OPENSESAME ACQUISITION CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the six months ended June 30, 2023

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Introduction

This Management Discussion and Analysis ("MD&A") of OpenSesame Acquisition Corp. (the "Company") should be read in conjunction with the Company's unaudited condensed interim financial statements for the six months ended June 30, 2023 and its audited financial statements for the year ended December 31, 2022, and the related notes therein.

The unaudited condensed interim financial statements for the six months ended June 30, 2023 have been prepared in accordance with International Financial Reporting Standard ("IFRS") and with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

This MD&A is current as at August 29, 2023

Forward-Looking Statements

Certain statements contained in the following Quarterly Highlights constitute forward-looking statements. Such forward-looking statements involve risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from the results, performance or achievements expressed or implied by such forward-looking statements. These risks include, but are not limited to, the Company completing a Qualifying Transaction, and its ability to maintain sufficient capital for short-term operations and to fund a Qualifying Transaction. Readers are cautioned not to place undue reliance on these forward-looking statements.

The Company

The Company was incorporated on April 30, 2021 under the laws of British Columbia.

On July 27, 2022 the Company completed its Initial Public Offering (IPO") and on July 29, 2022 commenced trading on the TSX Venture Exchange ("TSX-V") under the symbol "OPEN.P".

Upon completion of the IPO, the Company became a Capital Pool Company ("CPC") as defined in the TSX-V Policy 2.4 ("Policy 2.4"). As a CPC, the Company's objective is to identify and acquire either operating assets or a business, subject to regulatory approval, that meets the criteria of a Qualifying Transaction as defined by the TSX-V ("Qualifying Transaction"). Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4.

Highlights

As of the date of this MD&A, the Company's issued and outstanding equity instruments include:

- 5,500,000 common shares of which 2,500,000 are held in escrow and will be released over a period of up to 18 months following a Qualifying Transaction;
- 525,000 stock options exercisable for common shares at a price $0.10 and expiring on July 27, 2032; and
- 300,000 warrants exercisable for common shares at a price $0.10 and expiring on July 27, 2027.
- The Company had working capital of $244,260.

Overall Performance and Discussion of Operations

The key factors pertaining to the Company's overall performance for the six months ended June 30, 2023 are as follows:

- The Company incurred a net loss of $26,720 for the six months ended June 30, 2023, compared to a net loss of $49,813 for the six months ended June 30, 2022. The decrease of $23,093 was due to the following:
    - an increase in professional fees of $6,699,
    - an increase in transfer agent and filings of $12,113,
    - and a decrease in share-based payments of $47,116, which is a non-cash expense.

Outlook

The Company's priorities are to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange.

Summary of Quarterly Results

The following financial data was derived from the Company's financial statements for each of the Company's completed financial quarters since incorporation:

Quarter Ended	Revenue	Net comprehensive Income (loss)	Basic and Diluted net income (loss) per common Share
30/06/2023	-	(26,720)	(0.01)
31/03/2023	-	(10,015)	(0.00)
31/12/2022	-	(18,510)	(0.03)
30/09/2022	-	(16,422)	(0.02)
30/06/2022	-	(18)	(0.00)
31/03/2022	-	(49,795)	(0.02)
31/12/2021	-	(7,543)	(0.01)
30/09/2021	-	-	-

Selected Annual Information

The following table sets forth summary financial information for the Company for year ended December 31, 2022 and the period from incorporation to December 31, 2021. This information has been summarized from the Company's audited financial statements for the same periods and should only be read in conjunction with the Company's audited financial statements for those periods, including the notes thereto.

	Year ended December 31, 2022	Period from incorporation on April 30, 2021 to December 31, 2021
Total revenue	$Nil	$Nil
Net (loss) income and comprehensive (loss) income	($84,745)	($7,543)
Basic (loss) income per common share	(0.07)	(0.01)
Total assets	$286,171	$125,057
Total liabilities	$15,191	$7,600
Cash dividends per common share	Nil	Nil

Liquidity and Capital Resources

The Company has not identified a qualifying transaction and therefore has no cash flow from operations. The Company's only source of funds since incorporation has been from the sale of common shares. As at June 30, 2023, the Company had a cash balance of $261,956 and working capital of $244,260. The Company's current cash balance is sufficient to pay its existing accounts payable and accrued liabilities, to maintain its existing level of operations for the next 12 months, and to pursue a Qualifying Transaction.

As a CPC, the Company's routine expenses are limited to general administrative costs such as TSX-V listing and filing fees, audit fees, legal fees and expenses for corporate and administrative services. Additional legal or other costs may be incurred to pursue a potential Qualifying Transaction, regardless of whether the transaction is ultimately completed.

While the information in this MD&A has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the six months ended June 30, 2023, $2,500 (June 30, 2022- $nil) was paid to a director for management fees.

As at June 30, 2023, $nil was due to related parties (December 31, 2022 - $3,175).

During the six months ended June 30, 2023, $nil (June 30, 2022- $47,116) was recorded as share-based compensation costs for key management personnel relating to the issuance of 525,000 options on March 14, 2022.

Disclosure of Outstanding Security Data

As of the date of this MD&A, the Company has the following securities issued and outstanding:

Common shares	5,500,000
Stock options	525,000
Warrants	300,000
Total	6,325,000

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Changes in Accounting Policies Including Initial Adoption

A detailed summary of all the Company's significant accounting policies is included in Note 4 of the annual audited financial statements. The Company periodically reviews accounting policy changes implemented within its industry and updates its policies accordingly.

Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at June 30, 2023, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At June 30, 2023, the Company has no sources of revenue but has a cash balance of $261,956 to settle current liabilities of $23,414. As such, management feels the Company has sufficient cash to fund corporate overhead costs and the repayment of the Company's debt obligations for the next year. The Company's exposure to liquidity risk is currently negligible, however, the Company has no source of revenue and will require financing in the future.

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market date.

As at June 30, 2023 the Company's financial instruments consist of cash and accounts payable and accrued liabilities. Cash is classified as fair value using Level 1 measurement. Accounts payable and accrued liabilities are classified as amortized cost. The fair value of accounts payable and accrued liabilities approximates its carrying value because of the short-term nature of the instruments.