



S I R I O S

SIRIOS RESOURCES INC.

TSX-V : SOI

Management's Discussion and Analysis
Quarterly highlights
For the nine-month period ended March 31, 2022

This quarterly Management Discussion and Analysis dated May 20, 2022, 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 nine-month period ended March 31, 2022.

This discussion and analysis should be read in conjunction with:

- The March 31, 2022, 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 of March 31, 2022, there are 234,456,760 common shares of Sirios issued and outstanding.

2. Financing activities and other developments

2.1. 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.

The Board of Directors of Sirios has granted, on December 21, 2021, 2,975,000 stock options to employees, directors, officers, and consultants, at an exercise price of \$0.08 per share.

The Board of Directors of Sirios has granted, on January 25, 2022, 250,000 stock options to a new director at an exercise price of \$0.08 per share.

On January 26, 2022, the Company signed a strategic agreement for an amount of \$1.5M. This agreement included the issuance of 21,500,000 common shares of Sirios at a price of \$0.06 per share, as well as the sale of royalties on the Aquilon, Pontax, Maskwa, Niska and Tilly 2 properties (see press release of January 17, 2022, for more details) for a consideration of \$210,000.

2.2. Other developments

On March 9, 2022, the Company announce that it has received the UL ECOLOGO® Certification. Obtaining this independent certification demonstrates the Company's desire to continue to conduct its operations according to the highest standards in terms of environmental, social, economic and governance practices.

The standard, recognized by government authorities and by the mining industry, aims to assess and promote responsible practices by mineral exploration companies and their contractors.

3. Investing activities

During the three-month period ended March 31, 2022 (the "Quarter"), the Company incurred \$602,012 in exploration expenses compared to \$282,236 for the same period in 2021.

Analysis of the Quarter ended March 31, 2022

	Aquilon	Cheechoo	Pontax	Goldorak	Tilly 2	TOTAL
Geology	106	-	1,368	-	3,574	5,048
Geochemistry	-	10,200	-	-	-	10,200
Geophysics	-	-	-	-	-	-
Drilling	-	302,877	-	-	-	302,877
Property evaluation	-	-	-	-	-	-
Stripping/excavation	-	-	-	-	-	-
Bulk sampling	-	3,207	-	-	-	3,207
Technical evaluation	-	7,815	-	-	-	7,815
Others*	33,628	235,381	-	3,856	-	272,865
TOTAL	33,734	559,480	1,368	3,856	3,574	602,012

* An amount of \$57,122, included in the "Others" category, does not constitute an outflow of money. It is composed of the amortization charge.

During the nine-month period ended March 31, 2022, the Company incurred \$4,254,220 in exploration expenses compared to \$1,439,799 for the same period in 2021.

Analysis of the nine-month period ended March 31, 2022

	Aquilon	Cheechoo	Pontax	Goldorak	Tilly 2	TOTAL
Geology	106	-	1,368	-	3,574	5,048
Geochemistry	-	15,550	-	-	-	15,550
Geophysics	138,037	-	-	-	-	138,037
Drilling	1,034	3,053,586	-	-	-	3,054,620
Property evaluation	-	-	-	-	-	-
Stripping/excavation	-	-	-	-	-	-
Bulk sampling	11,070	27,294	-	-	-	38,364
Technical evaluation	-	7,815	-	-	-	7,815
Others*	52,551	938,309	70	3,856	-	994,786
TOTAL	202,798	4,042,554	1,438	3,856	3,574	4,254,220

* An amount of \$370,116 included in the "Others" category, does not constitute an outflow of money. It is composed of the charge for the granting of stock options as well as 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. 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 Sirios projects

4.1. Cheechoo property

The original claim blocks

The property located 320 km north of Matagami, Eeyou Istchee James Bay in Quebec, was originally 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 Sirios 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.

