ANTERIOR EDUCATION SYSTEMS LTD.

Management's Discussion and Analysis
For the Six Months Ended March 31, 2015
Prepared as of May 22, 2015

Contact Information
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General

The following discussion and analysis, prepared as of May 22, 2015 should be read together with the condensed interim financial statements for the six months ended March 31, 2015 and related notes attached thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Description of Business

The Company was incorporated on June 28, 2013, under the Business Corporations Act of British Columbia. On September 30, 2014, the Company completed its acquisition of all the issued and outstanding shares of International Language Institute Ltd. ("ILI") and English Canada World Organization Inc. ("EC"), English as a Second Language schools in Halifax, Nova Scotia. In December 2014, the company acquired a second ESL school; this one in Vancouver, Canada.

ILI and EC were incorporated by Certificates of Incorporation issued pursuant to the provisions of the Business Corporations Act (Nova Scotia) on September 27, 1985 and November 27, 2003, respectively. ILI provides high quality language courses for international students and EC provides the Certificate in Teaching English to Speakers of Other Languages ("CELTA") teacher training. English Canada also operates the International English Language Testing System ("IELTS") test centres in Atlantic Canada and was approved to open an IELTS testing venue in Vancouver beginning June, 2015. The Company intends to subsequently pursue opportunities to open an IELTS testing center in Toronto.

ILI and EC are run by experienced professionals in the private and public education field and is significantly involved in the recruitment and education of foreign students in Halifax.

Follow the acquisition of the ESL schools in Halifax and Vancouver, the Company continues to seek opportunities to expand delivery of ESL services in Toronto. While these ESL school acquisitions continue to take place, the ongoing vision for the Company is to earn international recognition for success in English-language education for students and ESL instructor training. In this regard, the Company has been approved by Cambridge University and the Province of Nova Scotia to provide in-class and on-line ESL instructor training.

Anterior Education plans to diversify its position within the education sector and increase revenues through the development of its own digital curriculum (“DC”). The Company has been developing the DC since acquiring ILI in September, 2014 and has now introduced the DC within its own Canadian ESL schools.

AES is also working with the Canadian Embassy in Chile and Brazil to identify universities, high schools and large ESL providers who may have an interest in implementing the Company’s digital curriculum. A delegation from AES will travel to South America in June 2015 to meet companies and institutions which have been recommended by the Embassy. The Company intends to focus on developing a market in these countries before considering other expansion opportunities.

Global Growth Strategy

Within Canada, the education market is more than $6.5 Billion, employing over 83,000 people. The ESL market in particular is worth $745 Million and servicing approximately 30,000 students (Industry Canada 2009).

Factors driving consolidation opportunity for the Company include the fragmented nature of the English as second language institutions in Canada and the undercapitalization of these institutions. Many individual schools are unable to raise sufficient capital and are generally too small for the public market.

Management

Dalton Larson, Michael Hunter, Tom Musial, and Peter Lee are the Directors of the Company. Michael Hunter is President and CEO and Peter Lee is the CFO.

The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his/her interest and abstain from voting in the matter(s). In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

Performance Summary

The company operates two English as a second language schools and operates IETLS testing centres for Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland. An IELTS testing venue has been approved by the British Council and is scheduled to open in Vancouver in June 2015.

Selected Financial Information

A summary of selected financial information for the six months ended March 31, 2015 and 2014, are as follows:

	Six Months ended March 31, 2015	Six Months ended March 31, 2015
Total assets	812,853	20,350
Intangible assets	250,000	-
Goodwill	290,575	-
Working capital (deficit)	(541,800)	20,994
(Deficit)/Equity	(127,927)	40,094
Revenue	931,345	50,000
(Loss)/Income	(504,694)	26,830
(Loss)/Income per share	(0.07)	0.01

For the six months ended March 31, 2015, the Company reported no discontinued operations, no changes in accounting policy and declared no cash dividends.

