



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, 2021**

This quarterly Management Discussion and Analysis dated February 22, 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 six-month period ended December 31, 2021.

This discussion and analysis should be read in conjunction with:

- The December 31, 2021, 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 filling" 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, 2021, there are 212,956,760 common shares of Sirios issued and outstanding.

2. 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 an consideration of \$210,000.

3. Investing activities

During the three-month period ended December 31, 2021 (the "Quarter"), the Company incurred \$832,170 in exploration expenses compared to \$365,133 for the same period in 2020.

Analysis of the Quarter ended December 31, 2021

	Aquilon	Checchoo	Pontax	TOTAL
Geology	-	-	-	-
Geochemistry	-	5,350	-	5,350
Geophysics	76,453	-	-	76,453
Drilling	-	371,088	-	371,088
Property evaluation	-	-	-	-
Stripping/Excavation	-	-	-	-
Bulk sampling	2,068	24,087	-	26,155
Technical evaluation	-	-	-	-
Others*	18,642	334,411	71	353,124
TOTAL	97,163	734,936	71	832,170

* An amount of \$167,470, 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.

During the six-month period ended December 31, 2021, the Company incurred \$3,652,210 in exploration expenses compared to \$1,157,562 for the same period in 2020.

Analysis of the six-month period ended December 31, 2021

	Aquilon	Checchoo	Pontax	TOTAL
Geology	-	-	-	-
Geochemistry	-	5,350	-	5,350
Geophysics	138,037	-	-	138,037
Drilling	1,034	2,750,710	-	2,751,744
Property evaluation	-	-	-	-
Stripping/Excavation	-	-	-	-
Bulk sampling	11,070	24,087	-	35,157
Technical evaluation	-	-	-	-
Others*	18,923	702,928	71	721,922
TOTAL	169,064	3,483,075	71	3,652,210

* An amount of \$312,994, 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 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% for a price of gold between CAD\$1,200 and \$2,400 per ounce.

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, October 31, 2020).

