BlueRush Media Group Corp.

Management Discussion & Analysis

For the Year Ended July 31, 2008

The management discussion and analysis (MD&A) of BlueRush Media Group Corp. (“BlueRush” or “the Company”) has been prepared by management and should be read in conjunction with the audited financial statements and related notes thereto of BlueRush Media Group Corp. Additional information relating to the Company is available on SEDAR at www.Sedar.com. The financial statements are presented in Canadian currency and were prepared in accordance with Canadian Generally Accepted Accounting Principles. BlueRush Digital Media Corp. is the 100% wholly owned subsidiary of BlueRush Media Group Corp.

FORWARD LOOKING STATEMENTS

This management discussion and analysis contains certain forward-looking statements relating but not limited to BlueRush’s expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as “anticipate”, “believe”, “expect”, “goal”, “plan”, “intend”, “estimate”, “may” and “will” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include estimates of future projects, costs of capital projects and timing of commencement of projects, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, capital and operating costs varying significantly from estimates, delays in development of technologies, delays in obtaining new clients and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. BlueRush undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

BLUERUSH MEDIA GROUP CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
Dated: November 20, 2008
For the Year ended July 31, 2008

COMPANY OVERVIEW

BlueRush, through its wholly owned subsidiary, BlueRush, is a digital marketing company which combines leading edge technology with award winning creative television production. BlueRush creates innovative rich media solutions for distribution across all new emerging Medias: Internet, Web TV, iPods, Mobile Phones, Digital Signs and Instore Kiosks. With expertise in programming, production, and marketing, BlueRush provides its clients with digital video solutions which extend some of the most recognizable brands into this emerging digital and Internet age.

OVERALL PERFORMANCE

As is apparent in our financial statements, fiscal 2008 represented a period of rapid development and growth in the company. BlueRush undertook great increases in its employee count, client reach, product offering and technological expertise. These efforts resulted in a 357% increase in revenue during the year. Despite our focus on growth, the company maintained its emphasis on controlling cost. This allowed us to achieve profitability of $214,693 or $0.007 per share. Additionally, as at the end of the fiscal year, the Company has over $615,000 in cash and cash equivalents and $572,446 in Accounts Receivable, the majority of which is held by large Canadian financial institutions. The strength of our balance sheet, our large client base and the uniqueness of our product offering, should serve the Company well during the current economic volatility.

Projects

In the past year, we have worked with several new clients and continued to see repeat projects from previous clients. With the great increase in the number of projects, combined with our data-tracking application, we can now quantify BlueRush’s value and the effectiveness of our digital communications. BlueRush’s digital marketing solutions have resulted in higher viewing times, enhanced knowledge retention, and increased viewer’s call-to-action (subscribe, buy, enroll, etc.)

Our year was spearheaded with the launch of 3 microsites for a major Canadian financial organization. Our client wanted to educate its widely dispersed team of financial advisors as to the benefits of its new product. The sites that we created, can be viewed at any time from anywhere in the world and therefore greatly reduce costs to the organization.

In February 2008, our signing of a 2-year, $5 million Memorandum of Understanding further validated the effectiveness of BlueRush’s technology. The work that resulted from this agreement served to expand BlueRush’s technology, human capital and ultimately expand its digital marketing solutions.

In the spring of 2008 BlueRush launched the Manulife One microsite. This site promotes Manulife's product, Manulife One, an all-in-one bank account. The site includes the educational and entertaining videos as well as the interactive calculators that we designed to supplement the product. In addition to the 5 fold increase in viewing time, Manulife did experience a significant increase in sales coinciding with the launch of the site.

In addition to Manulife, BlueRush continued to work with other large institutions including: CI Investments, Bell Canada, Axcys (Interac), ReMax, Canada Post and Open Access. Most importantly, the company continues to see strong demand for our services despite the recent economic slowdown.

RESULTS OF OPERATIONS

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

For the year ended July 31, 2008, BlueRush recorded revenue of $2,568,612. The aggregate expenses incurred for the year were $2,258,365 and BlueRush recorded a profit per share of $0.007 during the year.

SELECTED ANNUAL INFORMATION

	July 31, 2008	July 31, 2007
Revenues from Operations	$2,568,612	$561,883
Net Income (loss)	$214,693	$(14,013)
per share – basic	$0.007	($0.001)
per share – fully diluted	$0.007	($0.001)
Total Assets	$1,281,357	$855,524
Total Financial Liabilities	$330,985	$133,854
Cash Dividends Per Share	$Nil	$Nil

During the fiscal year the company saw a great increase in demand for its service offering and thus realized a 357% increase in revenue. Clients' recognized that BlueRush possessed the television production expertise and the digital technology knowledge necessary to produce effective video marketing spots for the digital world. Moreover, BlueRush was able to achieve great results by focusing on the financial industry. Management and employees of BlueRush have great experience working with financial products and therefore financial clients gravitated to BlueRush as the company exhibited a great level of understanding for its products and thus was able to develop clearer marketing messages with limited client direction. Additionally, BlueRush's suite of financial calculators which were imbedded in many microsites that were created further served to solidify the company's value to this vertical market.

While a lot of the initial business came in the financial services sector, BlueRush was able to use the success in this vertical market and extend to other companies in various industries: Remax, Interac, Canada Post etc.

The increased number of projects and clients allowed BlueRush the opportunity to expand its employee base and do so without the need for external capital. Moreover, the company was profitable over the year, earning a Net Income after tax of $214,693.

