BlueRush Media Group Corp.

Management Discussion & Analysis

For the Year Ended July 31, 2009

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 16, 2009
For the Year ended July 31, 2009

COMPANY OVERVIEW

BlueRush Media Group Corp., through its wholly owned subsidiary, BlueRush Digital Media Corp., is a Canadian 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 media: Internet, Web TV, iPods, Mobile Phones, Digital Signs and In-store 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

The period from August 1, 2008 to July 31, 2009 proved to be a very challenging operating environment for businesses of all sizes and across all industries, and BlueRush was no exception. Having entered the fiscal year with an increased human resource base in order to fulfill the increasing demand from a financial services client base, BlueRush was perhaps faced with an even tougher challenge.

While BlueRush was not immune to these challenges and subsequently posted a modest net loss of $85,587 for the fiscal year, there were still many positive developments during the year of which 3 are highlighted below.

1) Diversified Client Base

During fiscal 2009 BlueRush entered the period recognizing the need to diversify its client base. With a strong footprint on the financial services sector, BlueRush worked hard to establish a new footprint in other industries. The company targeted the pharmaceutical industry and subsequently generated contracts with Hamilton Health Sciences, Novartis, McGill University Health Centre and Afexa Life Sciences.

In addition to expanding into new industries, BlueRush also diversified its reliance on any one client. In fiscal 2008 BlueRush's largest client accounted for 73.9% of all revenues. In 2009, BlueRush's largest client (which was the same client) accounted for 44.9%. Ultimately BlueRush was able to reach a more expansive client base and span new industries in 2009.

2) Revenue Increase

Efforts to diversify its client base, outlined above, resulted in a 12.5% increase in revenue during fiscal 2009. While at the outset of the year management was expecting a larger revenue figure, the Company was still able to achieve revenue growth despite the deteriorating economic environment which plagued the financial services industry and our largest client dropping its spend by over 30%. The Company was able to recoup these losses in sales by diversifying its client base and industry appeal.

3) Working Capital & Liquidity

BlueRush enters fiscal 2010 with a very strong balance sheet and favorable working capital position. The Company has $826,673 in working capital, $166,957 in cash, $790,298 in Accounts Receivable and no debt. Additionally, during the fourth quarter, BlueRush established a $250,000 line of credit which to date it has not needed to draw on.

BlueRush works with some of Canada's largest financial institutions; therefore the credit risk associated with its Account Receivable balance remains minimal. However, with that said, BlueRush has recognized that while invoices do get processed, the timing of payment can often drag on. BlueRush has recognized the importance to reduce Days Receivable, and has taken measures to encourage quicker payments so as to improve the company's cash flow position.

4) Research & Development Expenses

With most of our R&D expenses resulting in proprietary work that we perform for one client or another, our financial statements do not showcase that such a cost was incurred nor do we capitalize such a cost. However, in the operations of our business, it is very common for us to develop an application for a customer and then reuse the developed technology for an application for another customer. More specifically, over the year BlueRush created the following products which it now offers to its clients:

- A multimedia centre - enables clients to aggregate all of their videos and podcasts.
- A media player - designed to allow both small and large companies the ability to broadcast their own videos and presentations
- A newsletter engine – allows companies to create and disseminate both internal and external digital communications.

Overall fiscal 2009 proved to be a very challenging year for BlueRush. The Company felt the effects of the economic downturn as it severely hampered many of our key clients in the financial services industry. Potential clients and new clients alike, opted to hold off on implementing any new marketing projects, as they waited for a more stable economy to emerge. This slowdown, combined with our added expense base in the form of human capital, resulted in the net loss for the year. However, as pointed out, there were also many positive developments, which emerged from the past year

SELECTED ANNUAL INFORMATION

	July 31, 2009	July 31, 2008	July 31, 2007
Revenues from Operations	$2,889,501	$2,568,612	$561,883
Net Income (loss)	($85,587)	$214,693	$575,896
per share – basic	($0.003)	$0.007	($0.001)
per share – fully diluted	($0.003)	$0.007	($0.001)
Total Assets	$1,075,813	$1,281,357	$855,524
Total Financial Liabilities	$194,623	$330,985	$133,854
Cash Dividends Per Share	$Nil	$Nil	$Nil

The Company entered fiscal 2009 expecting to continue on its expansive growth. Management internally projected and prepared to facilitate another year of revenue growth and many additional new projects similar to what was seen during fiscal 2008. Subsequently, the Company entered into fiscal 2009 with an enhanced work force. However, as previously pointed out, the subsequent financial meltdown greatly affected BlueRush's existing client base. Subsequently many larger projects were delayed and/or replaced with smaller lower margin projects. Subsequently, the

Company posted a net loss in 2009. However, by diversifying its client base, BlueRush was still able to generate revenue growth of 12.5%.

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, 2009, BlueRush recorded revenue of $2,889,501. The aggregate expenses incurred for the year were $3,017,223 and BlueRush recorded a net loss per share of $0.003 during the year.

During the fiscal year the Company saw immense pressure and a reduced marketing spend amongst many of its financial clients. BlueRush was able to supplant that loss in income by diversifying its services across a greater client base and enter new industries with similar demographics, namely the Health and Pharmaceutical industry. As a result of these efforts the Company was able to achieve a 12.5% increase in revenue. With that said, BlueRush was not able to be fully immune to the economic downturn, as it recognized a net loss of $85,587 for the year.

