



**DIOS EXPLORATION INC.
Management's Discussion and Analysis
Quarterly highlights
For the three and nine-month periods ended
September 30, 2022**

The following quarterly highlights management discussion and analysis of the financial condition and results of the operation of Dios Exploration Inc. ((the "Company" or "Dios") constitutes management's review of the factors that affected the Company's financial operating performance for the three and nine-month period ended September 30, 2022.

This discussion and analysis should be read in conjunction with:

- The unaudited interim financial statements as at September 30, 2022;
- The 2021 Annual Management report; and
- The Company's audited financial statements for the year ended December 31, 2021 and December 31, 2020.

These documents and additional information may be available through www.sedar.com web site, under Dios' section "Sedar filing" or at www.diosexplo.com. Dios' shares are listed on the TSX Venture Exchange, under the symbol "DOS". As at September 30, 2022, there are 114,707,066 Common Shares of Dios issued and outstanding.

Nature of activities

Dios focuses on **LITHIUM** and **GOLD** Exploration in James Bay, Quebec, Canada. Wholly-owned **K2** gold-copper-silver property is located directly SW in structural strike of Azimut's Elmer gold discovery at Patwon.

Dios is involved in mining exploration along a major deformation zone. Dios acquired two large **LITHIUM** properties: **Nemiscau North Lithium** and **Lithium33 Battery Metal**, with contiguous **AU33** gold property hosting Dios' **HEBERTO GOLD** discovery.

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Investing activities

Quarter ended September 30, 2022

During this period, Dios paid \$14,449 for mining rights (claim renewal and acquisitions).

During the three-month period ended September 30, 2022, the Company incurred \$825,796 in exploration expenses compared to \$999,696 for the same period in 2021.

Exploration Expense Analysis

Description	K2	AU33	Others	Total
	\$	\$	\$	\$
Geology	125,885	11,858	4,756	142,499
Transportation, Lodging	340,577	-	-	340,577
Geophysics	48,251	-	-	48,251
Office and other	4,604	-	-	4,604
Drilling, Assays	289,865	-	-	289,865
	809,182	11,858	4,756	825,796

Nine-month period ended September 30, 2022

During this period, Dios paid \$32,689 for mining rights (claim renewal and acquisitions).

During the nine-month period ended September 30, 2022, the Company incurred \$998,390 in exploration expenses compared to \$1,203,679 for the same period in 2021.

Exploration Expense Analysis

Description	K2	AU33	Others	Total
	\$	\$	\$	\$
Geology	227,298	19,968	17,342	264,608
Transportation, Lodging	340,577	-	-	340,577
Geophysics	48,251	-	-	48,251
Office and other	13,487	-	-	13,487
Drilling, Assays	331,467	-	-	331,467
	961,080	19,968	17,342	998,390

Exploration performed during the period ended

Lithium33 Battery Metal property was acquired by Dios in James Bay *Eeyou Istchee*, Quebec, to protect a 15 km lithium trend discovered by Dios in the area.

Lithium33 covers some 146 claims for 7,705 hectares contiguous to Dios' **AU33** gold property, adjacent to advanced Rose lithium-tantalum project of Critical Elements Corp., having now obtained all main environmental authorizations to move forward the project, and in the general area north-east of Pontax-Lithium occurrences.

Lithium33 hosts 7 significant lithium metal anomalies (combined with other anomalous critical elements) uncovered through proprietary data analysis and recent research work and forming a more than 15km prospective lithium trend. The geochemical signature is comparable to that of Rose and Pontax-Lithium, with higher values from secondary environment.

Pontax-Lithium itself (lithium-tantalum-bearing pegmatite dikes) was first discovered and successfully drilled in the scope of former joint Dios/Sirios Resources exploration project under supervision of Harold Desbiens Geo M.Sc., V.P. of Dios & 43-101 QP. Field work is planned on **Lithium33**. The road towards Nemiscau village some 50 km south crosses AU33 property and large Nemaska lithium deposit is located near Nemiscau.

Nemiscau-North lithium battery metal property was acquired by Dios during quarter ended, for 164 wholly-owned claims over 9,274 hectares along Pontax River, approximately 15 kilometres north of Nemaska Cree village, in James Bay prolific lithium region of northern Quebec.

This 927 square-foot Nemiscau-North project lies directly east of LI-FT Power/Kenorland Moyenne trend lithium claims and west of Brunswick Exploration claims. It is also located between advanced Rose lithium project of Critical Elements to the north, Nemaska Lithium Wabouchi deposit to the east and northwest Cygnus (Stria) drilled Pontax-lithium.

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The Nemiscau-North lithium claims cover five significant lithium metal lake sediment anomalies (lithium over 15 parts per million (ppm), up to 28.8 ppm) combined with useful other anomalous critical elements (cesium over two ppm; rubidium over 16 ppm, up to 30.2 ppm). These Li-Cs-Rb (lithium-cesium-rubidium) lake sediment anomalies are located at the margins of granitic plutons/pegmatites with paragneiss/tonalitic gneiss along a prospective 18-kilometre-long section. The claims cover a northeast low-magnetic lineament structure that intersects a 50-kilometre-long east-west anomalous trend (bottom lake sediments over 15 ppm Li). The Nemiscau-North claims are also located at the head of a robust southwest glacial dispersal train hosting anomalous bottom lake sediments varying between 15 to 37.6 ppm Li (and Rb) for over 40 to 50 km down ice.

