BLUERUSH MEDIA GROUP CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
Dated: November 28, 2011
For the Year Ended July 31, 2011

This management's discussion and analysis of the consolidated financial condition and results of operation ("MD&A") of BlueRush Media Group Corp. ("BlueRush" or the "Company") should be read in conjunction with BlueRush's audited consolidated financial statements and notes thereto as at and for the year ended July 31, 2011 and 2010. Accounting policies followed in the preparation of the annual consolidated financial statements are disclosed in note 2 of the Notes to the audited consolidated financial statements as at and for the years then ended July 31, 2011 and 2010. See "Significant Accounting Policies" elsewhere in this MD&A.

All financial data in this MD&A has been prepared in accordance with GAAP. All dollar amounts in this MD&A are reported in Canadian dollars unless otherwise indicated.

Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, but is not limited to, the Company's expectations regarding its future working capital requirements, including its ability to satisfy such requirements, the exposure of its financial instruments to various risks and its ability to manage those risks, the Company's ability to use loss carryforwards, and fees to be incurred by foreign subsidiaries.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to: obtaining the necessary financing for operations, our ability to generate taxable income from operations, fluctuations in the value of our portfolio investments due to market conditions and/or company-specific factors, fluctuations in prices of commodities underlying our interests and portfolio investments, risks relating to oil and gas exploration activities generally, strength of the Canadian, U.S. and global economies, foreign exchange fluctuations, political and economic conditions in the countries in which the Company's property interests are located and other risks included elsewhere in this MD&A under the heading "Risks" and in the Company's public disclosure documents filed with certain Canadian securities regulatory authorities and available under the Company's profile at www.sedar.com.

NATURE OF THE BUSINESS

BlueRush Media Group Corp. ("BlueRush" or the "Company") with its head office in Toronto, Ontario, was incorporated on April 6, 2004 pursuant to the *Business Corporations Act* (Ontario). The Company, through its wholly owned subsidiary, BlueRush Digital Media Corp. ("BlueRush"), is a digital marketing company which combines leading edge technology with award winning creative television production.

OVERALL PERFORMANCE

The year ended July 31, 2011 proved to be another successful year for BlueRush. Through the execution of its business plan, the Company experienced significant growth in revenue generation and profitability. For the year ended July 31, 2011 revenues increased by approximately 39% or $1,218,154 compared to the year ended July 31, 2010. We realized net earnings of $570,302 for the year ended July 31, 2011 compared to net earnings of $393,213 for the year ended July 31, 2010, both representing new milestones of success for BlueRush.

During the year, the Company experienced a growth in business from its primary verticals; financial services and healthcare. Existing clients repeated business with BlueRush and new clients were added. A key new contributor in growth was the Company's mobile area which includes work on mobiles phones and tablets. Additionally BlueRush secured work in the area of SMS related projects. Noteworthy was an increase in larger scale projects that involve entire enterprise sites which require both design and build aspects. During the year, BlueRush also secured projects with a number of US based financial service providers and these projects involve traditional web related work as well as mobiles components.

In an effort to increase sales where possible, BlueRush added new sales resources to handle some of the increasing complexities of mobile and tablet opportunities. BlueRush also added resources to expand some of the platform capabilities for Digital Reach, our product aimed at enterprises for the storage, send and packaging of digital materials in any format. The increase in resources spent on sales related activities and research & development cut into profits for the fourth quarter but are expected to boost the Company's ability to grow both revenues and profits in the coming year.

The Company continues to diversify its client base to reduce its reliance on any one client or business segment.

RESULTS OF OPERATIONS

Selected annual information for the Company for its most recently completed financial years as at and for the years ended July 31, is as follows:

	July 31, 2011	July 31, 2010	July 31, 2009
Revenue from Operations	$ 4,868,733	$ 3,650,579	$ 2,889,501
Net income (loss)	$ 570,302	$ 393,213	($ 85,587)
per share - basic	$ 0.018	$ 0.012	($ 0.003)
per share - diluted	$ 0.017	$ 0.012	($ 0.003)
Total Assets	$ 2,457,591	$ 1,868,015	$1,075,813
Total Financial Liabilities	$ 515,615	$ 559,108	$ 194,623
Shareholders' equity	$ 1,941,976	$ 1,308,907	$ 881,190

No dividends were declared by the Company during any of the years indicated.

