S I R I O S

SIRIOS RESOURCES INC.
TSX-V : SOI

Management's Discussion and Analysis
Quarterly highlights
For the six-month period ended December 31, 2020

This quarterly Management Discussion and Analysis dated February 17, 2020, 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 December 31, 2020.

This discussion and analysis should be read in conjunction with:

- The December 31, 2020 unaudited interim financial statements;
- The 2020 Annual Management report;
- The Company's audited financial statements for the years ended June 30, 2020 and 2019.

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 December 31, 2020, there are 202,069,527 common shares of Sirios issued and outstanding.

2. Financing activities

In September 2020, 200,000 options were exercised at a price of $0.10.

In October 2020, 300,000 options were exercised at a price of $0.10.

In November 2020, 150,000 options were exercised at a price of $0.10.

In December 2020, 50,000 options were exercised at a price of $0.10.

On December 11 and 16, 2020, the Company completed a flow-through private placement for a total of $2,567,140. In total, 14,261,889 flow-through shares were issued, at a price of $0.18, as well as 7,130,944 warrants. Management is required to fulfill its commitments within the prescribed period of two years from the date of renouncement.

On December 11 and 16, 2020, the Company completed a flow-through private placement for a total of $863,450. In total, 5,079,117 flow-through shares were issued, at a price of $0.17, as well as 2,539,559 warrants. Management is required to fulfill its commitments within the prescribed period of two years from the date of renouncement.

The balance of flow-through amounts unspent for these two financings as of December 31, 2020 is $3,976,854 and this amount must be spent before December 31, 2022.

On December 17, 2020, the Company completed a private placement for a total of $520,500. The unit, offered at $0.15, consisted of one non-flow-through share and half a warrant. In total, 3,469,996 shares were issued as well as 1,734,998 warrants.

All the warrants indicated above entitled its holder to subscribe for one common share at a price of $0.23 for a period of 18-months after the closing date for the placements ending December 11 and 16 and until June 13, 2022 for the placement ended on December 17.

3. Investing activities

During the three-month period ended December 31, 2020 (the "Quarter"), the Company incurred $365,133 in exploration expenses compared to $656,083 for the same period in 2019.

Analysis of the Quarter ended December 31, 2020

	Aquilon	Cheechoo	Pontax	Niska	Solo	Maskwa	TOTAL
Geology	-	-	-	160	-	-	160
Geochemistry	-	-	-	-	-	18,004	18,004
Geophysics	-	-	-	-	-	-	-
Drilling	-	47,838	-	-	-	-	47,838
Property evaluation	-	-	-	-	-	-	-
Stripping/ Excavation	-	-	-	-	-	-	-
Bulk sampling	-	22,350	-	-	-	-	22,350
Technical evaluation	-	-	-	-	-	-	-
Others *	16,421	240,988	17,294	280	1,798	-	276,781
TOTAL	**16,421**	**311,176**	**17,294**	**440**	**1,798**	**18,004**	**365,133**

* An amount of $168,977, included in the "Others" category, does not constitute an outflow of money. It is mainly composed of the charge for the granting of stock options as well as the amortization charge.

During the six-month period ended December 31, 2020, the Company incurred $1,157,562 in exploration expenses compared to $1,387,174 for the same period in 2019.

Analysis of the six-month period ended December 31, 2020

	Aquilon	Cheechoo	Pontax	Niska	Solo	Maskwa	TOTAL
Geology	35,007	-	-	47,955	-	-	82,962
Geochemistry	-	-	-	-	1,230	125,528	126,758
Geophysics	-	-	-	-	-	-	-
Drilling	143,422	192,364	-	-	-	-	335,786
Property evaluation	-	4,906	-	3,991	-	-	8,897
Stripping/ Excavation	-	25,707	-	-	-	-	25,707
Bulk sampling	48,960	70,105	-	-	-	-	119,065
Technical evaluation	-	-	-	-	-	-	-
Others *	23,066	403,309	17,761	12,453	1,798	-	458,387
TOTAL	**250,455**	**696,391**	**17,761**	**64,399**	**3,028**	**125,528**	**1,157,562**

* An amount of $282,810, included in the "Others" category, does not constitute an outflow of money. It is mainly 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 Roger Moar, Senior Geologist, also a qualified person. The technical data on the Pontax and Maskwa, properties in this report were approved by Dominique Doucet. Projects are located in Figure 1.

