



**DIOS EXPLORATION INC.
Management's Discussion and Analysis
Quarterly highlights
For the three and nine-month periods ended
September 30, 2021**

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, 2021.

This discussion and analysis should be read in conjunction with:

- The unaudited interim financial statements as at September 30, 2021;
- The 2020 Annual Management report; and
- The Company's audited financial statements for the year ended December 31, 2020 and December 31, 2019.

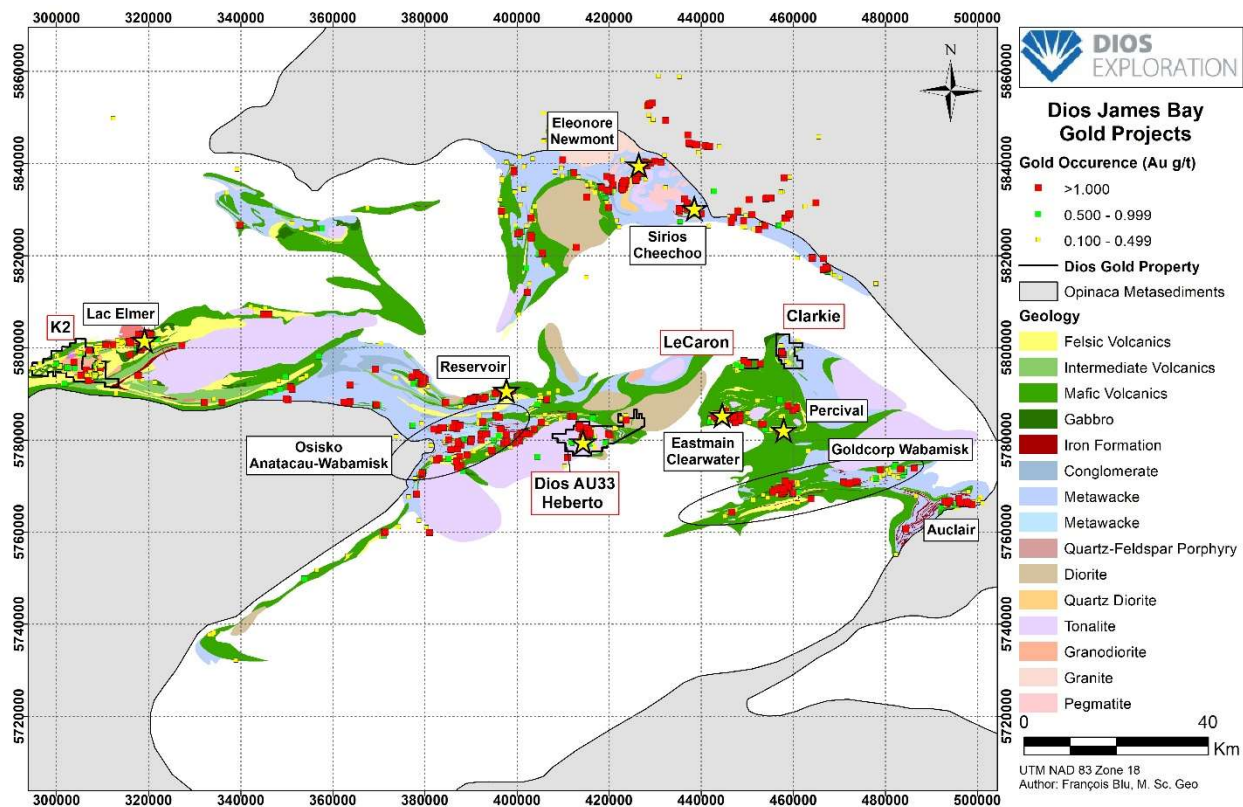
These documents and additional information may be available through www.sedar.com web site, under the Company's section "Sedar filing" or at www.diosexplo.com. The Company's shares are listed on the TSX Venture Exchange, under the symbol "DOS". As at September 30, 2021, there are 101,957,066 common shares of Dios issued and outstanding.

Nature of activities

Dios focuses on gold exploration in James Bay Eeyou Istchee, Quebec. Wholly-owned **K2** gold-copper-silver property without any royalties is located directly SW in strike of Azimut's Elmer gold discovery at Patwon. Very significant results were obtained on **K2** project with Kali eastern targets and WI gold targets, west of Kali intrusive.

