



**DIOS EXPLORATION INC.
Management's Discussion and Analysis
Quarterly highlights
For the three and nine-month periods ended
September 30, 2023**

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, 2023.

This discussion and analysis should be read in conjunction with:

- The unaudited interim financial statements as at September 30, 2023;
- The 2022 Annual Management report; and
- The Company's audited financial statements for the year ended December 31, 2022 and December 31, 2021.

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, 2023, there are 121,282,066 Common Shares of Dios issued and outstanding.

Nature of activities

Dios focuses on LITHIUM and GOLD-COPPER exploration in James Bay, Quebec, Canada, along major lithium prolific geological contact between Lagrande-Opinaca sub-provinces.

Several significant **LITHIUM** acquisitions were completed in 2023: **EAST CLARKIE, LITHIUM NORD, LECARON LITHIUM, PONTAX NORD** in addition to two large **LITHIUM** properties in 2022: **Nemiscau North** and **Lithium33 Battery Metal** contiguous to **AU33** hosting Dios' **HEBERTO GOLD** discovery.

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023

Lithium metal is critical in universal fight against global warming, core component of lithium-ion batteries for powering electric vehicles & large-scale energy storage.

Wholly-owned **K2** copper-gold-silver property is adjacent south-west in strike of Azimut's Elmer gold Patwon discovery property.

Partner Mont Royal Resources is planning a ground IP (induced polarization) survey on Dios 33 Carats-Bohier property, adjacent NW of Benz Mining Eastmain gold mine property.

Investing activities

Quarter ended September 30, 2023

During this period, Dios paid \$20,743 for mining rights (claim renewal and acquisitions) compared to \$14,449 for the same period last year.

Mining Right Additions

Properties	\$
LeCaron Lithium	5,440
Clarkie East	13,770
Claim renewal	1,533
	20,743

During the three-month period ended September 30, 2023, the Company incurred \$215,494 in exploration expenses compared to \$825,796 for the same period in 2022.

Exploration Expense Analysis

Description	Geology	Transportation Lodging	Office and Others	Total
	\$	\$	\$	\$
Clarkie East	39,431	43,123	5,932	88,486
Lithium Nord	20,081	20,175	3,382	43,638
Nemiscau Nord	17,038	20,175	3,382	40,595
LeCaron Li	24,430	8,961	3,860	37,251
Pontax Nord	4,023	-	-	4,023
K2	-	-	1,501	1,501
	105,003	92,434	18,057	215,494

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023

Nine-month period ended September 30, 2023

During this period, Dios paid \$121,898 for mining rights (claim renewal and acquisitions) compared to \$32,689 last year.

Mining Right Additions

Properties	\$
Lithium North	26,350
Nemiscau North	4,110
LeCaron Lithium	23,800
Pontax North	1,190
Clarkie East	42,670
Claim renewal	23,778
	121,898

During the nine-month period ended September 30, 2023, the Company incurred \$358,947 in exploration expenses compared to \$998,390 for the same period in 2022.

Exploration Expense Analysis

Description	Geology	Transportation Lodging	Office and Others	Assays	Total
	\$	\$	\$		\$
Clarkie East	73,630	43,123	5,932	-	122,685
Lithium Nord	62,922	20,175	3,382	-	86,479
Nemiscau Nord	34,411	20,175	3,382	-	57,968
LeCaron Li	44,358	8,961	3,860	-	57,179
Pontax Nord	7,278	-	-	-	7,278
K2	16,941	1,200	3,577	3,224	24,942
Lithium 33-AU33	2,416	-	-	-	2,416
	241,956	93,634	20,133	3,224	358,947

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023

Exploration performed during the period ended

James Bay most favourable lithium prospective region in Quebec was closed during this year extensive forest fires from very early June until the end of August.

