

## **Dios Exploration Inc.**

### **NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Annual General Meeting of Shareholders of Dios Exploration Inc. (the “Corporation”) will be held at room Picardie of NOVOTEL, 1180 de la Montagne, Montréal QC Canada H3G 1Z1, on June 20, 2019 at 1:30 p.m. (Montreal time), for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the year ended December 31, 2018, as well as the auditors' report;
2. to elect the Corporation’s directors;
3. to appoint the auditors and to authorize the Board of Directors to establish the auditors’ remuneration; and
5. to transact such other business that may properly come before the meeting

The record date for the determination of shareholders of the Corporation entitled to receive notice of and to vote at the meeting is May 17, 2019. The specific details of the matters proposed to be put before the meeting are set forth in the management proxy circular accompanying this notice.

Montreal, May 15, 2019

**By order of the Board of Directors**

*(s) Marie-José Girard*

**Marie-José Girard, President**

Since it is desirable that as many shares as possible be represented at the meeting and that the shareholder votes on the meeting agenda represent the proportional number of shares owned, we urge any shareholder who is unable to attend the meeting in person, to complete and return the enclosed proxy form no less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) the date of the meeting.

*Pour obtenir une circulaire en français, veuillez en faire la demande au :*  
C.P. 114 SUCC. NDG MONTRÉAL QC H4A 3P4  
*mjgirard@diosexplo.com*

**DIOS EXPLORATION INC.**

(the “Corporation”)

**MANAGEMENT PROXY CIRCULAR**

(Containing information as at May 15, 2019 unless indicated otherwise)

**SOLICITATION OF PROXIES**

Management of the Corporation solicits proxies to be used at the Annual General Meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. This solicitation of proxies will be accomplished by mail. The cost of this solicitation will be borne by the Corporation. Accordingly, management of the Corporation has drafted this information circular (the “Information Circular”) that it is sending to all security holders entitled to receive a Notice of Meeting.

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy to the Registrar and Transfer Agent of the Corporation, TSX Trust Company (“TSX Trust”) at 100, Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, not less than forty-eight (48) hours (excluding Saturdays, Sundays and Holidays) before the time fixed for the Meeting.

**RIGHT OF REVOCATION OF PROXIES**

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time by an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, and filed at the office of Equity Financial, at the same address and within the same delays as mentioned above, or two business days preceding the date the Meeting resumes if it is adjourned, or remitted to the chairman of such Meeting on the day of the Meeting or any adjournment thereof.

**EXERCISE OF DISCRETION BY PROXIES**

**Management undertakes to respect holder’s instructions.**

**In the absence of any indication by the mandator, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the notice of meeting or in the Information Circular.**

**Unless otherwise specified herein, all resolutions will be adopted by simple majority of votes represented at the meeting.**

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the meeting. If such amendments or new points were to be brought before the meeting, the people named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

**AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value.

As at May 15, 2019, there were 74,906,606 Common Shares of the Corporation issued and outstanding. Each Common Share of the Corporation confers upon its holder thereof the right to one vote. The Board of Directors of the Corporation fixed the close of business on May 17, 2019 as the record date (the "Record Date") for determining which shareholders shall be entitled to receive Notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the record date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation. The directors and officers of the Corporation are not aware of any person who, as of May 15, 2019, beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the Common Shares issued and outstanding of the Corporation.

## VOTING OF SHARES

A holder of Common Shares may own such shares in one or both of the following ways. If a shareholder is in possession of a physical share certificate, such shareholder is a "registered" shareholder and his or her name and address are maintained by the Corporation through its transfer agent, TSX Trust. If a shareholder owns shares through a bank, broker or other nominee, such shareholder is a "beneficial" shareholder and he or she will not have a physical share certificate. Such shareholder will have an account statement from his or her bank or broker as evidence of his or her share ownership. A registered shareholder may vote a proxy in his or her own name in accordance with the instructions appearing on the enclosed form of proxy and/or a registered shareholder may attend the Meeting and vote in person. Because a registered shareholder is known to Corporation and its transfer agent, his or her account can be confirmed and his or her vote recorded or changed if such registered shareholder has previously voted. This procedure prevents a shareholder from voting his or her shares more than once. The registered shareholder's latest dated proxy will be valid. Most shareholders are "beneficial owners", who are not registered shareholders. Their Common Shares are registered in the name of an intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency in which the intermediary is a participant (such as The Canadian Depository for Securities Limited). Intermediaries have obligations to forward meeting materials to non-registered holders, unless otherwise instructed by the holder (and are required to do so in some cases despite such instructions).

