



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, 2021**

This quarterly Management Discussion and Analysis dated May 14, 2021, highlights Sirios Resources Inc.'s ("the Company" or "Sirios") operations and constitutes management's review of the factors that affected the Company's financial operating performance for the nine-month period ended March 31, 2021.

This discussion and analysis should be read in conjunction with:

- The March 31, 2021 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 March 31, 2021, 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 completed on December 17.

3. Investing activities

During the three-month period ended March 31, 2021 (the "Quarter"), the Company incurred \$282,236 in exploration expenses compared to \$1,513,322 for the same period in 2020.

Analysis of the Quarter ended March 31, 2021

	Aquilon	Cheechoo	Pontax	Maskwa	TOTAL
Geology	-	-	-	-	-
Geochemistry	-	-	-	16,525	16,525
Geophysics	-	-	-	-	-
Drilling	1,138	39,396	-	-	40,534
Property evaluation	-	-	-	-	-
Stripping/Excavation	-	-	-	-	-
Bulk sampling	-	16,950	-	-	16,950
Technical evaluation	-	-	-	-	-
Others*	16,953	176,388	14,886	-	208,227
TOTAL	18,091	232,734	14,886	16,525	282,236

*An amount of \$109,993, 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 nine-month period ended March 31, 2021, the Company incurred \$1,439,799 in exploration expenses compared to \$2,900,496 for the same period in 2020.

Analysis of the nine-month period ended March 31, 2021

	Aquilon	Cheechoo	Pontax	Niska	Solo	Maskwa	TOTAL
Geology	35,007	-	-	47,955	-	-	82,962
Geochemistry	-	-	-	-	1,230	142,053	143,283
Geophysics	-	-	-	-	-	-	-
Drilling	144,560	231,760	-	-	-	-	376,320
Property evaluation	-	4,906	-	3,991	-	-	8,897
Stripping/Excavation	-	25,707	-	-	-	-	25,707
Bulk sampling	48,960	87,055	-	-	-	-	136,015
Technical evaluation	-	-	-	-	-	-	-
Others*	40,019	579,697	32,648	12,453	1,798	-	666,615
TOTAL	268,546	929,125	32,648	64,399	3,028	142,053	1,439,799

*An amount of \$392,803, 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 Dominique Doucet and Roger Moar, Senior Geologist, also a qualified person. The technical data on the Pontax property contained in this report has been approved by Dominique Doucet. 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.