Results of Operations

Prior to the acquisition of ILI and EC, the company had no tuition or testing revenue and had limited expenses.

During the six months ended at March 31, 2015, the Company incurred a net loss of $504,694 ($0.07 per share). The expenses of $202,261 are related to occupancy costs, $84,698 related to marketing and advertising, $19,331 related to consulting. The Company incurred $11,125 for professional fees, $32,320 for office and administration, and $322,917 for salaries and benefits.

Summary of Quarterly Results

	Six months Ended	
	March 31, 2015	March 31, 2014
Revenue		
Tuition fees	470,083	-
Testing and other income	461,262	50,000
Total	931,345	50,000

Prior to the acquisition of ILI and EC, the company had no tuition or testing revenue.
The Company recognizes revenue when persuasive evidence of an arrangement exists, the services have been provided to the students, the selling price is fixed or determinable, and collectability is reasonably assured. The Company recognizes tuition fee revenue, net of discounts, on a straight-line basis over the period of instruction. Tuition fees paid in advance of course offerings, net of related discounts and direct costs incurred, are recorded as deferred revenue and recognized in revenue over the period of program.

English Canada personnel will be allocating considerable time and capital resource to the roll out of the digital curriculum platform. This activity is expected to generate financial results in future quarters. Certain development costs for these new initiatives will be expensed out in the future with long term financial return expected in future quarters.

Summary of Operations

	Six months ended	**Six months ended**
	March 31, 2015	**March 31, 2014**
Expenses		
Bank charges	**22,198**	61
Consulting fees	**19,331**	11,475
Depreciation	**6,924**	-
Insurance	**9,568**	-
Marketing and advertising	**84,698**	10,808
Occupancy costs	**202,261**	-
Office and administration	**32,320**	826
Professional fees	**11,125**	-
Salaries and benefits	**322,917**	-
	711,342	23,170

Prior to the acquisition of ILI and EC, the company had no schools and thus had limited expenses including occupancy costs, office and administration, and salaries and benefits.

Liquidity and Capital Resources

As at March 31, 2015 the Company had cash of $61,872 and working capital deficit of $(541,800).

Pursuant to a private placement dated February 4, 2015, the Company issued 1,700,000 units to directors and officers of the Company at a price of $0.05 per unit. Each unit consists of one common share and one-half share purchase warrant, with each whole warrant exercisable for purchase of one additional common share at $0.10 per share for a period of one year.

Pursuant to the terms of the convertible debentures, on February 28, 2015, 5,143,750 common shares at a price of $0.04 per share were issued for gross proceeds of $205,750.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Contractual Obligations

The Company is committed to minimum rental amounts for a lease for a long-term lease for premises.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Risks and Uncertainties

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and sundry receivable. Cash and cash equivalents balances are held with a reputable financial institution, from which management believes the risk of loss to be remote. Financial instruments included in sundry receivables consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in sundry receivable is remote.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had a cash balance of $61,872 to settle current liabilities of $414,046. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

c) Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. A significant change in the currency exchange rates between the Canadian Dollar relative to the US Dollar could have an effect on the Company's results of operations.

d) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flow or fair values of financial instruments. It arises when the Company invests in interest bearing financial instruments. A 1% change in interest rates would not have a significant impact on the Company. As at March 31, 2015, the Company did not have any significant exposure to interest rate risk.

Related Party Transactions

The foregoing transactions were conducted in the ordinary course of business and recorded at their exchange amounts, which was the consideration paid or received by the Company as agreed to between the related parties. As at March 31, 2015, $26,000 (September 30, 2014 - $3,150) were payable officers of the Company and included in accounts payable and accrued liabilities.

