



**SIRIOS RESOURCES
TSX-V: SOI**

Interim Financial Statements (unaudited)

SEPTEMBER 30, 2015

Table of content

Interim Statement of Financial Position	2
Interim Statement of Comprehensive Loss	3
Interim Statement of Changes in Equity	4
Interim Statement of Cash Flows	5
Notes to Interim Financial Statements	6-18

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

1000, St-Antoine West, Suite 415, Montreal QC H3C 3R7
Phone: 514-510-7961 Fax: 514-510-7964 www.sirios.com

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

(in Canadian dollars)

	Notes	September 30, 2015 \$	June 30, 2015 \$
ASSETS			
Current			
Cash		1,308,439	771,227
Other receivables	5	40,450	13,926
Listed shares		52,362	44,882
Good and services tax receivable		63,337	15,838
Tax credit and credit on duties receivable		5,482	25,941
Prepaid expenses		17,125	16,631
		1,487,195	888,445
Non current			
Investment accounted for using the equity method	9	382,781	398,546
Property and equipment	6	5,921	6,647
Exploration and evaluation assets	7	7,599,854	7,211,388
Total assets		9,475,751	8,505,026
LIABILITIES			
Current			
Trade and other payable		173,110	131,761
Loans	11	-	46,970
Provision	10	315,919	315,919
Other liabilities		206,095	235,300
Total liabilities		695,124	729,950
EQUITY			
Share capital	12.1	24,246,880	23,184,622
Contributed surplus		2,556,868	2,495,900
Deficit		(18,023,121)	(17,905,446)
Total equity		8,780,627	7,775,076
Total liabilities and equity		9,475,751	8,505,026

Going concern assumption (see Note 2).

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

These interim financial statement were approved and authorized by the Board of Directors on November 18, 2015.

(signed) Dominique Doucet

Dominique Doucet, President

(signed) Andre Proulx

André Proulx, Director

SIRIOS RESOURCES INC.
Interim Statement of Comprehensive Loss (unaudited)

(in Canadian dollars)

	Notes	Three-month period ended	
		September 30	
		2015	2014
		\$	\$
EXPENSES			
Professional fees		66,161	11,084
Salaries and employee benefit expenses	13.1	50,801	48,335
Investors and shareholders' relations		23,858	29,651
Trustees and registration fees		4,350	3,486
Rent expenses		3,492	3,973
Office expenses		3,180	2,671
Insurance		1,512	1,689
Amortization of property and equipment		727	252
Bank charges		278	207
Income taxes of section XII.6		115	-
Project generation expenses		(4,250)	1,614
Write-off of exploration and evaluation assets		-	139
OPERATIONAL LOSS		150,224	103,101
OTHER REVENUES AND EXPENSES			
Finance costs	15	4,273	43,433
Finance income	15	634	42,712
Share of loss from equity-accounted investment		(19,105)	(8,092)
Adjustement of ownership in equity-accounted investment		3,341	(388)
		(10,857)	77,665
LOSS BEFORE INCOME TAX		(161,081)	(25,436)
Deferred income taxes		94,205	13,887
NET LOSS AND COMPREHENSIVE LOSS		(66,876)	(11,549)
NET LOSS PER SHARE - basic and diluted	16	(0.0011)	(0.0003)

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	Share capital	Contributed Surplus	Deficit	Total Equity
		\$	\$	\$	\$
As of July 1st, 2014		21,946,577	2,361,216	(16,944,962)	7,362,831
Net loss and comprehensive loss		-	-	(11,549)	(11,549)
As of September 30, 2014		21,946,577	2,361,216	(16,956,511)	7,351,282
As of July 1st, 2015		23,184,622	2,495,900	(17,905,446)	7,775,076
Net loss and comprehensive loss		-	-	(66,876)	(66,876)
Issuance cost of shares		-	-	(50,799)	(50,799)
Issuance of units and shares	12.1	849,394	60,968	-	910,362
Exercise of warrants	12.1	212,864	-	-	212,864
As of September 30, 2015		24,246,880	2,556,868	(18,023,121)	8,780,627

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

SIRIOS RESOURCES INC.