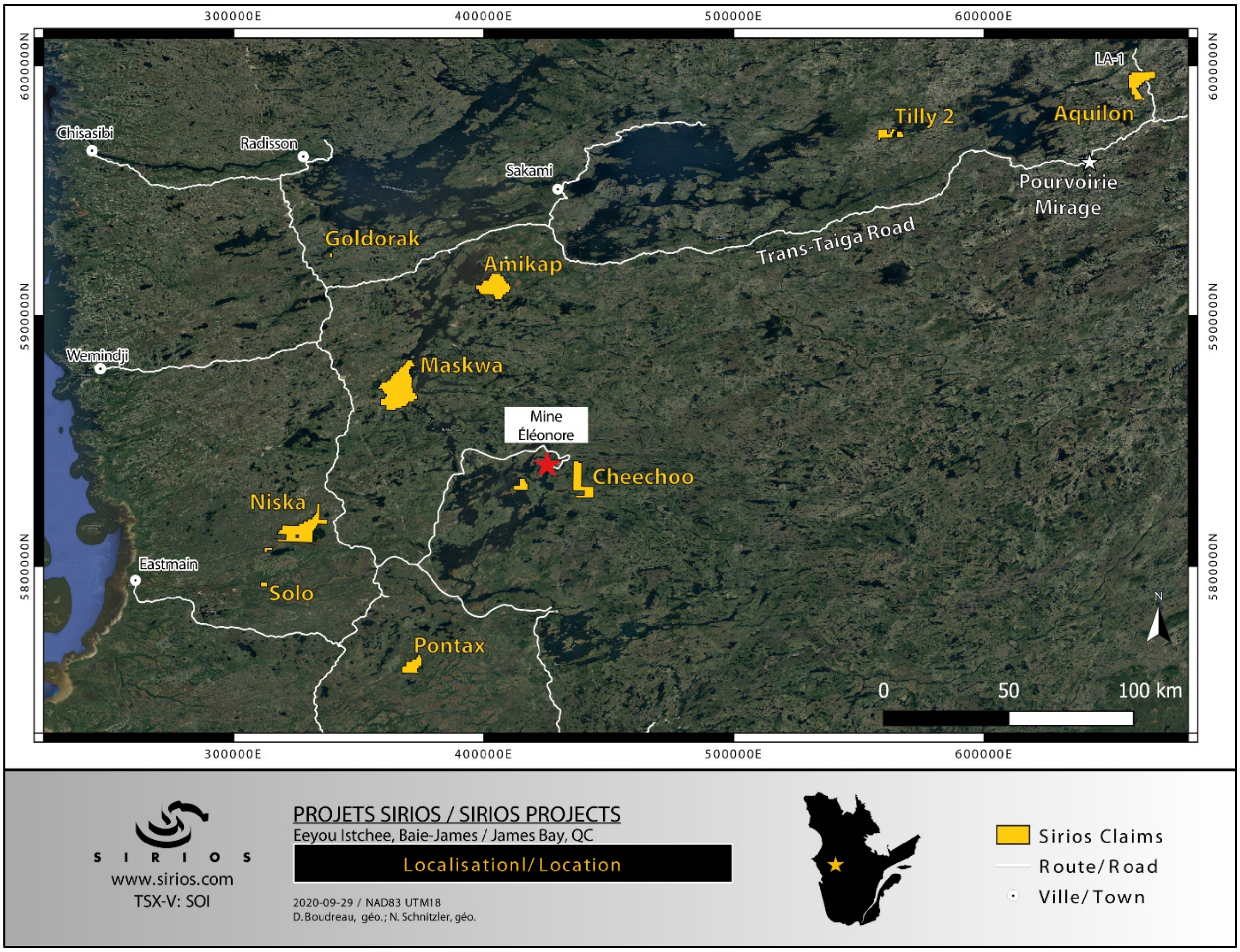

Figure 1: Location of Sirios projects

4.1 Cheechoo gold property

The property is 100% held by Sirios and is composed of 156 claims that cover an area of 81 km^2 in of two blocks of non-contiguous claims (figure 2). It is located 320 km north of Matagami in Quebec and is 13km east of Newmont Corp’s Eleonore gold mine. Its 121-claims main block is in the 33B12 NTS Sheet and is adjacent to the Eleonore mine property. The second block consists of 35 claims and is located about 20 km west of the main block and in the 33C09 Sheet. Golden Valley Mines Ltd. detains a net return royalty on all but 11 claims of the second block. This net return royalty varies between 2.5% and 4% depending on the price of gold as well as a 4% of the net returns from all other mineral products. Notably, the gold royalty would be 3.0% for a price of gold of between CAD$1,200 and $2,400 per ounce.

