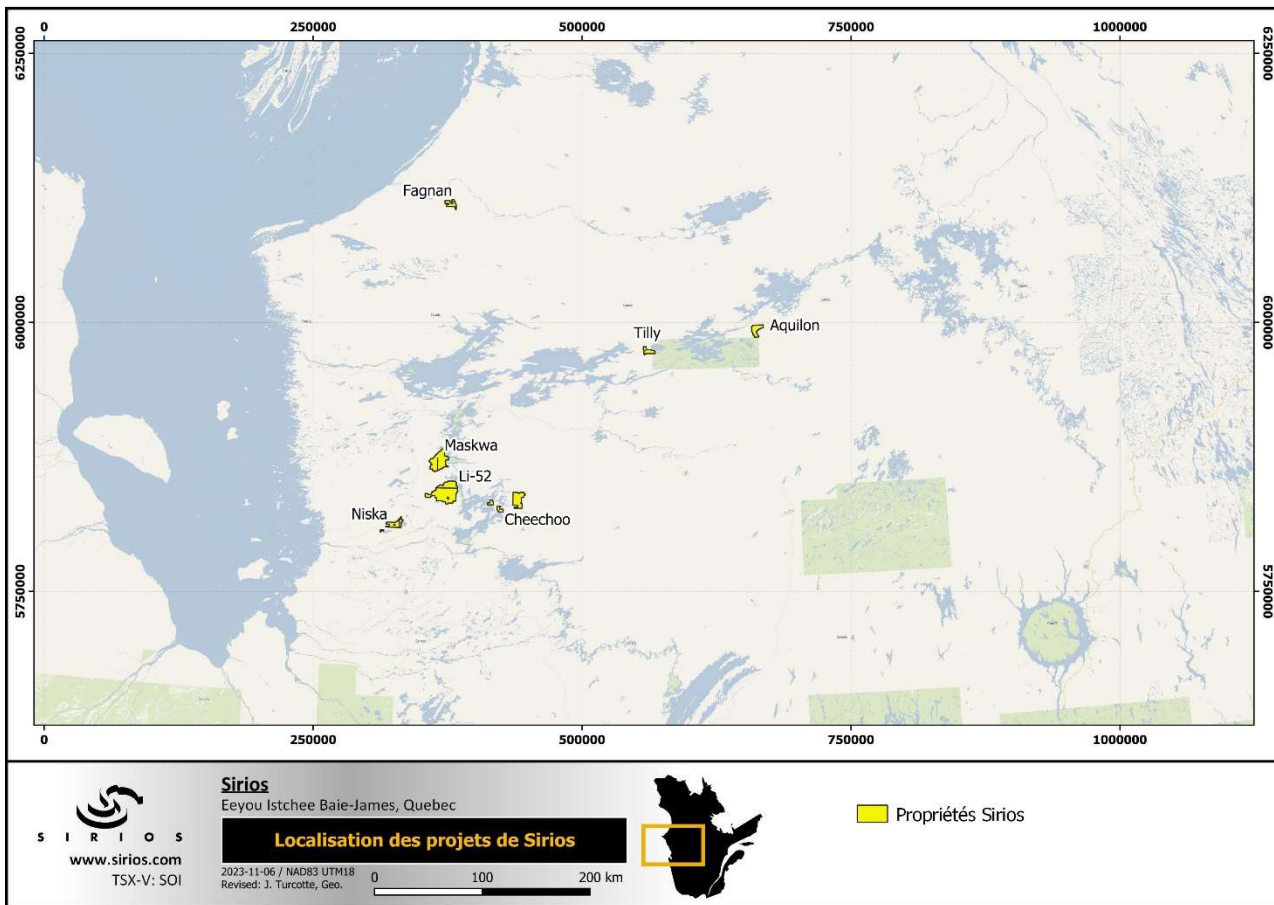


Figure 4.1: Location of Sirios' projects

4.1. Cheechoo property

The property, located 320 km north of Matagami, Eeyou Istchee James Bay in Quebec, is composed of 306 claims, covering an area of 157 km², divided into three non-contiguous blocks, 100% owned by Sirios (Figure 4.2). Its main block, composed of 231 claims, is located 7 km east of the Eleonore gold mine of Newmont Corp. in the NTS sheet 33B12. In the NTS sheet 33C09, the second block, the *West block*, is composed of 35 claims and is located approximately 20 km west of the main block, while the *South block* is composed of 40 claims. Twenty-four claims in the West block as well as 121 claims in the main block are subject to a gold royalty to Gold Royalty Corp., which varies between 2.5% and 4% ("Net returns") for gold depending on the price of gold and which is 4% net return for all other substances extracted from these claims. Notably, the gold royalty would be 4% for a price of gold over CAD\$3,000 per ounce.

Option granted on the West and South Blocks

In March 2024, the Company signed an option agreement on the South and West Blocks of its Cheechoo property with Electric Elements Mining Corp. ("EEM"). Pursuant to the agreement, Sirios granted EEM the option to acquire up to a 100% interest in each of the South and West Blocks in return for an investment of \$0.5M, over a period of two years, as follow: pay an amount of \$100,000 to Sirios upon signature (received), carry out a minimum of \$50,000 in exploration work on each of the two blocks and pay an amount of \$150,000 in cash and/or shares, with a minimum of 50% in cash, per block at the request of Sirios.

EEM will explore both blocks for lithium and if the option is exercised, Sirios will retain a 1.5% NSR ("Net Smelter Return") royalty on the southern block. In addition, if the option of exercised, Sirios will be able to recover, at no cost, 100% of the claims on which gold mineralization in bedrock reaching a minimum metal factor of 10 g/t per metre has been identified.