Interim Statement of Cash Flows

(in Canadian dollars)

	Three-month period ended September 30,	
	2015	2014
	\$	\$
OPERATING ACTIVITIES		
Net loss	(66,876)	(11,549)
Adjustments		
Amortization of property and equipment	727	252
Amortization of the fees related to the loans	3,030	1,308
Change in fair value of listed shares	(7,480)	(44,882)
Gain on settlement of another receivable	-	(39,445)
Write-off of exploration and evaluation assets	-	139
Deferred income taxes	(94,205)	(13,887)
Share of loss from equity-accounted investment	19,105	8,092
Adjustment of ownership in equity-accounted investment	(3,341)	388
Changes in working capital items	17	(189,516)
Cash flows from operating activities	(260,315)	(289,100)
INVESTING ACTIVITIES		
Tax credits received	20,459	417,534
Additions to exploration and evaluation assets	(310,360)	(134,702)
Cash flows from investing activities	(289,901)	282,832
FINANCING ACTIVITIES		
Issuance of units and shares	1,188,226	-
Reimbursement of a loan	(50,000)	-
Issuance cost of shares	(50,798)	-
Cash flows from financing activities	1,087,428	-
NET CHANGE IN CASH	537,212	(6,268)
CASH, BEGINNING OF THE PERIOD	771,227	206,711
CASH, ENF OF THE PERIOD	1,308,439	200,443
Cash operations		
Interests paid	178	141
Interests received	635	3,267

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

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

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 415, Montreal, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange, under the symbol "SOI".

2. GOING CONCERN ASSUMPTIONS

The financial statements have been prepared on the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not generated income nor cash flows from operations. As of September 30, 2015, the Company has a deficit of \$18,023,121 (\$17,905,446 on June 30, 2015). These uncertainties cast significant doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties and continued support of suppliers and creditors. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

The carrying amount of assets, liabilities, revenues and expenses presented in the financial statements and the classification used in the interim statement of financial position have not been adjusted as would be required of the going concern assumption was not appropriate. These adjustments could be significant. Management does not consider these adjustments because it believes in the assumption of the going concern.

3. BASIS OF PRESENTATION

These interim financial statements, on September 30, 2015, of the Company were prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) under International Accounting Standards (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 annual financial statements on June 30, 2015, as well as the IFRS effect on November XX, 2015, the date the Board of Directors approved these interim financial statements. These interim financial statements do not include all of the notes required in annual financial statements.

4. JUDGMENTS, ESTIMATES AND ASSUMPTIONS

When preparing the interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Informations about significant judgments, estimates 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 interim financial statements.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

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

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.

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, meet 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 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 recovered 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 are 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 three-month period ended September 30, 2015, no impairment loss of exploration and evaluation assets was recognized in profit or loss (\$139 on September 30, 2014). No reversal of impairment losses has been recognized for the reporting periods.

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 share, 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.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

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

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.

5. OTHER RECEIVABLES

	September 30, 2015	June 30, 2015
	\$	\$
Advances to an associated company, 1.5%	34,382	13,926
Advances to officers	6,068	-
	<u>40,450</u>	<u>13,926</u>

6. PROPERTY AND EQUIPMENT

	Office furniture	Computer equipment	Total
	\$	\$	\$
Gross carrying amount			
Balance on September 30, 2015	36,683	25,710	62,393
Accumulated amortization			
Balance on July 1st, 2015	35,068	20,678	55,746
Amortization	227	500	727
Balance on September 30, 2015	35,295	21,178	56,473
Carrying amount on September 30, 2015	<u>1,388</u>	<u>4,532</u>	<u>5,920</u>

All amortization expenses are presented in *Property and equipment amortization*.

7. EXPLORATION AND EVALUATION ASSETS

Mining rights

	June 30, 2015	Additions	Write-off	September 30, 2015
	\$	\$	\$	\$
(a) Aquilon	71,382	-	-	71,382
(b) Cheechoo	463,872	-	-	463,872
(c) Cheechoo-extension	1,408	-	-	1,408
(d) Kukames	512	-	-	512
(e) Pontax	252,206	-	-	252,206
(f) Taïgor	6,400	-	-	6,400
	<u>795,780</u>	-	-	<u>795,780</u>