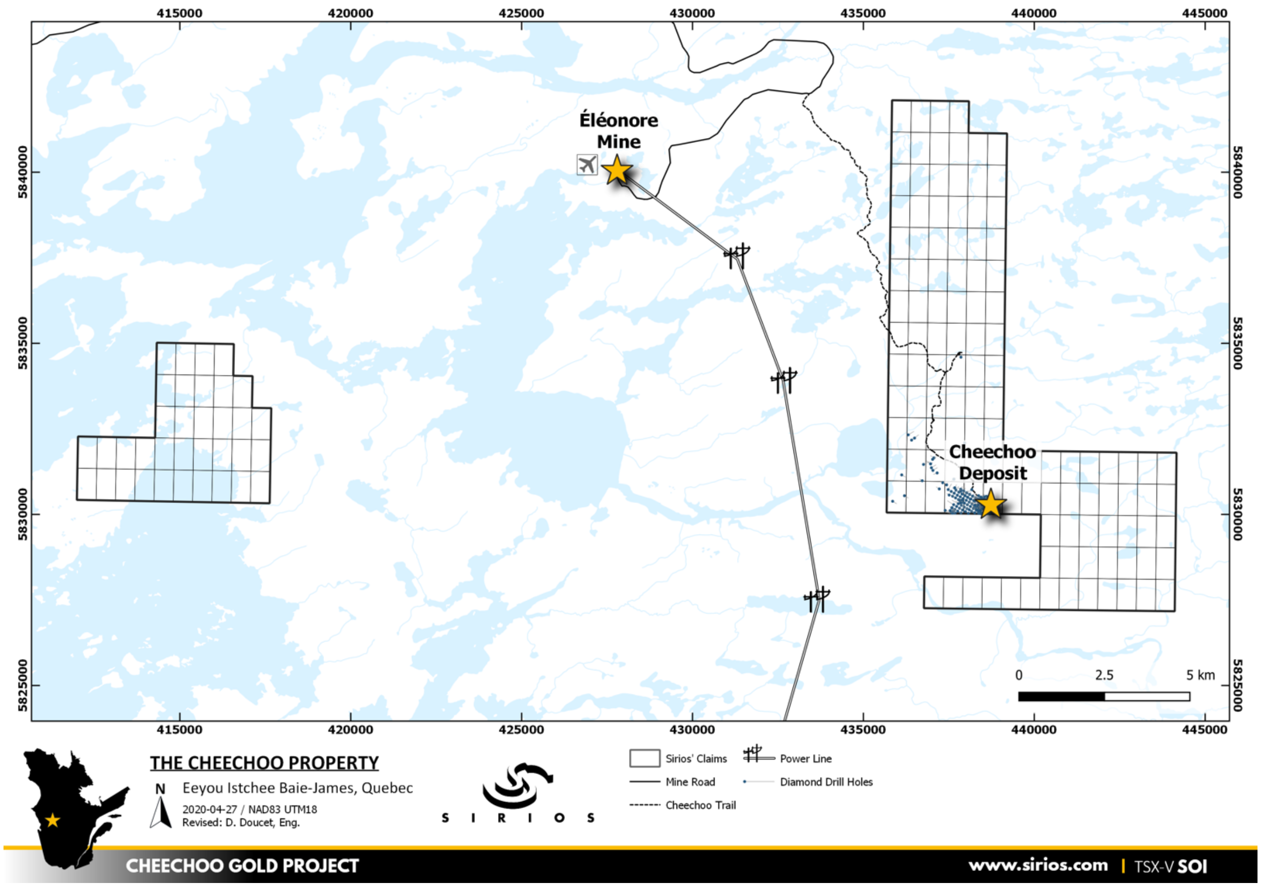

Figure 2: Location of the Cheechoo Project claims

4.1.1 Executed work

<u>Resources estimate</u>

Following the drilling campaign carried out in early 2020 and totaling 5,237 m, a resource update was completed by the consulting firm BBA inc. during the period. It added 355,000 ounces of gold to the initial resource estimate, which represents an increase of 22% (ref. press release of November 17, 2020).

The new resource estimate (Table 1) for this open-pit model includes an inferred resource of 1.955 million ounces of gold, contained in 93.0 million tonnes at an average grade of 0.65 grams of gold per tonne. This allowed the original 2019 conceptual pit to be enlarged to the west as shown in Figure 3.

Table 1: Conceptual pit-constrained Inferred Mineral Resource Estimate using a 0.25 g/t Au cut-off for the Cheechoo Project.

Classification	Tonnage (Mt)	Grade Au (g/t)	Ounces Au (oz)
Inferred	93.0	0.65	1,955,000

This resource estimate update, located entirely within the limits of the Sirios property, is presented at different cut-off grades in Table 2, which the content is for guidance only and should not be interpreted as NI 43-101 approved, and therefore not to be relied upon.

Table 2: Cheechoo Project cut-off grade sensitivity table

Cut-off Grade Au (g/t)	Tonnage (Mt)	Grade Au (g/t)	Ounces Au (oz)
0.50	40.4	1.04	1,357,000
0.40	55.1	0.88	1,568,000
0.30	77.9	0.73	1,822,000
0.25	**93.0**	**0.65**	**1,955,000**
0.20	110.2	0.59	2,079,000

