



**SIRIOS RESOURCES INC.
TSX-V: SOI**

Consolidated Interim Financial Statement (unaudited)

DECEMBER 31, 2014

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

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SIRIOS RESOURCES INC.

Consolidated Interim Financial Statement of Financial Position (unaudited)

(in Canadian dollars)

	Notes	December 31, 2014	June 30, 2014
		\$	\$
ASSETS			
Current			
Cash		302,434	206,711
Subscriptions receivable		64,000	-
Other receivables	5	5,188	199,670
Listed shares		44,882	29,921
Goods and services tax receivable		43,731	103,515
Tax credit and credit on duties receivable		69,296	486,830
Prepaid expenses		8,909	38,824
		538,440	1,065,471
Non current			
Investment accounted for using the equity method	9	637,729	431,400
Property and equipment	6	2,362	2,865
Exploration and evaluation assets	7	7,073,457	6,704,931
Total assets		8,251,988	8,204,667
LIABILITIES			
Current			
Trade and other payables		55,676	332,013
Loans	11	44,163	-
Provisions	10	315,919	315,919
Other liabilities		57,626	52,406
		473,384	700,338
Non current			
Loans	11	-	141,498
Total liabilities		473,384	841,836
EQUITY			
Share capital	12.1	22,584,187	21,946,577
Contributed surplus		2,409,900	2,361,216
Deficit		(17,215,483)	(16,944,962)
Total equity		7,778,604	7,362,831
Total liabilities and equity		8,251,988	8,204,667

Going concern assumption (see Note 2).

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

These financial statements were approved and authorized for issue by the Board of Directors on February 25, 2015.

(signed) Dominique Doucet
Dominique Doucet, President

(signed) Frederic Sahyouni
Frederic Sahyouni, Director

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

(in Canadian dollars)

	Notes	Three-month period ended		Six-month period ended	
		December 31,		December 31,	
		2014	2013	2014	2013
		\$	\$	\$	\$
EXPENSES					
Salaries and employee benefit expenses	13.1	86,693	169,963	135,028	206,812
Publicity, travel and promotion		41,571	21,165	69,645	44,033
Trustees, registration fees and shareholder relations		25,153	44,699	30,218	47,577
Professional fees		23,423	29,613	34,507	52,012
Rent expenses		2,818	3,260	6,791	7,322
Office expenses		1,755	4,649	4,426	5,516
Insurance		1,689	1,926	3,378	3,853
Amortization of property and equipment		252	263	503	526
Bank charges		176	332	383	661
Income taxes of section XII.6		-	75	-	177
Exploration expenses		6,543	2,872	8,158	5,905
Write-off of exploration and evaluation assets		-	-	139	4,919
OPERATIONAL LOSS		190,074	278,816	293,175	379,309
OTHER REVENUES AND EXPENSES					
Finance costs	15	(44,459)	(745)	2,172	(89,352)
Finance income	15	-	6,876	39,514	22,003
Share of loss from equity-accounted investment		(18,003)	-	(26,095)	-
Adjustment of ownership in equity-accounted investment		9,587	-	9,199	-
		(52,875)	6,131	24,790	(67,349)
LOSS BEFORE INCOME TAX		(242,948)	(272,685)	(268,385)	(446,658)
Deferred income tax		20,893	55,456	34,780	66,605
NET LOSS AND COMPREHENSIVE LOSS		(222,055)	(217,229)	(233,605)	(380,054)
NET LOSS PER SHARE - basic and diluted	16	(0.005)	(0.008)	(0.005)	(0.014)

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

SIRIOS RESOURCES INC.