Dios is involved in mineral exploration along a major James Bay deformation zone through proprietary till sampling defining gold and diamond glacial dispersal trains. Successful drilling of large **AU33** gold property led to HEBERTO GOLD discovery on **AU33**, then 4 km NNE, to successful drilling of CLN area and a further 4-5 km east to WTS gold drilling discovery.

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Dios' properties in Lower Eastmain Greenstone Belt: K2, AU33 (Heberto), LeCaron, Clarkie

Also, gold was discovered by Dios on **Clarkie** (8.9 & 6.8 g/t Au in sandstones) and **Le Caron** (37 g/t Au, 4.5 m @ 2.1 g/t Au in volcanics) projects, along Eleonore gold mine - Cheechoo corridor.

Located hundreds of km to the east are 14K and 33Carats in Upper Eastmain Greenstone Belt

Gold in outcrop & by drilling was also discovered by Dios 6 km northwest of Eastmain gold mine on Dios' **33 Carats** property, farmed out in 2020 to Australian Northern Lights Minerals, with yearly renewal payment made during this quarter ended.

Investing activities

Quarter ended September 30, 2021

During this period, Dios paid \$4,819 for mining rights (claim renewal and acquisitions).

During the three-month period ended September 30, 2021, the Company incurred \$999,696 in exploration expenses compared to \$142,307 for the same period in 2020.

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Exploration Expense Analysis

Description	K2	AU33	Total
	\$	\$	
Geology	53,062	821	53,883
Transportation, Lodging	390,756	-	390,756
Compilation	95,000	-	95,000
Office and other	2,569	-	2,569
Drilling	457,488	-	457,488
	998,875	821	999,696

Nine-month period ended September 30, 2021

During this period, Dios paid \$18,727 for mining rights (claim renewal and acquisitions).

During the nine-month period ended September 30, 2021, the Company incurred \$1,203,679 in exploration expenses compared to \$354,211 for the same period in 2020.

Exploration Expense Analysis

Description	K2	14Karats	AU33	Total
	\$	\$		\$
Geology	166,664	33,463	821	200,948
Transportation, Lodging	390,948	-	-	390,948
Compilation	95,000	-	-	95,000
Office and other	3,639	-	-	3,639
Drilling, Assays	513,144	-	-	513,144
	1,169,395	33,463	821	1,203,679

Exploration performed during the quarter

K2 gold project

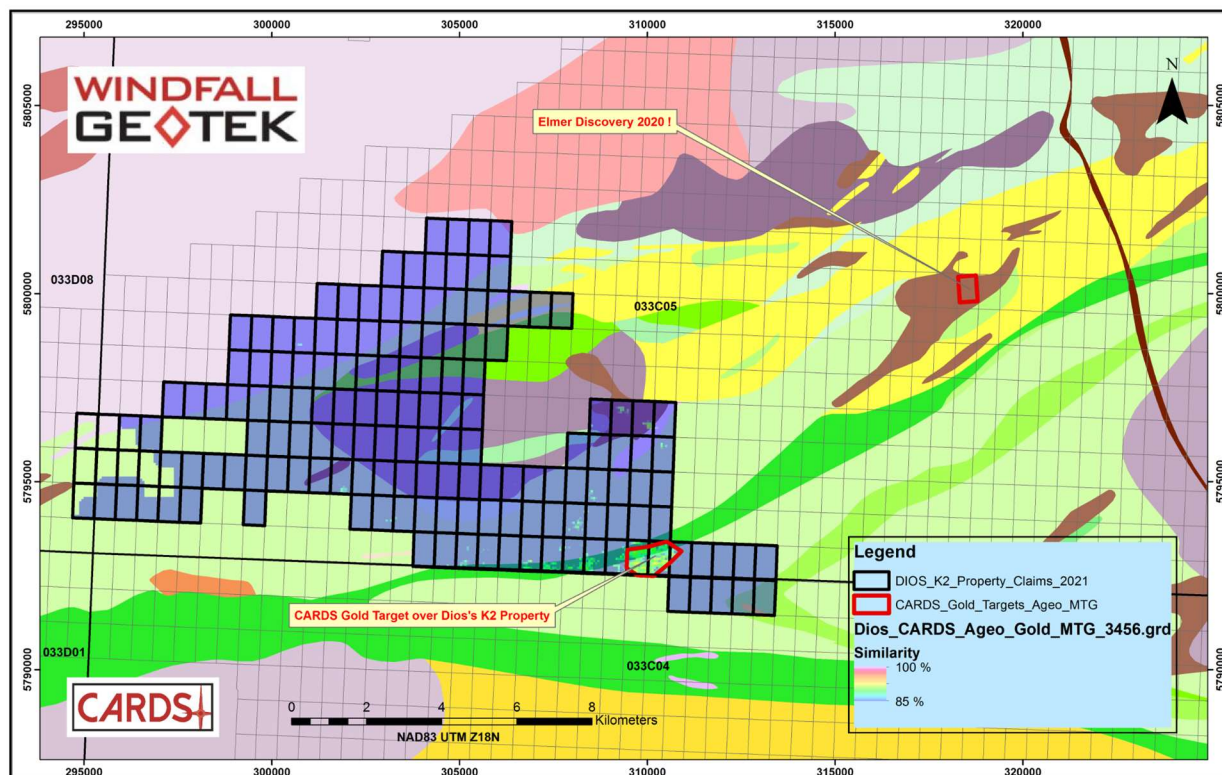
Wholly-owned **K2 gold project** covers 85 sq. km directly southwest of **Azimut's Elmer gold property** hosting **Patwon gold discovery**, along same trend of Opinaca River deformation Zone, an underexplored part of the Lower Eastmain Greenstone belt, James Bay, Quebec.

