BLUERUSH MEDIA GROUP CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
Dated: December 29, 2017
For The Three Months Ended October 31, 2017

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, 2017 and 2016. 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, 2017 and 2016.

The Company prepares and files its interim financial statements and MD&A in Canadian dollars and in accordance with International Financial Reporting Standards, ("IFRS"). Additional information relating to the Company is available on SEDAR at www.sedar.com and at our website www.bluerush.ca.

References to "We", "Our", "BlueRush", or "the Company" mean BlueRush Media Group Corp. and subsidiary, unless the context requires otherwise.

The MD&A was approved for issue by the Board of Directors on December 29, 2017.

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.

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NATURE OF THE BUSINESS

BlueRush Media Group Corp. ("BlueRush" or the "Company"), through its wholly owned subsidiary, BlueRush Digital Media Corp., offers a SaaS-based content engagement platform that enables organizations to achieve greater engagement and conversion metrics with existing customers and new prospects. Its flagship product, DigitalReach™, provides personalization, distribution and tracking of content to ensure control over what content is distributed to whom. BlueRush recently launched Individeo™, an interactive personalized video platform that provides AI-driven video content in an easy to understand, entertaining and compelling manner. The Company's suite of products is proven to improve marketing and sales performance and generate greater client satisfaction and loyalty. The Company is publicly listed on the TSX Venture Exchange trading under the symbol "BTV" and is headquartered at 75 Sherbourne Street in Toronto, Canada along with a French bilingual office in Montreal, Quebec.

OVERALL PERFORMANCE

Subscription revenue grew 23%*. The primary driver of shareholder value going forward will be the growth of our Software as a Service (SaaS) business.* The SaaS portion of revenues increased $52,739 or 23% since the prior quarter. Subscriptions and support revenues were $279,118 or 39% of total revenues of $706,791.

Management accredits this significant increase to our continued investment in our core technologies, excellent service delivery and new investments in sales and marketing.

DigitalReach™ continues to grow user counts, revenue and the feature set is becoming richer. We had previously stated achieving over 75,000 DigitalReach™ users and we are pleased to report that this user count continues to grow through the acquisition of new customers and through growth in our existing accounts. We also neared completion of a redesigned front-end, new security features and other significant upgrades. These upgrades, slated for release in early 2018, are expected to help accelerate sales of DigitalReach™ to clients and prospects. Users continue to provide positive feedback regarding the platform's ease of use as well as the boost it provides to their overall productivity. This success bodes well for increased use with existing clients as well as adding new customers. On the regulatory side of the product, BlueRush continued to make enhancements to the product. These enhancements will allow for additional charges per user and per document sent for the inclusion of such features.

Len Smosfky will assume leadership of product direction and business development for Individeo™ and already this part of the business is benefiting from this focus. The Company signed several new clients on the Individeo™ product including one property & casualty insurance customer and one Ontario based credit union that will apply Individeo™ for client onboarding and mortgage acquisition. Each of these clients plan to increase the scope of use of Individeo™ in 2018, subject to achieving successful results from their use cases. The roadmap for Individeo™ includes further integration with our existing financial tools, integration with eCommerce platforms and a mass-market version allowing any company to create their own personalized videos. In October, BlueRush presented one of the new tools "Retirement Expert" to nearly 1,500 attendees at Finovate in New York City, which was met with great enthusiasm. The attending booth staff of BlueRush were overwhelmed by interest from financial firms all over the world and we are pursuing several high-value leads generated by the show.

The services team will be led by company President Larry Lubin. Larry's deep relationships and thought leadership in the Financial Services vertical will contribute to the growth and quickly evolving consulting and services BlueRush delivers to our clients. In 2017, the BlueRush services team began working with an Ontario based credit union to help with a planned digital transformation. This client is expected to boost service revenues over the coming quarters and implement BlueRush subscription products.

OVERALL PERFORMANCE (Continued)

The services business will be a profit center. Our plan is to run the professional services business unit profitably and in such a way that it contributes to ever-increasing customer satisfaction levels and to the growth of the SaaS business. On a go-forward basis our gross margin targets for the services business will be 50% which was effectively achieved in the first quarter. We have reduced the internal headcount associated with the delivery of professional services and are structured to accommodate spikes in activity through well-managed outsourcing of high quality resources. Maintaining a smaller dedicated headcount to deliver services will lead to improved financial performance.