The geochemical signature is comparable to that of Pivert-Rose and Pontax-lithium, with even higher values in the secondary environment.

Lithium is a critical metal in the universal fight against global warming. It is a core component of lithium-ion batteries used for powering electric vehicles and for industrial-scale energy storage.

K2 north-eastern area with volcanic rocks intertwined with small gabbro plug series was surveyed by a ground **IP** survey in mid-August, 10 km SW of **Patwon** gold discovery, along prospective shear zone gold corridor.

K2 16 km-line Induced **Polarization** EM survey helped Dios define drilling targets for drill program undertaken in mid-September following ground prospecting and sampling in felsic volcanics intruded by small gabbro plugs, 4-5 km north of Opinaca fault, in same geological formation as underlies AZM Elmer property. By the end of October, 13 drill holes totalling 2,560 meters were completed (11 % more than planned), results pending.

Gabbro contacts with altered dacites constitute good structural targets. Several specks of visible gold were noted in core. **North-eastern K2 area** is crosscut by two NE-SW shear zones and two east-west kilometric ground VLF-EM anomalies related to sulfidic mineralization, locally well sericitized and silicified. **Dios** previously discovered outcropping Badji (5.39 g/t gold, 111 g/t silver, 5.05% copper). **NE K2** is located a few km NE of major gold-copper-silver bearing volcanic dome on top of large porphyry, itself on top of Kali intrusive.

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Overall performance

Net profit for the quarter ended September 30, 2022 is \$229,144 (net loss of \$39,024 for the third quarter 2021) whereas expenses for the quarter totalled \$23,848 (\$39,990 for the third quarter 2021).

During the three-month period ended September 30, 2022, one notes mainly:

- Decrease of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$247,739 in 2022. See below.
- Increase in interest income due to investment in term deposits and an increase in interest rate.
- Other operating expenses were stable year-over-year.
- Analysis of the non-monetary operations that does not require an exit or an inflow of cash (positive: income and negative: expenditure):

	Quarter ended September 30, 2022	Quarter ended September 30, 2021
Share-based payments	\$(7,797)	\$(55,464)
Deferred income taxes recovered	247,739	-

Net profit for the nine-month period ended September 30, 2022 is \$196,811 (net loss of \$240,189 for the nine-month period ended September 30, 2021) whereas expenses for the nine-month period 2022 totalled \$113,900 (\$246,651 for the nine-month period ended September 30, 2021).

During the nine-month period ended September 30, 2022, one notes mainly

- Decrease of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$299,517 in 2022. See below.
- Gain on disposal of the 33Carats property of \$30,000.
- Increase in interest income due to investment in term deposits and an increase in interest rate.
- Other operating expenses were stable year-over-year.
- Analysis of the non-monetary operations that do not require an exit or an inflow of cash (positive: income and negative: expenditure):

	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Share-based payments	\$(37,741)	\$(173,945)
Deferred income taxes recovered	299,517	-

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Financial position

- Working capital decreased by \$797,102 as at September 30, 2022 going from \$1,587,357 as at December 31, 2021 to \$790,255 as at September 30, 2022 including liabilities of \$73,198 related to premium on flow-through shares to be recovered when flow-through funding is incurred in fourth quarter 2022. The decrease is mainly due to exploration costs, mining right payments and administrative expenses incurred during the period.
- Cash and term deposit totalled \$943,559 as at September 30, 2022 compared to \$1,459,354 as at December 31, 2021. The Company is considered to be in the exploration stage; thus, it is dependent on obtaining regular financing in order to continue exploration. Despite previous successes in acquiring sufficient financing, there is no guarantee of obtaining any future financing

Exploration Budget for fiscal 2022: Planned exploration work to be conducted by Dios in 2022 is disclosed in the 2021 Annual Management report. See above section "Exploration performed during the quarter". Therefore, most of the exploration work will be carried out in 2022 on the K2 property as budgeted, mainly ground Induced Polarization, prospecting and diamond drilling during the last semester 2022. Lithium exploration is planned next year and planned drilling on AU33 property will be postponed.

Related party transactions

Key management personnel of the Company are members of the Board of Directors, as well as the President, the Chief Financial Officer and the Vice-President, operations. Key management personnel remuneration includes salaries, professional fees and share-based payments.

For the three-month period ended September 30, 2022, the compensation was \$71,284 (\$109,907 for the same period last year). An amount of \$55,741 (\$50,900 for the same period last year) was capitalized in Exploration and Evaluation assets.

For the nine-month period ended September 30, 2022, the compensation was \$237,497 (\$352,821 for the same period last year). An amount of \$170,756 (\$157,357 for the same period last year) was capitalized in Exploration and Evaluation assets.

Forward-looking information

See the forward-looking information in the 2021 Annual Management report.

Montreal, Quebec
November 29, 2022