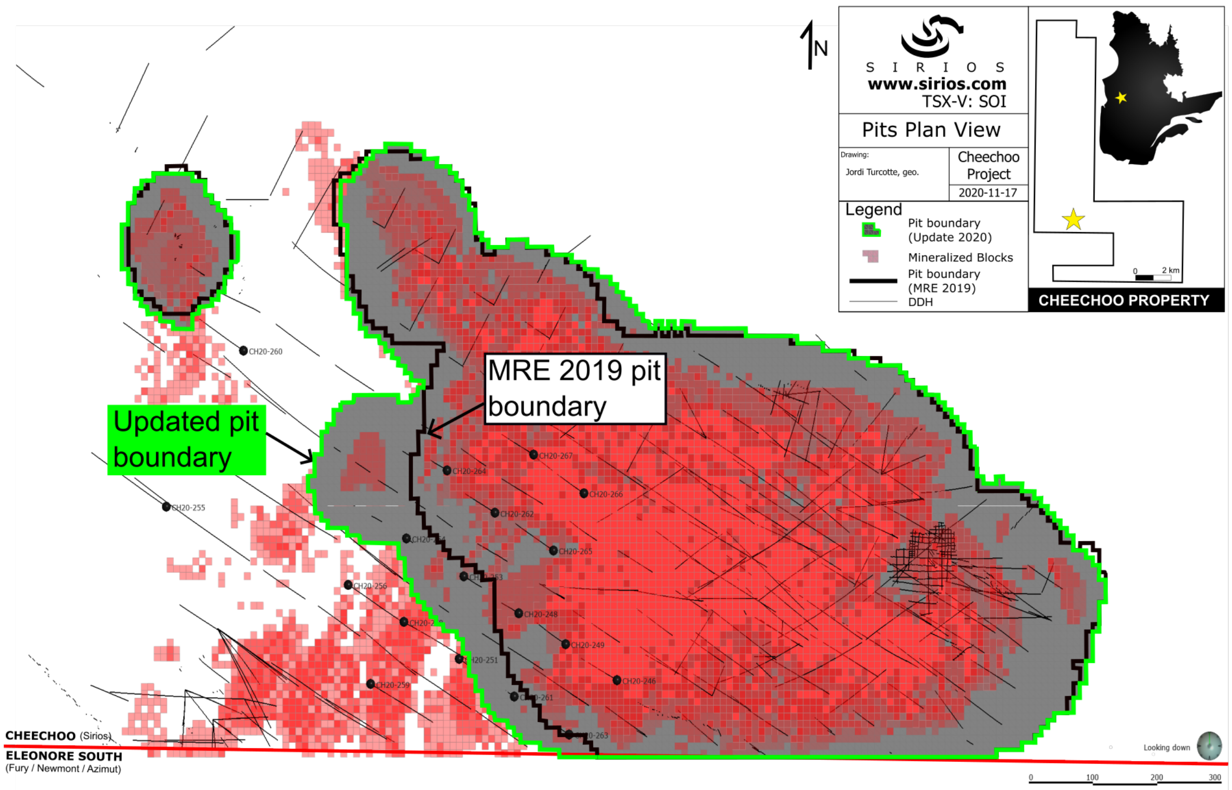

Figure 3: Plan view. The black-outlined conceptual pit contains the first resource estimate of 1.6 M oz gold. The green-outlined grey conceptual pit contains the new resource estimate of 1.96 M oz of gold.

The mineral resource estimate was prepared by consulting firm BBA Inc. in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference in National Instrument 43-101 ("NI 43-101"). The estimate is based on data from 295 diamond drill holes totaling 67,652 metres and 385 channel samples totalling 3,214.88 metres which were completed by Sirios between 2012 and April 2020. The full technical report will be available on SEDAR (www.sedar.com) and on the Company's website (www.sirios.com).

In addition to the resources mentioned above, there is significant potential to increase the mineral resource on the Cheechoo property, should an agreement be reached with the owners of the neighboring property allowing the company to gain access to this material.

Notes to the MRE Table:

1. The independent qualified person for the 2020 MRE, as defined by NI 43-101 guidelines, is Pierre-Luc Richard, P. Geo., of BBA Inc. The effective date of the estimate is October 31, 2020.
2. These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred resources in this MRE are uncertain in nature and there has been insufficient exploration to define these resources as Indicated or Measured; however, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. Resources are presented as undiluted and in situ for an open-pit scenario and are considered to have reasonable prospects for economic extraction. Although calculated cut-off grades range from 0.25 to 0.26g/t, a cut-off grade of 0.25 g/t Au was used for the MRE. The pit optimization was done using Deswik Mining Software Version 2019.4.514. The constraining pit shell was developed using pit slopes of 45 to 50 degrees in hard rock and 26 degrees in overburden. The cut-off grade and pit optimization was calculated using the following parameters (amongst others): Gold price = USD 1,450, CAD:USD exchange rate = 1.32, Hard Rock Mining cost = \$2.60/t mined with incremental bench costs of 0.05\$ per 10m bench, Overburden Mining Cost = \$3.50/t mined, Mining Recovery = 95%,Mining dilution = 5% at 0g/t Au, Metallurgical Recovery varying from 85% to 88%, Processing cost = \$10.00/t processed, G&A = \$2.94/t processed, Royalty of 3%, Refining and Transportation cost = \$5.00/oz. The conceptual pit-constrained resource has a 1.1:1 stripping ratio. The cut-off grade will be re-evaluated in light of future prevailing market conditions and costs.