Steve Taylor has become the CEO. As previously released, the Company appointed Steve Taylor to our Board of Directors. Steve is a SaaS industry veteran who led the recent financing of $1,300,000. The financing attracted strategic investors including Round 13 Capital. On December 13, 2017 we announced the appointment of Mr. Steve Taylor, a current director of the Company, as the new Chief Executive Officer of the Company, as well as the appointment of John Eckert, a co-founder of Round 13 Capital, as a new director of the Company. These changes have been made to strengthen the management team and enable the Company to accelerate its growth as a world class SaaS organization. It is important to note that the Company has a strong working capital position with the additional $1.3 million financing and the opportunity to raise an additional $1.3 million through associated warrants issued as part of the funding.

The Company increased investment in R&D. Management plans to continue to increase investment in R&D to enhance the software based on customer feedback, competitive research and our own innovative concepts for product design.

The Company began to increase investment in sales and marketing in fiscal 2017 and intends to continue increasing investment levels in fiscal 2018. Now that there is a proven recurring revenue model for the products and a demonstrated ability to grow the recurring revenue, Management is confident that it can deploy additional sales and marketing resources in an accretive manner.

BlueRush will place an emphasis on growth in recurring revenue over profitability in the coming fiscal year. The Company incurred a loss from operations of $298,749 for the three months ended October 31, 2017. After the second quarter of fiscal 2017, the Company ceased capitalizing product development costs as the products had been completed and were ready for sale which contributed to an increase in the loss compared to the previous quarter.

We are now tracking SaaS revenue separately from services revenue. To more accurately present the Company's direction, revenues and business models, we are now presenting our revenues under two categories: 1) Subscriptions & Support and 2) Services. Subscriptions & Support revenues represent the target focus of Management. Revenues in this category encompass the SaaS based products including DigitalReach™, Individeo™ and Fintools™. Services revenues are comprised of software delivery as well as our traditional business which includes digital projects for design, UX/CX, development of websites, landing pages, social media, and content creation.

Management is pleased with the growth in the subscription business. Significant new resources have been put in place in order to grow the recurring revenue associated with DigitalReach™ and Individeo™. We expect to see some benefit from these efforts immediately but we do caution that new sales and marketing resources take some time to substantially increase the sales funnel and performance.

The information on our refreshed website www.BlueRush.com reflects the new changes in the Company's direction. More information on the BlueRush Saas products can be viewed for DigitalReach, www.digitalreach.ca and Individeo, www.individeo.com. A new product website for FinTools™ will be available shortly.

RESULTS OF OPERATIONS

Certain financial information for the Company as of October 31, 2017 and July 31, 2017 and for the three months ended October 31, 2017 is provided below:

	As of October 31, 2017 (Unaudited)	As of July 31, 2017 (Audited)
Total Assets	$ 3,404,818	$ 2,495,877
Total Financial Liabilities	1,579,742	1,648,912
Deferred Revenue	151,470	164,248
Deferred tax liability	125,913	125,913
Shareholders' Equity	1,547,693	556,804

	Three Months Ended	
	October 31, 2017 (Unaudited)	October 31, 2016 (Unaudited)
Revenue from Operations		
Subscriptions and support	$ 279,118	$ 226,379
Services	425,266	742,975
Interest	2,407	2,514
	706,791	971,868
Cost of Sales		
Subscriptions and support	86,556	145,010
Services	212,438	282,872
	298,994	427,882
Net loss	$ (298,749)	$ (68,844)
per share - basic	(0.008)	(0.002)
per share - diluted	(0.008)	(0.002)

RESULTS OF OPERATIONS (Continued)

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

For the three months ended October 31, 2017, the Company achieved revenues of $706,791 and incurred net loss of $298,749 or $0.008 per share. This compares to revenues of $971,868 and net loss of $68,844 or $0.002 per share for the three months ending October 31, 2016.

We incurred an overall decrease in revenue of approximately 27% since the prior quarter. Our overall traditional Services revenues decreased by approximately 43% or $317,709 Our new focus is on Subscription & Support revenue versus our traditional Services revenue. We expect that our Subscription & Support revenue will continue to increase as our new products discussed above gain more traction in the market. Sales efforts in our traditional services area are now focused on those clients that will generate a projected minimum amount of business that achieve a specified target margin.

The regulatory version of DigitalReach became available for use upon the regulatory deadline for POS3 of May 30th, 2016. At that point we discontinued capitalizing the costs and began amortizing these costs over their expected useful life to the Company.