K2 is favourable for VMS (Volcanic Massive Sulfides) and Windfall-type gold mineralization. **K2** hosts an Archean volcanic sequence injected by felsic porphyry plugs and dykes wrapped around Kali tonalite pluton.

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Artificial Intelligence Agreement on K2

Following an Artificial Intelligence (AI) Agreement with Windfall Geotek on **K2**, 750,000 Common Shares of Dios were issued to Windfall Geotek as well as 250,000 warrants at \$0.10 for five years. Another 250,000 Common Shares of Dios are to be issued if Dios drills the provided targets within two years.



Windfall Geotek AI Targets in red with regional geology base layer

Elmer discovery of 2020 had been identified by Windfall Geotek AI targeting, as well as similar and larger AI target on Dios' claims (in red)

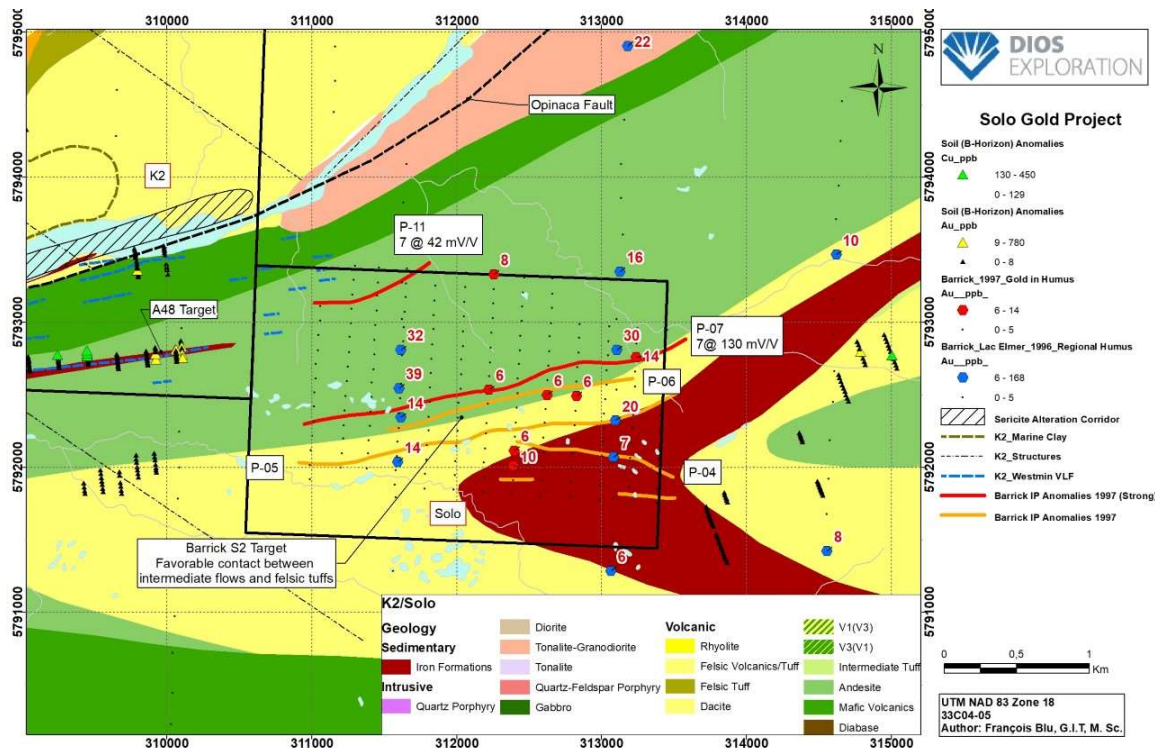
K2 DIAMOND DRILLING CAMPAIGN STARTED IN MID-AUGUST 2021.

