



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, 2023**

This quarterly Management Discussion and Analysis dated May 24, 2023, 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, 2023.

This discussion and analysis should be read in conjunction with:

- The March 31, 2023, unaudited interim financial statements.
- The 2022 Annual Management report.
- The Company's audited financial statements for the years ended June 30, 2022, and 2021.

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 precious metal deposits in the James Bay region, in Quebec. Over the years, Sirios has developed extensive expertise in the exploration of this region.

The address of the Company's registered office is 1000, St-Antoine West, Suite 410, Montreal, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange, under the symbol "SOI". As of March 31, 2023, there are 268,331,213 common shares of Sirios issued and outstanding.

2. Financing activities, other developments, and Board of Directors

2.1. Financing activities

On July 28, 2022, the Company completed a private placement for a total of \$1,175,325. The unit, offered at \$0.06, consisted of one common share and one warrant. In total, 19,588,749 shares were issued as well as 19,588,749 warrants.

On December 15, 2022, the Board of Directors of Sirios granted 3,325,000 stock options to employees, directors, officers, and consultants, at an exercise price of \$0.09 per share.

On December 22, 2022, the Company completed a flow-through private placement for a total of \$999,999. In total, 14,285,704 flow-through shares were issued, at a price of \$0.07. Management is required to fulfill its commitments within the prescribed period of one year from the date of renoucement.

2.2. Other developments

On July 28, 2022, the Company bought back three-quarters of the 1% Net Smelter Return ("NSR") royalty retained by a private investor for an amount of \$200,000 on its Aquilon property. Therefore, the royalty has been reduced to 0.25%. The Company had previously obtained a deadline extension for exercising the buy-back before July 31, 2022, instead of June 30, in return for an amount of \$25,000.

On December 19, 2022, the Company signed a property option agreement with Sumitomo Metal Mining Canada Ltd. ("Sumitomo"), pursuant to which the Company has agreed to grant to Sumitomo an option to acquire up to an 80% interest, following an investment totaling \$14.8M on the Aquilon property.

Pursuant to the agreement, Sumitomo can earn an initial 51% interest in the project by reimbursing Sirios a sum of \$200,000 related to the redemption of the three-quarters of the 1% royalty described above and incurring an aggregate of \$4.6M in mineral exploration expenditures, over 3 years. Sirios will be the operator during this earn-in period and entitled to a 10% management fee. A firm commitment of \$1.6M will be spent on the property during this earn-in period.

Sumitomo can earn an additional 29% interest in the project, for an aggregate of 80% by incurring an additional aggregate of \$10M in mineral exploration expenditures, over an additional 3 years. Following the earn-in of an 80% interest, Sumitomo and Sirios will form a joint venture in respect of the project. In the event a joint venture participant's interest is diluted to below 10%, it will convert its joint venture interest to a net smelter return ("NSR") royalty of 2%.

On February 16, 2023, the Company signed a sale and purchase agreement with the Australian company Cygnus Gold Ltd. ("Cygnus") and its wholly owned Canadian subsidiary Avenir Metals (Canada) Limited ("Avenir") for the sale of the Pontax property. On April 12, 2023, the sale was completed following the signing of the ancillary agreements to the sale agreement. According to the sale agreement, Cygnus paid Sirios \$1.2M (CAD) and issued 750,000 shares, half of which will have a one-year hold period.

If a resource of 4M metric tonnes at a minimum grade of 0.8% Li₂O is delineated on the property (validated under the JORC code), Cygnus will be required to make a further cash payment of \$1M and issue 500,000 shares.

Finally, an additional payment of \$2M will be required, in addition to the issuance of 500,000 shares, in the event that the resource on Pontax (validated under the JORC code) reaches 6M metric tonnes at a minimum grade of 0.8% Li₂O. Sirios will hold a 1.5% net smelter return royalty with a buy-back clause by Cygnus for 0.75% in consideration of a \$600,000.