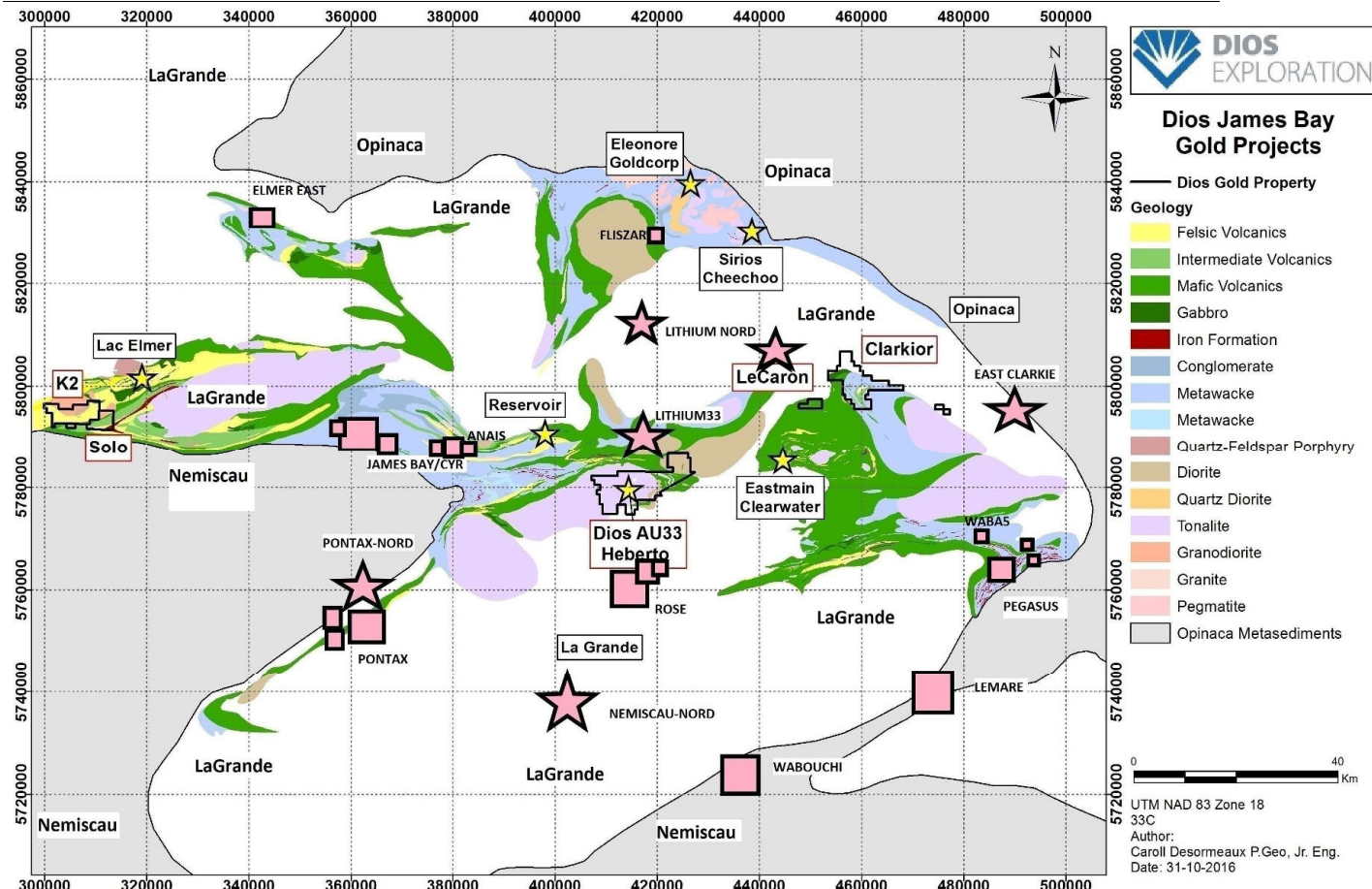
Furthermore, most of helicopter contracts (including Dios one in July) were cancelled as government required all helicopters to fight the fires. Finally, only by the very end of August, accesses and exploration were allowed again in Dios claims areas, also depending on crews and helicopters availability.

During the summer, additional detailed geoscientific compilation work was carried out by Dios' geologists, integrating lake bottom sediments and glacial tills geochemistry, geology, satellite imagery and geophysics. Additional map-staking enabled to enlarge Dios strategic lithium ground position and targets in James Bay/ Eeyou-Istchee prolific lithium region.