Dios completed permitting and secured a diamond drill rig for its summer drill program on **K2** gold-copper property, James Bay, Quebec. The drill was mobilized to site by mid-August.

Successful completion of first phase diamond drill program in eastern K2 gold-copper property, with some 2020 metres of drilling in 7 holes testing with success the following targets.

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- 1) **Sesame gold Target conductor**, in northeast **K2**, a 2 km long airborne IP anomaly, was drilled for 664 m in 2 holes 400 m apart, cutting a 42-48 m wide foliated biotite-rich shear zone with 0.5 to 2 % disseminated pyrite. Chalcopyrite occurs, up to 2 % over 30 cm. Visible gold was noted in one hole.
- 2) Some 9 km SE, **southeastern K2** strong first priority ground induced polarization **IP conductor area** with related gold-in-soil anomalies.



The drilling team was able to find 2 spots to drill successfully 2 holes 800 m apart totalling 840 m along 3 km long sub-parallel P07-P06 conductors.

Both holes intersected a thick sequence (70-100 m) of alternating intermediate ashes, lapillis and crystal volcanic tuffs/ graphitic argillites/ laminated mafic and felsic tuffs variably **mineralized with 1-15%, up to 25% disseminated (& in stringers) pyrrhotite-pyrite (traces sphalerite)** overlying biotite wackes (sedimentary rocks). Geophysical and geochemical anomalies are located within a non-outcropping swampy area along the northern flank of a regional overturned syncline hinge-fold (structural trap good for gold).

Extents of these zones (P07-P06-P05) will be winter drilled due to wet ground conditions.