Consolidated Interim Statement of Changes in Equity (unaudited)

(in Canadian dollars)

	Notes	Share capital	Contributed surplus	Deficit	Total Equity
		\$	\$	\$	\$
As at July 1st, 2013		19,716,439	2,111,360	(16,563,493)	5,264,306
Net loss and comprehensive loss		-	-	(380,054)	(380,054)
Share-based payments	13.2	-	131,842	-	131,842
Issuance cost of shares		-	-	(72,251)	(72,251)
Issuance of units, shares and warrants	12.1	599,400	17,600	-	617,000
Issuance of brokers' warrants	12.2	-	12,300	(12,300)	-
Shares issued for the acquisition of exploration and evaluation assets	12.1	405,772	-	-	405,772
As at December 31, 2013		20,721,611	2,273,102	(17,028,098)	5,966,615
As at July 1st, 2014		21,946,577	2,361,216	(16,944,962)	7,362,831
Net loss and comprehensive loss		-	-	(233,605)	(233,605)
Share-based payments	13.2	-	48,000	-	48,000
Issuance cost of shares		-	-	(36,232)	(36,232)
Issuance of units, shares and warrants	12.1	637,610	-	-	637,610
Issuance of brokers' warrants	12.2	-	684	(684)	-
As at December 31, 2014		22,584,187	2,409,900	(17,215,483)	7,778,604

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

SIRIOS RESOURCES INC.
Consolidated Interim Statement of Cash flows

(in Canadian dollars)

	Six-month period ended	
	December 31,	
	2014	2013
	\$	\$
OPERATING ACTIVITIES		
Net loss	(233,604)	(380,054)
Adjustments		
Share-based payments	42,000	120,725
Share-based payments included in exploration expenses	1,408	1,030
Amortization of the fees related to the loans	2,665	50,550
Change in fair value of listed shares	(14,961)	26,183
Gain on reimbursement of an account receivable	(39,445)	-
Write-off of exploration and evaluation assets	139	4,919
Deferred income taxes	(34,780)	(66,605)
Amortization of property and equipment	503	526
Share of loss from equity-accounted investment	26,095	-
Adjustment of ownership in equity-accounted investment	(9,199)	-
Changes in working capital items	(175,938)	(363,788)
Cash flows from operating activities	(435,117)	(606,514)
INVESTING ACTIVITIES		
Tax credits received	417,534	642,153
Additions to exploration and evaluation assets	(364,073)	(178,957)
Cash flows from investing activities	53,461	463,196
FINANCING ACTIVITIES		
Issuance of units, shares and warrants	677,610	688,000
Loans	(100,000)	(348,467)
Issuance costs of share	(36,232)	(72,251)
Cash flows from financing activities	541,378	267,282
NET CHANGE IN CASH	159,722	123,964
CASH, BEGINNING OF THE PERIOD	206,711	207,974
CASH, END OF THE PERIOD	366,433	331,938
Cash operations		
Interests paid from operating activities	10,123	12,619
Interests received from operating activities	70	22,003

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

SIRIOS RESOURCES INC.

Notes to Consolidated Interim Financial Statement

For the six-month period ended December 31, 2014 (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 TS Venture Exchange, under the symbol "SOI".

2. GOING CONCERN ASSUMPTION

The consolidated interim 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 its operations. As at December 31, 2014, the Company has a deficit of \$17,215,483 (\$16,944,962 on June 30, 2014). 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 consolidated interim financial statements and the classification used in the consolidated interim statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate. Management does not consider these adjustments because it grows in the assumption of the going concern.

3. BASIS OF PRESENTATION

These consolidated interim financial statements, on December 31, 2014, 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 consolidated 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, 2014. These consolidated interim financial statements do not include all of the notes required in annual financial statements.

4. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the consolidated 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 judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the 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 accounting policies of the Company that have the most significant effect on the financial statements.

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.

SIRIOS RESOURCES INC.

Notes to Consolidated Interim Financial Statement

For the six-month period ended December 31, 2014 (unaudited)

(in Canadian dollars)

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

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 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.

See Note 7 for the exploration and evaluation assets impairment analysis.

For the six-month period ended December 31, 2014, the total impairment loss of the exploration and evaluation assets recognized in profit or loss amounts \$139 (\$4,919 for the six-month period ended December 31, 2013). 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 those share options and warrants. The model used by the Company is the Black-Scholes valuation model.