The Company's annual increase in expenditures from fiscal 2016 was approximately 32%. The main reason for the increase was because the Company capitalized less salaries and consulting fees to intangibles than in the prior year.

Our overall expenses increased approximately 12.7% or $79,793 compared to the prior quarter. This was mainly because we did not capitalize any expenditures to internally generated intangible assets in the current quarter, whereas in the prior quarter we capitalized $111,318 in costs. Otherwise, our focus has been on cost reductions due to careful monitoring of staff and use of outside contractors to correspond with our projects in progress in an effort to reduce and control overall costs.

Our research and development costs increased approximately 9% or $22,218 compared to the prior quarter. As mentioned above, a sizable portion of the payroll expense is now allocated to the R&D team and Management plans to continue to increase investment in R&D to enhance the software based on customer feedback, competitive research and our own innovative concepts for product design. Therefore we expect our R&D costs to increase over the next fiscal year.

Our sales and marketing expenses decreased by 10% or $13,575 for the three months ended October 31, 2017 compared to the prior quarter. We also expect sales and marketing costs to increase as we have hired new sales personnel to market our products over the next fiscal year. We also discontinued certain prior sales and marketing consulting contracts resulting in the decrease in the quarter.

A claim was recorded for Scientific Research and Development ("SRED") Tax Credits of $370,186 for the prior fiscal year. Of this claim, the Company expects to receive $227,896 within the next fiscal year. These claims are subject to audit by Canada Revenue Agency ("CRA") and any adjustments that result could affect investment tax credits recorded in the consolidated financial statements.

RESULTS OF OPERATIONS (Continued)

The Company has also applied for new Ontario Interactive Digital Media tax credits for the 2013 to 2016 fiscal years, which amount to $90,206, $110,060, $63,074 and $6,860, respectively. Since the Company has no history of receiving these claims they will not be recognized until they have been approved by the CRA.

The Company has available $1,538,096 of federal non-capital losses and $2,309,361 Quebec non-capital losses to offset future taxable income, as well as $812,352 federal and Ontario non-refundable ITCs available to reduce future taxes payable.

Summary of Quarterly Results:

The following is a summary of the Company's quarterly results for the past two years:

	Three months ended (unaudited)			
	October 31, 2017	July 31, 2017	April 30, 2017	January 31, 2017
Total Revenue	$ 706,791	$ 684,765	$ 784,819	$ 816,505
Net loss for the period	(298,749)	(915,769)	(254,930)	(397,130)
Net loss per share - basic	(0.008)	(0.028)	(0.008)	(0.012)
Net loss per share - diluted	(0.008)	(0.028)	(0.008)	(0.012)

	Three months ended (unaudited)			
	October 31, 2016	July 31, 2016	April 30, 2016	January 31, 2016
Total Revenue	$ 971,868	$ 857,363	$ 737,320	$ 988,339
Net loss for the period	(68,844)	(37,383)	(268,698)	87,003
Net loss per share - basic	(0.002)	(0.001)	(0.008)	0.003
Net loss per share - diluted	(0.002)	(0.001)	(0.008)	0.003

CASH FLOWS

For The Three Months Ended October 31, 2017 and 2016

During the three months ended October 31, 2017, the Company utilized $47,303 in net cash in its operating activities as compared to $77,923 during the three months ended October 31, 2016. Our utilization of cash for operating activities has improved as we have collected a large portion of our outstanding receivables, offset by an increase in our loss during the quarter.

During the three months ended October 31, 2017, net cash provided by financing activities was $1,223,437 as compared to net cash provided by financing activities of $36,518 in the prior quarter. The Company received gross proceeds of $1,300,000, less transaction costs of $10,362, from a private placement in October 2017, and repaid $66,201 of its current term loans. In the prior quarter, the Company received a new term loan of $100,000 less $2,000 in transaction costs, and repaid $62,482 of its current term loans.

During the three months ended October 31, 2017 net cash used in investing activities was nil, and the prior quarter incurred $111,318 mainly from expenditures incurred for internally generated intangible assets (Individeo). The Company's products are now all available for sale and we therefore ceased capitalizing costs until new products are developed.