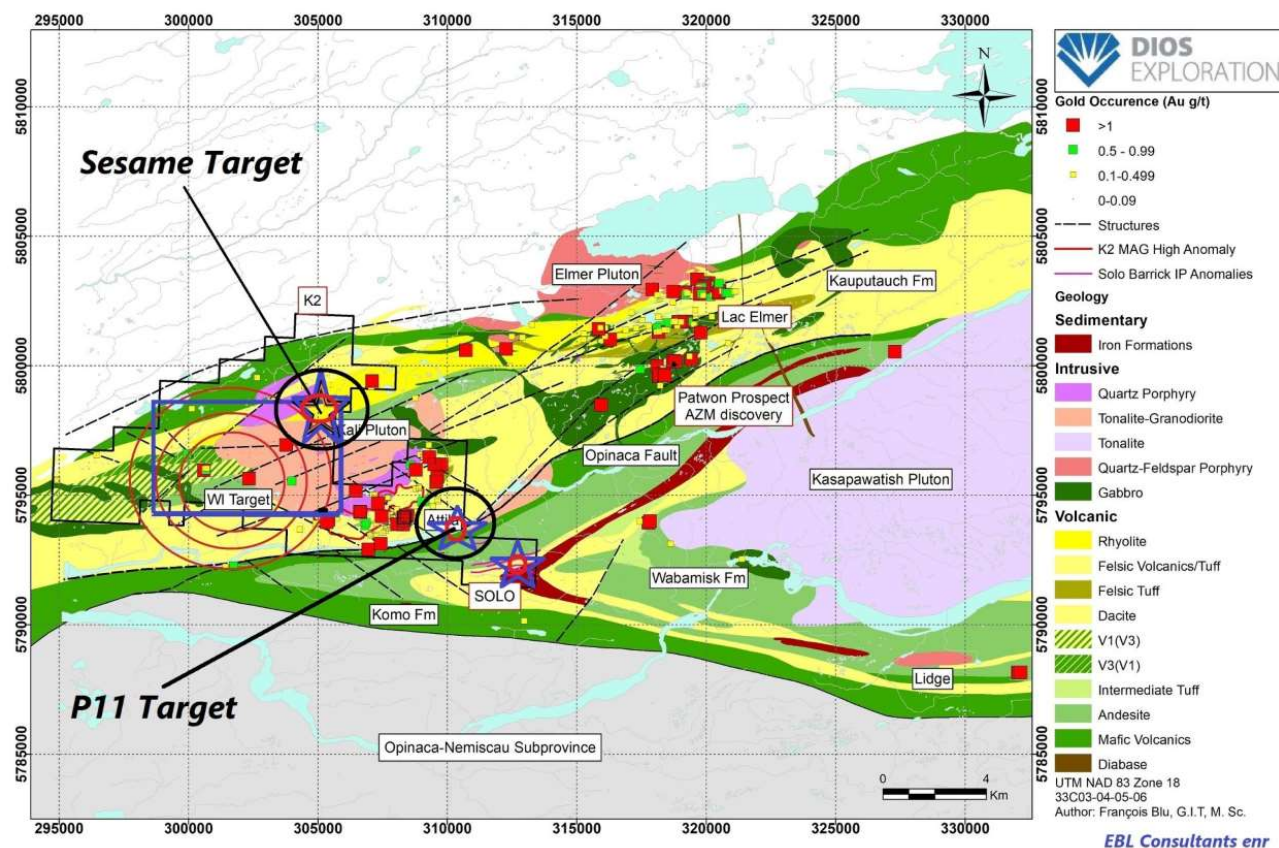
Some 850 m north of P07 conductor lies 600 m long P11 conductor (still open to the west) coincidental with an extensive magnetic lineament. A 254 m long hole hit with success a 50 meter thick sequence of chert/ mafic-intermediate tuffs/ graphitic argillites mineralized with **1-30% disseminated (& in stringers) pyrrhotite-pyrite** in a mafic volcanic domain.

