ARTRARI ONE CAPITAL CORP.
(also referred to as the "Corporation" or the "Company")
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023

The following management discussion and analysis ("**MD&A**") is dated April 29, 2024, is in respect of the year ended December 31, 2023, and should be read in conjunction with the audited financial statements for the year ended December 31, 2023 prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Additional information regarding the Corporation is available on SEDAR at www.sedar.com.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

BUSINESS OVERVIEW, OUTLOOK AND ANNUAL HIGHLIGHTS

The Corporation was incorporated pursuant to articles of incorporation dated November 15, 2019 under the *Business Corporations Act* (Alberta). The head office and registered office address of the Corporation is Suite 1600, 421 - 7th Avenue SW, Calgary, Alberta, Canada T2P 4K9, Canada.

On November 10, 2023, the Corporation filed its amended and restated prospectus (the "**Prospectus**") to become a Capital Pool Company ("**CPC**"), as defined pursuant to Policy 2.4 of the TSX Venture Exchange (the "**TSXV**") and a "Reporting Issuer" in each of the provinces of Ontario, Alberta and British Columbia.

From the date of incorporation (November 15, 2019) to December 31, 2022, the Corporation issued seed shares of 2,400,600 at a price of $0.05 per share to the founders of the Corporation. On February 28, 2023 the Corporation issued an additional 100,000 shares at $0.05 per share. As at March 31, 2023 2,500,600 Common Shares have been issued to the founders of the Corporation.

On January 5, 2024, the Corporation successfully completed its initial public offering ("Offering"), raising gross proceeds of $251,100 pursuant to an amended and restated prospectus dated November 10, 2023. An aggregate of 2,511,000 common shares in the capital of the Corporation (the "Shares") were subscribed for at a price of $0.10 per share. The Initial Public Offering was recognized in the 2023 fiscal year as management determined there to be sufficient evidence of conditions existing at the end of the reporting period, that the closing Offering has been included in the 2023 Audited Financial Statements. In doing so the Corporation granted 428,622 stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.10 per Share. As a result of the closing of its initial public offering, the Corporation has 5,011,600 Shares issued and outstanding as at December 31, 2023.

The Corporation is a "capital pool company" and intends to use the net proceeds of the Offering to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction" under the policies of the Exchange. On January 3, 2024, the Exchange issued a bulletin announcing the listing of the Shares as of market open on January 5, 2024 and immediately halting trading pending completion of closing of the Offering. The Shares will resume trading under the trading symbol "AOCC.P" on or about January 9, 2024.

The Corporation has not commenced operations and has no significant assets other than cash. As a CPC, the Corporation's principal business objective is to identify and evaluate assets, properties or businesses with a view to a potential acquisition or participation by completing a qualifying transaction (a "**Qualifying Transaction**") subject, in certain cases, to shareholders' approval and acceptance by the TSXV. There is no assurance that the Corporation will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, the Corporation may not be able to obtain such financing on terms which are satisfactory to the Corporation.

RISKS AND UNCERTAINTIES

The Corporation does not have a history of earnings, nor has it paid any dividends. The Corporation has only limited funds and there is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the TSXV, at which time the exchange may suspend or de-list the Corporation's shares from trading.

SELECTED FINANCIAL INFORMATION

The following table is a summary of selected financial information (in Canadian dollars) derived from the Corporation's financial statements prepared in accordance with International Financial Reporting Standards:

	Year ended Dec 31, 2023	**Year ended Dec 31, 2022**
Total Assets	$205,950	$50,291
Total Liabilities	$138,353	$18,243
Net loss and comprehensive loss for the period	$(220,552)	$(80,982)
Basic and diluted net loss per share for the period	$(0.0878)	$(0.0404)
Shares outstanding	5,011,600	2,400,600

For the year ended December 31, 2023 the Corporation reported no revenue, no discontinued operations, no non-current financial liabilities, and declared no cash dividends.