Sales from BlueRush's largest client accounted for 73.9% of total revenue for the year. No other client accounted for more than 10% of sales.

LIQUIDITY AND CAPITAL RESOURCES

In fiscal 2008 BlueRush achieved $2,568,612 in revenue and profitability of $214,693 or $0.007 per share. As at July 31, 2008, the Company had $615,696 in cash and cash equivalents and $572,446 in Accounts Receivable the bulk of which is held by large stable financial institutions. In aggregate, BlueRush had total current assets of $1,199,260 and total current liabilities of $320,963. This leaves the Company with $878,297 in Working Capital.

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 audited financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties for the period from August 1, 2007 to July 31, 2008.

DESCRIPTIONS OF THE SECURITIES

Shares

The authorized share capital of BlueRush consists of an unlimited number of common shares of which 32,318,000 common shares (and no more) are issued and outstanding at the date hereof.

The holders of common shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per common share at meetings of the shareholders and, upon liquidation, to share equally in such assets of BlueRush as are distributable to the holders of common shares. All common shares issued are fully paid and non-assessable.

Consolidated Capitalization

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of July 31, 2007	Amount Outstanding as of July 31, 2008
Common Shares	Unlimited	32,318,000	32,318,000

BlueRush did not issue new shares nor eliminate any common shares during the year.

As of the date hereof, BlueRush had granted 1,525,850 stock options at exercise prices ranging from $0.10 to $0.13 expiring from January 13, 2010 to June 10, 2013. Pursuant to its stock option plan BlueRush may grant stock options equal to 10% of its issued and outstanding common shares."

SUMMARY OF QUARTERLY RESULTS

	2007		2008			
	Q3	Q4	Q1	Q2	Q3	Q4
Total Revenues	141,828	195,633	419,838	618,024	873,851	656,899
Net Income	(8,718)	(51,333)	74,536	82,649	146,983	(89,475)
Net Income per Share (basic)	$ (0.000)	$ (0.002)	$ 0.002	$ 0.003	$ 0.005	$ (0.003)
Net Income per Share (diluted)	$ (0.000)	$ (0.002)	$ 0.002	$ 0.002	$ 0.004	$ (0.003)

THE FOURTH QUARTER

During the fourth quarter the company continued to work with many of its large clients including Manulife, Canada Post and CIBC. Additionally, BlueRush added HSBC as a new first time client with the production of a contest microsite.

The Company did realize $656,899 in revenue during the quarter. While this is a significant increase from Q4 of last year, it is a decline from the previous 3rd quarter of 2008. The bulk of the reason for such a decline is due to the timing of project deliverables in which a great majority of projects were delivered in the 3rd quarter of this year.

Additionally, the Company realized a loss during the quarter of $89,475 or ($0.003) per share. This is again due to the lack of offsetting revenues as discussed above as well as expenses incurred during the quarter related to the Company's year end financial statements; Audit fees, Legal expenses, Filing fees. Additionally, some minor accounting adjustments were booked in the fourth quarter further added to the loss. Despite all of the above the Company was cash flow positive during the quarter primarily due to the collection of Accounts Receivable from the previous quarter.

Sales from BlueRush's largest client during the quarter accounted for 80.6% of total revenue for the quarter. No other client accounted for more than 10% of sales.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Fair Value

It is management's opinion that the fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, amount due to related party and loan payable approximate their carrying values due to the relatively short term maturities of these instruments.

Credit Risk

Credit risk arises from the possibility that the entities to which the Company sells products may experience financial difficulties and be unable to fulfill their contractual obligations. The Company mitigates its credit risk by setting credit policies and by proactively managing the credit exposure to individual accounts. The Company is not exposed to significant interest, currency or credit risk to any one customer or arising from financial or other similar instruments.

RISKS AND UNCERTAINTIES

In conducting its business, the Company is subject to a wide variety of risks and uncertainties which are more fully described in the Company's Filing Statement dated April 23, 2007 at pages 37 to 38, available on SEDAR at www.sedar.com.

CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

Effective August 1, 2008 the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 3855 – Financial Instruments – Recognition and Measurement, 3861 – Financial Instruments – Disclosure and Presentation, 1530 – Comprehensive Income.

Section 3855 prescribes the timing of when a financial asset, financial liability, or non-financial derivative is to be recognized on the balance sheet and the measurement of such amount. Section 3861 establishes standards for presentation of financial instruments and on-financial derivatives, and identifies the information that should be disclosed about them.

Section 1530 introduces new standards for the presentation and disclosure of components of comprehensive income. Comprehensive income is defined as the change in net assets of an enterprise during a reporting period from transactions and other events and circumstances from non-owner sources. It includes all changes in net assets during a period except those resulting from investments by owners and distributions to owners.

There was no impact on the implementation of these new standards on the Company's 2008 consolidated financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The CICA plans to converge Canadian Generally Accepted Accounting Principles with International Financial Reporting Standards ("IFRS") effective August 1, 2011 for the company. The impact of the transition to IFRS on the Company's financial statements is not yet determinable.

DISCLOSURE CONTROLS

As at July 31, 2008, the Company's senior management, including the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures and concluded that they were effective.

During the review of the design of internal controls over financial reporting it was noted that, due to the limited number of staff at the Company, it is not feasible to achieve complete segregation of incompatible duties. However, other compensating internal controls over financial reporting have been designed which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. Management and the board of directors work to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.