2.3. Board of Directors

On December 15, 2022, during the Annual and Special Meeting of shareholders, Sirios announced the appointment of Ms. Colinda Parent and Mr. Guy Le Bel as Directors of the Company. Their appointments are made following the departure of Messrs. Guy Chevette and Michel Bouchard.

3. Investing activities

During the three-month period ended March 31, 2023 (the "Quarter"), the Company incurred \$324,983 in exploration expenses compared to \$602,012 for the same period in 2022.

Analysis of the Quarter ended March 31, 2023

	Aquilon	Cheechoo	TOTAL
Drilling	-	30,358	30,358
Others*	24,359	270,266	294,625
TOTAL	24,359	300,624	324,983

* An amount of \$103,987, included in the "Others" category, does not constitute an outflow of money. It is composed of the amortization charge.

During the nine-month period ended March 31, 2023, the Company incurred \$1,573,181 in exploration expenses compared to \$4,254,220 for the same period in 2022.

Analysis of the nine-month period ended March 31, 2023

	Aquilon	Cheechoo	TOTAL
Geology	-	9,339	9,339
Drilling	5,892	245,913	251,805
Bulk sampling	15,106	402,926	418,032
Others*	35,948	858,057	894,005
TOTAL	56,946	1,516,235	1,573,181

* An amount of \$400,519, 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 has been approved By Dominique Doucet, P. Eng., President of Sirios, Jordi Turcotte, Senior geologist qualified persons, as defined by National Instrument 43-101. The technical data on the Aquilon property contained in this report has been approved by Dominique Doucet, and Roger Moar, Senior geologist, also a qualified person.

During the period, 284 claims were acquired by map designation, this doubling the Li-52 property. In addition, 6 new claims were acquired in the same way in February 2023, thus expanding the southern block of the Cheechoo property. The projects are located in Figure 1. Sirios now holds 1,667 claims in the James Bay region, covering more than 860 km², which gives the company a **very favorable position** in relation to the prospective potential of the region for gold and lithium.

Readers are asked to refer to the Company's website (www.sirios.com) for more information about its exploration activities.

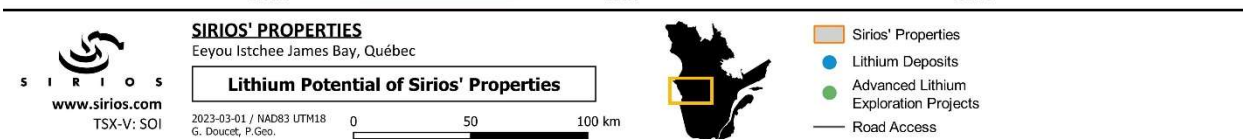
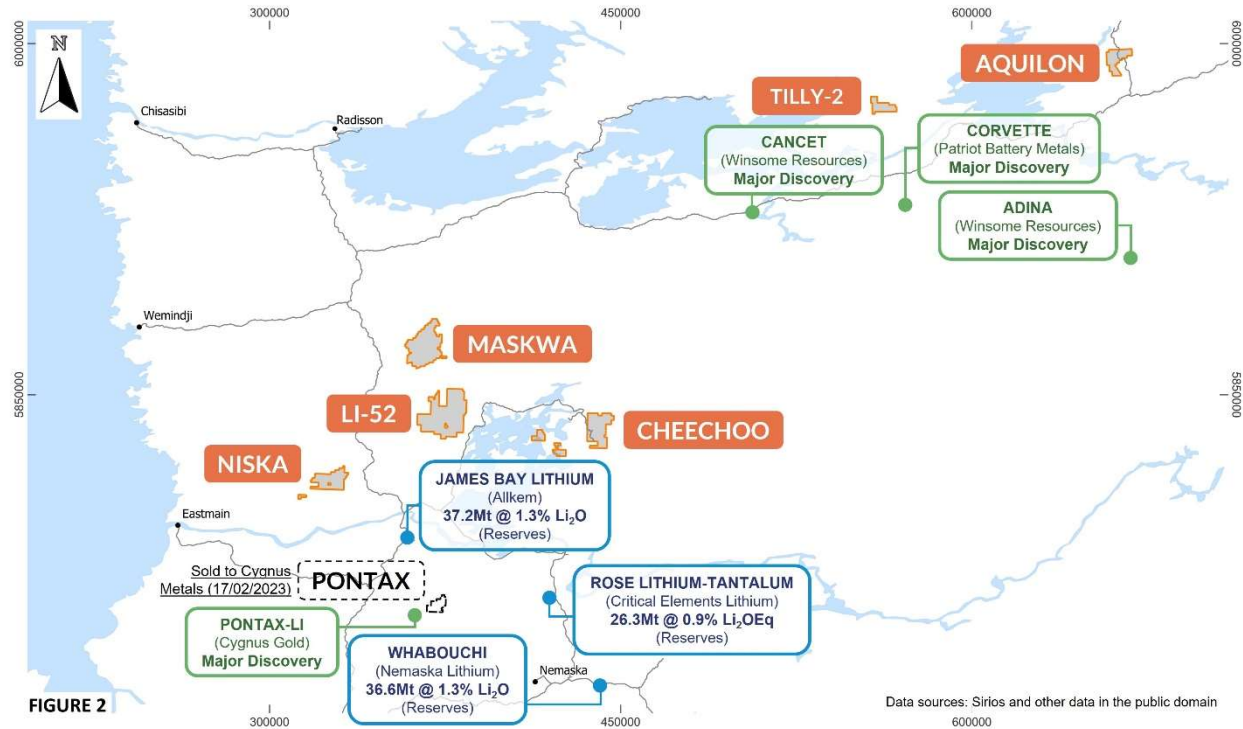


