CARBONTECH CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

Basis of Presentation

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Carbontech Capital Corp. (the "Company") provides a summary of the financial results for the nine months ended September 30, 2023. This MD&A should be read in conjunction with the Company's audited financial statements and the accompanying notes thereto for the year ended December 31, 2022 and the Company's unaudited condensed interim financial statements and the accompanying notes thereto for the nine months ended September 30, 2023. These condensed interim financial statements of the Company have been prepared by management in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, certain information and note disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. Accordingly, these interim financial statements should be read in conjunction with the Company's December 31, 2022 audited annual financial statements. Unless otherwise stated, all dollar amounts referred to in this MD&A, including tabular amounts, are expressed in Canadian dollars.

Cautionary Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking information and forward-looking statements within the meaning of securities laws ("FLI"). In some cases, FLI can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to, the Company's anticipated business strategy and outlook and the Company's ability to complete future acquisitions, including the Transaction, and financings including the Concurrent Financing.

FLI is also subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what the Company currently expects. These factors include the ability of the Company to complete future acquisitions and the ability of the Company to obtain necessary financing.

More information on these risks and uncertainties is set forth in the Prospectus (as hereinafter defined) which is available under the Company's profile on SEDAR+ at www.sedarplus.com. FLI contained in this MD&A is based on the Company's current estimates, expectations and projections, which the Company believes are reasonable as of the current date. Readers should not place undue importance on FLI and should not rely upon this information as of any other date. While the Company may elect to, it is under no obligation and does not undertake to update this information at any particular time except as may be required by applicable securities laws.

Company Overview

CarbonTech Capital Corp. (the "Company") was incorporated on July 15, 2021, by Certificate of Incorporation Company issued pursuant to the provisions of the Business Corporations Act (Ontario) under the name "CarbonTech Capital Corp.". The Company is a Capital Pool Company ("CPC") as defined in

Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal undertaking of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

On June 9, 2022, the Company completed its initial public offering (the “IPO”) under the Exchange rules and the final prospectus of the Company dated April 7, 2022, pursuant to which it issued an aggregate of 5,000,000 Common Shares at a price of $0.10 per share for total proceeds of $500,000 (before transaction costs). The Common Shares began trading on the Exchange on June 9, 2022 under the symbol “CT.P”. The Company paid 10% of gross proceeds and issued 500,000 options to the Agent in connection with the Offering. The options have an exercise price of $0.10 per share, exercisable until the date that is five years from the Listing Date. As at the closing of the Offering, the Company has 17,308,439 Shares issued and outstanding (12,308,439 of which are subject to escrow restrictions).

The registered office of the Company is located at 77 King Street West, Suite 400, Toronto, Ontario, M5K 0A1. The head office of the Company is located at 161 Bay Street, 27th Floor, Toronto, Ontario M5J 2S1.

Summary of selected financial information

Nine months ended September 30, 2023 and for the Year ended December 31, 2022	**2023 ($)**	**2022 ($)**
Statement of Financial Position		
Total Assets	623,124	856,523
Total Liabilities	45,789	208,910
Shareholders' Equity	577,335	647,613
Total Liabilities and shareholders' equity	623,124	856,523
Statement of Loss and Comprehensive Loss		
Expenses	70,278	323,375
Net loss and comprehensive loss	(70,278)	(323,375)

The decrease in the total value of assets of the Company was mainly due to the payments of accrued professional services for prior period and current period.

The decrease of total liabilities of the Company was mainly due to the payment of professional services.

Results of Operations

For the nine months ended September 30, 2023

The Company recorded a net loss of $70,278. The expenses are mainly due to quarterly accrual of professional services and annual filing fees.

Quarterly financial information

	2023			2022		
	Q3	Q2	Q1	Q3	Q2	Q1
Expenses	$10,417	$38,775	$21,086	$4,010	$151,746	$3,391
Net loss	(10,417)	(38,775)	(21,086)	(4,010)	(151,746)	(3,391)

The increase in expenses was mainly due to the accrual of professional services for the period.

Liquidity and Capital Resources

As at September 30, 2023, the Company had $484,481 in cash as a result of net proceeds derived from the issuance of Common Shares, current liabilities of $45,789, and working capital of $577,334.

	Nine months ended Sept 30, 2023 ($)	Nine months ended Sept 30, 2022 ($)
CASH FLOWS		
Operating activities	(233,400)	(208,872)
Financing activities	-	410,884
Increase (decrease) in cash	(233,400)	202,012
Cash – beginning of period	717,881	586,847
Cash – end of period	484,481	788,859

Funds from operating activities are mainly due to payment of professional services accrued prior period and for the period ended September 30, 2023.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Company has no revenue from operations, the following is a breakdown of the material costs incurred in the nine months ended September 30, 2023:

Material Cost	Material Cost
Legal fees	$ 6,550
General and administrative	$ 23,346
Professional services	$ 40,382

Capital Structure

As of September 30, 2023, the Company had 17,308,439 Common Shares issued and Outstanding and 2,140,000 options to acquire Common Shares, of which 1,230,000 options have an exercise price of $0.05 per Common Share and an expiry of November 1, 2026 and 910,000 have an exercise price of $0.10 per Common Share and an expiry of June 9, 2027.

Significant Accounting Policies and Accounting Estimates

The interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed. The applicable significant accounting policies and recognition of financial assets and financial liabilities are discussed in-detail in Note 3 in the accompanying unaudited condensed interim financial statements for the nine months ended September 30, 2023.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk and Capital Availability Risk

The Company's approach to managing liquidity risk and capital availability risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company has no market risks.

Off-Balance Sheet Arrangements

As of September 30, 2023, the Company does not have any off-balance sheet arrangements.

Qualifying Transaction

On March 6, 2023, the Company entered into a purchase agreement (the "Agreement") with Happi Ventures Inc. ("Happi Builds") and its shareholders, pursuant to which the Company will acquire all of the issued and outstanding securities of Happi Builds (the "Transaction"). Under the terms of the Agreement, the Company will issue to the shareholders of Happi Builds at closing of the Transaction a total of 13,933,332 common shares in the capital of the Company.

The Transaction is subject to the approval of the Exchange and is intended to constitute CarbonTech's qualifying transaction for the purposes of the Corporate Finance Manual of the Exchange (the "Exchange Polices"). Upon completion of the Transaction, the Company, as the resulting issuer (the "Resulting Issuer"), will continue to list its common shares (the "Resulting Issuer Shares") on the Exchange as a Tier 2 issuer and its business will be that of Happi Builds. The proposed Transaction does not constitute a Non-Arm's Length Transaction under the Exchange Policies. There is no assurance that the Transaction will be completed under the terms described above or at all.

Risks and Uncertainties

The Company's overall performance and results of operations are subject to a number of risks and uncertainties. Please refer to the risk factors outlined in the Prospectus available under the Company's profile at www.sedarplus.com.

Additional Information

Additional information relating to the Company is available under the Company's profile on SEDAR+ at www.sedarplus.com.