

**CLUNY CAPITAL CORP.
(A Capital Pool Company)**

Form 51-102F1 - Management's Discussion & Analysis for the three month period ended June 30, 2015

Date: August 31, 2015

Introduction

Corporate structure and background

The following management's discussion and analysis ("MD&A"), dated as of August 31, 2015, is a review of operations, current financial position and outlook for Cluny Capital Corp. (the "Corporation"). Additional information relevant to the Corporation's activities can be found on SEDAR at www.sedar.com.

This MD&A should be read in conjunction with the Corporation's unaudited condensed interim financial statements for the three and six month periods ended June 30, 2015 and 2014 and the Corporation's audited financial statements for the year ended December 31, 2014, and the notes thereto. Amounts are reported in Canadian dollars, unless otherwise specified.

Forward-Looking Statements

Certain statements contained in the following MD&A 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 Corporation's management, are intended to identify forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. The Corporation 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, except as required by law.

Risks and Uncertainties

The Corporation has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction (as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange")) and may never pay dividends.

To date, the Corporation has not completed a Qualifying Transaction. The Corporation has limited funds with which to identify and complete a Qualifying Transaction, and there can be no assurance that the Corporation will be able to complete a suitable Qualifying Transaction within the time period permitted. Readers should refer to the risk factors disclosed in the Corporation's final prospectus dated May 21, 2014 filed on SEDAR.

Overall Performance

The Corporation was incorporated under the Business Corporations Act (Ontario) on August 11, 2011 and is classified as a Capital Pool Company as defined in Policy 2.4 of the Exchange. The Corporation has not commenced commercial operations and has no assets other than cash.

The Corporation filed a (final) prospectus dated May 21, 2014 with the securities regulatory authorities of British Columbia, Alberta, and Ontario relating to the offering of a minimum of 2,125,000 common shares and a maximum of 6,000,000 common shares at a price of \$0.20 per share (the "Prospectus").

On August 20, 2014, the Corporation completed the offering of 2,233,700 common shares of the Corporation for gross proceeds to the Corporation of \$446,740.00 (the "Offering"). Pursuant to an agency agreement entered into between the Corporation and All Group Financial Services Inc. (the "Agent") on May 21, 2014 (the "Agency Agreement"), the Corporation appointed the Agent as its agent for the Offering. The Corporation paid the Agent a cash commission of \$44,647.00, being 10% of the gross proceeds of the Offering, a work fee of \$10,000 and the Agent's expenses in the amount of \$7,888.69 (which includes Agent's counsel fees, disbursements related to the Offering, plus applicable taxes). Pursuant to the Agency Agreement, the Agent, and any sub-agents, were also granted non-transferable options to purchase up to 223,370 common shares of the Corporation at a price of \$0.20 per common share, which expire on August 20, 2016 (the "Agent's Option"). The Prospectus qualifies the distribution of the Agent's Options. The Corporation also granted 373,370 options to purchase common shares of the Corporation upon the closing of the Offering (the "Incentive Stock Options"), at a price of \$0.20 per common share, to certain of the Corporation's directors and officers in accordance with the policies of the Exchange. The Prospectus qualifies the distribution of the Incentive Stock Options.

The common shares of the Corporation were listed on the Exchange at the close of business on August 19, 2014 and commenced trading on the Exchange under the stock symbol "CLN.P" on August 20, 2014.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Prospectus, the funds that will be raised pursuant to the Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions.

For the six month period ended June 30, 2015, the Corporation reported no discontinued operations, no changes in accounting policies and declared no cash dividends. The Corporation's balance sheet remains free from long-term debt and capital leases.

Selected Financial Information

See related financial statements as of and for the three and six month periods ended June 30, 2015 and June 30, 2014.

Results of Operations

During the three and six month period ended June 30, 2015 compared with the three and six months ended June 30, 2014, the Corporation had no business operations other than in connection with the identification and evaluation of a potential acquisition or businesses which will constitute the Corporation's Qualifying Transaction.

During the three month period ended June 30, 2015 the Corporation incurred a net loss of \$16,445 compared to a net loss of \$12,800 for the three month period ended June 30, 2014. The increase is due to listing and professional fees as a result of the completion of the Offering and listing of the Corporation's common shares on the Exchange.

During the six month period ended June 30, 2015 the Corporation incurred a net loss of \$23,532 compared to a net loss of \$13,350 for the six month period ended June 30, 2014. The increase is due to listing and professional fees as a result of the completion of the Offering and listing of the Corporation's common shares on the Exchange.

Summary of Quarterly Results

See related financial statements as of and for the three and six month periods ended June 30, 2015 and June 30, 2014.

Liquidity

In order to provide the Corporation with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, on the date of incorporation, the Corporation issued 1 common share at a price of \$1.00 and then subsequently offered 1,500,000 Common Shares at a price of \$0.10 per share for gross proceeds of \$150,001. On August 20, 2014, the Corporation completed the Offering for gross proceeds to the Corporation of \$446,740.00. Management believes the Corporation has sufficient working capital to meet its ongoing financial obligations for the coming quarter.

As of the date of this MD&A, the Corporation does not anticipate receiving material cash streams from its existing investments in the immediate future. Other than interest on bank balances, the Corporation has no source of cash other than from the issuance of common shares.

As at June 30, 2015, the Corporation has accounts payable and accrued liabilities of \$1,660 (December 31, 2014 - \$21,402) due within 12 months and has cash of \$322,100 (December 31, 2014 - \$365,374), subject to restrictions (See Note 3 of the related financial statements as of and for the three and six month periods ended June 30, 2015 and June 30, 2014), to meet its current obligations. As a result the Corporation has minimal liquidity risk.

Capital Resources

As at June 30, 2015, the Corporation had cash of \$322,100 (December 31, 2014 - \$365,374), subject to restrictions (See Note 3 of the related financial statements as of and for the three and six month periods ended June 30, 2015 and June 30, 2014). The Corporation has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

The Corporation has sufficient working capital at this time to meet its ongoing financial obligations.

The Corporation does not generate revenue from operations and any additional working capital would need to result from the issuance of share capital. There is no assurance that additional funding will be available to the Corporation, or if available, will be on acceptable terms.

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Transactions with Related Parties

During the six month period ended June 30, 2015, the Corporation incurred \$9,289 (June 30, 2014 - \$nil) in legal and agent fees to a law firm where a director of the Corporation was a partner. As at June 30, 2015, \$nil (December 31, 2014 - \$12,146) was payable to the firm.

Proposed transactions

On April 21, 2015 the Corporation announced that it has terminated its letter of intent entered into on September 30, 2014 with Birchtree Energy Corp. with respect to a proposed business combination. The transaction was previously announced on September 30, 2014, and was intended to constitute the Corporation's "Qualifying Transaction" under Policy 2.4 - Capital Pool Companies of the Exchange.

Changes in Accounting Policies

There were no changes in accounting policies for the three and six month periods ended June 30, 2015.

Additional Information Outstanding Share Data as at August 31, 2015

Authorized

The Corporation is authorized to issue an unlimited number of common shares.

Issued

The Corporation has issued 3,733,701 common shares, of which 1,500,001 common shares are held in escrow.

Additional Information

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com