For the three months ended October 31, 2017 the Company had an overall net increase in cash of $1,190,363, which was mainly from the proceeds of our private placement, less a small portion of cash utilized in our operations as discussed above.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet Highlights	October 31, 2017	July 31, 2017
Cash	$ 2,195,746	$ 1,005,383
Accounts receivable	412,348	632,697
Investment tax credits refundable	227,896	227,896
Total assets	3,404,818	2,495,877
Total liabilities	1,857,125	1,939,073
Total equity	1,547,693	556,804

As at October 31, 2017, the Company had current assets of $2,878,750 and current liabilities of $941,057, resulting in working capital of $1,937,693 as compared to working capital of $905,911 as at July 31, 2017. The Company's cash position continues to be strong and the Company's cash and current assets should be sufficient to meet the Company's current financial obligations.

LIQUIDITY AND CAPITAL RESOURCES (Continued)

In July 2015, the Company received a term loan from the Business Development Bank of Canada ("BDC") in the amount of $250,000 to fund working capital needs. The term loan is interest bearing at BDC's Floating Base Rate plus 2.5% per annum. The first monthly principal payment of $4,560 plus interest was due July 2016, thereafter monthly principal payments of $4,160 plus interest are due until June 2021 (59 months). In October 2016, the Company received an additional $100,000, less transactions costs of $2,000, with the same terms and conditions stated above except the first monthly principal payment of $2,060 plus interest is due in September 2017. Thereafter, monthly principal payments of $1,660 plus interest are due until August 2022 (59 months).

In October 2017, the Company closed a non-brokered private placement and issued 19,999,992 units at a price of $0.05 per unit for gross proceeds of $1,000,000 and 4,444,441 units at a price of $0.0675 per unit for gross proceeds of $300,000.

The Company intends to use the proceeds of the above private placement and term loans to fund its marketing and sales force for its new products and to also fund new development in current and future products.

The Company also expects to receive $227,896 from its 2017 SRED claim within the next fiscal year.

Material ongoing contractual obligations of BlueRush relate to the payment of operating leases for office premises. BlueRush leases 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 BlueRush's audited consolidated financial statements.

The Company's capital expenditures have historically been low and there are no significant capital expenditures planned within the next fiscal year, other than for further development of internally generated intangible assets and general purchases of computer equipment and furniture.

During the three months ended October 31, 2017, 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. The Company's related party transactions for the three months ended October 31, 2017, were only compensation to key management personnel.

Key management personnel are defined as those individuals having authority and responsibility for planning, directing and controlling the activities of the Company. For the three months ended October 31, 2017 the Company paid $121,404 (three months ended October 31, 2016 - $116,229) for compensation paid to key management personnel.

OFF-BALANCE SHEET ARRANGEMENTS

There are no significant off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

Preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the period. Although these estimates and assumptions are based on management's best knowledge of current events, actual results may be different.

Certain estimates depend on subjective or complex judgments about matters that may be uncertain and changes in these estimates could materially impact the financial statements.

The key sources of estimation uncertainty at statement of financial position date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year, are discussed below:

Revenue Recognition – Services

Revenue from services is recognized based on the proportion of total project contract costs incurred for work performed at the statement of financial position date compared to the estimated total project contract costs to complete the project. Management is required to make judgmental estimates on the total project contract costs to complete the project. These judgments will affect the amount of revenue recognized as well as the reported amounts of unbilled revenue and deferred revenue.

Multiple Element - Allocation of Revenue

As the Company enters into transactions that represent multiple element arrangements, estimates are made to determine how consideration is allocated to the separate units of accounting or elements on a relative fair value basis. Changes in the estimates will impact the revenue recognized in the year.

Allowance for Doubtful Accounts

Accounts receivable are reviewed for collectability on a monthly basis. Management is required to estimate whether a receivable balance is collectable based on their relationship with the client and knowledge of the client's financial position. These estimates will affect the reported amounts of accounts receivable and bad debts expense.

Investment Tax Credits Recoverable

Investment tax credits are claimed on the Company's research and development activities and are based on a percentage of employee wages. Management is required to make judgments of the amount of investment tax credits that the Company will be able to claim. In order to make this estimate, management utilizes a specialist consultant to prepare the appropriate claim forms. These judgments will affect the reported amounts of investment tax credits refundable and salaries and wages expense. Management also exercises judgment in determining the timing of ITCs recorded as an asset which have not yet been applied to reduce taxes payable and in determining the portion that the Company expects will be received within one year of the statement of financial position date.

The Company estimates the probability that taxable profits will be available to offset against deductible temporary differences which give rise to deferred tax assets and the utilization of investment tax credits recoverable. The ultimate realization of the deferred tax assets and investment tax credits recoverable is dependent on the generation of future taxable income during the year in which the temporary differences and investment tax credits recoverable are deductible.