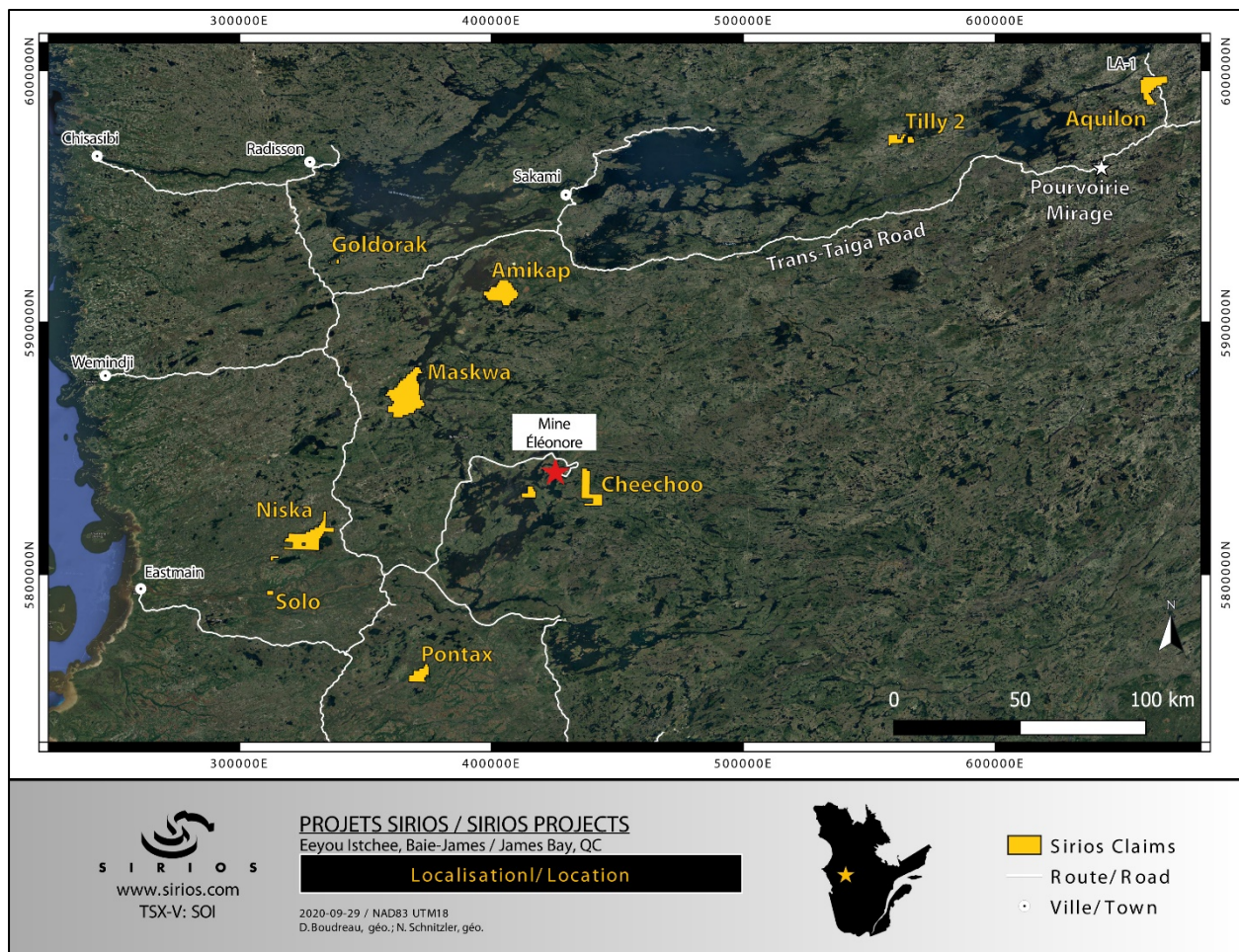


Figure 1: Location of Sirios projects

4.1 Cheechoo property

The property is host to the Cheechoo gold deposit discovered by Sirios. The most recent project resource estimate (October 2020) delineated an inferred resource of 2.0 million ounces of gold contained in 93.0 million tonnes at 0.65 g/t Au, with significant potential for increase in these resources (BBA, Mineral Resource Estimate Update for The Cheechoo Project, 31/10/2020).

The property located 320 km north of Matagami, Eeyou Istchee James Bay in Quebec, is composed of two blocks of non-contiguous claims that cover an area of 81 km². Its 121-claims main block is adjacent to the east of Newmont Corp.'s Eleonore gold mine in the 33B12 NTS sheet (Figure 2). The second block consists of 35 claims and is located about 20 km west of the main block. The 156 claims are 100% held by 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 3.5% for a price of gold of between CAD\$2,400 and \$3,000 per ounce.