4. The MRE was prepared using Geovia® GEMS 6.8.3 and is based on 295 surface drillholes and 385 surface channel samples, with a total of 50,896 assays. The resource database was validated before proceeding to the resource estimation. Grade model resource estimation was calculated from drillhole data using an OK interpolation method in a block model using blocks measuring 10 m x 10 m x 10 m in size. The cut-off date for drillhole database was August 11, 2020.
5. The model comprises 37 mineralized zones (which have a minimum thickness of 3 m), five lithological units and one low-grade mineralized body mostly included in the tonalite intrusive unit, each defined by drillholes intercepts.
6. High-grade capping was done on the composited assay data and established on a per unit basis. Capping grades used vary from 5 g/t to 80 g/t Au and the use of restricted search ellipsoids was also used. A value of zero grade was applied in cases of core not assayed.
7. Fixed density values were established on a per unit basis, corresponding to the median of the SG data of each unit ranging from 2.65 t/m^3 to 2.71 t/m^3. A fixed density of 2.00 t/m^3 was assigned to the overburden.
8. The MRE presented herein is categorized as an Inferred resource. The Inferred mineral resource category is defined for blocks that are informed by a minimum of two drillholes where drill spacing is less than 100 m for the mineralized intrusive-related mineralization. Where needed, some materials have been either upgraded or downgraded to avoid isolated blocks.
9. The number of metric tons (tonnes) and ounces were rounded to the nearest hundred thousand and nearest thousand respectively.
10. CIM definitions and guidelines for Mineral Resource Estimates have been followed.
11. The author is not aware of any known environmental, permitting, legal, title-related, taxation, sociopolitical or marketing issues, or any other relevant issues not reported in this Technical Report that could materially affect the Mineral Resource Estimate.