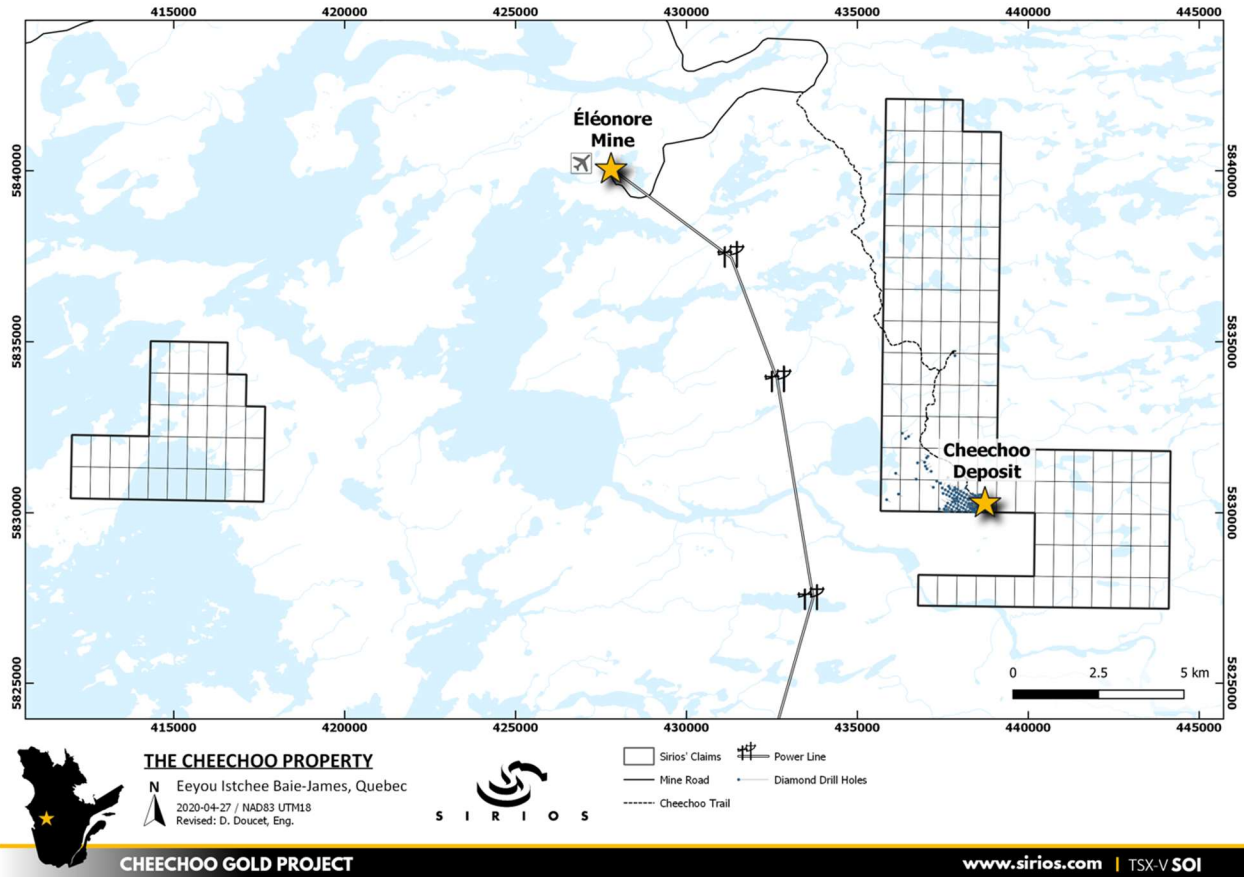


Figure 2: Location of the Cheechoo Project claims

4.1.1. Executed work

Definition drilling campaign

The definition drilling campaign accomplished in the summer of 2021 carried out 34 holes, totaling 6,837 m. The samples were sent to the Actlabs analysis laboratories in Sainte-Germaine-Boulé and Val-d'Or. The results of 18 drill holes were published in the press releases of December 14, 2021 and February 9, 2022. The results revealed the existence of a new gold zone in the meta-sediments east of the Cheechoo deposit. The results confirm the continuity of gold mineralization, on the east-north-east edge of the Cheechoo tonalite as well as in the central part of the conceptual pit of the 2020 mineral resource estimate.

Re-assaying program on 1 kg samples

The program to re-assay previous drill samples from Cheechoo, using 1 kg of material per samples, started in April 2021 is still ongoing. Following the results published in the press release of August 26, 2021, the assays are ongoing, and a revision of the assaying protocol has been applied to the drilling campaign carried out in the summer of 2021 in order to increase the quantity of assays carried out on 1 kg of material. Results are pending. The samples are being assayed at ALS, Val-d'Or, Actlabs, Ancaster and IGS-Impact Global Solutions, Delson.

4.2. Aquilon project

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

Structural geology study

In the fall of 2021, Sirios called on the firm InnovExplo Inc. to carry out a structural geological study on the property. This work was carried out with the intent of proving a better understanding of the structural controls on gold mineralization; establish stratigraphic relationships; and to assess the deformation gradient perpendicular to the stratigraphy. A presentation and a report were received in early November 2021. Together with the interpretation of the results of the high-resolution helicopter-borne magnetic survey carried out in the previous quarter, the structural study made it possible to define target areas for future exploration work. The first-order targets intent to investigate the extension of the tonalitic intrusive contacts at the level of the structural footwalls of the shear zones oriented at N055. The second-order targets are the extensions of favorable horizons located near disseminated to semi-massive sulphide mineralization and interpreted syn-volcanic faults-oriented NW-SE. The third-order targets are conceptual and are deduced from the geometry of the volcanic architecture.

Sampling

In parallel with the structural study, additional sampling of the alteration halos bordering the Muscovite and Lingo 3 west veins in hole AQ-10-100 was carried out. A total of 11 half-core samples were taken and sent for analysis to the ALS Canada Ltd. laboratory in Val-d'Or. The assay results indicate a value of 0.33 g/t Au over 1 m on the periphery of the hanging walls of the Muscovite veins.