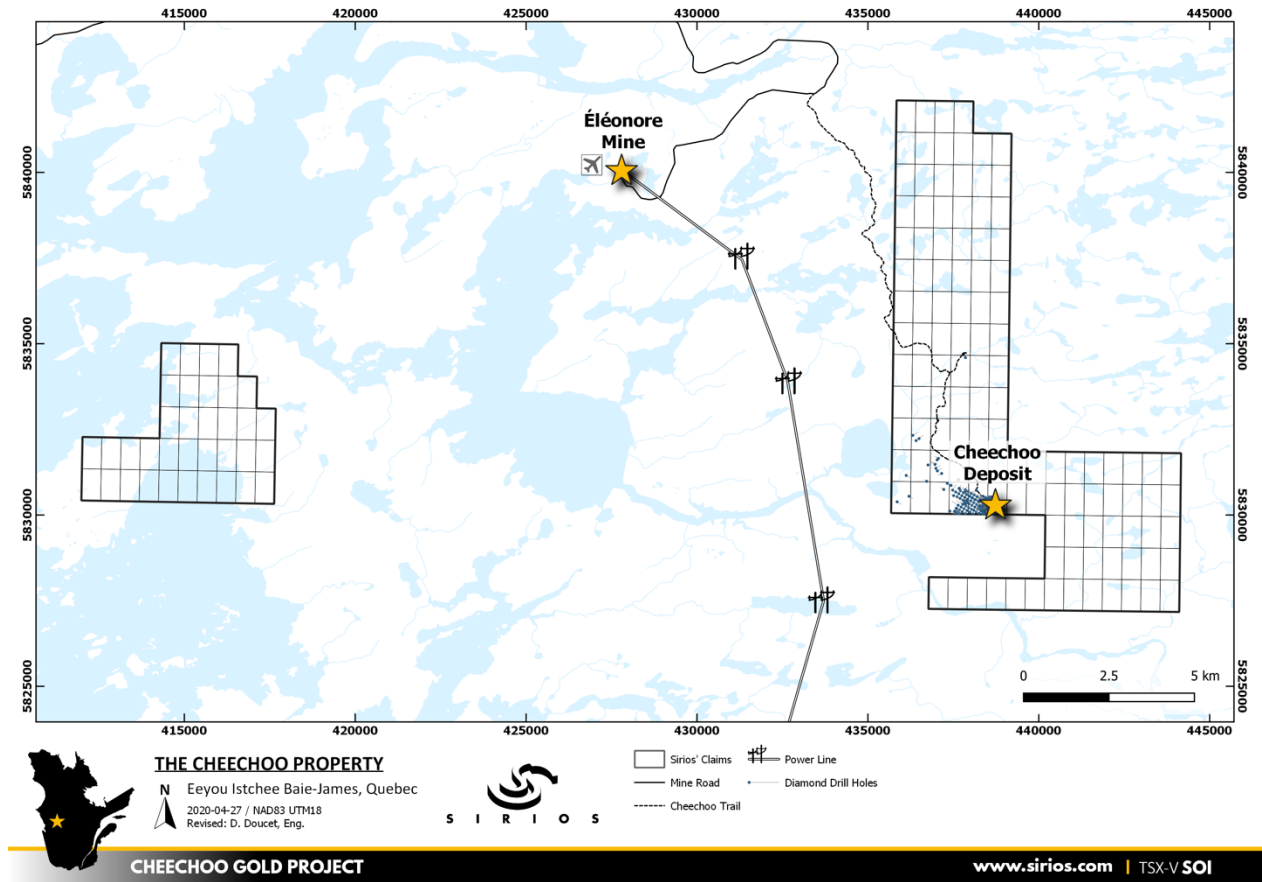


Figure 2: Location of the Cheechoo Project claims

4.1.1 Executed work

Metallurgical tests

Column leaching tests were completed in January 2021 on 160 kg of material (4 columns out of 40 kg of material each) from a 500 kg sample representative of gold mineralization. These tests, carried out by reputable firm KCA over several months in Reno, Nevada, concluded in January 2021. It should be noted that the average gold grade obtained during the four columns tests was 0.87 g/t Au compared to 0.62 g/t Au initially obtained in 2016 with fire assays of 50 g on 10 samples (Figure 3, page 29 taken from the corporate presentation).

After 151 days of column leaching, with a crush size of 6.3 mm, the gold recovery rates were **80% at 20°C** and **76% at 4°C** (Table 1). The tests were carried out at different temperatures to simulate the conditions that could be encountered in a pile of crushed mineralized rock in the area of the Cheechoo project. The average of the results obtained therefore reaches **78%**, which exceeds the recovery rates usually obtained for gold in heap leaching projects (from 55 to 75%) depending on the Canadian Mining Journal¹.

The tests also showed that the consumption of reagents remained low throughout the leaching (average of 1.93 kg/t of NaCN).