The consolidated financial statements are incorporated by reference herein and form an integral part of the MD&A. The consolidated financial statements include the accounts of BlueRush Media Group Corp. and its wholly owned subsidiary, BlueRush Digital Media Corp.

RESULTS OF OPERATIONS (Cont'd)

For the year ended July 31, 2011, BlueRush recorded revenues of $4,868,733 and aggregate expenses of $4,101,729. The Company recorded net earnings of $570,302 or $0.018 per share. This compares with revenues of $3,650,579 and net earnings of $393,213 or $0.012 per share for the year ended July 31, 2010.

This increase in revenue of approximately 39% is the result of a resurgence in the marketing initiatives of the companies clients combined with the company's strategic sales effort to diversify its customer base.

The Company's annual increase in expenditures over fiscal 2010 was 32% which were mainly related to increasing our staff at our Toronto and Montreal offices plus the addition of a US resource focusing on the healthcare sector. Our salaries and benefits expense increased by approximately 33% since fiscal 2010 and our consulting costs also increased by 49%.

We incurred $62,767 in stock-based compensation for the year ended July 31, 2011 as compared to $34,504 for the fiscal year ended July 31, 2010. Our stock-based compensation is related to the vesting period of our stock options and warrants. During fiscal 2011, no stock options were granted or exercised and 250,000 warrants were issued. The warrants were issued to a consultant for consulting services rendered to the Company, and have an exercise price of $0.10 per share and expire in five years. The fair value of the warrants was estimated to be $0.06 per share using the Black-Scholes Option Pricing Model.

Corporate income taxes for the year ended July 31, 2011 is $196,702 as compared to $156,083 for the year ended July 31, 2010. Our combined corporate tax rate is approximately 30%. Our corporate taxes payable has been reduced by our research and development tax credit claim which has been estimated as approximately $197,000 for the year ended July 31, 2011.

Summary of Quarterly Results:

The following is a summary of certain of the Company's quarterly results:

	Quarter ended (unaudited)			
	July 31, 2011	**April 30, 2011**	**January 31, 2011**	**October 31, 2010**
Total Revenue	$ 1,123,915	$ 1,346,455	$ 1,348,162	$ 1,050,201
Net income for the period	150,888	153,387	146,700	119,327
Net income per share - basic	0.005	0.005	0.004	0.004
Net income per share - diluted	0.004	0.005	0.004	0.004
	July 31, 2010	**April 30, 2010**	**January 31, 2010**	**October 31, 2009**
Total Revenue	$ 997,657	$ 847,862	$ 895,292	$ 909,768
Net income for the period	115,932	19,238	117,277	140,766
Net income per share - basic	0.003	0.001	0.004	0.004
Net income per share - diluted	0.003	0.001	0.004	0.004

Three Months Ended July 31, 2011 and 2010

For the three months ended July 31, 2011, BlueRush recorded revenue of $1,123,915 and net earnings of $150,888 or $0.005 per share. This compares with revenue of $997,657 and a net income of $115,932 or $0.003 per share for the three months ended July 31, 2010.

The Company is pleased with its consistent increases in revenues and earnings over the periods presented.

CASH FLOWS

Year Ended July 31, 2011 and 2010

During the year ended July 31, 2011, the Company generated $429,306 from its operating activities as compared to generating $136,808 during the year ended July 31, 2010. Cash generated from operating activities were mainly related to an increase in earnings and an improvement in the collection of our receivables. We also collected research and development tax credits during the year of approximately $173,000.

During the year ended July 31, 2011 cash used in financing activities was $5,011 as compared to $7,794 in during fiscal 2010. These funds were used to repay advances from a related party.

During the year ended July 31, 2011 cash used in investing activities was $11,653 for the purchase of equipment compared to $11,220 for the year ended July 31, 2010. We purchased office furniture and computer equipment during the current and prior year.

For the year ended July 31, 2011 the Company had a net increase in cash of $412,642 as compared to a net increase in cash of $117,795 for the year ended July 31, 2010. Our increase in cash was mainly related to an increase in earnings and improved collection of our receivables.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet Highlights	**July 31, 2011**	**July 31, 2010**
Cash	$697,394	$284,752
Accounts receivable trade and other	1,489,953	1,195,419
Income taxes and investment tax credits recoverable	105,651	173,608
Total assets	2,457,591	1,868,015
Total liabilities	515,615	559,108
Shareholders’ equity	1,941,976	1,308,907

As at July 31, 2011, the Company had current assets of $2,402,469 and current liabilities of $515,615, resulting in working capital of $1,886,854 as compared to working capital of $1,252,036 as at July 31, 2010.