Tax credit receivable

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, exploration and evaluation assets and income tax expense in future periods.

5. OTHER RECEIVABLES

	December 31, 2014	June 30, 2014
	\$	\$
Advances to a listed company, 1% monthly interest	-	2,829
Advances to an associated company, 1.5% monthly interest	5,188	196,841
	<u>5,188</u>	<u>199,670</u>

SIRIOS RESOURCES INC.
Notes to Consolidated Interim Financial Statement
For the six-month period ended December 31, 2014 (unaudited)

(in Canadian dollars)

6. PROPERTY AND EQUIPMENT

	Office furniture	Computer equipment	Leasehold improvements	Total
	\$	\$	\$	\$
Gross carrying amount				
Balance at December 31, 2014	36,683	19,960	5,133	61,776
Accumulated amortization				
Balance at July 1st, 2014	34,164	19,614	5,133	58,911
Amortization	451	52	-	503
Balance at December 31, 2014	34,615	19,666	5,133	59,414
Carrying amount at December 31, 2014	2,068	294	-	2,362

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

7. EXPLORATION AND EVALUATION ASSETS

Mining rights

	As at June 30, 2014	Additions	Write-off	As at December 31, 2014
	\$	\$	\$	\$
(a) Aquilon	43,450	20,000	-	63,450
(b) Cheechoo	452,061	11,811	-	463,872
(c) Pontax	252,206	-	-	252,206
(d) Hipo	5,535	-	-	5,535
	753,252	31,811	-	785,063

Exploration and evaluation expenses

	As at June 30, 2014	Additions	Write-off	Tax credits and credit on duties	As at December 31, 2014
	\$	\$	\$	\$	\$
(a) Aquilon	1,282,365	3,789	-	48	1,286,202
(b) Cheechoo	2,094,581	324,566	-	8,247	2,427,394
(c) Pontax	2,573,169	-	-	45	2,573,214
(d) Hipo	1,564	-	-	20	1,584
(e) Nasa (1)	-	-	(93)	93	-
(f) AAA (1)	-	-	(46)	46	-
	5,951,679	328,355	(139)	8,499	6,288,394
TOTAL	6,704,931	360,166	(139)	8,499	7,073,457

(1) During the period, management wrote-off exploration and evaluation expenses for the Nasa and AAA properties for the following reason: the Company does not own any claims for these projects.

All write-off are presented in *Write-off of exploration and evaluation assets* in the consolidated interim statement of comprehensive loss.

(a) Aquilon

This 104 claims gold property is located near LA-1 hydro-electric complex in the James Bay area (Qc).

In 2004, the Company signed a formal agreement with Golden Tag Resources Ltd. ("Golden Tag") and Soquem Inc. relating to this property. According to the agreement, modified subsequently, Golden Tag completed in May 2011, the acquisition of a 60% stake in the property. The Company now owns a 40% stake in the property and Soquem has a 1% NSR ("Net Smelter Return").

SIRIOS RESOURCES INC.
Notes to Consolidated Interim Financial Statement
For the six-month period ended December 31, 2014 (unaudited)

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

On October 22, 2010 (amended in 2012 and 2013), the Company and Golden Tag signed an agreement in which Sirios is to pay \$15,000 to Golden Tag (completed) at the signing of the agreement as well as to incur over \$600,000 in expenditures on the property before June 15, 2014 in order to increase the ownership of the Company in the property from 40% to 50%. Golden Tag remain operator of the future 50/50 joint venture. During the exercise ended June 30, 2014, Sirios executed two diamond drill holes completing the amount of \$600,000 established. Sirios completed its obligations in relation to the agreement with Golden Tag and acquired 50% of the property.

(b) Cheechoo

The Cheechoo gold project consists of 145 claims owned by the Company (45%) and Golden Valley Mines 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).