Only registered shareholders or their duly appointed proxyholders are permitted to vote at the Meeting. Non-registered holders should follow the directions of intermediaries with respect to the procedures to be followed for voting. Generally, intermediaries will provide non-registered holders with either: (a) a voting instructions form for completion and execution by the non-registered holder, or (b) a proxy form, executed by the intermediary and restricted to the number of shares owned by the non-registered holder, but otherwise uncompleted. These are procedures to permit the non-registered holder to direct the voting of the common shares which they beneficially own.

**If non-registered holders wish to attend and vote in person at the Meeting, they must insert their own name in the space provided for the appointment of a proxyholder on the voting instruction form or proxy form provided by the intermediary and carefully follow the intermediary's instructions for return of the executed form or other method of response.**

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

As at the date hereof, unless otherwise disclosed in present Information Circular, to the knowledge of management of the Corporation, no person has an interest in any matter to be acted upon, whether such interest is by way of beneficial ownership of securities or otherwise.

## MATTERS FOR CONSIDERATION AT THE MEETING

### DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

The Directors' report and the audited financial statements for the year ended December 31, 2018, together with the report of the Auditors thereon, will be submitted to shareholders at the Meeting but no vote with respect thereto is required or proposed to be taken. The financial statements are included in the Corporation's 2018 management report that was mailed to shareholders of the Corporation with the Notice of Meeting and the proxy circular.

### ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board of Directors are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed. The mandate of Marie-José Girard, René Lacroix, Normand Payette, Harold Desbiens and Aline Leclerc will expire at the meeting on June 20, 2019.

Set out below in tabular form are the names of each person proposed to be nominated by the management of the Corporation for election as a director together with related information. Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his discretion unless the shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.

**The persons named in the enclosed proxy form intend to vote in favor of the election of the nominees whose names are listed below, unless the shareholder signatory of the proxy has indicated his will to abstain from voting regarding the election of directors.**

Set out below in tabular form are the names of the persons proposed to be nominated by management of the Corporation as directors together with related information.

Name	Office held	Director	Number of shares controlled	Present occupation
Marie-José Girard <sup>(1)</sup> Québec (Canada)	President and Director	2001	6,765,168	President of the Corporation
Roger Guévremont Québec (Canada)	-	-	93,667	President, Gestion Génique Internet Affairs
René Lacroix Québec (Canada)	Chief Financial Officer and Director	2001	450,800	Partner, Lacroix & Frères, CPA, CA and Lawyers
Normand Payette <sup>(1)</sup> Québec (Canada)	Director	2001	125,000	Marketing consultant
Aline Leclerc <sup>(1)</sup> Québec (Canada)	Director	2011	164,285	Geological consultant

(1) Member of the Audit Committee.

Each nominee has supplied the information concerning the number of Common Shares over which he or she exercises control or direction.

Except for Roger Guévremont, all of the nominees whose names are hereinabove mentioned have previously been elected directors of the Corporation.

Mr. Roger Guévremont holds a Civil Engineering diploma from École de Technologie Supérieure (ETS-1983), a graduate diploma in Electronic Business from Université Laval (2002) and a mining technical diploma from Thetford-Mines college (1977). He was director of Public Work for the city of Sainte-Adèle from 1986 to 1995 and is also a

businessman. He was main partner of inPROtec Informatique from 1995 until 2002 and President of Gestion Génique, an Internet consulting firm since 2002 till now. He worked as a technician in geology and mining exploration for SOQUEM from 1977 until 1981. He has an extensive community service experience and was member of several Boards. He was Vice-President of the Sainte-Adèle Chamber of Commerce (2004-2006), a Board member of Parc Industriel de La Rolland from 2008 to 2010 and Executive Committee member of École Hôtelière des Laurentides since 2016 till now.