CRITICAL ACCOUNTING ESTIMATES (Continued)

Capitalization of Development Costs

Management exercises judgment when establishing whether the criteria under IAS 38, Intangible Assets, for development costs have been met, specifically the technical feasibility of the products in development and the ability to generate probable economic future benefits.

Impairment of intangibles

Intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount or if the intangibles are not yet in use. The recoverable amount is determined with reference to the fair value of the intangibles less costs of disposal or the value-in-use calculations. An impairment loss is measured as the difference between the asset's carrying amount and the recoverable amount. Where recoverable amount is determined to be less than the carrying amount, an impairment loss may arise. Management exercises significant judgment and assumptions when determining the recoverable amount of intangibles.

DESCRIPTION OF SECURITIES

Share Capital

The Company has authorized an unlimited number of common shares and has 57,037,433 common shares issued and outstanding as at October 31, 2017 (32,593,000 as at July 31, 2017).

On October 19, 2017, the Company closed a non-brokered private placement and issued:

- 19,999,992 units at a price of $0.05 per unit for gross proceeds of $1,000,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a common share at a price of $0.05 for a period of 24 months from the date of issuance.

- 4,444,441 units at a price of $0.0675 per unit for gross proceeds of $300,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a common share at a price of $0.0675 for a period of 24 months from the date of issuance.

Share issuance costs of $10,362 were incurred related to the above and was deducted from share capital.

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	# of shares outstanding as of October 31 , 2017	# of shares outstanding as of July 31, 2017
Common Shares	Unlimited	57,037,433	32,593,000

DESCRIPTION OF SECURITIES (Continued)

Stock Option Plan

The Company grants stock options to eligible directors, officers, key employees and consultants under its stock option plan to enable them to purchase common shares of the Company. Under the terms of the plan, the number of common shares which may be issued pursuant to the exercise of options granted under the plan may not exceed 20% of the number of common shares outstanding at the time of grant.

The exercise price of an option granted under the plan cannot be less than the closing price of the common shares on the last day on which the common shares trade prior to the grant date of the option. An individual can receive grants of no more than 5% of the outstanding shares of the Company on a yearly basis and options are exercisable over a period not exceeding ten years. Options vest according to the contract terms which range over a period of two to three years.

The Company has outstanding options which each can be exercised and exchanged for one common share. A summary of the status of the Company's stock options as at October 31, 2017 and changes during the three months then ended is presented below:

	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	1,375,000	$ 0.15
Granted	-	-
Exercised	-	-
Forfeited/cancelled/expired	-	-
Outstanding - end of period	1,375,000	$ 0.15
Exercisable - end of period	1,375,000	$ 0.15

The weighted average remaining contractual life of stock options as of October 31, 2017 is 4.53 years (July 31, 2017 - 4.78 years).

The Company had the following stock options outstanding as of October 31, 2017:

Number of Options Outstanding	Exercise Price $	Expiry Date
1,375,000	0.15	May 10, 2022

Share Purchase Warrants

On October 19, 2017 the Company issued 19,999,992 units at a price of $0.05 per unit for gross proceeds of $1,000,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a common share at a price of $0.05 for a period of 24 months from the date of issuance. The estimated fair value of these warrants, as of the grant date, were determined to be $448,950 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield 0%; expected volatility of 118%; risk free interest rate of 1.55%; and expected life of one year.

DESCRIPTION OF SECURITIES (Continued)

Share Purchase Warrants (Continued)

On October 19, 2017 the Company issued 4,444,441 units at a price of $0.0675 per unit for gross proceeds of $300,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a common share at a price of $0.0675 for a period of 24 months from the date of issuance. The estimated fair value of these warrants, as of the grant date, were determined to be $120,071 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield 0%; expected volatility of 118%; risk free interest rate of 1.55%; and expected life of two years.

A summary of the status of the Company's warrants as at October 31, 2017 and changes during the three months then ended is presented below:

	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	-	$ -
Granted	24,444,433	$ 0.0532
Exercised	-	-
Expired	-	-
Outstanding - end of period	24,444,433	$ 0.0532

The Company had the following warrants outstanding as at October 31, 2017:

Number of Options Outstanding	Exercise Price $	Expiry Date	Remaining Life (Years)
19,999,992	0.05	October 19, 2019	1.97
4,444,441	0.0675	October 19, 2019	1.97
24,444,433			

FUTURE ACCOUNTING POLICIES

There have been no new accounting policy updates since the Company's audited financial statements were filed.

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.