

CERVANTES CAPITAL CORP.

Management's Discussion and Analysis From Incorporation on October 26, 2104 to May 31, 2015

General

This management discussion and analysis of financial position and results of operations (“**MD&A**”) is prepared as at July 29, 2015 and should be read in conjunction with the unaudited condensed consolidated interim financial statements from incorporation on October 26, 2104 to May 31, 2015 and related notes of Cervantes Capital Corp. (“**Cervantes**” or the “**Company**”). These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the IFRS Interpretations Committee (“**IFRIC**”).

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and Management Discussion and Analysis (“**MD&A**”), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

The Company is a business development services company. It provides business development services to new and emerging businesses, including making introductions to accountants, lawyers, brokers, transfer agents, and various other professionals and service providers to assist companies in raising capital and going public. The Company is a reporting issuer in the provinces of British Columbia and Alberta.

Plan of Arrangement

On October 29, 2014, the Company entered into an Arrangement Agreement with Riske Capital Corp. (“**Riske**”). Riske is a reporting issuer in the provinces of Alberta and British Columbia.

On October 29, 2014, the shareholders of the Company, and Riske, executed the Arrangement as follows:

- a) The Company acquired all of the issued and outstanding common shares from Riske for consideration of the Purchase Price of \$1,000 on the Closing of the Plan of Arrangement (the “**Purchase Shares**”);
- b) the Company exchanged securities on a 1:1 basis such that 396,600 common shares of Riske were exchanged by their holders for 396,600 common shares of the Company;
- c) Riske and the Company exchanged on a 1:1 basis, such that Riske issued one common share to the Company and the Company issued one common share to Riske (collectively, the “**Exchange Shares**”); and
- d) The Purchase and the Exchange Shares were then cancelled.

Following completion of the Arrangement Agreement, the Company became a reporting issuer.#

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Significant events

During the period ended May 31, 2015, the Company was involved in the following transactions:

The Company received \$1,000 from Riske pursuant to the Arrangement Agreement with Riske dated October 29, 2014; wherein it is contemplated that Riske shall transfer its assets (as such term is defined in the Arrangement Agreement) to the Company

On April 14, 2015, the Company, Anterior Education Holdings Ltd. (“Anterior”) and BHR Capital Corp. (“BHR”) entered into an Arrangement Agreement (the “Arrangement Agreement”) including the Arrangement. The Arrangement was approved by unanimous resolutions of the shareholders of BHR on April 28, 2015, and by the Supreme Court of British Columbia on April 30, 2015 in accordance with Part 9 of the Business Corporations Act (British Columbia); On June 12, 2015, the Arrangement closed, and 396,600 common shares of Anterior were distributed as a stock dividend to the Company’s shareholders holding shares on the record date on a 1:1 basis according to their shareholdings. On July 27, 2015 the Company issued 1,000 common shares to BHR Education Holdings Ltd. In connection with the Arrangement, the Company shall receive \$10,000 in Transaction Fees, \$2,000 of which was received prior to the period ended May 31, 2015; and \$8,000 to be received upon closing of the Arrangement which was subsequent to May 31, 2015

Results of Operations

From the period of incorporation on October 26, 2014 to May 31, 2015, the Company incurred a loss of \$61,199. The loss included office and miscellaneous charges of \$682, consulting fees of \$10,050, transaction fees of \$45,000 and transfer agent fees of \$5,467 in association with the plan of arrangement and significant events as discussed above.

From the three months ended May 31, 2015, the Company incurred a loss of \$14,610. The loss included office and miscellaneous charges of \$93, consulting fees of \$9,050, and transfer agent fees of \$5,467 in association with the plan of arrangement and significant events as discussed above.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per Share (Basic & Diluted)	Total Assets	Interest Income
May 31, 2015	\$14,610	\$0.04	\$1,860	\$Nil
February 28, 2015	\$46,589	\$1.84	\$1,061	\$Nil

Financial Condition, Liquidity and Capital Resources

The Company's working capital deficiency position at May 31, 2015 was \$15,199 including cash of \$1,860. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

During from the period of incorporation on October 26, 2014 to May 31, 2015, there were three short term loans made to the Company from a related party totaling \$11,600 of which \$2,600 has been repaid. As at May 31, 2015, there was \$9,000 owing. The balance is unsecured and is non-interest bearing.

The Company has had no related party transactions from the period of incorporation on October 26, 2014 to May 31, 2015.

Financial Instruments and Risk Management

Fair Values

The fair values of cash and equivalents, receivables and trade payables approximate their book values because of the short-term nature of these instruments.

‘(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if counter-party to a financial instrument fails to meet its contractual obligation. The Company’s exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company’s receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company’s ability to continue as a going concern is dependent on management’s ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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. Such fluctuations may be significant.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company’s current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. 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. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of May 31, 2015 and July 29, 2015.

Additional share information

As at May 31, 2015 and as of the date of this MD&A, the Company had 396,600 common shares outstanding. The Company has no stock options or warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: evaluation and exploration asset costs and results, fluctuation in the prices of commodities for which the Company is exploring, foreign operations and foreign government regulations, competition, uninsured risks, recoverability of resources discovered, capitalization requirements, commercial viability, environmental risks and obligations, and the requirement for obtaining permits and licenses for the Company's operations in the jurisdictions in which it operates.