RESULTS OF OPERATIONS

During the year ended December 31, 2023, the Corporation incurred a loss of $220,552, with a basic and diluted net loss per share of $0.0878. This compares to a loss of $80,982, with a basic and diluted loss per share of $0.0404 for the year ended December 31, 2022. The increased loss is primarily due to an increase in professional fees and regulatory filing fees during the year ended December 31, 2023.

Professional fees for the year ended December 31, 2023 were $194,409 compared to $75,380 for the year ended December 31, 2022. Professional fees paid in 2023 were for legal, accounting and consulting fees in connection with the Offering on the TSXV.

Regulatory and filing fees for the year ended December 31, 2023 were $26,143 compared to $5,602 for the year ended December 31, 2022. Fees paid in 2022 were primarily related to filing fees in connection with the Offering on the TSXV.

SUMMARY OF QUARTERLY RESULTS

	3 Months Ended December 31, 2023	3 Months Ended September 30, 2023	3 Months Ended June 30, 2023	3 Months Ended March 31, 2023	3 Months Ended December 31, 2022
Total Revenues	$ -	$ -	$ -	$ -	$ -
Net loss	$ (112,504)	$ (26,662)	$ (17,400)	$ (20,850)	$ (43,136)
Basic and diluted loss per share[1]	$ (.0603)	$ (.0119)	$ (.0070)	$ (.0086)	$ (0.0215)

FIRST QUARTER

The Corporation began the first quarter with $50,291 in cash. During the three months ended March 31, 2023, the Corporation spent $19,942 on operating activities, additionally the corporation received $5,000 from issuance of shares to directors to end the quarter at $35,349 in cash on March 31, 2023.

SECOND QUARTER

The Corporation began the second quarter with $35,349 in cash. During the three months ended June 30, 2023, the Corporation spent $11,550 on operating activities to end the quarter at $23,799 in cash on June 30, 2023.

THIRD QUARTER

The Corporation began the third quarter with $23,799 in cash. During the three months ended September 30, 2023, the Corporation spent $23,339 on operating activities to end the quarter at $460 in cash on September 30, 2023.

FOURTH QUARTER

The Corporation began the fourth quarter with $460 in cash. During the three months ended December 31, 2023, the Corporation successfully completed its initial public offering ("Offering"), raising gross proceeds of $251,100 in doing so the Corporation spend $45,611 to end the quarter at $205,949 on December 31, 2023.

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[1] Basic and diluted loss per share per average weighted number of basic and diluted shares per December 31, 2023 Audited Financials Statements

OUTSTANDING SHARE DATA

Common Shares

As at December 31, 2022 the Corporation had 2,400,600 Common Shares issued and outstanding.

During the period ended December 31, 2023, the Corporation issued 100,000 Common Shares at $0.05 per share and completed their initial public offering issuing an additional 2,511,000 Common Shares at $0.10 per share.

As at December 31, 2023, the Corporation had 5,011,600 Common Shares issued and outstanding.

Stock Options

Upon completion of the initial public offering, Canaccord Genuity Corp. (the Agent) received warrant options to purchase 251,100 Common Shares at a price of $0.10 per share for a period of five years from January 5, 2024, which is the date of the listing of the Common Shares on the Exchange.

Upon closing of the initial public offering on January 5, 2024, the Corporation granted 428,622 incentive stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.10 per Common Share. Further detail on the holders of such options may be found in the Corporation's amended and restated prospectus dated November 10, 2023, a copy of which may be found on www.sedar.com.

LIQUIDITY AND CAPITAL RESOURCES:

The Corporation completed its initial public offering (the "Offering") on January 5, 2024, raising gross proceeds of $251,100 and issuing 2,511,000 Common Shares in aggregate to subscribers at a price of $0.10 per Common Share. The Initial Public Offering was recognized in the 2023 fiscal year as management determined there to be sufficient evidence of conditions existing at the end of the reporting period, that the closing Offering has been included in the 2023 Audited Financial Statements.