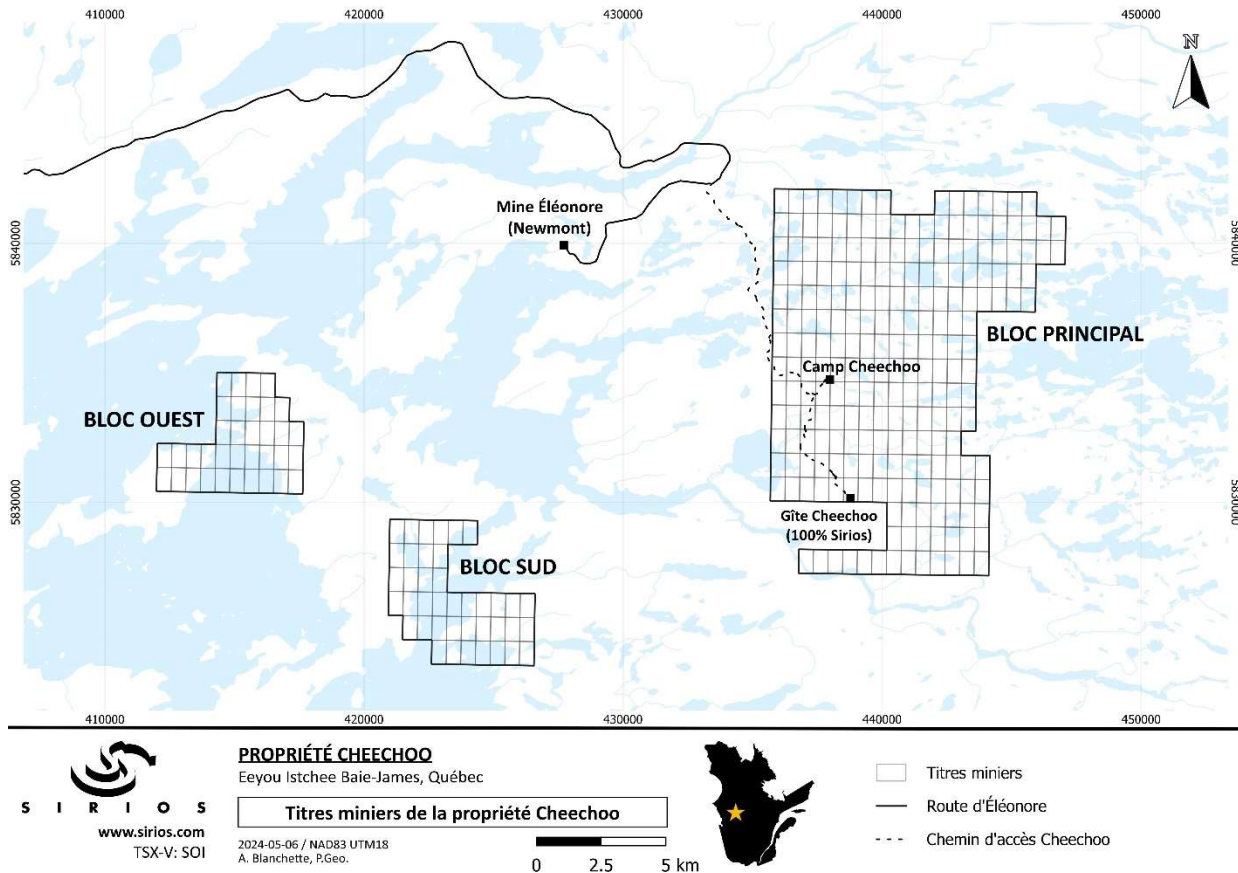


Figure 4.2: Location of the claims on the Cheechoo property

Gold resources

Sirios published, in December 2022, an updated resource estimate for the Cheechoo deposit. The technical report, produced by BBA and detailing this update, is available on SEDAR+ as well as on Sirios' website (ref. [NI-43-101-Cheechoo-Dec2022.pdf](#)).

This updated resource estimate indicates, for an open pit model, indicated resource of 1.4 million ounces of gold contained in 46.3 million tonnes at an average grade of 0.94 g/t Au, as well as inferred resource of 0.5 million ounces of gold contained in 21.1 million tonnes grading 0.73 g/t Au ([MRE Update for the Cheechoo Project Dec2022](#)). Please note that the estimated resources exclude a significant amount of gold mineralization present on the property in the southern portion of the deposit but directly adjacent to a property boundary. Additionally, there is a potential to define an additional gold resource outside of the deposit to the west of it with the high-grade Eclipse zone. For more details on this subject, refer to chapter 14.11 of the BBA technical report.

4.1.1. Executed work

4.1.1.1. Data review

Sirios undertook a complete review of the technical data which took place over several months including the present period. This in-depth analysis, carried out in collaboration firms specializing in geology and mining, including PLR Resources Inc., produced very promising results. The extensive review led to the identification of multiple high-priority targets for delineation of high-grade zones that could lead to open-pit or underground mining. In October and November 2024, Sirios' geological team therefore began to specify the drilling targets planned for the next drilling program.