To the knowledge of the Corporation and based upon information provided to it by the nominees for election to the Board of Directors, no such nominee:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity:
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, due to an event occurred while such person was acting in such capacity as a director or executive officer ; or
- (b) within a year of that person ceasing to act in that capacity, and within the 10 years before the date of this Information Circular, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (c) within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director

None of the foregoing nominees for election as director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

For this purpose, a late filing fee, such as that applying to late filing of insider report, is not a “penalty or sanction”.

#### **APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS**

The auditors of the Corporation are Raymond Chabot Grant Thornton LLP. Management proposes Raymond Chabot Grant Thornton LLP as auditors of the Corporation to hold office until the next meeting of shareholders.

For practical reasons, it is expedient at the shareholders’ meeting to authorize the board of directors to fix the remuneration of the auditors.

**The persons named in the enclosed proxy form intend to vote in favor of the appointment of Raymond Chabot Grant Thornton LLP, as auditors for the Corporation at the Meeting and to authorize the Directors to fix their remuneration, unless the shareholder signatory of the proxy has indicated his will to abstain from voting with respect to the appointment of auditors.**

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Objective of Compensation Program*

The Corporation's compensation program is designed to attract, develop and retain the highest quality human resources who will ultimately contribute to an optimal organization performance and corporate. Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics. The Corporation is a mining company involved in exploration and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such a corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of the executive. The compensation of senior officers is based on the individual performance and experience of each officer as well as the Corporation's business strategy and general economic considerations.

As mentioned above, the corporation is in an exploration and development phase with respect to its properties and often has to operate with limited financial resources and control costs to ensure that funds are available to complete schedules programs. As a result, the Board of Directors has to consider not only the financial situation of the Corporation at the time of the determination of the compensation but also the estimated financial situation in the mid and long-term.

#### *What the Compensation Program is Designed to Reward*

The Corporation's compensation program is competitive within the mining exploration industry and recognizes the positive results brought forward by its officers and employees. The Board of Directors sets the objectives.

#### *Elements of Compensation*

The compensation of the executive officers consists primarily of the payment of a base salary and, in certain cases, the granting of options and performance bonuses.

#### **Base salary**

The Board of Directors, in determining base salary for each executive officer, considers the person's experience and position within the Corporation.

#### **Annual bonus**

The annual bonus plan is designed to reward and provides for annual cash awards based on corporate, operational and individual results when measured against predetermined corporate objectives and performance measures.

#### **Stock Options**

The Board of Directors believes that employees should have a stake in the future growth of the Corporation and that the interests of the employees should be aligned with those of the shareholders. Executive officers who have an ability to directly impact the Corporation's business are eligible to participate in the Corporation's Stock Option Plan for key employees, officers, directors and consultants.

Stock Options may be awarded by the Board of Directors to executive officers at the commencement of their employment, annually, on meeting corporate and individual objectives, and from time to time, in order to reward an exceptional accomplishment. In reviewing option grants, the Board of Directors gives consideration to the number of options already held by the executive officer, the level of responsibility assumed by the executive officer as well as his overall contribution to the Corporation's business plan and the fulfillment of the corporate objectives.

See the item “SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS - Stock Option Plan” for a description of the Stock Options Plan of the Corporation.

### Compensation of the President

The remuneration of the President is reviewed by the Board of Directors of the Corporation which takes any decision in that regard. The President’s monetary compensation is based on comparable market considerations and the Board of Directors’ assessment of her performance, having regard to the Corporation’s availability of funds and progress in achieving strategic objectives.

### Executive Compensation Summary

#### Summary Compensation Table

The following synoptic chart presents selected information regarding the remuneration of (i) the President and the Chief Executive Officer; (ii) Chief Financial Officer; (iii) as well as the three most compensated executive officers whose total salary and bonus exceeds \$150,000 (collectively the “Designated Executive Officers”).

The Summary Compensation Table below shows detailed information on the compensation of the Designated Executive Officers, for services rendered in all capacities during the last three quarters. For more information on the past quarters compensation, see the management’s circulars at [www.sedar.com](http://www.sedar.com).