In September 2023, a **helicopter-supported ground exploration program on 4 of Dios James Bay lithium projects (Nemiscau-Nord, East Clarkie, Lithium-Nord and LeCaron)** was completed for Dios by Dahrouge Geological Consulting. Due to its limited period, exploration focus was put on favourable outcropping target-areas located up-ice of significant lake sediments & glacial tills (heavy mineral concentrates) (with Li over 15ppm, combined with useful other anomalous critical elements as Cs over 2.9ppm, Rb over 15ppm, Sn over 0.5ppm; K/Rb ratio lower than 100) anomalies as well as nearby previously mapped pegmatitic rocks. Such anomalous geochemical clusters are interpreted proximal to a possible LCT (Li-Cs-Ta) pegmatite source.

Overall, a total of 192 pertinent outcrops were mapped of which 140 where samples were collected and sent for sodium-peroxide fusion ICP-AES assays (still in progress at SGS Canada inc.): 37 samples on Nemiscau-Nord, 61 samples on East Clarkie, 24 samples on Lithium-Nord, and 18 samples on LeCaron. This distribution of the sampling was function of the outcrop abundance and of their associated helicopter landing capacity (vegetation density). As a result, a good number of first-priority target-areas still remain to be investigated next year as they were not easily accessible or map-staked later on. On some projects, till-sampling fences are also recommended to better define the glacial dispersal trains associated with the favourable lake sediments/tills anomalies (including un-prospected Pontax-Nord).

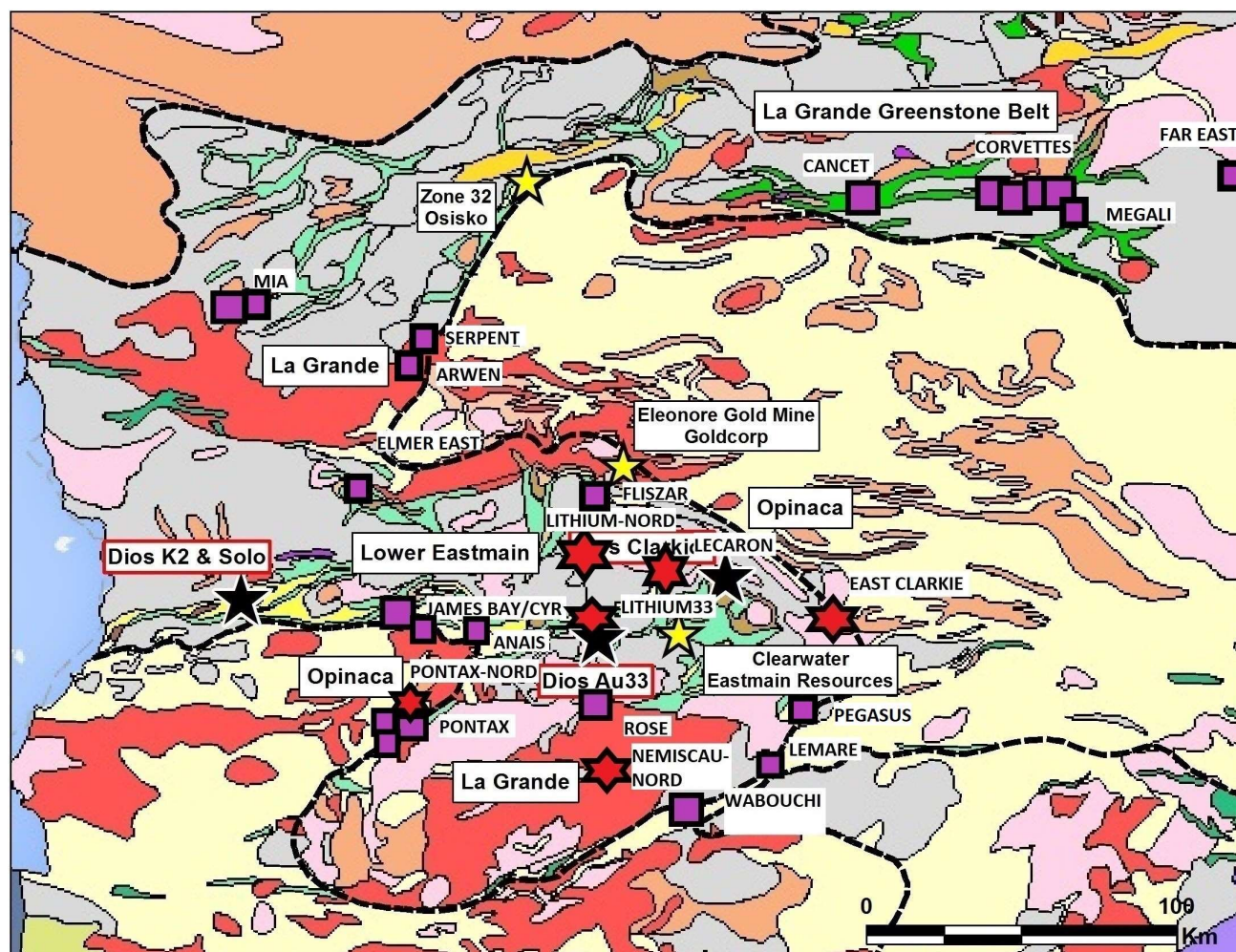
DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023