On June 15, 2012, the Company signed an agreement with Golden Valley allowing Sirios to increase its interest to 45% by undertaking fieldwork for a minimum of \$800,000 by the end of 2012 (completed). The completion of this program gave Sirios until June 15, 2013, the possibility to inform Golden Valley of its intent to acquire the total remaining 55% interest from Golden Valley (informed). Sirios would have to pay or issue to Golden Valley the lesser of 9.9% of its share capital of \$1M in cash or shares by December 31, 2013. On December 11, 2013, Sirios issued 2,898,347 common shares to Golden Valley in accordance with the agreement allowing Sirios to fully acquire the gold property. In order to complete the transaction, Sirios plans to carry out exploration work totaling approximately \$1.9M, given a 10% of management fees applicable on the total work of \$5M, and make a payment of \$500,000 on or before June 15, 2016. 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.

(c) Pontax

In 2005, the Company acquired, in partnership with Dios Exploration Inc. ("Dios"), the Pontax property. This property is located in the James Bay area (Qc).

In August 2012, Sirios and Dios cancelled the initial agreement in order to create two distinct properties with each company wholly-owning one property. The Pontax property, wholly-owned by Sirios, now consist of 89 claims including two main non-contiguous blocks of 74 and 8 claims. Moreover, Sirios keeps exclusive rights on all substances other than diamonds on one claim held by Dios, and Dios will keep exclusive rights on diamonds on six claims held by Sirios.

(d) Hipo

The Hipo property consists of 45 claims separated in two non-adjacent blocks located at around 80 km south of the LG-4 hydroelectric complex in James Bay, Quebec. The property is centered on a volcano-sedimentary belt that has undergone little or no exploration until now. It is held at 100% by the Company.

(e) and (f) Nasa and AAA

The Nasa and AAA projects are conceptual projects in areas that have barely been explored, if not explored at all, in James Bay, Quebec. They are incubators for new future projects and will eventually be subject to claim acquisition by Sirios. It is held at 100% by the Company.

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
	\$	\$	\$
December 31, 2014	12,960	18,360	31,320
June 30, 2014	12,960	25,921	38,881

SIRIOS RESOURCES INC.
Notes to Consolidated Interim Financial Statement
For the six-month period ended December 31, 2014 (unaudited)

(in Canadian dollars)

8. LEASES (cont'd)

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

Lease payments recognized as an expense during the six-month period amounts to \$6,791 (\$7,322 on December 31, 2013). This amount consists of minimum lease payments.

9. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

On December 31, 2014, the Company holds 22.18% (18.22 on June 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 December 31, 2014, the fair value of the participation is \$801,937 (\$269,697 on December 31, 2013).

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

	On December 31,	
	2014	2013
	\$	\$
Current assets	498,900	352,617
Non current assets	1,770,926	1,613,974
Current liabilities	219,836	280,788
Net loss and other comprehensive income	158,275	100,280

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

	On December 31,	
	2014	2013
	\$	\$
Total net assets	2,275,071	1,685,783
Contributed surplus not attached to ordinary shareholders	(419,476)	(241,973)
	1,855,595	1,443,810
Proportion of ownership interests held	22.18%	20.23%
	411,571	292,083
Amortized balance of the initial unrealized gain	226,159	206,276
Devaluation of ownership in equity-accounted investment	-	(498,359)
	<u>637,730</u>	<u>-</u>

Variation of the ownership

During the six-month period ended December 31, 2014, Khalkos issued shares to Sirios to reimburse a debt, to acquire mining rights and for the closing of a private placement. Those issuance, increased, at the end, the Company's ownership from 18.22% to 22.18%.

10. PROVISIONS

Provisions relate to various taxation 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. LOANS

On April 11, 2013, the Company closed a total of \$487,400 in secured loans with R&D Capital (the "Lenders"). The loans bore an interest rate of 20.4% per annum (effective rate of 61.67% per annum). The loans matured on October 11, 2013 (the "Maturity Date"), unless repaid or redeemed earlier in accordance with the terms and conditions of the loans.