Recent expansion of the property

During the month of March 2022 and at the beginning of the following period, in April, Sirios added by map designation, 69 new claims to the property. A first block of 35 new claims is adjacent to the central-eastern part of the main block in SNRC sheet 33B12, and another block of 34 claims forms a third block not contiguous to the original blocks of the property, in sheet SNRC 33C09 as shown in Figure 2. These 69 new claims are 100% owned by Sirios and are not subject to any royalties. The Cheechoo property is therefore now composed of three blocks of non-contiguous claims comprising 225 claims for a total area of 118 km² (ref. [press release of April 22, 2022](#)). The new claims were acquired by Sirios both for their exploration potential for gold as well as to facilitate possible development of mining infrastructure.

The project's most recent resource estimate (October 2020) delineated inferred resources of 2.0 million ounces of gold contained in 93.0 million tonnes at 0.65 g/t Au, with significant upside potential increase in these resources ([BBA, Mineral Resource Estimate Update for The Cheechoo Project, 31/10/2020](#)).

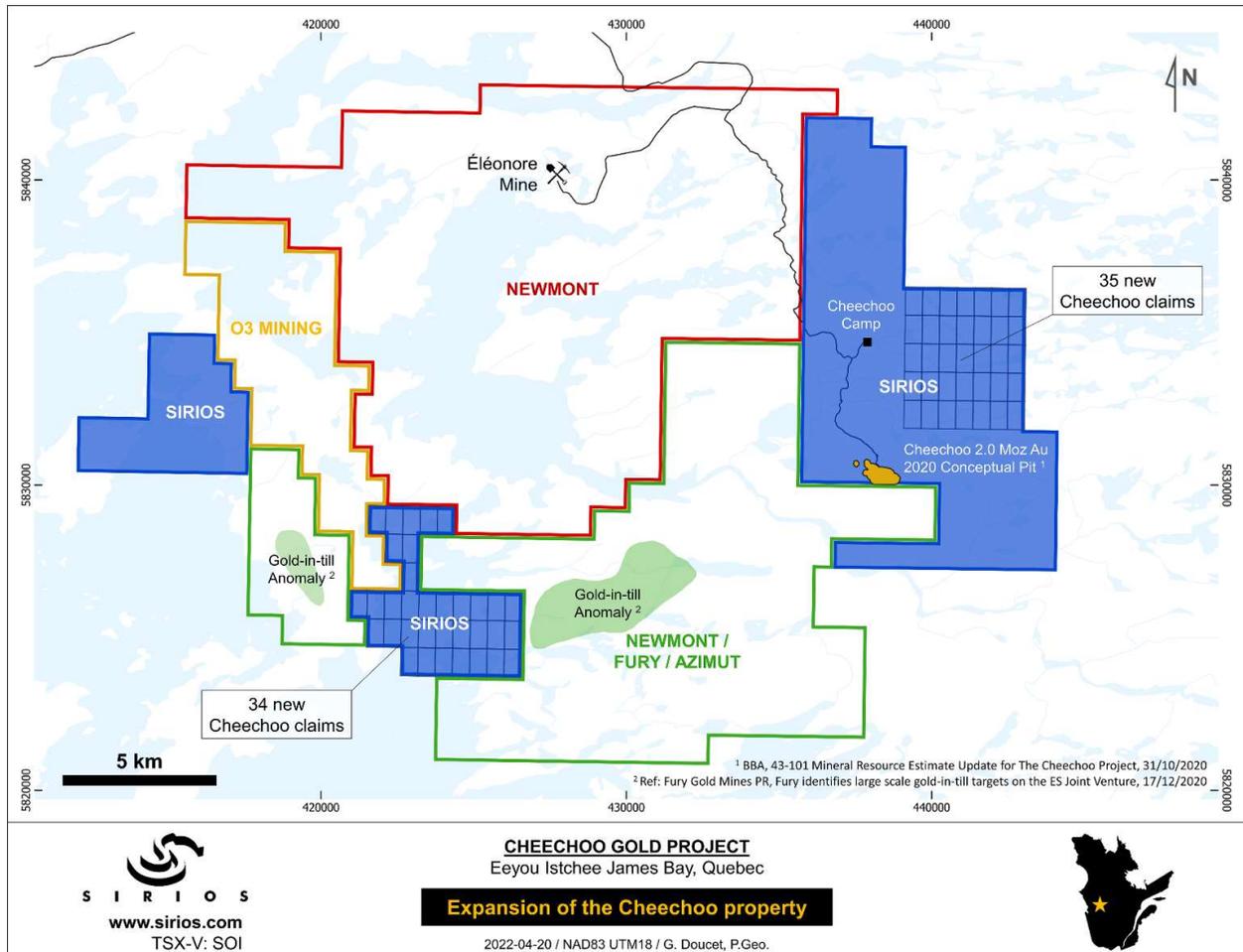


Figure 2: Location of the Cheechoo Project claims

4.1.1. Executed work

Results of the 2021 definition drilling campaign

The definition drilling campaign carried out in the summer of 2021 made it possible to drill 32 holes (located in Figure 3), totaling 6,836 m. The sample were sent to the Actlabs analysis laboratories in Sainte-Germaine-Boulé, as well as to those of ALS, Val d'Or.

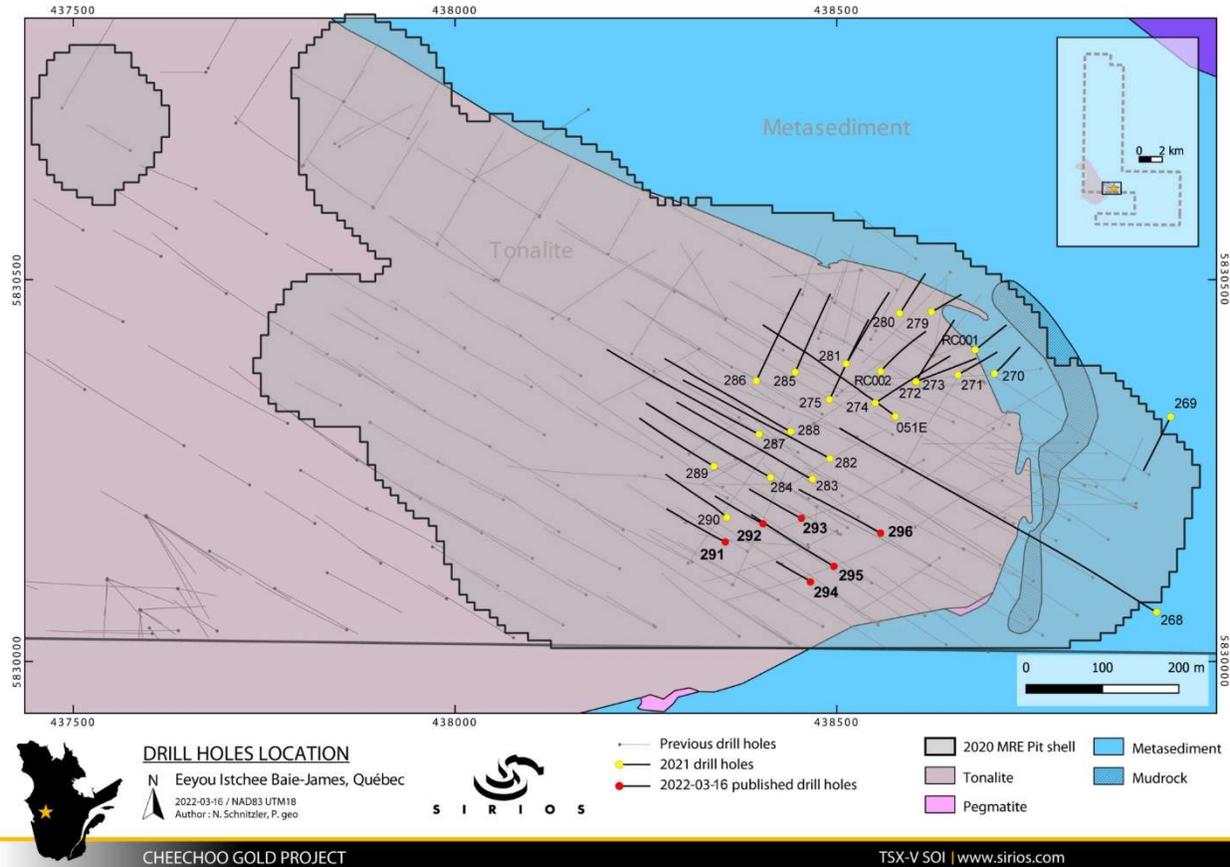


Figure 3: Location of the 32 holes of the 2021 drilling campaign on Cheechoo

The results of the last 14 drill holes totaling 2,877 m were published during the period with the following main results:

