

ORLETTO CAPITAL II Inc.
(A Capital Pool Company)

Management's Discussion and Analysis

For the periods of 92 days and of 216 days ended September 30, 2018

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FORM 51-102F1

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Company's financial statements and notes thereto for the three months ended September 30th, 2018. Additional information relating to the Company is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Orletto Capital II Inc. ("the Company"), and was approved by the Board of Directors "on November 28, 2018." All amounts are in Canadian dollars unless otherwise stated. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

Description of the Business

The Company was incorporated on February 27, 2018 under the Canada Business Corporations Act to become a Capital Pool Company listed on the TSX Venture Exchange Inc. (Exchange), according to the provisions of Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual.

The address of the Company's registered office is 70, Dalhousie Street, Suite 300, Québec, (QC), Canada.

The principal business of the Company is the identification and evaluation of assets or business with a view to completing a Qualifying Transaction under policies of the Exchange. The Company must complete a Qualifying Transaction, which is subject to the approval of the Exchange within the next 24 months of incorporation.

The Company initially issued 2,800,000 common shares for an amount of \$140,000 and on May 14, 2018 the prospectus for an Initial Public Offering ("IPO") of the Company common shares was received by the regulatory authorities. The IPO closed on August 14, 2018 and a total of 4,000,000 common shares were issued at a price of \$0.10 per common share. The Company's shares commenced trading on August 15, 2018 under the symbol OLT.P., see IPO.

Initial Public Offering ("IPO")

On August 15, 2018, the Company completed its IPO of (i) 4,000,000 common shares of the capital stock of the Corporation (the "Common Shares"), at a price of \$0.10 per Common Share (the "Offering"), for gross proceeds of \$400,000, (ii) the grant of non-transferable options to the agent (Haywood Securities), entitling the holder to acquire 400,000 Common Shares at a price of \$0.10 per Common Shares, up to August 14, 2020 and (iii) the grant of 680,000 stock options to the directors and officers of the Corporation to purchase an aggregate number of 680,000 Common Shares, at a price of \$0.10 per Common Share, during a period of 5 years from the date of grant or for a shorter period as described in the stock option plan of the Corporation.

At the same time, the Corporation announced the listing of its Common Shares on the TSX Venture Exchange under the ticker abbreviation "OLT.P".

The purpose of this Offering is to provide the Company with a minimum amount of funds with which to identify and evaluate potential acquisitions or businesses, and once identified and evaluated, to negotiate an acquisition.

Selected Financial Information

The Company was incorporated under the provision of the Business Corporation Act (Quebec) on February 27, 2018 and December 31 is the date of its fiscal year end.

The following selected financial data is derived from the financial statements of the Company prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standard applicable to the preparation of interim financial statements, including IAS 34.

The Company's expenditures mainly includes costs to maintain its public company status in good standing and expenses to identify and evaluate acquisitions of companies, businesses, assets or properties.

Selected Quarterly Information

December 31, Year End	For The Three Months Ended	
	September 30, 2018 Q3 – unaudited	For the period from February 27 – March 31, 2018 ¹ Unaudited
Cash Flows	\$386,527	\$140,000
Total current assets	\$371,444	\$140,000
Total long –term assets	\$ -	\$ -
Total current liabilities	\$ 6,510	\$ 2,500
Total shareholders' equity	\$ 364,934	\$137,500

¹ On August 15, 2018, the Company completed its IPO.

The Company does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

Selected Statement of Operations Data

	Three months ended September 30,	
	2018 (unaudited)	2017 (unaudited)
Expenses	\$13,201	NA
Net loss for the period	\$62,983	NA
Basic loss per share	\$0.013	NA
Average Number of shares outstanding ¹	4,843,478	NA

¹ On August 15, 2018, the Company completed its IPO with the total amount of share outstanding now amounting to a total of 6,800,000.

Liquidity, Capital Resources and Outlook

The Company's ability to meet its obligations and its ability to finance its operations depends on being able to complete the Company's Qualifying Transaction and to obtain additional funding in the future.

We expect to generate negative cash flow from operating activities in the future until at least our Qualifying Transaction is completed and we commence revenue generation.

Management intends to ensure that the operational and administrative costs are minimal prior to the completion of a Qualifying Transaction to preserve the Company's working capital.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as of September 30, 2018.

Critical Accounting Estimates and Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported years. Actual results could differ from those estimates.

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Significant areas where estimates are applied in these audited financial statements include the determination of share-based compensation and estimates of deferred income taxes. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future years could be significant.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Significant areas where management judgment is applied in these financial statements include the going concern assumption and the recognition of deferred income taxes.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and account payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

	Authorized	Outstanding
Voting or equity issued and outstanding	Unlimited Common Shares	6,800,000 Common Shares ¹
Securities convertible or exercisable into voting or equity securities – stock options and warrants	Directors' and officers' stock options to acquire up to 10% of the issued and outstanding common shares	680,000 ¹
	Agent's warrants to acquire up to 10% of the common shares issued in connection with the initial public offering	400,000 ¹
Voting or equity securities issuable on conversion or exchange of outstanding securities	as above	as above

¹ On August 15, 2018, the Company completed its IPO with the total amount of share outstanding now amounting to a total of 6,800,000 of which 2,800,000 shares are held in escrow. As of August 15, 2018 a total 680,000 stock options were granted to directors and officers of the Corporation for a period of 5 years or as described in the stock option plan of the Corporation and 400,000 non-transferable options were granted to the agent for a period up to August 14, 2020, entitling the holders to acquire 680,000 and 400,000 Common Shares respectively at \$0.10 per Common Share.

Risks and Uncertainties

The Company has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. Equity or debt financing may be required to complete a Qualifying Transaction. There can be no assurance that the Company will be able to obtain adequate financing to continue. The securities of the Company should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

- a) until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- b) the Company has had no business activity and has not acquired any material assets since its incorporation other than cash;
- c) the Company does not have a history of earnings, nor has paid any dividends and will not generate or pay dividends until at least after the completion of the Qualifying Transaction;

- d) the Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction;
- e) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction;
- f) the Qualifying Transaction may be financed in all or in part by the issuance of additional securities by the Company and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Company;
- g) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares;
- h) if the Company fails to complete a Qualifying Transaction within 24 months of listing, the TSX Venture Exchange could suspend or delist the common shares of the Company and an interim cease trade order may be issued against the Company's securities by an applicable securities commission if its common shares are suspended from trading on or delisted from the TSX Venture Exchange or otherwise; and
- i) the Company competes with many Capital Pool Companies that are seeking suitable Qualifying Transactions. In addition, other Capital Pool Companies may have substantially greater financial and technical resources than the Company.

Other Information

The policies of the TSX Venture Exchange prohibit Capital Pool Companies from carrying on formal investor relations activities. Corporate communications and investor inquiries are handled by the Directors of the Company. Additional information about the Company is available on SEDAR at www.sedar.com.

CORPORATE DIRECTORY

Trading Symbol – OLT.P
Exchange – TSX-V

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