SIRIOS RESOURCES INC.
Notes to Consolidated Interim Financial Statement
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(in Canadian dollars)

11. LOANS (cont'd)

The loans were guaranteed by movable hypothecs on the universality of assets including specific claims relating to the tax credits receivable.

The Company paid the Lenders structuring fees and fees at an intermediate equal to 5% and 10% of the loans for \$24,370 and \$48,848 respectively. The Company also incurred \$6,586 legal fees relating to the loans and \$4,900 of operating fees relating to those loans. Total expenses for \$84,704 were recorded against the loans and were amortized up to the full reimbursement of the loans.

The Company repaid on September 27, 2013, the loans in full.

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 17.39% per annum). 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 part of this loan. An amount of \$100,000 was given to the Lenders, decreasing the loan, until the Maturity Date, to \$50,000.

12. EQUITY

12.1 Share capital

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

Authorized

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 Six-month period ended December 31,	
	2014	2013
Common shares issued and fully paid at beginning of the period	43,092,738	23,896,505
Private placement (a) (b) (d)	6,823,001	3,380,000
Flow-through private placement (b) (c) (d)	2,000,000	3,000,000
Acquisition of mining rights (e)	-	2,898,374
Common shares issued and fully paid at the end of the period	<u>51,915,739</u>	<u>33,174,879</u>
Preferred shares, Serie A	<u>100,000</u>	<u>100,000</u>

(a) On July 4, 2013, the Company completed the closing of a private placement for a total of \$88,000. It was composed of 880,000 units. The unit, offered at \$0.10, was composed of one common share and one warrant. In total, 880,000 common shares as well as 880,000 warrants were issued. Each warrant entitles its holder to subscribe for one common share at \$0.18 per share for a period of 12 months. There was a hold period of 4 months on all securities issued under this financing.

An amount of \$17,600, related to warrants, was recorded as an increase in contributed surplus.

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(in Canadian dollars)

12.1 Share capital (cont'd)

- (b) On October 16 and November 5, 2013, the Company completed a first and second closing of a private placement, for a total of \$400,000. The Company issued 2,500,000 hard-cash units composed of one common share and one warrant, offered at \$0.08 and 2,000,000 flow-through shares, offered at \$0.10. In total, 4,500,000 shares were issued (2,500,000 common shares and 2,000,000 flow-through common shares) as well as 2,500,000 warrants. There was a hold period of 4 months on all securities issued under this financing. Each warrant entitles its holder to subscribe for one common share at \$0.12 per share for a period of 12 months after the closing date.

An amount of \$11,000, related to the liability component, was recorded in other liabilities in the statement of financial position. No amount was recorded related to warrants.

The Company paid a finder's fee in cash of \$18,200 for this placement and issued 100,000 brokers' warrant entitling holders to purchase one common share at a price of \$0.10 per share for a period of 12 months.

- (c) On December 20, 2013, the Company completed the closing of a flow-through private placement for a total of \$200,000. The Company issued 1,000,000 flow-through shares, offered at \$0.20. There was a hold period of 4 months and 1 day on all securities issued under this financing.

An amount of \$60,000, related to the liability component, was recorded in other liabilities, in the statement of financial position.

The Company paid a finder's fee in cash of \$18,000 for this placement and issued 90,000 brokers' warrants at a price of \$0.20 per share for a period of 12 months.

- (d) On December 19, 2014, the Company completed a private placement for a total of \$677,610. The Company issued 6,823,001 hard-cash units, offered at \$0.07, and was composed of one common share and one-half of a warrant, for a total of \$477,610 and 2,000,000 flow-through shares, offered at \$0.10, for a total of \$200,000. In total, 8,823,001 shares were issued (6,823,001 common shares and 2,000,000 flow-through shares) as well as 3,411,501 warrants. Each warrant entitles its holder to subscribe for one common share at \$0.10 per share for a period of 12 months after the closing date. There is a hold period of 4 months on all securities issued under this financing.