¹ Canadian Mining Journal, 2020-09-01, « Sorting through the heap », www.canadianminingjournal.com/features/sorting-through-the-heap

Temp.	Calculated Head Grade (g/t Au)	Gold Extracted	Consumption of NaCN (kg/t)	Addition Cement (kg/t)	Days of Leach	Crush Size (mm)	Crush Type
20°C	0,967	80%	2,45	2,02	151	6,3	HPGR ²
4°C	0,802	76%	1,40	2,02			

Table 1: Results of column leaching tests

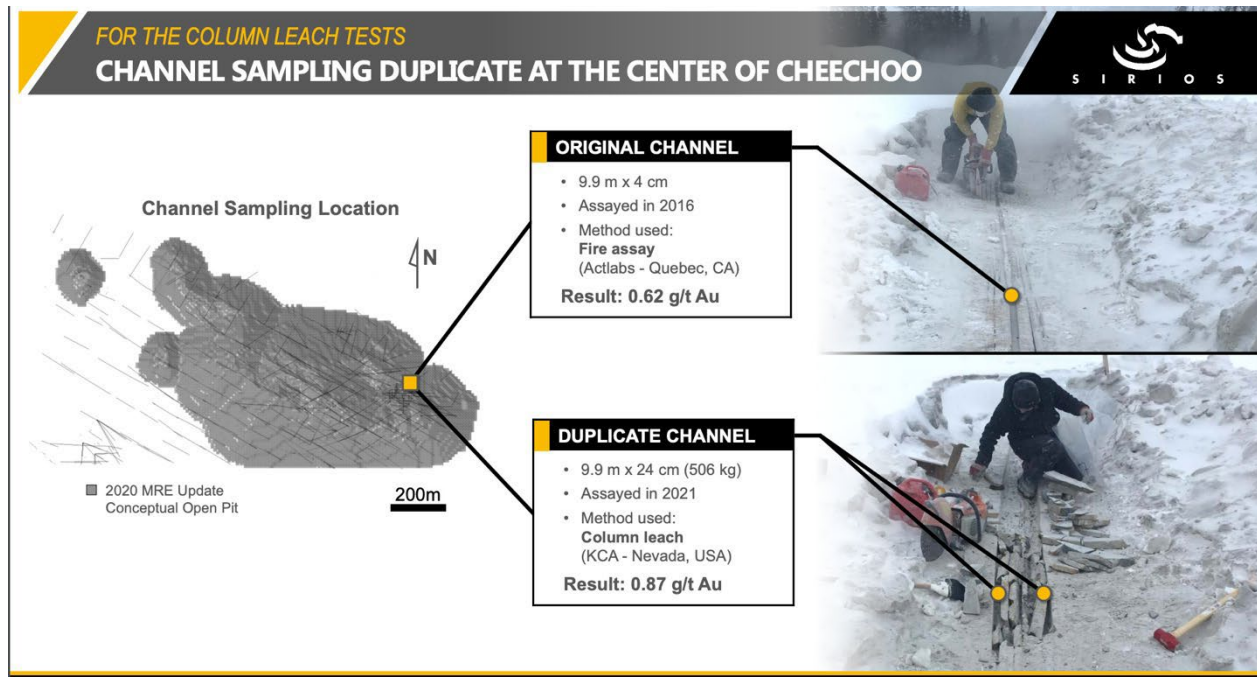


Figure 3: Location of the sample used for metallurgical tests and content obtained with the column tests

Drilling campaign

The winter drilling campaign has been postponed to the summer due to a lack of availability of drilling contractors, in part caused by COVID-19 restrictions. A second round of bids was sent to contractors for reverse circulation and diamond drilling. The 7,500 m reverse circulation drilling campaign is scheduled to begin in early July with Boart Longyear. The 2,500 m diamond drilling campaign is scheduled for mid-June with Synee Drilling inc.