There was no field work during the period on the Cheechoo property.

The work carried out on the Cheechoo property, during the period, totaled \$246,799, excluding the depreciation expense.

4.2. Aquilon property

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-Taïga 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.

Gold Royalty Corp. holds a 1% NSR ("Net Smelter Return") royalty on the Aquilon property, half of which is redeemable for \$500,000. In addition, an investor holds a 0.25% NSR royalty.

In December 2022, Sirios signed an option agreement with Sumitomo Metal Mining Canada Ltd. ("Sumitomo") giving it the option to acquire an interest of up to 80% of the Aquilon gold property, in return for an investment totaling \$14.8M (ref. [press release December 19, 2022](#)). According to the agreement, Sumitomo can earn a 51% interest in the property by paying Sirios an amount of \$200,000 (received) and after carrying out exploration work of \$4.6M on or before the third anniversary of the agreement. Sirios acts as project operator and receives 10% in management fees. A firm commitment of \$1.6M must be invested on the property during this first option phase. Sumitomo may obtain an additional 29% interest, for a total of 80% by undertaking additional exploration work of \$10M on or before the sixth anniversary of the agreement. Once the 80% stake is acquired by Sumitomo, a joint venture will be formed with Sirios for the project. In the event a joint venture participant's interest is diluted to below 10%, it will convert its joint venture interest to a net smelter return (NSR) royalty of 2%.