Name and principal position (1)	Year	Salary (\$)	Share based awards (\$)	Option based awards (3) (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long term incentive plans			
Marie-José Girard President	2018	120,833	-	17,100 <sup>(5)</sup>	-	-	-	-	137,933
	2017	141,000	-	-	-	-	-	-	141,000
	2016	105,125	-	14,000 <sup>(4)</sup>	-	-	-	-	119,125
René Lacroix Chief Financial Officer	2018	-	-	8,400 <sup>(5)</sup>	-	-	-	29,627 <sup>(2)</sup>	38,027
	2017	-	-	-	-	-	-	30,050 <sup>(2)</sup>	30,050
	2016	-	-	5,500 <sup>(4)</sup>	-	-	-	35,925 <sup>(2)</sup>	41,425

- (1) The Designated Executive Officers who are on the payroll are not compensated as members of the Board of Directors.
- (2) Mr. Lacroix is Chief Financial Officer of the Corporation since July 1, 2010. The amount disclosed as compensation is for professional fees based on hourly rate.
- (3) The options granted must vest in stages over eighteen (18) months, with 15% of the options vesting over a three (3) month period, at the exception of 10% of granted options which may be exercised by the optionee from the date of grant.
- (4) In determining the fair value of the options granted in 2016, the Corporation used the Black-Scholes method, with the following assumptions: Options granted on February 23, 2016 (a) risk-free interest rate: 0.5 %, (b) forecasted volatility: 132 %, (c) average dividend per share: 0 %, and (d) expected life: 5 years. The fair market value per option as at February 23, 2016 was established at \$0.05; and (e) exercise price at date of grant was: \$0.10.
- (5) In determining the fair value of the options granted in 2018, the Corporation used the Black-Scholes method, with the following assumptions: Options granted on February 19, 2018 (a) risk-free interest rate: 2 %, (b) forecasted volatility: 122 %, (c) average dividend per share: 0 %, and (d) expected life: 5 years. The fair market value per option as at February 19, 2018 was established at \$0.06; and (e) exercise price at date of grant was: \$0.10.

## Incentive Plan Awards

### *Outstanding Share-based Awards and Option-based Awards*

The following table indicates for each Designated Executive Officer all awards outstanding in the 2018 financial year.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Marie-José Girard President	300,000	0.15	October 1, 2019	-	-	-
	280,000	0.10	July 16, 2020	-	-	-
	280,000	0.10	Feb. 23, 2021	-	-	-
	285,000	0.10	Feb. 19, 2023	-	-	-
René Lacroix Chief Financial Officer	150,000	0.15	October 1, 2019	-	-	-
	110,000	0.10	July 16, 2020	-	-	-
	110,000	0.10	Feb.23, 2021	-	-	-
	140,000	0.10	Feb. 19,2023	-	-	-

(1) Calculated based on the difference between the exercise price of the options and the closing price of the common shares of the Corporation as at December 31, 2018: 0.05 \$.

### *Incentive plan awards – value vested or earned during the year for each Designated Executive Officers*

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Marie-José Girard	-	-	-
René Lacroix	-	-	-

(1) The value of the stock options that vested in the year ended December 31, 2018 is determined by multiplying the number of options vested during the year by the difference between the closing price of the Corporation's common shares on the TSX Venture Exchange on the date of vesting and the exercise price of options. If the closing price of the Corporation's common shares was below the exercise price, the stock option had no current value and are value at 0\$. There were no stock options granted nor exercised during 2018 and no gains realized by Designated Executive Officers.

## Pension Plan Benefits

The Corporation does not have a pension plan or similar benefit program.

## Termination and Change of Control Benefits

The Corporation has not entered into executive employment agreements with any Designated Executive Officers.

## Director Compensation

### *Narrative discussion*

The Corporation did not pay any cash compensation to its Directors in 2018.

**Directors' compensation table**

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	TOTAL (\$)
Normand Payette	-	-	-	-	-	-	-
Aline Leclerc	-	-	-	-	-	-	-
Harold Desbiens	-	-	-(1)	-	-	-	-

(1) Harold Desbiens is Vice-President of the Corporation and receives as such a salary from the Corporation.