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

Exploration and evaluation expenses

	June 30, 2015	Additions	Write-off	Tax credits and credit on duties	September 30, 2015
	\$	\$	\$	\$	\$
(a) Aquilon	1,287,103	-	-	-	1,287,103
(b) Cheechoo	2,526,407	379,372	-	9,094	2,914,873
(e) Pontax	2,597,029	-	-	-	2,597,029
(f) Taïgor	5,069	-	-	-	5,069
	<u>6,415,608</u>	<u>379,372</u>	<u>-</u>	<u>9,094</u>	<u>6,804,074</u>
TOTAL	<u>7,211,388</u>	<u>379,372</u>	<u>-</u>	<u>9,094</u>	<u>7,599,854</u>

(a) Aquilon

This 104 claims gold property is located near LA-1 hydro-electric complex in the James Bay area (Qc) and is owned at 50% by the Company.

The Company signed, in June 2015, amended on October 27, 2015, an option to sell its 50% interest in the property to a private company. A consideration of one million dollars has to be paid to Sirios no later than June 1st, 2016 in the following manner: \$20,000 in cash payment (received on October 1st, 2015); cash payment of \$480,000 and payment of \$500,000 in capital stock of the buyer, 70% of the amount evaluated at the share price of the buyer at its first round of financing and 30% assessed of the price at the second round of financing.

(b) Cheechoo

The Cheechoo gold project consists of 145 claims owned by the Company (45%) and Golden Valley Mined Ltd. ("Golden Valley") (55%). The property covers 7,400 acres in two distinct blocks adjoining the Eleonore gold deposit owned by Goldcorp 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).

Following an agreement with the Company in 2005 (completed in 2009), Golden Valley has acquired a 60% interest in the property. On June 15, 2012, the Company signed an agreement with Golden Valley allowing Sirios to increase its interest by 5% (45%) by undertaking fieldwork for a minimum of \$800,000 by the end of 2012 (fulfilled). Following the completion of this work, and in accordance with the provisions of the agreement, the Company has until June 15, 2013 to inform its intention to acquire the remaining 55% from Golden Valley (signified). To acquire this additional interest, the Company would have to pay or issue to Golden Valley the lesser of 9.9% of its share capital of \$1 million in cash or shares by December 31, 2013 (fulfilled), achieve within 3 years from the date of service of its intention to acquire the remaining interest, exploration work totaling \$5 millions to be spent under the agreement. On October 23, 2013, an amount of \$3,888,440 of exploration work remained to be spent under the agreement. Golden Valley will keep a NSR from all mineral products varying between 2.5% and 4% depending on the price of gold as well as a 4% NSR from all mineral products mined. Since October 23, 2013, the Company incurred an amount of \$2,111,887 in exploration work that are subject to Golden Valley's approval. The Company actively continues to incur costs on the property.

(c) Cheechoo-extension

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

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

(d) Kukames

This gold property, owned at 100% by the Company, consists of 2 claims. It is located approximately 25 km southeast of the Eleonore gold deposit owned by Goldcorp Inc.

(e) Pontax

The property, owned at 100% by the Company, consists of 78 claims and divided in two non-continuous blocks of 70 and 8 claims. It is located in James Bay (Qc), approximately 350 km north of Matagami (Qc).

The regional prospecting fieldwork and the drill holes undertaken by Sirios between 2006 and 2012, allowed by drilling, to delimit a mineralized zone of silver-zinc as well as gold potential zone located about 10 km east of this zone. The silver-zinc zone shows in some places very high grades of silver in the order of several kg of silver per ton meanwhile a gold-bearing vein graded up to a bit more than 11 g/t Au in the eastern part of the property.

(f) Taïgor

The Taïgor property consists of 50 claims in James Bay (Qc).

8. LEASES

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

	Minimum lease payments due		
	Within 1 year	1 to 5 years	Total
	\$	\$	\$
September 30, 2015	12,960	22,681	35,641
June 30, 2015	12,960	25,921	38,881

The Company leases its offices under a lease expiring May 31, 2017.

Lease payments recognized as an expense during the three-month period amounts to \$3,492 (\$3,973 on September 30, 2014). This amount consists of minimum lease payments.

9. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

On September 30, 2015, the Company holds 21.92% (24.84% on September 30, 2014) voting and equity interest in Khalkos Exploration Inc. ("Khalkos"), a mining exploration and evaluation company, located in Quebec. The investment is reported using the equity method since January 2012. Khalkos has a reporting date of February 28. Shares of Khalkos are listed on the TSX Venture Exchange, under the symbol "KAS". On September 30, 2015, the fair value of the participation is \$721,743 (\$962,324 on September 30, 2014).

The aggregate amount of the associate company can be summarized as follows:

	On September 30,	
	2015	2014
	\$	\$
Current assets	196,666	184,800
Non current assets	990,965	1,725,141
Current liabilities	213,775	177,618
Net loss and other comprehensive income	(86,980)	(32,551)

The Company has not incurred any contingent liabilities or other commitments relating to its investment in this associate.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

9. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD (cont'd)

	On September 30,	
	2015	2014
	\$	\$
Total net assets	973,859	1,724,154
Contributed surplus not attached to common shareholders	(341,529)	(230,701)
	632,330	1,493,453
Proportion of ownership interests held	21.92%	24.84%
	138,607	370,974
Permanent effect of the change in the Company's interest from the settlement of another receivable by issuance of shares by Khalkos	(43,051)	(43,051)
	95,556	327,923
Capital gains balance	287,225	318,224
	382,781	646,147

Variation of the ownership

During the three-month period ended September 30, 2015, Khalkos issued shares to acquire mining rights and for the exercise of warrants. Those issuances decreased the Company's ownership from 22.18% to 21.92%.

During the three-month period ended September 30, 2014, Khalkos issued to Sirios to reimburse a debt. This issuance increased the Company's ownership from 18.22% to 24.88%.

10. PROVISIONS

Provisions relate to various tax claims. The Company is not eligible for any reimbursement by third parties in this regard. Usually, these claims are settled between three and eighteen months from initiation, depending on the procedures used for negotiating the claims. As the timing of settlement of these claims is to a large extent dependent on the pace of negotiations with various counterparties and governmental authorities, the Company cannot reliably estimate the amounts that will eventually be paid in settlement after more than twelve months from the reporting date. Therefore, the amount was classified as current.

11. EMPRUNT

On December 20, 2013, the Company closed a total of \$150,000 in a loan with Société de développement de la Baie James (the "Lenders"). The loan bears an interest rate of 13% per annum (effective rate of 26.84%, 17.39% in 2014). The loan matures on December 20, 2015 (the "Maturity date"), unless repaid or redeemed earlier in accordance with the terms and conditions of the loan.

The Company agreed to pay the Lenders structuring fees equal to 2% of the loan for \$3,000. The Company also incurred \$8,067 legal fees relating to the loan. Total expenses of \$11,067 were recorded against the loan and will be amortized over a period up to the Maturity date. If the loan is repaid earlier, the unamortized portion of expenses will be amortized in full at the time.

On December 20, 2014, the Company reimbursed \$100,000.

On July 20, 2015, the Company reimbursed the remaining \$50,000 to the Lenders. The remaining \$3,030 of transaction costs was amortized in full at that time.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

12. EQUITY

12.1 Share capital

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

Capital-actions autorisé

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, serie A, are redeemable at the Company's option at their issuance price, non-voting and not entitled to dividends.

	Number of shares	
	Three-month period ended September 30,	
	2015	2014
Common shares issued and fully paid at beginning of the period	57,374,238	43,092,738
Exercise of warrants (a) (b)	2,128,643	-
Private placement (c) (e)	6,096,765	-
Flow-through private placement (d) (f)	1,624,997	-
Common shares issued and fully paid at the end of the period	<u>67,224,643</u>	<u>43,092,738</u>
Preferred shares, Serie A	<u>100,000</u>	<u>100,000</u>