4.2.1. Executed work

4.2.1.1. Mapping, stripping and channel sampling work

Mechanical stripping, mapping, outcrop channel sampling as well as rehabilitation of old trenches were carried out in September and October 2024 following the reception of the results of the geochemical soil sampling survey (B horizon) completed in June 2024. Most of the new targets tested by this work have a general north-south orientation; they are located in the western portion of the property, a sector distinct from that containing the main gold showings already listed previously. Field observations also justified the extension of the detailed magnetic survey by drone in the western portion of the property. This survey should be carried out in November 2024. All this work will make it possible to define drilling targets for 2025.

The work, entirely financed by our partner Sumitomo, totaled \$239,282 for the period ended September 30, 2024. Sumitomo has invested, as of September 30, 2024, a cumulative total of \$2,179,886, excluding management received by Sirios, on the Aquilon property.

4.3. Fagnant property

Between February and October 2024, Sirios acquired the Fagnant property claims. Owned at 100% by Sirios, it is located approximately 150 km north of Radisson and approximately 50 km east of Whapmagoostui in Eeyou Istchee James Bay in Quebec. The property is located in the NTS sheet 33N02 and includes 98 claims, covering approximately 48 km² with the presence of numerous gold showings (Figure 4.3).

4.4. Maskwa, Li-52 and Niska properties

These properties are the subject of option agreement with various parties, however, given the decline in market interest in lithium, little or no work has been carried out on them until now. It is very likely that these option agreements will be abandoned by the partners in December 2024. Sirios will then reassess the status of each of these properties.