Proposed Transactions

The Company entered into an agreement with BHR Capital Corp. ("BHR") whereby BHR will facilitate the Company into a going-public transaction. The details of the transaction are as follows:

a) BHR advanced to the Company a loan in the amount of $225,000, which will be repaid from the first financings. There will be no interest payable on the loan.

b) Subsequent to completion of the transaction, the resulting reporting issuer will complete the following private placements (financings):

- a financing of $200,000 for units of the Company at a price of $0.05 per unit, each unit comprised of one common share of the Company and one-half of one common share purchase warrant exercisable into one common share of BHR at $0.10 per common share for a period of 12 months; and

- a financing of $500,000 for units of the Company at a price of $0.25 per unit (the "$0.25 financing"), each unit comprised of one common share of the Company and one-half of one common share purchase warrant exercisable into one common share of BHR at $0.50 per common share for a period of 24 months.

Any shares of the Company issued prior to the close of the transaction will be exchanged for the same number of shares of the reporting issuer.

c) A third financing of $1,000,000 for shares of BHR at a price of $0.50 per common share (the "$0.50 financing") is contemplated to occur after the reporting issuer is listed on the Canadian Securities Exchange.

d) The purchased shares will be subject to stock restrictions on the terms set out in a Stock Restriction Agreement.

e) With respect to the transaction, prior to the closing, the Company will pay total finder's fees of 550,000 common shares of the Company to third parties.

f) With respect to the $0.25 financing and the $0.50 financing, the Company may pay a finder's fee of: (1) cash payment of up to 10% of the gross proceeds of the $0.25 financing and the $0.50 financing; and (2) non-transferable finder's warrants to acquire so many common shares of BHR as equal to 10% of the number of securities sold under the $0.25 financing and the $0.50 financing.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Company is not involved in any hedging program, nor is it a party to any financial instruments that may have an impact on its financial position.

Critical Accounting Policies

A detailed summary of all the Company's significant accounting policies is included in Note 2 to the audited financial statements for the year ended September 30, 2014.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the general operations of the Company and facilitate the liquidity needs of school operations. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its working capital position, capital stock and accumulated deficit.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended March 31, 2015. The Company is not subject to externally imposed capital requirements.

In order to maximize ongoing development efforts, the Company does not pay out dividends.

Outstanding Share Data

The company's authorized capital is unlimited common shares without par value. The following table summarizes the outstanding share capital as of March 31, 2015:

	Number of shares	Exercise price	Expiry date
Issued and outstanding common shares at March 31, 2015	12,844,110		
warrants outstanding	850,000	$0.10	February 4, 2016
Fully diluted at March 31, 2015	13,694,110		

The Company has a stock option plan (the "Plan") for directors, officers, key employees and consultants of the Company. The number of common shares subject to the options granted under the Plan is limited to 10% of the issued and outstanding common shares of the Company and no one person may receive in excess of 5% of the outstanding common shares of the Company Currently no options have been granted or are outstanding.

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management, and have been approved by the board of directors. The financial statements were prepared by the Company's management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements include certain amounts based on the use of estimates and assumptions.

Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Subsequent events

Subsequent to March 31, 2015, the Company approved a stock option plan for certain employees, officers, directors and contractors of the Company to purchase common shares. Subject to the Company's stock option plan, vesting provisions, terms of the options and exercise prices are set at the time of issuance by the Board of Directors. Options are issued with terms not exceeding five years.

Subsequent to March 31, 2015, the Company granted incentive stock options to purchase up to 1,200,000 common shares of the Company at an exercise price of $0.10 per share, exercisable in whole or in part until April 2, 2020.

Subsequent to March 31, 2015, the Company borrowed an additional loan in the amount of $223,000 from BHR Capital Corp. There will be no interest payable on the loan.

Subsequent to March 31, 2015 the Company completed a one for one share exchange on April 22, 2015 and past AES shareholders now own 12,844,110 of 26,812,610 issued and outstanding shares in BHR.

Subsequent to March 31, 2015, the Company cancelled $223,000 loan following the share exchange with BHR.

Approval

On May 22, 2015, the Board of Directors of Anterior Education Systems Ltd. has approved the disclosure contained in this MD&A.