Figure 1: Location of Sirios' projects in relation to known lithium projects in Eeyou Istchee James Bay

4.1. Cheechoo property

This property, 100% owned by Sirios, is located 320 km north of Matagami, Eeyou Istchee James Bay in Quebec, less than 12 km east, south and southwest of the Eleonore gold mine of Newmont Corporation in the NTS sheets 33C09 et 33B12 (Figure 2). It is composed of three non-contiguous blocks for a total of 306 claims covering an area of 160 km². The west block, consisting of 35 claims, is located about 20 km west of the main block, while another group of 40 claims forms the non-contiguous south block and is located southwest of the main block of the property. The main block, meanwhile, consists of 231 claims.

Gold Royalty Corp. Holds a royalty for gold on 145 claims which varies between 2.5% and 4% ("Net return") depending on the price of gold and a 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.

4.1.1. Executed work during the period

There was no fieldwork performed on the Cheechoo property. Exploration expenditures totaling \$170,000, excluding depreciation expenses, included the design and planning of upcoming summer-fall 2023 work, obtaining human resources, preparing equipment and samples for multi-element assaying of drill cores.

4.2. Aquilon property

The Aquilon property is 100% owned by Sirios. It consists of 140 claims and covers approximately 70 km², 10 km south of the LA-1 hydroelectric complex in the region of Eeyou Istchee James Bay, Quebec. It is located approximately 490 km east of Radisson and is easily accessible year-round by road via the Trans-Taïga highway crossing the Eeyou Istchee James Bay region. An airstrip outfitter is located at less than a 40-minute drive from the property. Drilling on the property is optimal in winter given the presence of swampy areas.

Sumitomo Metal Mining Canada Ltd. ("Sumitomo") has, since December 2022, the option to acquire a stake of up to 80% of the property in return for investments in Exploration work of \$14.8M. According to the agreement, Sumitomo can earn a 51% interest in the Project by paying Sirios an Amount of \$200,000 (received) and after carrying out Exploration work of \$4.6M on or before the third anniversary of the agreement. Sirios acts as Project operator and receives 10% in management fees. A firm commitment of \$1.6M must be invested on the property during this first option phase.

Sumitomo may obtain an additional 29% interest, for a total of 80%, by undertaking additional exploration work of \$10M on or before the sixth anniversary of the agreement.

Once the 80% stake is acquired by Sumitomo, a joint venture will be formed with Sirios for the Project. In the event a joint venture participant's interest is diluted to below 10%, it Will convert its joint venture interest to a net smelter return ("NSR") royalty of 2%.