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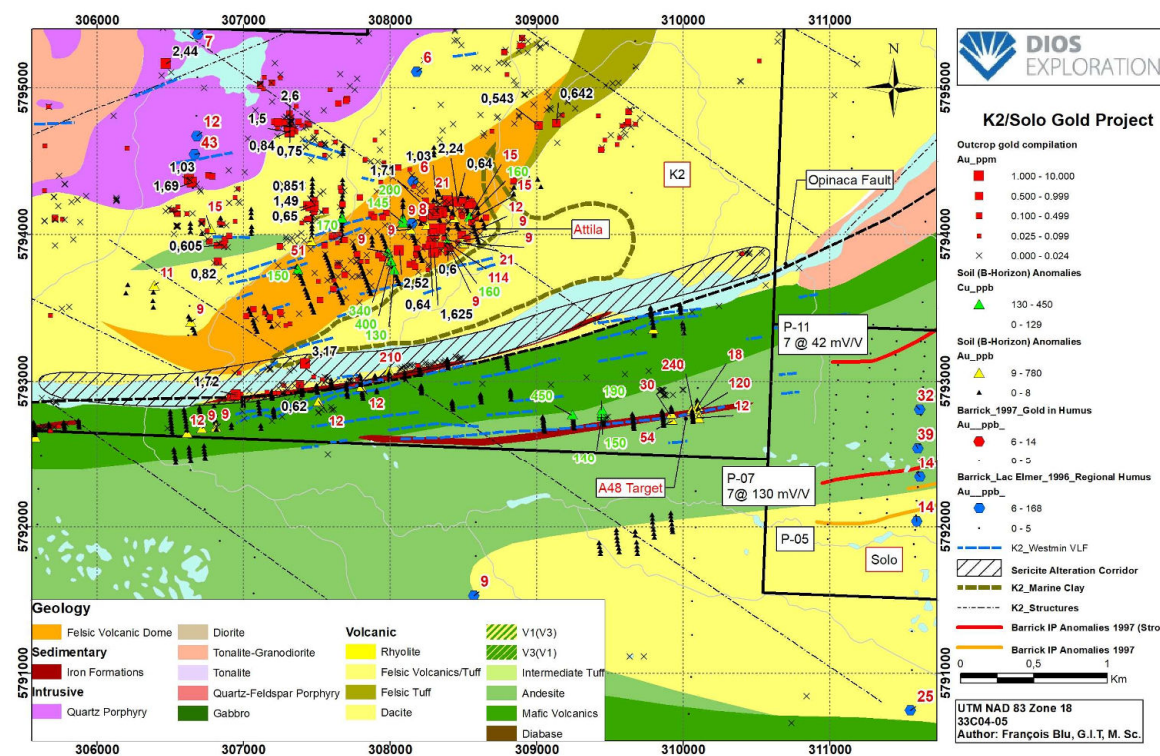
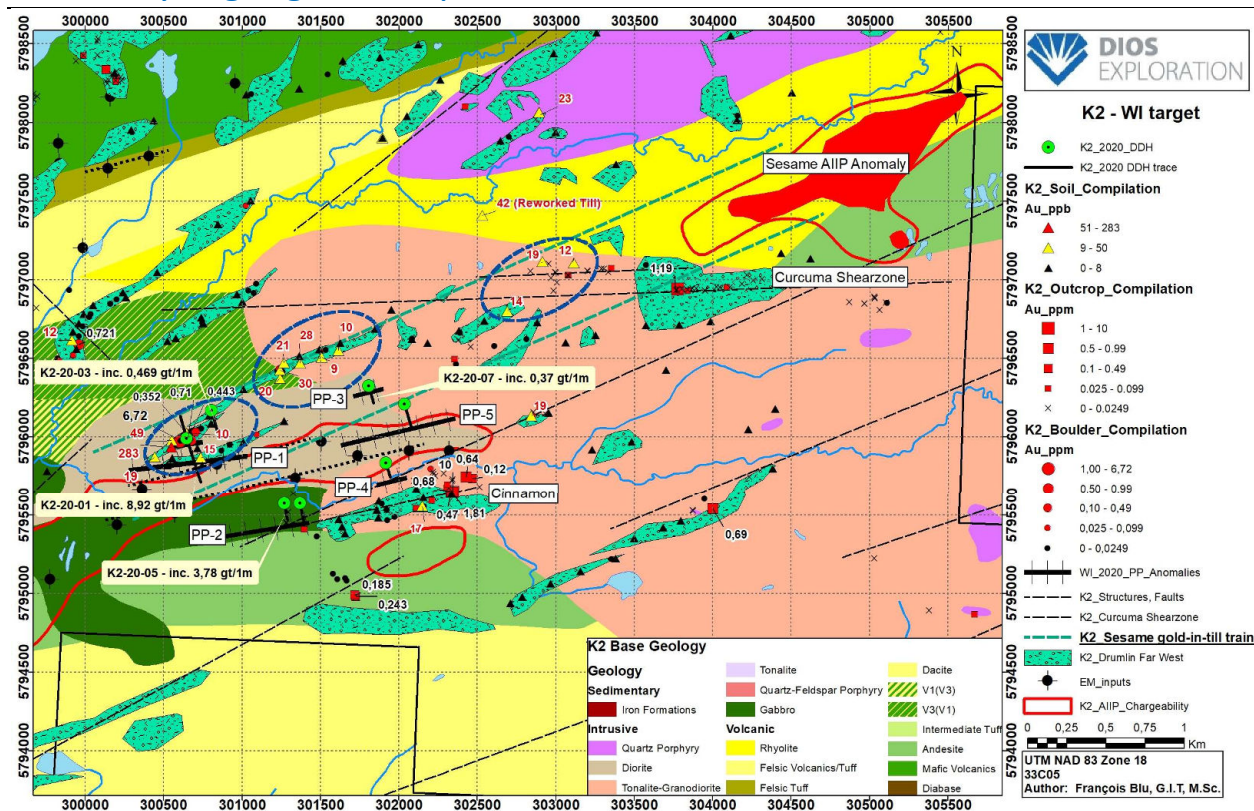
Then 1 km SW, this magnetic feature is laterally associated down-ice with clusters of gold-in-soil, copper-in-soil and arsenic-in-soil anomalies along a 3.5 km-long VLF (Very Low Frequency EM) conductor; 2 holes in one section for 260 m cut through a **53.65 meters thick sequence** of chert/mafic-intermediate volcanic tuffs/ graphitic argillites mineralized **with 1-40% disseminated (& in stringers) pyrrhotite-pyrite** overlying a **several m thick (3 -7.32 meters) massive sulfide horizon (70-90% pyrrhotite-pyrite)**.