The Company’s cash and current assets would be sufficient to meet the Company’s current financial obligations. The Company continues to have no significant long term debt. As at July 31, 2011, the Company has no off balance sheet commitments for cash resources. The Company has continued to maintain positive cash flow from operations during the year. In addition, BlueRush has a line of credit of $500,000 available, which to date it has not drawn on.

Material ongoing contractual obligations of BlueRush relate to the payment of operating leases for office premises. BlueRush has entered into an arm’s length commercial lease for office space in Toronto, Ontario located at 75 Sherbourne Avenue, Suite 112, and in Montreal, Quebec located at 1751 Richardson, Suite 5105. Lease commitments are outlined in the notes to BlueRush’s audited financial statements.

The Company’s capital expenditures have historically been low and there are no significant capital expenditures planned within the next fiscal year.

During the year ended July 31, 2011, the Company’s management handled investor relation activities.

RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Related party transactions were as follows:

a) During the year ended 31 July 2011, the Company granted Nil options (2010 - 180,000 options) to its directors.

b) Included in consulting expenses is an amount of $30,000 (2010 - $12,500) for consulting fees paid to a company owned by the Chief Financial Officer for services rendered.

c) Included in consulting expenses is an amount of $Nil (2010 - $61,300) for consulting fees paid to a company owned by the former Chief Financial Officer for services rendered.

OFF-BALANCE SHEET ARRANGEMENTS

There are no significant off-balance sheet arrangements.

FUTURE ACCOUNTING CHANGES

On February 13, 2008, the Accounting Standards Board confirmed January 1, 2011 as the official changeover date for publicly listed Canadian companies to begin using International Financial Reporting Standards ("IFRS") in place of GAAP as the basis for preparation of financial statements. The Company will adopt IFRS commencing with consolidated financial statements for periods starting on 1 August 2011, with comparatives for the same periods in the prior year.

The Company has begun the process to transition from GAAP to IFRS. The analysis of IFRS in comparison with GAAP has identified presentation differences, which will not have a material impact on the Company's reported results and financial position, although there may be significant changes in certain areas following the adoption of IFRS.

IFRS 1, "First Time Adoption of International Financial Reporting Standards" provides entities which are adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions to certain of the IFRS requirements for retrospective application of IFRS. The Company is analyzing the various choices and will implement those which are determined to be most appropriate to the Company's particular circumstances.

Below are the key areas where accounting policy changes that are implemented as a result of the transition to IFRS are most likely to impact the Company's reporting results. Since management's analysis of the changes is still in progress, and IFRS 1 decisions have not yet been made, the final impacts may ultimately differ from those below, and the expected impact has not yet been quantified. There are additional IFRS changes that will have an effect on the amount and typed of disclosure many by the Company; these are not included since they will have no impact on the Company's reported results.

(i) IFRS 2 – Share Based Payments:

IFRS 2 prescribed different methods for valuing options which vest at different time periods. As well, IFRS 2 specifies when the use of the Black-Scholes option valuation model might not be appropriate. These changes may have an effect on the amount of stock-based compensation expense the Company records for future option grants.

(ii) IAS 12 – Income Tax:

The Company is continuing to evaluate the impact of IAS 12 on its reported results.

(iii) IAS 16 – Property, plant and equipment

IAS 16 permits the revaluation of property, plant and equipment to fair value; IAS 16 requires the depreciable amount to be the asset cost less its residual value, rather than using the greater of the asset cost less its residual value or asset cost less its salvage value.

As part of the IFRS transition from GAAP, the Company will be reviewing the effects of IFRS adoption on the Company's ICFR and DC&P and implement all necessary changes prior to the changeover date. The Company has not finalized the impact of IFRS on its consolidated financial statements but anticipates that any changes in accounting policies could result in additional controls and procedures being required to address reporting of first time adoption as well as ongoing IFRS reporting requirements. The Company does not anticipate IFRS to significantly impact other elements of a changeover plan such as its accounting systems.

Additional Information

Additional information relating to Bluerush may be found on the Company's website at www.bluerush.ca or under the Company's profile on SEDAR at www.sedar.com.