Ground survey work

The final report was received at the beginning of August 2021. The analytical results of the 643 samples collected during the soil survey (humus) campaign in July 2020 were followed up on anomalies of soils in the field by members of the Sirios team at the beginning of October 2021. A total of 17 samples were collected from interpreted anomalous areas. A sample collected at 165 m W-NW of the Nouska showing assayed 1.2 g/t Au.

This campaign made it possible to verify the logistics required to carry out stripping on the sectors with gold soil anomalies. Further monitoring of anomalies is planned for the summer of 2022.

Study of wetlands and water bodies

Groupe Hémisphères, environmental consultants, was commissioned in mid-December 2021 to carry out the photo-interpretation of wetlands and water bodies on the property. This project involves the photo-interpretation of wetlands and water bodies and determining their type and proportion in the study area. The study area covers the entire property. A total of 146 watercourses and 1,138 wetlands, all types combined, were located and delimited. These wetlands cover an area of 1,254 ha and represent 18.2% of the study area. This preliminary study aimed at integrating environmental components is considered essential to the exploration work planning activities.

5. Overall performance

Quarter ended December 31, 2021 (3 months)

The net loss of the quarter is \$266,864 (net loss of \$915,744 for the same period in 2020) whereas expenses for the quarter totalled \$245,833 (\$278,292 for the same period in 2020).

General analysis

- The decrease in *Salaries and employee benefits expenses* can be explained by the expense of share-based compensation, when granting stock option, higher 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 as a means to reduce general administrative costs;
- The decrease in *Training* can be explained by a lower number of training courses taken by the Company's employees compared to last year.

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

	Three-month period ended December 31, 2021 \$	Three-month period ended December 31, 2020 \$
Share-based payments	(56,232)	(149,468)
Deferred income taxes	62,737	(353,384)
Change in fair value of listed shares	(32,893)	(134,397)
Amortization of property and equipment	(360)	(211)

Period ended December 31, 2021 (6 months)

The net loss for the six-month period is \$2,508 (net loss of \$1,196,696 for the same period in 2020) whereas expenses for the period totalled \$444,864 (\$456,165 for the same period in 2020).

General analysis

- The decrease in *Salaries and employee benefits expenses* can be explained by the expense of share-based compensation, when granting stock option, higher 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 as a means 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.

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

	Six-month period ended December 31, 2021 \$	Six-month period ended December 31, 2020 \$
Share-based payments	(56,232)	(149,468)
Deferred income taxes	581,430	(279,520)
Change in fair value of listed shares	(89,177)	(310,066)
Amortization of property and equipment	(720)	(1 171)

6. Financial position

- Working capital decreased by \$2,355,948, going from \$2,734,227 on June 30, 2021, to \$378,279 on December 31, 2021. 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 \$453,748 on December 31, 2021, in comparison with \$3,160,832 on June 30, 2021;
- The product of unspent funding related to flow-through financings is \$1,242,544 on December 31, 2021 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;
- On December 31, 2021, Sirios has accrued \$31,181 in refundable tax credits related to exploration expenditures.

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, 2021, the compensation in salaries was \$95,943 (\$207,999 for the same period last year). Included in these amounts are share-based payments totaling \$45,750 (\$122,500 for the same period last year). An amount of \$13,018 (\$15,261 for the same period last year) was capitalized in *Exploration and evaluation assets*.

For the six-month period ended December 31, 2021, the compensation in salaries was \$162,752 (\$275,732 for the same period last year). Included in these amounts are share-based payments totaling \$45,750 (\$122,500 for the same period last year). An amount of \$28,188 (\$28,332 for the same period last year) was capitalized in *Exploration and evaluation assets*.

8. Subsequent events

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 an consideration of \$210,000.

Montreal, Quebec.
February 22, 2022.