<u>Metallurgical tests</u>

Bottle roll and column leach tests, which began in Spring 2020 at the Kappes Cassiday & Associates laboratory (Reno, Nevada, USA), were completed in December 2020 and the final report was produced in early February 2021. Metallurgical tests were performed on approximately 500 kg of a composite sample material, representative of gold mineralization on the Cheechoo property, as shown on Figure 4 (ref. press release of February 3, 2021).

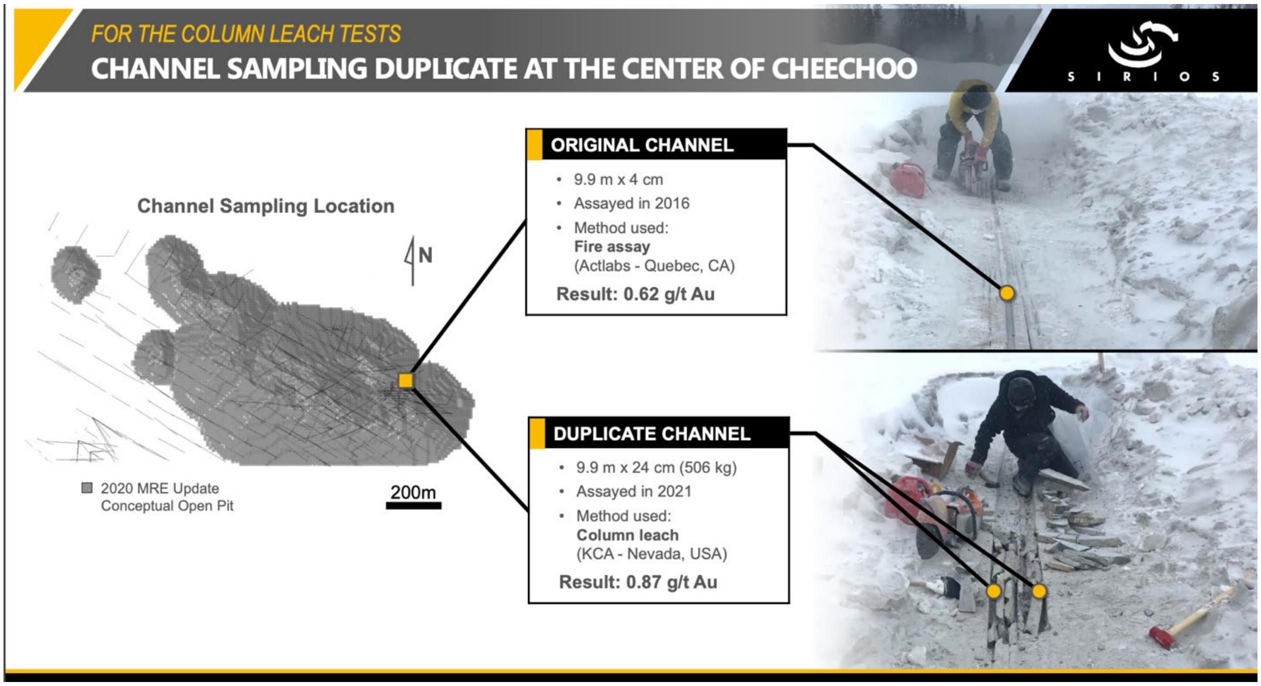

Figure 4 : Location of the 506 kg sample taken metallurgical testing by the firm KCA. This sample reproduces a channel of 9.9 metres which had graded 0.62 g/t Au. Note that the grade obtained by metallurgical processing in column leaching on 160 kg of material was 0.87 g/t Au.