- 2.97 g/t Au over 80.0 m, including 29.13 g/t Au over 5.9 m (CH21-295)
- 1.17 g/t Au over 18.5 m (CH21-295)
- 3.87 g/t Au over 16.0 m, including 23.51 g/t Au over 2.3 m (CH21-296)
- 0.85 g/t Au over 50.4 m (CH21-291)
- 0.72 g/t Au over 35.0 m (CH21-291)
- 1.05 g/t Au over 34.0 m, including 2.51 g/t Au over 11.0 m (CH21-294)
- 0.80 g/t Au over 35.1 m (CH21-293)
- 3.46 g/t Au over 31.7 m, including 6.50 g/t Au over 6.6 m (CH21-279)
- 7.69 g/t Au over 9.9 m, including 68.84 g/t Au over 1.0 m (CH21-280)
- 6.18 g/t Au over 11.4 m, including 46.04 g/t Au over 1.0 m (CH21-280)
- 7.07 g/t Au over 9.0 m, including 50.40 g/t Au over 1.1 m (CH21-288)
- 3.17 g/t Au over 17.4 m, including 16.74 g/t Au over 2.9 m (CH21-290)
- 0.85 g/t Au over 57.7 m (CH21-290)
- 0.78 g/t Au over 38.5 m (CH21-289)

Keu results from other previously announced 2021 campaign are:

- **2.83 g/t Au over 55.0 m, including 97.56 g/t Au over 1.1 m (CH21-285)**
- **2.95 g/t Au over 28.9 m, including 72.36 g/t Au over 1.0 m (CH21-283)**
- **4.12 g/t Au over 12.5 m, including 45.54 g/t Au over 1.0 m (CH21-284)**
- **1.76 g/t Au over 23.8 m (CH21-051E)**
- **2.65 g/t Au over 11.7 m, including 27.35 g/t Au over 1.0 m (CH21-283)**
- **4.90 g/t Au over 22.0 m, including 71.69 g/t Au over 1.0 m (CH21-RC-02)**
- **2.36 g/t Au over 22.5 m, including 16.06 g/t Au over 2.5 m (CH21-274)**
- **0.68 g/t Au over 6.5 m, new area outside the gite (CH21-269)**

For full 2021 campaign results, please see press releases from the [December 14, 2021](#), [February 9, 2022](#), [March 1st, 2022](#) and [March 16, 2022](#).

Highlights of the 2021 drilling campaign

- The campaign produced **several high grade intervals within a broad continuous lower grade envelope**. The continuity of gold mineralization has therefore been confirmed in the central part of the 2020 conceptual pit as well as in the area of the northeast contact of the tonalite with the meta-sedimentary rocks.
- Hole CH21-268 demonstrated the **presence of gold mineralization to a vertical depth of more than 500 metres** at the tonalite/meta-sediment contact, highlighting the potential for deepening the deposit. For example, the presence of three gold intervals in this hole gave an average grade of 0.52 g/t Au over 70.9 m between 640 m and 710.9 m along it.
- Drill hole CH21-269 confirmed the existence of a **new gold zone located in a geological context little explored until now**, namely in the meta-sedimentary rocks outside the Cheechoo deposit (ref. [press release of 14/12/2021](#)). This area will be monitored during the next exploration campaign.

Change in the technical committee

The Cheechoo gold project technical committee has six members. It is an advisory committee focused on shaping Cheechoo's exploration and development programs. The committee meets at the beginning of each quarter to find ways to accelerate the development of the project. Special meetings may also be scheduled to discuss specific technical issues. The committee regularly submits its recommendations to Sirios' management.