Significant rock types good for gold potential were found in all of these exploratory drill holes in distinct areas several km apart in eastern K2. Dios' team is awaiting with enthusiasm assay results from this campaign. Wholly-owned K2 property (no royalties) is adjacent in same trend west-southwest to Azimut Exploration Inc.'s Elmer project.

When ground is frozen, further drilling is planned, in particular on SOLO, 800 m south of P-11 on parallel several km long very strong first priority IP conductors coincidental with moderate east-west gold soil anomaly P-07 (& P-06).



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Very significant kilometre-size A48 target was defined in southeastern K2, composed of a cherty iron formation with pyrite and graphite within mafic volcanic flows and tuffs, south of Opinaca

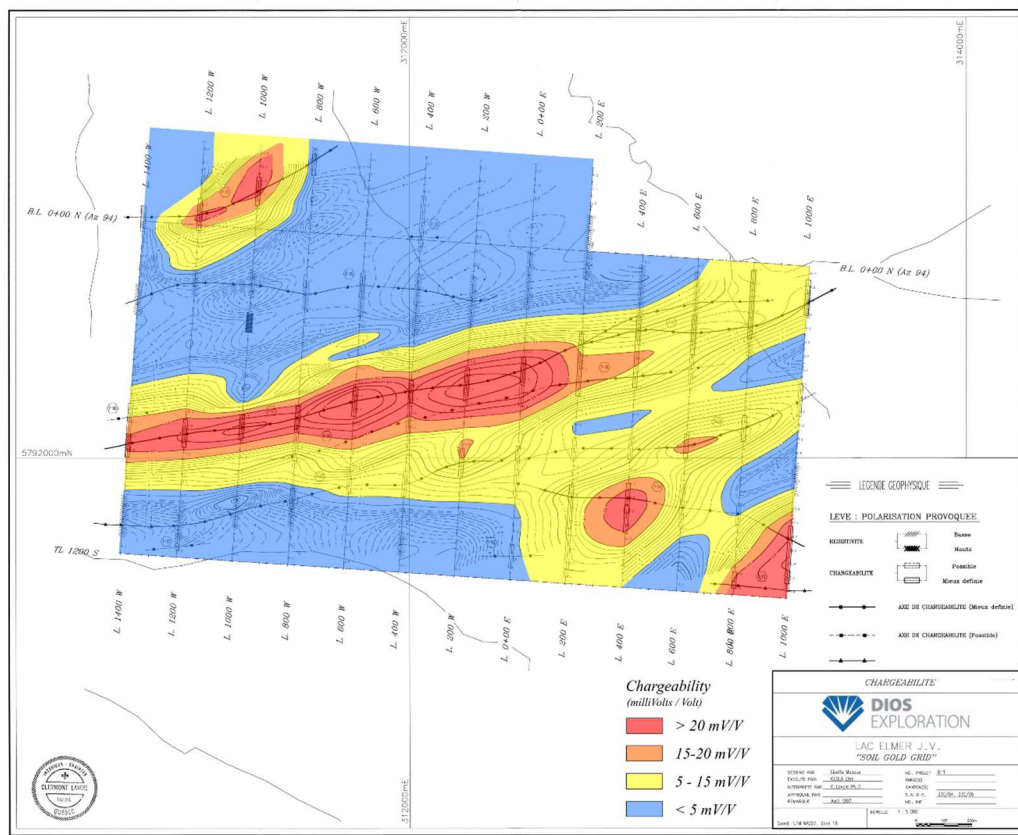
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fault, near crosscutting structures. It is coincidental with a 3.5-kilometre-long minimum VLF-EM (very-low-frequency electromagnetic) conductor associated with a good magnetic lineament. Its northeastern limit, covered by an IP survey (Barrick, 1997), is coincidental with a very good chargeable conductor (P-11 goes from seven to 50 millivolts per volt).