As at December 31, 2023, the Corporation had net working capital of $67,596 comprised of cash of $205,949 and accounts payable and accrued liabilities of $138,353, which management considers to be sufficient for the Corporation to meet its ongoing obligations. The Corporation regularly evaluates its cash position to ensure preservation and security of capital as well as the maintenance of liquidity.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES:

The Corporation is related to Gowling WLG (Canada) LLP by virtue of two partners in Gowling WLG (Canada) LLP being directors (and one is also corporate secretary) of the Corporation. Transactions and balances with these related parties are as follows:

Professional fees in the amount of $97,298 (2022 - $41,595) was paid to the related party for matters pertaining to the review of prospectus drafts, initial public offering filings, share issuance, and completion during in 2023. $97,298 (2022 - $11,943) remains outstanding as payable at year-end and will be repaid in the normal course of operations.

The transactions are in the normal course of operations and are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

No other related party transactions have occurred during this period.

There was no remuneration paid to key management personnel during the year ended December 31, 2023.

CRITICAL ACCOUNTING ESTIMATES

The Corporation's significant accounting policies and estimates are summarized in Note 3 of the audited financial statements for the year ended December 31, 2023, and also in Note 3 of the audited financial statements for the year ended December 31, 2022.

FINANCIAL INSTRUMENTS

The Corporation's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Corporation. The Corporation's senior management provides assurance that the Corporation's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Corporation's policies and group risk appetite. All derivative activities, if any, for risk management purposes are carried out by a team that has the appropriate skills, experience, and supervision. It is the Corporation's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash. The cash is currently being held in a solicitor's trust account.

Liquidity risk
Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

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.

Interest rate risk
The Corporation is not exposed to any significant interest rate risk.

Foreign currency risk
The Corporation believes it is currently not exposed to foreign currency risk since all of it assets, liabilities and operations are denominated in Canadian dollars.

Price risk
The Corporation believes it currently has no price risk. The carrying amount of cash, accounts payable and accrued liabilities approximates their fair value due to their short-term nature.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

CAPITAL RISK MANAGEMENT

The Corporation's capital currently consists of common shares and options. The Corporation defines capital as total equity which was $376,130 at December 31, 2023. Its principal source of cash is from the issuance of Common Shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

The proceeds raised from the issuance of Common Shares may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lessor of 30% of the gross proceeds from the issuance of Common Shares issued in the Offering may be used to cover prescribed costs of issuing the Common Shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction.

SUBSEQUENT EVENTS

The Corporation completed its initial public offering (the "Offering") on January 5, 2024, raising gross proceeds of $251,100 and issuing 2,511,000 Common Shares in aggregate to subscribers at a price of $0.10 per share.

Canaccord Genuity Corp. (the "Agent") acted as the agent for the Offering. The Agent received a cash commission equal to 10% of the gross proceeds of the Offering, a corporate finance fee of $15,000 plus GST, and is granted non-transferable warrants to purchase 10% of the aggregate number of Common Shares sold pursuant to the offering, at a price of $0.10 per Common Share, for a period of five years from the date of the listing of the Common Shares on the Exchange.

Upon closing of the Offering Jan 5, 2024, the Corporation issued 428,622 incentive stock options to its directors and officers. The options are exercisable within ten years following the date of the grant at an exercise price of $0.10 per Common Share.

Upon closing of the Offering Jan 5, 2024, the Corporation issued 251,100 warrant options to Canaccord Genuity Corp (The Agent). These warrants are exercisable within five years following the date of the grant at an exercise price of $0.10 per Common Share.

Management determined there to be sufficient evidence of conditions existing at the end of the reporting period, that the closing Offering has been included in the 2023 financial statements.

FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information that involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Corporation's control. Such assumptions, risks and uncertainties include, without limitation, those associated with, loss of markets, volatility of commodity prices, currency fluctuations, delays resulting from the inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the effect of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Corporation's actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. The forward-looking information is made as at the date of this MD&A and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.