LOWER EASTMAIN GREENSTONE BELT, LAGRANDE GEOLOGICAL SUB-PROVINCE: LITHIUM PROJECTS

DIOS LITHIUM PROJECTS: PINK STARS

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023



Overall performance

Net profit for the quarter ended September 30, 2023 is \$23,873 (net profit of \$229,144 for the third quarter 2022) whereas expenses for the quarter totalled \$48,716 (\$23,848 for the third quarter 2022).

During the three-month period ended September 30, 2023, one notes mainly:

- Increase of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$64,648 in 2022. See below.
- Increase in interest income due to an increase in interest rate.
- Significant increase in prescribed rates relating to Income taxes of section XII.6 and III.14.
- 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):

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023

	Quarter ended September 30, 2023	Quarter ended September 30, 2022
Share-based payments	\$(11,083)	\$(7,797)
Deferred income taxes recovered	64,648	247,739

Net loss for the nine-month period ended September 30, 2023 is \$6,645 (net profit of \$196,811 for the nine-month period ended September 30, 2022) whereas expenses for the nine-month period 2023 totalled \$136,606 (\$113,900 for the nine-month period ended September 30, 2022).

During the nine-month period ended September 30, 2023, one notes mainly

- Decrease of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$107,539 in 2023. See below.
- Gain on disposal of the 33Carats property of \$30,000.
- Increase in interest income due an increase in interest rate.
- Significant increase in audit fees 2022.
- Significant increase in prescribed rates relating to Income taxes of section XII.6 and III.14.
- 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, 2023	Nine-month period ended September 30, 2022
Share-based payments	\$(23,554)	\$(37,741)
Deferred income taxes recovered	107,539	299,517

Financial position

- Working capital decreased by \$434,000 as at September 30, 2023 going from \$791,228 as at December 31, 2021 to \$357,228 as at September 30, 2023 including liabilities of \$87,460 related to premium on flow-through shares to be recovered when flow-through funding is incurred in fourth quarter 2023. The decrease is mainly due to exploration costs, mining right payments and administrative expenses incurred during the period.
- Cash and term deposit totalled \$677,822 as at September 30, 2023 compared to \$941,122 as at December 31, 2022. 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

DIOS EXPLORATION INC. - Management's Discussion & Analysis – Quarterly Highlights – September 30, 2023

Exploration Budget for fiscal 2023: Planned exploration work to be conducted by Dios in 2023 is disclosed in the 2022 Annual Management report. See above section "Exploration performed during the quarter".

.

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, exploration. Key management personnel remuneration includes salaries, professional fees and share-based payments.

For the three-month period ended September 30, 2023, the compensation was \$74,326 (\$71,284 for the same period last year). An amount of \$55,201 (\$55,741 for the same period last year) was capitalized in Exploration and Evaluation assets.

For the nine-month period ended September 30, 2023, the compensation was \$226,571 (\$237,497 for the same period last year). An amount of \$167,940 (\$169,810 for the same period last year) was capitalized in Exploration and Evaluation assets.

As of September 30, 2023, a director made advances to the Company which bear no interest and are repayable according to the Company's liquidity.

Forward-looking information

See the forward-looking information in the 2022 Annual Management report.

Montreal, Quebec
November 15, 2023