Soquem Inc. holds a 1% NSR ("Net Smelter Return") royalty on the Aquilon property, half of which is redeemable for \$500,000. In addition, a private investor holds a 0.25% NSR royalty.

The first fieldworks resulting from the agreement and entirely financed by Sumitomo were carried out in February and March 2023. They consisted of the following:

- a large-scale soil and till geochemical sampling survey to locate new mineralized zones under cover;
- an induced polarization (IP) ground geophysical survey (approximately 40 linear km) to define extensions of gold showings associated with sulphides and to locate new ones;
- a series of mechanized stripping aimed at several geological and geophysical targets. Trenches thus created will be systematically mapped and sampled next summer.

This winter exploration program will be followed next summer by intensive fieldwork including geophysical, geological and soil and rock sampling surveys with the goal of making the property drill-ready by the end of 2023.

4.3. Li-52 property

During the period, Sirios acquired by map designation 284 additional claims on the Li-52 property, located in Eeyou Istchee James Bay. The property now consists of 550 claims covering an area of over 286 km², making it Sirios' largest property. It has an excellent potential for lithium, as indicated by the presence of several anomalies in lithium (Figure 2), cesium, rubidium, and gallium in lake bottom sediment samples. The new claims encompass the extension of these anomalies to the north of the original claims. In addition, its location on the edge of the two geological sub-provinces La Grande and Opinaca also reveals excellent potential for gold.

