

Tokens, context windows and why AI forgets

Module 01 · What AI Actually Is · Chapter 02

What you will learn

- ☐ What tokens are and why they matter
- ☐ What a context window is, using a desk analogy
- ☐ The difference between chat history, memory and knowledge

Your exercise

TRY IT YOURSELF · ABOUT 10 MINUTES

In a new chat, type: My name is Ravi. Then ask What is my name?, it will answer correctly. Now start a brand-new chat and ask again: it has no idea. You just proved memory lives in the conversation, not inside the machine. Finally, paste this into any chat: Estimate roughly how many tokens this sentence is. and see how it reasons about itself.

My notes

KEY TAKEAWAYS

- Models read tokens (word-chunks); costs and limits count in tokens.
- The context window is the model's desk: everything it may use must fit there.
- One chat = one topic keeps the desk clean and answers sharp.
- Conversation memory, saved memory, and training knowledge are three different things; training knowledge has a cutoff date.

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