An amount of \$40,000, related to the liability component, was recorded in other liabilities in the statement of financial position and an amount of \$31,841, related to warrants, increased the contributed surplus.

The Company paid a finder's fee in cash of \$13,480 for this placement and issued 68,400 brokers' warrants, entitling holders to purchase one common share at a price of \$0.10 per share for a period of 12 months.

- (e) On December 9, 2013, the Company issued 2,898,374 common shares at a price of \$0.14, for a total amount of \$405,772 to Golden Valley Ltd. in accordance with the option agreement between the two parties that allows Sirios to acquire the gold property Cheechoo. Sirios undertook the issuance of shares to Golden Valley with the aim to fully acquire the property.

12.2 Warrants

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

	December 31, 2014	
	Number of warrants	Weighted average exercise price
		\$
Balance, at beginning	5,943,572	0.14
Issued	3,479,901	0.10
Expired	(4,112,587)	(0.14)
Balance, at the end	<u>5,310,886</u>	<u>0.12</u>

During the period, the Company issued 3,411,501 warrants through a private placement. An amount of \$31,841 was recorded in contributed surplus. Also, for the same placement, 68,400 brokers' warrants were issued. An amount of \$684 was recorded in contributed surplus for those warrants.

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12.2 Warrants (cont'd)

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

Expiration date	December 31, 2014	
	Number of warrants	Exercise price
		\$
April 3, 2015	795,833	0.15
April 3, 2015	393,790	0.14
April 3, 2015	33,000	0.15
April 10, 2015	591,667	0.15
April 10, 2015	10,695	0.14
April 10, 2015	6,000	0.15
December 19, 2015	3,411,501	0.10
December 19, 2015	68,400	0.10
	<u>5,310,886</u>	<u>0.12</u>

13. EMPLOYEE REMUNERATION

13.1 Salaries and employee benefit expenses

Salaries and employee benefit expenses recognized are analyzed below:

	Three-month period ended December 31,		Six-month period ended December 31,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Salaries and benefits	62,098	68,960	131,833	119,244
Share-based payments	42,000	131,086	42,000	131,842
	<u>104,098</u>	<u>200,046</u>	<u>173,833</u>	<u>251,086</u>
Less: salaries and share-based payments capitalized in Exploration and evaluation assets or presented in Exploration expense	<u>(17,405)</u>	<u>(30,083)</u>	<u>(38,805)</u>	<u>(44,274)</u>
Salaries and employee benefit expenses	<u>86,693</u>	<u>169,963</u>	<u>135,028</u>	<u>206,812</u>

13.2 Share-based payments

The Company has a share-based payments plan for eligible directors, officers, employees and consultants. 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 5,191,574 on December 31, 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.

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13.2 Share-based payments (cont'd)

The Company's share options are as follows for the period presented:

	December 31, 2014	
	Number of options	Weighted average exercise price
		\$
Outstanding and exercisable, at the beginning of the period	3,392,857	0.25
Granted	800,000	0.10
Outstanding and exercisable, at the end of the period	4,192,857	0.22

On November 25, 2014, the Board of Directors of the Company has granted 800,000 options under its stock option incentive plan to directors, officers, employees and a consultant at an exercise price of \$0.10 per share. The options expire five (5) years for the date of grant, and can be exercised immediately.