**Incentive Plan Awards**

**Outstanding Share-based Awards and Option-based Awards**

The following table indicates for each director all options granted to directors at the end of the 2018 financial year.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Normand Payette	150,000	0.15	October 1, 2019	-	-	-
	110,000	0.10	July 16, 2020	-	-	-
	110,000	0.10	Feb. 23, 2021	-	-	-
	115,000	0.10	Feb. 19, 2023	-	-	-
Aline Leclerc	150,000	0.15	October 1, 2019	-	-	-
	110,000	0.10	July 16, 2020	-	-	-
	110,000	0.10	Feb. 23, 2021	-	-	-
	115,000	0.10	Feb. 19, 2023	-	-	-
Harold Desbiens	300,000	0.15	October 1, 2019	-	-	-
	250,000	0.10	July 16, 2020	-	-	-
	250,000	0.10	Feb. 23, 2021	-	-	-
	235,000	0.10	Feb. 19, 2023	-	-	-

(1) Calculated based on the difference between the exercise price of the options and the closing price of the Common Shares of the Corporation as at December 31, 2018: \$0.05.

**Director incentive plan awards – value vested or earned during the year**

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
René Lacroix	-	-	-
Normand Payette	-	-	-
Aline Leclerc	-	-	-
Harold Desbiens	-	-	-

(1) The value of the stock options that vested in the year ended December 31, 2018 is determined by multiplying the number of options vested during the year by the difference between the closing price of the Corporation's common shares on the TSX Venture Exchange on the date of vesting and the exercise price of options. If the closing price of the Corporation's common shares was below the exercise price, the stock option had no current value and are value at 0\$. There were no stock options granted nor exercised during 2018 and no gains realized by Directors.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at December 31, 2018, there were no loans granted by the Corporation to any of its directors or executive officers (including the Named Executive Officers), persons proposed for election as a Director, or any person related to such Directors or Officers or persons proposed for election as a Director.

## INSURANCE OF DIRECTORS AND OFFICERS

The Corporation provides liability insurance for the benefit of its Directors and Officers. This insurance provides coverage of \$1,000,000 per event and policy year. A deductible of \$50,000 applies when the Corporation is authorized or obliged to indemnify the persons insured. For the fiscal year ended December 31, 2018, the premium paid by the Corporation was \$6,665.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2018, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <b>(a)</b>	Weighted-average exercise price of outstanding options, warrants and rights <b>(b)</b>	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <b>(c)</b>
Equity compensation plans approved by security holders	3,840,000  (or 5 % of issued and outstanding Common Shares)	\$0.11	2,760,000  (or 3.57 % of issued and outstanding Common Shares)
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	3,840,000	\$0.11	2,760,000

### Stock Option Plan

The Corporation's stock option plan (the "Plan") was adopted by the Board of Director on September 27, 2001 and amended on June 16, 2003, June 8, 2005 and June 15, 2007. Pursuant to the Plan:

- A maximum of 6,600,000 Common Shares may be issued under the Plan;
- The maximum number of common shares which may be reserved for issuance in favour of a beneficiary is limited to 5% of the shares issued and outstanding;
- The maximum number of common shares which may be reserved for issuance in favour of a consultant, in any twelve (12) month period, is limited to 2% of the shares issued and outstanding;
- The total number of common shares which may be reserved for issuance to persons employed to provide investor relations activities may not exceed, in any twelve (12) month period, 2% of the shares issued and outstanding, and options granted to such persons must vest in stages over 12 months with no more than 25% of the options vesting in any three (3) month period;
- The options granted to any Director, Officer, Employee or Consultant of the Corporation must vest in stages over eighteen (18) months, with 15% of the options vesting over a three (3) month period, at the exception of 10% of the options granted which may be exercised by the optionee from the date of grant;
- The exercise price of options granted under the Plan must not be less than the price allowed by applicable securities regulations;
- Options are exercisable for a maximum period of five (5) years;

- Upon the retirement, resignation or termination of the optionee's employment, the optionee's options will expire ninety (90) days from the date of termination, subject to the options' date of expiration. In the case of persons employed to provide investor relations activities, the sixty (60) day exercise period is reduced to thirty (30) days. In the case of death, the options granted to the optionee will expire twelve (12) months following the date of death, subject to the options date of expiration;
- Options are non-assignable and non-transferable; and
- Common Shares reserved for issuance under the Plan are subject to a four (4) month hold period starting on the date of grant of the options.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Management of the Corporation is not aware of any material interest, direct or indirect, that any Director, proposed Director, Officer, Shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation, other than what is disclosed in this Information Circular.