B-horizon sampling across this unit produced anomalous clusters along the VLF-EM conductor with such gold values (6, 12, 18, 120 and 240 parts per billion gold in one line and 30 and 54 ppb gold 200 metres away) as well as copper values 400 metres away (140, 150 and 150 parts per million copper and 450 ppm copper). Additional B-horizon sampling and prospecting over the VLF/magnetic lineament are planned. Drilling is planned on up-ice P-11 target.

An independent geophysicist report states this strongly chargeable P-11 must be drilled, also as it is associated with major resistivity decreases, typical of good conductors, such as massive sulphides. Further south, P-07 bears same characteristics and will be tested later on in the year.

Effectively, 800 metres south of P-11, three subparallel, several-kilometre-long IP conductors are coincidental with a moderate east-west gold-in-soil anomaly. Both geophysical and geochemical anomalies are located along northern flank of a regional fold hinge (structural trap) and may correspond to sulphidized contacts between felsic tuffs and intermediate volcanics. Most chargeable P-07 conductor is coincidental with a three-kilometre-long strong high magnetic feature. Winter drilling is planned on P-07 (P-06) IP conductors due to swampy conditions.



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Overall performance

Net loss for the quarter ended September 2021 is \$39,024 (net loss of \$11,070 for the third quarter 2020) whereas expenses for the quarter totalled \$39,990 (\$38,501 for the third quarter 2020).

During the three-month period ended September 30, 2021, one notes mainly:

- Increase of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$23,613 in 2020. See below.
- Decrease in interest income due to redemption of term deposits.
- Other operating expenses were stable year-over-year.
- Gain on disposal of the 33Carats property of \$30,000.
- 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, 2021	Quarter ended September 30, 2020
Share-based payments	\$(55,464)	\$(28,999)
Deferred income taxes recovered	-	\$23,613

Net loss for the nine-month period ended September 30, 2021 is \$240,189 (net loss of \$74,450 for the nine-month period ended September 30, 2020) whereas expenses for the nine-month period 2021 totalled \$246,651 (\$117,980 for the nine-month period ended September 30, 2020).

During the nine-month period ended September 30, 2021, one notes mainly

- Increase of Share-based payments expenses included in *Employee benefits expense*. See below.
- Deferred income taxes recovered of \$36,970 in 2020. See below.
- No wages paid at the beginning of the year 2020.
- Increase of expenses related to the General Annual Meeting of Shareholders: Postponement of the 2019 general meeting of shareholders to the last quarter 2020.
- 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):

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	Nine-month period ended September 30, 2021	Nine-month period ended September 30, 2020
Share-based payments	\$(173,945)	\$(36,959)
Deferred income taxes recovered	-	\$36,970

Financial position

- Working capital decreased by \$706,961 as at September 30, 2021 going from \$1,570,206 as at December 31, 2020 to \$863,245 as at September 30, 2021. The decrease is mainly due to exploration costs, mining right payments and administrative expenses incurred during the period.
- Cash and term deposit totalled \$939,487 as at September 30, 2021 compared to \$1,931,479 as at December 31, 2020. 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 success in acquiring sufficient financing, there is no guarantee of obtaining any future financing

Exploration Budget for fiscal 2021: The planned exploration work to be conducted by Dios in 2021 is disclosed in the 2020 Annual Management report. See above section "Exploration performed during the quarter". During the first quarter 2021, the company had to restrict exploration work on its mining properties due to containment measures relating to COVID-19 pandemic. Therefore, most of the exploration work will be carried out in 2021 on the K2 property, mainly drilling work during the last semester 2021.

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, 2021, the compensation was \$109,907 (\$103,254 for the same period last year). An amount of \$50,900 (\$67,684 for the same period last year) was capitalized in Exploration and Evaluation assets.

For the nine-month period ended September 30, 2021, the compensation was \$352,821 (\$240,581 for the same period last year). An amount of \$157,357 (\$136,161 for the same period last year) was capitalized in Exploration and Evaluation assets.

Forward-looking information

See the forward-looking information in the 2020 Annual Management report.

Montreal, Quebec
November 25, 2021