The weighted average fair value of stock options granted is \$0.06 each (\$0.11 for the period ended December 31, 2013) and was estimated using the Black-Scholes model and based on the following weighted average assumptions:

	2014
Average share price at the date of issuing	\$0.08
Risk-free interest average rate	1.02%
Expected average life	5 years
Expected weighted volatility	102%
Expected dividend yield	0%
Average exercise price at the date of grant	\$0.10

The table below summarizes the information related to share options as December 31, 2014:

	December 31, 2014	
Range of exercise price	Number of options	Remaining life (years)
From \$0.05 to \$0.50	3,775,000	3.93
From \$0.51 to \$1.00	417,857	1.52
	4,192,857	

In total, \$48,000 of share-based payments (all of which related to equity-settled share-based payment transactions) were recorded (\$43,408 in profit or loss, \$42,000 as salaries and employee benefits expenses and \$1,408 in exploration expenses, and \$4,592 capitalized in exploration and evaluation assets) for the six-month period ended December 31, 2014 (\$121,755 in profit or loss, \$120,725 as salaries and employee benefits expenses and \$1,030 in exploration expenses, and \$10,087 capitalized in exploration and evaluation assets for the six-month period ended December 31, 2013) 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 interim statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability 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 shares measured at fair value in the interim statement of financial situation on December 31, 2014 and 2013, are classified in Level 1.

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

The carrying value of cash, other receivables, trade and other payables is considered to be reasonable approximation of fair value because of the short-term maturity of these instruments. The fair value of the loans is estimated using analysis of discounted cash flows based on current borrowing rates which apply to similar borrowings and approximates the carrying value. The fair value approximates their carrying value due to the interest rate implicit in the loans approximating the interest rates available at this time for a similar loan. The loans measured at amortized cost in the interim statement financial situation on December 31, 2014 are classified in Level 2 of the fair value hierarchy.

15. FINANCE COSTS AND INCOME

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

	Six-month period ended December 31,	
	2014	2013
	\$	\$
Interests on trade accounts	(373)	(1,248)
Interests on loans	(9,750)	(11,371)
Amortization of fees related to loans	(2,665)	(50,551)
Change in fair value of listed shares	14,961	(26,183)
	<u>2,173</u>	<u>(89,353)</u>

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

	Six-month period ended December 31,	
	2014	2013
	\$	\$
Interests income from cash	243	28
Interests income from guaranteed investment certificates	-	355
Interests income from reimbursement of loans	-	1,933
Interests income from tax credits received	2,583	6,535
Interests income from other receivables	(2,756)	13,152
Gain on reimbursement of a receivable account	39,445	-
	<u>39,515</u>	<u>22,003</u>

16. LOSS PER SHARE

In calculating the diluted loss per share, dilutive potential ordinary 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 antidilutive. Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Notes 12.2 and 13.2.

	Three-month period December 31,		Six-month period ended December 31,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Net loss	(222,055) \$	(217,229) \$	(233,605) \$	(380,054) \$
Weighted average number of shares	44,339,466	28,848,416	43,716,102	26,798,113
Basic and diluted loss per share	(0.005) \$	(0.008) \$	(0.005) \$	(0.014) \$

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17. ADDITIONAL INFORMATION - CASH FLOWS

	Six-month period ended December 31,	
	2014	2013
	\$	\$
Other receivables	10,701	(10,199)
Goods and services tax receivable	59,784	(96,645)
Prepaid expenses	29,915	12,124
Trade and other payables	(276,337)	(269,068)
	<u>(175,937)</u>	<u>(363,788)</u>

18. RELATED PARTY TRANSACTIONS

The Company's related parties includes an associated company 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 six-month period, Sirios provided administrative services to an associated company, Khalkos, totaling \$32,354. These services are charged at cost.

	Three-month period ended December 31,		Six-month period ended December 31,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Salaries and benefits	29,707	34,436	64,841	58,674
Share-based payments	28,500	111,839	28,500	112,460
Total remuneration	<u>58,207</u>	<u>146,275</u>	<u>93,341</u>	<u>171,134</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 flow-through 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 placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

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20. CONTINGENCIES AND COMMITMENTS (cont'd)

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.

The product of unspent funding related to flow-through financings totals \$263,348 to spend before December 31, 2015 (\$360,331 on June 30, 2014). According to the fiscal legislations imposed restrictions, the Company has to dedicate these funds to the exploration of Canadian mining properties.