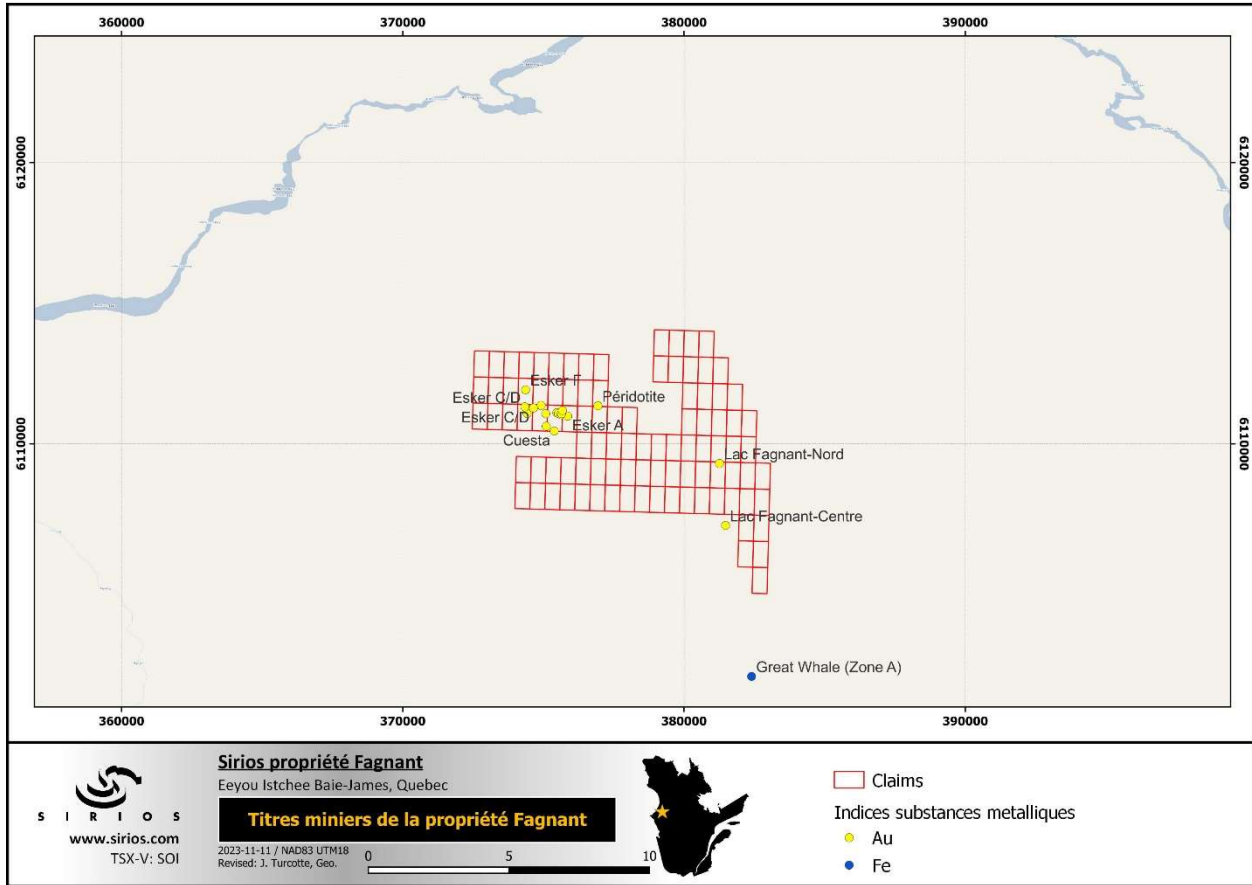


Figure 4.3: Location of the claims of the Fagnant property

There was no significant work during the period on the Fagnant property.

5. Overall performance

The net loss of the period was \$315,950 (net loss of \$871,074 for the same period in 2023) whereas expenses for the period totalled \$211,860 (\$309,540 for the same period in 2023).

Analysis

- The decrease in *Salaries and employee benefits expenses* can be explained by the resumption of the remuneration to members of the Board of Directors during the 2023 period. Arrears were paid during this period.
- The increase in *Professional fees* can be explained by the greater work of the Company's consultants, during the 2024 period, for various activities, in comparison with the 2023 period.
- The increase in the *Training* can be explained by the number of registrations for training during the 2024 period which was higher compared to the corresponding period in 2023.
- The decrease in *Office expenses* can be explained by the relocation of the Company's head offices during the 2023 period.

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

	Three-month period ended September 30, 2024 \$	Three-month period ended September 30, 2023 \$
Deferred income taxes	(156,630)	(533,168)
Change in fair value of listed shares	26,426	(81,364)
Amortization of property and equipment	(839)	(4,757)
Depreciation of right-of-use asset	(5,731)	(1,479)
Interest on lease obligation	(1,181)	(376)

The Company signed a rental agreement for its head offices on September 15, 2023, and is valid until September 30, 2028. According to IFRS 16, the Company is required to recognize the assets and liabilities for this rental agreement in the statement of financial position since its duration is more than 12 months. Total cash outflow for this rental agreement for the three-month period ended September 30, 2024, totals \$10,448 including additional rent expenses (\$1,761 for the three-month period ended September 30, 2023).

6. Financial position

- Working capital decreased by \$487,435, going from \$1,796,789 on June 30, 2024, to \$1,309,354 on September 30, 2024. The decrease can be explained by the payment for exploration activities and administrative activities during the period.
- Cash and term deposit totaled \$1,565,370 on September 30, 2024, in comparison with \$1,965,489 on June 30, 2024.
- The product of unspent funding related to flow-through financings is \$169,788 on September 30, 2024, and is to be spent by December 31, 2025. The Company is in the exploration stage; thus, it is dependent on obtaining regular financing to continue exploration. Despite previous success in acquiring sufficient financing, there is not guarantee on obtaining any future financing.
- On September 30, 2024, Sirios has accrued \$17,200 in refundable tax credits related to exploration expenditures.

7. Related party transaction

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, 2024, the compensation in salaries was \$79,478 (\$164,015 for the same period last year). Included in these amounts are share-based payments totaling \$0 (\$9,000 for the same period last year). An amount of \$15,194 (\$15,187 for the same period last year) was capitalized in *Exploration and evaluation assets*.

**Montreal, Quebec.
November 19, 2024.**