During the period, three new members were appointed to the technical committee of the Cheechoo project, namely: Guy Saucier, Eng. (consultant), Samuel Martel, P.Eng., MBA (Cheechoo project director) and a commercial director of Newmont Corp. They have joined the current members of the committee, which consist of: Dominique Doucet, Eng. (President and CEO of Sirios), Jordi Turcotte, geo. (senior geologist, Sirios) and an exploration manager of Newmont Corp. These changes follow the departure of Mr. Louis Martin, geo., and Roger Doucet, B.Sc. from Cheechoo's technical committee, who continue to act as technical advisors for Sirios.

Re-assay program 1 kg

The program to re-assay 1kg of drill core samples from Cheechoo started in April 2021 is still ongoing.

Environmental studies

During the period, Sirios received the last report of the environmental baseline studies (EBS). These studies included:

- Wetland identification and characterization (executed in fall 2019);
- Avifauna characterization and inventory (executed in June 2021);
- Flora and terrestrial environment characterization and inventory (executed in August 2021);
- Aquatic components characterization and inventory (executed in August and September 2021).

The reports received explain that the results of these studies did not reveal any environmental concerns that could affect the development of the Cheechoo project.

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.

4.2.1. Executed work

There was not significant work on the Aquilon property itself during the period. Planning and design work for an upcoming exploration program was completed.

5. Overall performance

Quarter ended March 31, 2022 (3 months)

The net loss of the quarter is \$128,539 (net loss of \$42,166 for the same period in 2021) whereas expenses for the quarter totalled \$178,623 (\$166,930 for the same period in 2021).

General analysis

- The increase in *Investors and shareholders' relations* can be explained by increased promotional activities by the Company during the quarter compared to last year which was a slower year for such activities due to the COVID-19 pandemic.
- The increase in *Professional fees* can be explained by the greater work, compared to last year, of the Company's consultants for various activities incurred during the period.
- The increase in *Insurances, taxes and permits* can be explained by the work done to obtain the UL ECOLOGO® certification during the period.

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

	Three-month period ended March 31, 2022 \$	Three-month period ended March 31, 2021 \$
Share-based payments	(10,000)	-
Deferred income taxes	74,936	174,644
Change in fair value of listed shares	(18,179)	(34,195)
Amortization of property and equipment	(352)	(229)

Period ended March 31, 2022 (9 months)

The net loss for the nine-month period is \$131,047 (net loss of \$1,238,862 for the same period in 2021) whereas expenses for the period totalled \$623,487 (\$624,259 for the same period in 2021).

General analysis

- The decrease in *Salaries and employee benefits expenses* can be explained by the higher expense of share-based compensation, when granting stock options, last year in comparison to this year (this item does not require an outflow of cash), as well as the temporary suspension of compensation for members of the Board of Directors to reduce general administrative costs.
- The increase in *Professional fees* can be explained by the greater work, compared to last year, of the Company's consultants for various activities incurred during the period.

- 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, as well as the work done to obtain the UL ECOLOGO® certification during the period.

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

	Nine-month period ended March 31, 2022 \$	Nine-month period ended March 31, 2021 \$
Share-based payments	(61,000)	(149,468)
Deferred income taxes	656,366	(104,875)
Change in fair value of listed shares	(107,356)	(344,261)
Amortization of property and equipment	(1,072)	(1,400)

6. Financial position

- Working capital decreased by \$1,678,875, going from \$2,734,227 on June 30, 2021, to \$1,055,352 on March 31, 2022. 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 \$1,162,116 on March 31, 2022, in comparison with \$3,160,832 on June 30, 2021.
- The product of unspent funding related to flow-through financings is \$770,883 on March 31, 2022, and it 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.

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 quarter ended March 31, 2022, the compensation in salaries was \$72,399 (\$92,839 for the same period last year). Included in these amounts are share-based payments totaling \$10,000 (none for the same period last year). An amount of \$16,422 (\$4,672 for the same period last year) was capitalized in *Exploration and evaluation assets*.

For the nine-month period ended March 31, 2022, the compensation in salaries was \$235,151 (\$368,571 for the same period last year). Included in these amounts are share-based payments totaling \$55,750 (\$122,500 for the same period last year). An amount of \$44,611 (\$49,924 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.
May 20, 2022.