## **AUDIT COMMITTEE**

### **Charter and Composition of the Audit Committee**

The text of the audit committee's charter is attached hereto as Schedule "A". As at the date of this circular, the members of the audit committee of the Corporation are Marie-José Girard, Normand Payette and Aline Leclerc. All such members are independent members of the audit committee, save for Marie-José Girard who is the President of the Corporation and therefore a non independent member of the audit committee, but has financial knowledge qualifications, as defined pursuant to Multilateral Instrument 52-110 on audit committees ("MI 52-110").

### **Relevant Education and Experience**

Mr. Normand Payette, a marketing consultant, was marketing manager with Martin International Communication U.P. Inc. between 1987 - 1992 and 1996 – 2001 and was also involved in the securities business as a representative.

Mrs. Aline Leclerc graduated from the Université du Québec in Montréal as a geologist in 1974, and was involved in various exploration projects for both major and junior companies. Mrs Leclerc is a member of the Ordre des géologues du Québec. She offers mineral exploration management services since 1991. She was a member of the Board of SOQUEM from 1996 until 2000.

Ms. Girard has 40 year experience as a professional geologist. From 1988 to 1993, she was analyst for the Quebec Securities Commission and appointed on the Canadian Securities Administrators Mining Technical Advisory and Monitoring Committee from 2001-2005. From 1977 to 1988, she managed exploration programs for different companies. Mrs. Girard is President of the Corporation since 2001, and a Board Member of the Canadian Centre for Diamond Valorization and follows yearly updates regarding IFRS rules.

### **Audit Committee Oversight**

At no time since the beginning of the financial year ended December 31, 2018 was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board of Directors.

### Reliance on Certain Exemptions

At no time since the commencement of the Corporation's financial year ended December 31, 2018 has the Corporation relied on the exemption provided under section 2.4 of MI 52-110 (*De minimis Non-audit Services*) or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110 (*Exemptions*). However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110 given that it is a venture issuer as defined in MI 52-110.

### Pre-Approval Policies and Procedures

The audit committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule "A".

### External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees	Total
December 31, 2018	\$21,800	nil	\$3,000	\$2,080	\$25,880
December 31, 2017	\$21,877	Nil	\$3,000	\$2,080	\$26,957

## CORPORATE GOVERNANCE

Information presented below concerning corporate governance of the Corporation is required by TSX Venture Policy 3.1 and the Regulation 58-101 respecting Disclosure of Corporate Governance Practices.

### Board of Directors

Aline Leclerc, Roger Guévremont and Normand Payette are independent directors within the meaning of MI 52-110 *Audit Committees*.

The following directors are not independent:

Marie-José Girard	President and Chief Executive Officer
René Lacroix	Chief Financial Officer

There were no periodical meetings held by independent directors without non independent directors of the Corporation being present. The Board will however hold meetings when appropriate without non independent directors of the Corporation being present to ensure its independence in management monitoring. The Board is responsible for supervising the Corporation.

### Orientation and Continuing Education

The Board encourages its members to follow education program given by the regulatory authorities. No system is established for the time being, as it would prove too costly given the Corporation's size.

### Ethical Business Conduct

Each director in the exercise of his functions and responsibilities must act in all honesty and good faith in the best interest of the Corporation as well as in compliance with the law, rules, policies and norms.

In case of a conflict of interest, each director has to declare the nature and extent in any one important contract or proposed contract of the Corporation as soon as he acquires knowledge of an agreement or intent of the Corporation to consider or grant the proposed contract. In such case the director must refrain from voting on the subject.

### **Nomination of Directors**

The Corporation's Board of Directors actually assigns the nominee for the director position after having carefully evaluated the qualifications, professional aptitudes, personality and other qualifications, including the time and energy the nominee can contribute to the task as well as the contribution he brings to the Board.