A large number of bottle leaching tests ("bottle rolls") were first carried out at different particle sizes and with two types of crushing. These tests were used to determine the optimum particle size which would then be used for the column leaching tests.

Column leaching tests were carried out on four samples of 40 kg each. After 151 days of column leaching, the two samples crushed to 6.3 mm by HPGR ("High Pressure Grinding Rolls"), gave gold recovery rates of 80% at 20°C and 76% at 4°C (Table 3). The average results obtained reached 78% for the "HPGR" crushing, which exceeds the recovery rates usually obtained for gold in heap leach projects (55 to 75%) according to the Canadian Mining Journal[1]. The two samples crushed to 6.3 mm by the conventional method (using a cone crusher) also returned good results, i.e., gold recovery rates of 68% at 20°C and 73% at 4°C (Table 3).

The leaching tests were carried out at different temperatures in order to simulate the conditions that could be encountered in a pile of crushed mineralized rock from the Cheechoo project area.

The tests also showed that reagent consumption remained low throughout the leaching process (average of 1.90 kg/t NaCN).

[1] Canadian Mining Journal, 2020-09-01, “Sorting through the heap”, www.canadianminingjournal.com/features/sorting-through-the-heap

Table 3 : Results of column leaching tests on 4 samples (from the report of Kappes, Cassiday & Associates "Cheechoo Project Report of Metallurgical Test Work February 2021")

Temp.	Crush Type	Calculated Head Grade (g/t Au)	Gold Extracted	Consumption of NaCN (kg/t)	Addition Cement (kg/t)	Days of Leach	Crush Size (mm)
20°C	HPGR	0.967	**80%**	2.45	2.02	151	6.3
4°C	HPGR	0.802	**76%**	1.40	2.02		
20°C	Conv.	0.807	**68%**	2.35	2.01		
4°C	Conv.	0.912	**73%**	1.41	2.01		

4.2 Aquilon property

The Aquilon property, held 100% by Sirios, consists of 140 claims and covers approximately 70 km^2. It is located approximately 490 km east of Radisson. The property is easily accessible year-round by road leading to the Laforge-1 hydroelectric dam 20 km north of the Trans-taïga road.

4.2.1 Executed work

Compilation work continued for the Aquilon property. Analysis results from the soil (humus) survey carried out on the property in July 2020 are expected in the next quarter.

4.3 Pontax property

The Pontax property, consisting of 70 claims (approximately 37 km$^{2)}$ is located approximately 30 km south of the road relay km 381, and approximately 275 km north of the city of Matagami. The property is 100% owned by Sirios, it straddles NTS Sheets 32N15 and 33C02. The Pontax project is a silver and polymetallic project (Ag, Zn, Au, Cu) centered on a volcano-sedimentary sequence with gold potential in its eastern part.

4.3.1 Executed work

A compilation of historical property data is still in progress, with the aim of re-evaluating the project.

4.4 Maskwa property

The Maskwa property is held 100% by Sirios. The 355 claims were acquired by map designation in August and September 2020, for an area of approximately 181 km^2. The property is located at approximately 100 km south-east of Radisson, 120 km east to Wemindji and 60 km north-west from the Eleonore gold mine of Newmont.

4.4.1 Executed work

A till survey was carried out by IOS Services Géoscientifiques inc. ("IOS") in August 2020 and 97 till samples were collected and processed. Samples were taken approximately every 250 metres along three axes of 18, 12 and 7 km oriented NW-SE and spaced 4 to 8 km apart. The results of this program were received during the period.

A total of 523 grains of gold were recovered from the IOS proprietary ARTGold process and 35% of these are intact. The average of around 5 grains of gold per sample is relatively low for the industry as a whole. Five samples have counts varying between 20 and 50 grains (normalized to 10 kg) thus defining three distinct targets. One of the targets shows an association of the gold grains with platinum group minerals (mainly sperrylite) and another with tungsten minerals (scheelite). Such associations are considered favorable to sources of gold mineralization. These three targets will require additional sampling and prospecting follow-up next summer.