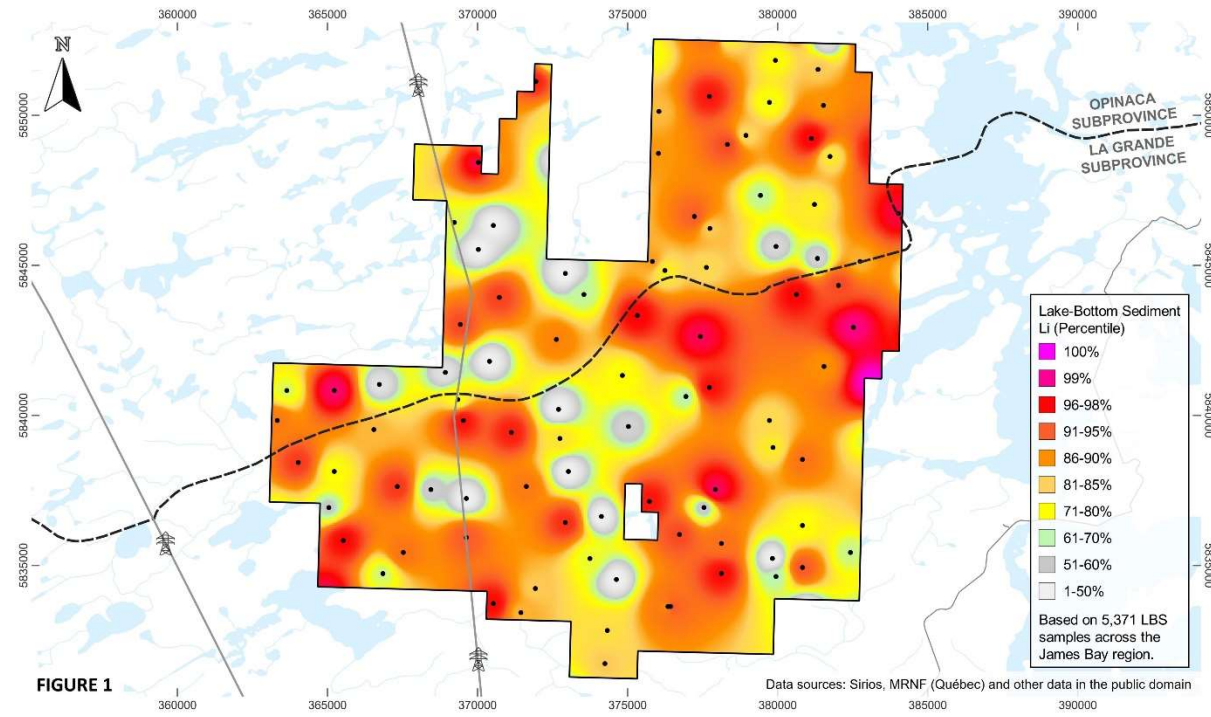


Figure 2: Exploration potential for lithium on the new Li-52 property

5. Overall performance

5.1. Quarter ended March 31, 2023 (3 months)

The net loss of the quarter is \$229,295 (net loss of \$128,539 for the same period in 2022) whereas expenses for the quarter totalled \$311,381 (\$178,623 for the same period in 2022).

General analysis

- The increase in *Investors and shareholders' relations* can be explained by increased promotional activities by the Company during the quarter compared to corresponding period last year.
- The increase in *Professional fees* can be explained by the finalization of the sale of the Pontax property, requiring more services from the Company's legal team.
- The decrease in *Insurances, taxes and permits* can be explained by the work done to obtain UL ECOLOGO® certification, during the corresponding period last year.
- The increase in *Training* can be explained by a higher number of trainings taken by the Company's employees during the period compared to the corresponding period last year.

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

	Three-month period ended March 31, 2023 \$	Three-month period ended March 31, 2022 \$
Share-based payments	-	(10,000)
Deferred income taxes	22,189	74,936
Change in fair value of listed shares	5,318	(18,179)
Amortization of property and equipment	422	(352)
Gain on disposal of exploration and evaluation assets	-	9,766
Write-off of exploration and evaluation assets	-	(3,857)

5.2. Period ended March 31, 2023 (9 months)

The net loss for the nine-month period is \$889,179 (net loss of \$131,047 for the same period in 2022) whereas expenses for the period totalled \$669,708 (\$623,487 for the same period in 2022).

General analysis

- The increase in *Investors and shareholders' relations* can be explained by the promotion by the President during the period compared to the corresponding period last year.
- The increase in *Professional fees* can be explained by the finalization of the sale of the Pontax property, requiring more services from the Company's legal team.
- The decrease in *Insurances, taxes and permits* can be explained by the work done to obtain UL ECOLOGO® certification, during the corresponding period last year.

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

	Nine-month period ended March 31, 2023 \$	Nine-month period ended March 31, 2022 \$
Share-based payments	(46,000)	(61,000)
Deferred income taxes	(230,493)	656,366
Change in fair value of listed shares	341	(107,356)
Amortization of property and equipment	(2,154)	(1,072)
Gain on disposal of exploration and evaluation assets	-	9,766
Write-off of exploration and evaluation assets	-	(3,857)

6. Financial position

- Working capital increased by \$130,680, going from \$878,815 on June 30, 2022 to \$1,009,495 on March 31, 2023. The increase can be explained by the closing of private placements during the period.
- Cash and term deposit totaled \$471,168 on March 31, 2023, in comparison with \$430,253 on June 30, 2022.
- The product of unspent funding related to flow-through financings is \$866,580 on March 31, 2023 and is to be spent by December 31, 2023. The Company is in the exploration stage; thus, it is dependent on obtaining regular financing to continue exploration. Despite previous success in acquiring sufficient financing, there is no guarantee of obtaining any future financing.
- On March 31, 2023, Sirios has accrued \$639,402 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 March 31, 2023, the compensation in salaries was \$63,547 (\$72,399 for the same period last year). Included in these amounts are share-based payments totaling \$10,000 for the same period last year. An amount of \$16,468 (\$16,422 for the same period last year) was capitalized in *Exploration and evaluation assets*.

For the nine-month period ended March 31, 2023, the compensation in salaries was \$211,782 (\$235,151 for the same period last year). Included in these amounts are share-based payments totaling \$35,500 (\$55,750 for the same period last year). An amount of \$45,274 (\$44,611 for the same period last year) was capitalized in *Exploration and evaluation assets*.

Montreal, Quebec.

May 24, 2023.