### **Compensation**

The Corporation's Board of Directors is responsible of the compensation of all executive officers and the directors. The Corporation is a mining exploration company and, at present, does not have positive earnings. In determining the compensation of the directors and the officers, the Board of Directors considers, among other things, the contribution of each such individual to the Corporation, the financial resources of the Corporation and the compensation received by individuals occupying similar functions in other comparable Canadian companies.

### **Other Boards Committee**

Apart from the Audit Committee there is no other committee of the Board.

### **Assessments**

On annual basis, the Board of Directors as well as those of the audit committee are assessed with respect to their effectiveness and contribution.

## **OTHER BUSINESS**

Management is not aware of any amendments or variations to matters identified in the Notice of meeting or other matters that may properly come before the Meeting, other than those mentioned in said Notice.

### **SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING**

In accordance with the *Canada Business Corporations Act*, a shareholder may be entitled to submit to the Corporation notice of any matter that the person proposes to raise at the next annual meeting of shareholders and the Corporation shall set out such proposal and the accompanying supporting statements, if any, in the management proxy circular for the next annual meeting of shareholders, provided such notice is given to the Corporation by February 22, 2020.

## **ADDITIONAL INFORMATION**

Additional financial information is provided in the Corporation's 2018 annual Management Report and can also be found in the financial statements of the Corporation for the financial year ended December 31<sup>st</sup>, 2018. Copies of the Annual Management Report and of this Information Circular are available on the Corporation's website ([www.diosexplo.com](http://www.diosexplo.com)) as well as on SEDAR ([www.sedar.com](http://www.sedar.com)). Copies are also available by contacting the Corporation:

Dios Exploration Inc., P.O. Box 114, station NDG, Montréal (Québec) H4A 3P4

Tel : (514) 923-9123

email : [mjgirard@diosexplo.com](mailto:mjgirard@diosexplo.com)

The Corporation may request payment of reasonable fees if requesting party is not a shareholder of the Corporation.

## APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Information Circular have been approved by the Directors of the Corporation.

Montreal, May 15, 2019

**By order of the board of directors**

*(s) Marie-José Girard*

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**Marie-José Girard, President**

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### SCHEDULE A

#### **AUDIT COMMITTEE CHARTER FOR DIOS EXPLORATION INC. (The “corporation”)**

The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* (“MI 52-110”).

#### **1. MANDATE AND OBJECTIVES**

The mandate of the audit committee of the Corporation (the “**Committee**”) is to assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting and the Corporation’s auditing, accounting and financial reporting processes.

The objectives of the Committee are to:

- (i) serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements;
- (ii) ensure the independence of the Corporation’s external auditors; and
- (iii) provide better communication among the Corporation’s auditors, the management and the Board.

#### **2. COMPOSITION**

The Committee shall be comprised of at least three (3) Directors as determined by the Board. The majority of the members of the Committee shall be independent, within the meaning of MI 52-110.

At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

Members of the Committee shall be elected by the Board at its first meeting following each annual shareholders' meeting. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

### **3. MEETINGS AND PROCEDURES**

The Committee shall meet at least once quarterly or more frequently if required.

At all meetings of the Committee, every question shall be decided by a majority of the votes cast.

In the case of an equality of votes, the Chairman shall not be entitled to a second vote.

A quorum for Committee meetings shall be a majority of its members and rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing Board meetings.

### **4. DUTIES AND RESPONSIBILITIES**

The following are the general duties and responsibilities of the Committee:

#### **Financial Statements and Disclosure Matters**

- a) review the Corporation's financial statements, MD&A and any press releases regarding annual and interim earnings, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public;

#### **External Auditors**

- a) recommend to the Board the selection and, where applicable, replacement of external auditors to be nominated annually as well the compensation of such external auditors;
- b) oversee the work and review annually the performance and independence of external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- c) on an annual basis, review and discuss with external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- d) consult with external auditors about quality of the Corporation's accounting principles, internal controls and completeness and accuracy of the Corporation's financial statements;
- e) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of present and former external auditors of the Corporation;
- f) review audit plan for year-end financial statements and intended template for such statements;
- g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
  - i) the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which

the non-audit services are provided;

- ii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
- iii) such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

### **Financial Reporting Processes**

- a) in consultation with external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
- b) consider external auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
- c) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
- d) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- e) review with external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- f) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.