- (a) On July 20, 2015, 1,771,500 warrants were exercised at a price of \$0.10 per share. An amount of \$177,500, equal to the exercise price, was recorded as an increase in the share capital.
- (b) On July 30, 2015, 357,143 warrants were exercised at a price of \$0.10 per share. An amount of \$35,714, equal to the exercise price, was recorded as an increase in the share capital.
- (c) On August 6, 2015, the Company completed the closing of a private placement for a total of \$176,132. It was composed of 1,467,765 units. The unit, offered at \$0.12, was composed of one common share and half a warrant. In total, 1,467,765 common shares, as well as 733,883 warrants were issued. Each warrant entitles its holder to subscribe for one common share at \$0.18 per share for a period of eighteen months. An amount of \$14,678, related to warrants, was recorded as an increase in contributed surplus.
- (d) In August 6, 2015, the Company completed the closing of a flow-through private placement for a total of \$80,000. It was composed of 533,333 flow-through shares at a price of \$0.15 each. An amount of \$58,667 was recorded in share capital and an amount of \$21,333 was recorded as other liabilities in the statement of financial position. Other liabilities represent the difference between the share price at the time of issuance and the share price in the subscription agreement. When eligible expenditures have been incurred and the Company has transferred its right to deductions to investors, the amount recognized in other liabilities will be reversed and recognized in profit or loss as a reduction of deferred income tax.

The Company paid a finders' fee in cash of \$6,000.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

12. EQUITY (cont'd)

12.1 Share capital (cont'd)

(e) On September 17, 2015, the Company completed the closing of a private placement for a total of \$555,480. It was composed of 4,629,000 units. The unit, offered at \$0.12, was composed of one common share and half a warrant. In total, 4,629,000 common shares as well as 2,314,500 warrants were issued. Each warrant entitles its holder to subscribe for one common share at \$0.18 per share for a period of eighteen months. An amount of \$46,290, related to warrant, was recorded as an increase in contributed surplus.

(f) On September 17, 2015, the Company completed the closing of a flow-through private placement for a total of \$163,750. It was composed of 1,091,664 flow-through shares at a price of \$0.15 each. An amount of \$120,083 was recorded in share capital and an amount of \$43,667 was recorded as other liabilities in the statement of financial position.

12.2 Warrants

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

	September 30, 2015	
	Number of warrants	Weighted average exercise price
		\$
Balance, at beginning of the period	3,479,900	0.10
Issued	3,048,383	0.18
Expired	(2,128,643)	(0.10)
Balance, at the end of the period	<u>4,399,640</u>	<u>0.16</u>

During the period, the Company issued 3,048,383 warrants through two closings of private placement. An amount of \$60,968 was recorded in contributed surplus.

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

	September 30, 2015	
Expiration date	Number of warrants	Exercise price
		\$
December 19, 2015	1,282,857	0.10
December 19, 2015	68,400	0.10
February 6, 2017	733,883	0.18
March 17, 2017	<u>2,314,500</u>	<u>0.18</u>
	<u>4,399,640</u>	<u>0.16</u>

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

13. EMPLOYEE REMUNERATION

13.1 Salaries and employee benefit expenses

Salaries and employee benefit expenses recognized are analyzed below:

	Three-month period ended September 30,	
	2015	2014
	\$	\$
Salaries and benefits	83,717	69,735
Share-based payments	-	-
	<u>83,717</u>	<u>69,735</u>
Less: salaries and share-based payments capitalized in Exploration and evaluation assets or presented in Exploration expenses	<u>(32,916)</u>	<u>(21,400)</u>
Salaries and employee benefit expenses	<u>50,801</u>	<u>48,335</u>

13.2 Share-based payments

The Company has a share-based payments plan for eligible directors, officers, employees, consultants and service suppliers for investor's 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, with a maximum of 6,722,464 on September 30, 2015 (4,309,274 on September 30, 2014);
- 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 months period is limited to 2% of issued and outstanding shares;
- iv) the maximum number of shares that can be reserved for a supplier of investor's relation services during any 12 months period is limited to 2% of issued and outstanding shares; moreover, the options granted may be 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 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 follows for the period presented:

	September 30, 2015	
	Number of options	Weighted average exercise price
		\$
Outstanding, at the beginning and at the end of the period	<u>5,075,000</u>	0.19

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

13. EMPLOYEE REMUNERATION (cont'd)

13.2 Share-based payments (cont'd)

The table below summarizes the information related to share options as September 30, 2015:

<u>Range of exercise price</u>	<u>September 30, 2015</u>	
	<u>Number of options</u>	<u>Remaining life (years)</u>
From \$0 to \$0.50	4,775,000	3.47
From \$0.51 to \$1.00	300,000	1.24
	<u>5,075,000</u>	

No amount of share-based payments (all of which related to equity-settled share-based payment transactions) was recorded for the three-month period ended September 30, 2015 (no amount for the three-month period ended September 30, 2014) and credited to contributed surplus.