Re-assaying program on 1 kg samples

Following the results of the various metallurgical tests carried out at COREM (2019) and KCA (2020), a statistical analysis comparing the different masses sampled with their gold content (AA on 50 g and metal sieving on 1,000 g) was carried out. This led to the conclusion that the average gold grade of the Cheechoo deposit is probably underestimated by around 10% and that the most appropriate analytical method for our project was on 1,000 g samples of material would be sufficient and more precise of the true average gold content than with the analyzes carried out on 50 g of material. A program is planned to re-assay the Cheechoo samples on masses of 1,000 g. Up to 5,800 samples could be re-assayed. This program will be carried out in several phases in order to validate the hypothesis along the way and reduce the risk of cost overruns. The re-assaying program began in early April 2021. A total of 722 samples were sent to laboratories, 321 samples to Actlabs in Ancaster, Ontario and 401 samples to Agat in Mississauga, Ontario. They will be assayed by LeachWell CN leach for gold and silver. The first results are expected in the next period.

² High Pressure Grinding Rolls

4.2 Aquilon property

The Aquilon property, held 100% by Sirios, consists of 140 claims and covers approximately 70 km². 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. 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

Ground survey work

Ground survey work (humus) was carried out on the property during July 2020 by IOS Geoscientific Services Inc. The objective of the survey was to test the geochemical signal of part of the Wolf auriferous trend where most of the property's high-grade gold showings are located. A total of 643 samples were collected during this campaign and are currently in the laboratory for analysis. The report is expected by early 2021.

Data compilation report

During this period, a report was drawn up covering the complete re-evaluation of the project, following the compilation and integration of all data into a database that had started in previous periods.

4.3 Pontax property

The Pontax property, consisting of 70 claims (approximately 37 km²) is located approximately 30 km by helicopter south of the road relay km 381, and approximately 275 km north of the city of Matagami (Figures 1 and 2). The property is 100% owned by Sirios, it straddles SNRC 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. Several works were carried out: ground survey, till sampling, magnetic survey, and induced polarization survey on part of the property, two drilling campaigns in 2007 and 2011 as well as mineralogy studies.

A recompilation and integration of all data into a database was carried out in order to achieve a complete reassessment of the project started during the previous period and completed during this period. A report has been written.

5. Overall performance

Quarter ended March 31, 2021 (3 months)

The net loss of the quarter is \$42,166 (net loss of \$344,740 for the same period in 2020) whereas expenses for the quarter totalled \$166,930 (\$319,290 for the same period in 2020).

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, establishing telecommuting and participating in the federal work-sharing program for its employees.
- 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 March 31, 2021 \$	Three-month period ended March 31, 2020 \$
Deferred income taxes	174,644	60,736
Change in fair value of listed shares	(34,195)	(91,587)
Amortization of property and equipment	(229)	(992)

Period ended March 31, 2021 (9 months)

The net loss for the nine-month period is \$1,237,699 (net loss of \$1,342,092 for the same period in 2020) whereas expenses for the period totalled \$623,096 (\$911,766 for the same period in 2020).

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

	Nine-month period ended March 31, 2021 \$	Nine-month period ended March 31, 2021 \$
Share-based payments	(149,468)	(305,140)
Deferred income taxes	(104,875)	9,010
Change in fair value of listed shares	(344,261)	(121,093)
Amortization of property and equipment	(1,400)	(12,326)

6. Financial position

- Working capital increased by \$1,043,599, going from \$2,734,227 on June 30, 2020 to \$3,777,826 on March 31, 2021. 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 totalled \$3,859,818 on March 31, 2021 in comparison with \$1,637,547 on June 30, 2020;
- The product of unspent funding related to flow-through financings is \$3,941,482 on March 31, 2021 and is to be spent by December 31, 2022. The Company is in the exploration stage; thus, it is dependent on obtaining regular financing in order to continue exploration. Despite previous success in acquiring sufficient financing, there is no guarantee of obtaining any future financing;
- On March 31, 2021, Sirius has accrued \$76,927 in refundable tax credits related to exploration expenditures. As of the date of this report, the 2019 credit on duties has been received for an amount of \$40,224.

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, 2021, the compensation in salaries was \$92,839 (\$74,261 for the same period last year). An amount of \$4,672 (\$14,085 for the same period last year) was capitalized in *Exploration and evaluation assets*.

For the nine-month period ended March 31, 2021, the compensation in salaries was \$368,571 (\$488,336 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 \$47,299 (\$49,924 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.

May 14, 2021.