4.5 Solo property

Faced with the impossibility of carrying out diamond drilling during the winter of 2021, Sirios abandoned its option to acquire an interest in the Solo property held by Dios Exploration inc.

5. Overall performance

Quarter ended December 31, 2020 (3 months)

The net loss of the quarter is $915,744 (net loss of $777,469 for the same period in 2019) whereas expenses for the quarter totalled $278,292 ($354,619 for the same period in 2019).

General analysis

- Decreases in *Salaries and employee benefits expenses*, *Investors and shareholders' relations*, *Publicity and sponsorship*, *Rent expenses* and *Trustees and registration fees* can be explained, in large part, by the slowdown in the Company's activities due to the COVID-19 pandemic. In order to mitigate the impact on day-to-day operations, the Company is promoting online training (increasing the *Training* item), establishing telecommuting and participating in the federal work-sharing program for its employees.
- The decrease in *Salaries and employee benefits expenses* can also be explained by the expenses of share-based compensation, when granting stock options, higher last year in comparison to this year (item not requiring an outflow of cash).
- The increase in *Office expenses* can be explained by the increase in purchase of office supplies, in comparison with last year, to facilitate teleworking for all employees.

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

	Three-month period ended December 31, 2020 $	Three-month period ended December 31, 2019 $
Share-based payments	(149,468)	(305,140)
Deferred income taxes	(353,384)	(166,469)
Change in fair value of listed shares	(134,397)	50,102
Amortization of property and equipment	(211)	(5,649)

Period ended December 31, 2020 (6 months)

The net loss for the six-month period is $1,195,533 (net loss of $997,352 for the same period in 2019) whereas expenses for the quarter totalled $454,165 ($612,899 for the same period in 2019).

General analysis

- Decreases in *Salaries and employee benefits expenses*, *Investors and shareholders' relations*, *Professional fees*, *Publicity and sponsorship*, *Rent expenses* and *Trustees and registration fees* can be explained, in large part, by the slowdown in the Company's activities due to the COVID-19 pandemic. In order to mitigate the impact on day-to-day operations, the Company is promoting online training (increasing the *Training* item), establishing telecommuting and participating in the federal work-sharing program for its employees.
- The decrease in *Salaries and employee benefits expenses* can also be explained by the expenses of share-based compensation, when granting stock options, higher last year in comparison with this year (item not requiring an outflow of cash).
- The increase in *Office expenses* can be explained by the increase in purchase of office supplies, in comparison with last year, to facilitate teleworking for all employees.

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

	Six-month period ended December 31, 2020 $	Six-month period ended December 31, 2019 $
Share-based payments	(149,468)	(305,140)
Deferred income taxes	(279,520)	(51,726)
Change in fair value of listed shares	(310,066)	(29,506)
Amortization of property and equipment	(1,171)	(11,335)

6. Financial position

- Working capital increased by $1,404,673, going from $2,734,227 on June 30, 2020 to $4,138,990 on December 31, 2020. The increase can be explained by the closing of three financings during the period as well as exercises of stock options.
- Cash and term deposit totaled $4,019,664 on December 31, 2020 in comparison with $1,637,547 on June 30, 2020;
- The product of unspent funding related to flow-through financings is $4,076,080, on December 31, 2020 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 December 31, 2020, Sirios has accrued $322,354 in refundable tax credits related to exploration expenditures. As of the date of this report, the 2020 tax credit has been received for an amount of $245,427.

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 December 31, 2020, the compensation in salaries was $207,999 ($349,407 for the same period last year). Included in these amounts are share-based payments totaling $122,500 ($242,000 for the same period last year). An amount of $15,261 ($22,808 for the same period last year) was capitalized in *Exploration and evaluation assets*.

For the six-month period ended December 31, 2020, the compensation in salaries was $275,732 ($414,075 for the same period last year). Included in these amounts are share-based payments totaling $122,500 ($242,000 for the same period last year). An amount of $28,332 ($35,839 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.
February 17, 2021