14. FAIR VALUE MEASUREMENT

14.1 Fair value measurement of financial instruments

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the assets or liabilities.

The fair value of the listed shares have been estimated by reference of their quoted prices at the reporting date.

Shares in listed companies measured at fair value in the statement of financial position on September 30, 2015 and June 30, 2015, are classified in Level 1.

14.2 Financial instruments measured at amortized cost for which the fair value is disclosed

The carrying value of cash, other receivables, other payables and short-term loan is considered to be reasonable approximation of fair value because of the short-term maturity of these instruments. The loan, on June 30, 2015, is classified in Level 2 of the fair value hierarchy.

15. FINANCE COSTS AND INCOME

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

	<u>September 30,</u>	
	<u>2015</u>	<u>2014</u>
	<u>\$</u>	<u>\$</u>
Interests on trade accounts	-	(141)
Interests on reimbursement of loans	(178)	-
Amortization of fees related to loans	(3,029)	(1,308)
Change in fair value of listed shares	7,480	44,882
	<u>4,273</u>	<u>43,433</u>

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

15. FINANCE COSTS AND INCOME (cont'd)

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

	September 30,	
	2015	2014
	\$	\$
Interests income from cash	634	188
Interests income from tax credits received	-	2,582
Interests income from other receivables	-	497
Gain on reimbursement of a receivable account	-	39,445
	<u>634</u>	<u>42,712</u>

16. 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 anti-dilutive. Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Note 12.2 and 13.2.

	Three-month period ended September 30,	
	2015	2014
Net loss	(66,876) \$	(11,549) \$
Weighted average number of shares	61,113,046	43,092,738
Basic and diluted loss per share	(0.0011) \$	(0.0003) \$

17. ADDITIONAL INFORMATION - CASH FLOWS

The change in working capital items are detailed as follows:

	Three-month period ended September 30,	
	2015	2014
	\$	\$
Other receivables	(26,524)	(17,613)
Good and services tax receivable	(47,499)	82,537
Prepaid expenses	(494)	19,234
Trade and other payables	(36,758)	(273,674)
	<u>(111,275)</u>	<u>(189,516)</u>

18. RELATED PARTY TRANSACTIONS

The Company's related parties includes associated companies and its key management personnel. Unless otherwise stated, none of the transactions incorporated special terms and conditions and guarantees were given or received. Outstanding balances are usually settled in cash. During the three-month period ended September 30, 2015, Sirios provided administrative services to an associated company, Khalkos, totaling \$21,680 (\$17,761 for the three-month period ended September 30, 2014). These transactions occurred in the normal course of business and were measured at the exchange amount, which is the consideration established and agreed by the parties.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

18. RELATED PARTY TRANSACTIONS (cont'd)

18.1 Transactions with key management personnel

The remuneration of the Company's key management personnel and the president includes the following expenses:

	Three-month period ended September 30,	
	2015	2014
	\$	\$
Salaries and benefits	34,807	35,134
Professional fees	55,000	-
Total remuneration	<u>89,807</u>	<u>35,134</u>

19. 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.

The Company is not exposed to any externally imposed capital requirements except when the Company issues flowthrough shares for which an amount should be used for exploration work. See all details in Note 12.1 and 20.

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.

20. 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 placement;
- 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 this regard. Refusal of certain expenses by the tax authorities could have a negative tax impact for investors.

During the three-month period ended September 30, 2015, the Company received an amount of \$243,750 (nil for the three-month period ended September 30, 2014) from flow-through placement, for which the Company will renounced to tax deductions on December 31, 2015. Management is required to fulfill commitments within the stipulated deadline of one year from the renunciation date.

SIRIOS RESOURCES INC.

Notes to Interim Financial Statements

For the three-month period ended September 30, 2015 (unaudited)

(in Canadian dollars)

20. CONTINGENCIES AND COMMITMENTS (cont'd)

The product of unspent funding related to flow-through financings total \$772,599 to spend before December 31, 2016 (\$231,787 to spend before December 31, 2015 on September 30, 2014). According to the fiscal legislations imposed restrictions, the Company has to dedicate these funds to the exploration of Canadian mining properties.