BlueRush entered fiscal 2009 with many new projects and a growing revenue base. Subsequently, towards the end of fiscal 2008, management increased its human capital and additionally increased its R&D spend, in order to facilitate the existing demand and enhance future demand. The enhancement of BlueRush's inhouse expertise resulted in a 51.9% increase in Salary expenses and a corresponding 26.9% decline in production costs.

Due to the economic downturn, which severely hampered the financial services industry, many marketing projects were suspended during the latter half of 2008. This drop in spend greatly affected BlueRush's third and fourth quarter results. Overall, the combination of the increased human capital expense and a drop in the clients' marketing spend is the main reason why BlueRush posted a net loss during fiscal 2009.

Sales from BlueRush's largest client accounted for 44.9% of total revenue for the year. No other client accounted for more than 10% of sales.

SUMMARY OF QUARTERLY RESULTS

	2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total Revenues	419,838	618,024	873,851	656,899	766,957	846,349	580,644	695,551
Net Income	74,536	82,649	146,983	(89,475)	19,644	29,583	(75,527)	(59,287)
Net Income per Share (basic)	$ 0.002	$ 0.003	$ 0.005	$ (0.003)	$ 0.001	$ 0.001	$ (0.002)	$ (0.002)
Net Income per Share (diluted)	$ 0.002	$ 0.002	$ 0.004	$ (0.003)	$ 0.001	$ 0.001	$ (0.002)	$ (0.002)

As previously outlined, the economic downturn affected BlueRush's performance in fiscal 2009. Most of the financial affects were realized by BlueRush during the 3rd quarter and part of the 4th quarter of 2009.

In general, individual quarterly results may vary significantly due to timing of new projects and project deliverables. Therefore, investors are encouraged to view longer time periods as opposed to comparing individual quarters. Subsequently, the previous explanations, better reflect the Company's operations then an individual quarter by quarter comparison.

LIQUIDITY AND CAPITAL RESOURCES

In fiscal 2009 BlueRush achieved $2,889,501 in revenue and a loss of $85,587 or ($0.003) per share. As at July 31, 2009, the Company had $166,957 in cash and cash equivalents and $790,298 in Accounts Receivable the bulk of which is held by large stable financial institutions. In aggregate, BlueRush had total current assets of $1,011,274 and total current liabilities of $184,601. This leaves the Company with $826,673 in Working Capital.

During the fourth quarter BlueRush secured a $250,000 line of credit in order to provide it with additional working capital should collection of Accounts Receivable continue to be slow. As at the date of this MD&A, the Company is yet to draw on the line of credit, and has made a concerted effort to improve its collection of outstanding Accounts Receivable balances.

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, 2008 to July 31, 2009.

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.

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 2,115,850 stock options at exercise prices ranging from $0.10 to $0.13 expiring from January 13, 2010 to May 8, 2014. Pursuant to its stock option plan BlueRush may grant stock options equal to 10% of its issued and outstanding common shares.

THE FOURTH QUARTER

The Company realized $695,551 in revenue during the quarter, a 5.9% increase from the same period last year. Results in both the third and the fourth quarter tended to suffer the most from the aforementioned reduction in marketing spend amongst BlueRush existing client base. With that said, subsequent to the end of the fourth quarter, management has started to see a return to marketing spend amongst its clients.

Additionally, the Company realized a loss during the quarter of $59,287 or ($0.002) per share. The loss in the quarter was due to the reduction in revenues, as well as increased expenses incurred during the quarter related to the Company’s year end financial statements; Audit fees, Legal expenses, Filing fees, etc.

Sales from BlueRush’s largest two clients during the quarter accounted for 33.5% and 24.9% of total revenue for the quarter. No other client accounted for more than 10% of sales.

CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

Financial Instruments – Disclosures

Handbook Section 3862 requires an entity to provide disclosures to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about the nature and extent of risks arising from financial instruments, including specified minimum disclosures about liquidity risk and market risk. The quantitative disclosures must also include a sensitivity analysis for each type of market risk to which an entity is exposed, showing how net income and other comprehensive income would have been affected by reasonably possible changes in the relevant risk variable. The Company has included disclosures recommended by this new Handbook section in Note 16.

Financial Instruments – Presentation

Handbook Section 3863 replaces the existing requirements on presentation of financial instruments which have been carried forward unchanged to this new section.

General Standards of Financial Statement Presentation

In May 2007, the Accounting Standards Board amended Section 1400 "General Standards of Financial Statement Presentation" to change guidance on management's responsibility to assess and disclose the Company's ability to continue as a going concern. This requires management to assess an entity's ability to continue as a going concern, taking into account all available information about the future which is, at least, but not limited to, twelve months from the balance sheet date. Financial statements must be presented on a going concern basis unless the management either intends to liquidate the entity, cease trading or operations, or has no realistic alternative but to do so. The Company has determined that this new section has no disclosure impact on its financial statements.

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, BlueRush is subject to a wide variety of risks and uncertainties. Due to the nature of BlueRush's business, BlueRush may be subject to significant risks. BlueRush's actual operating results may be very different from those expected. Investors should carefully consider all such risks, and should be particularly aware of such risks. These risk factors include (i) economic and legal developments; (ii) the internet/video industry is highly competitive; (iii) BlueRush's dependence on a number of key employees the loss of anyone of whom could have an adverse effect on BlueRush; (iv) BlueRush's limited operating history; (v) additional future capital requirements in order to grow and expand operations; (vi) BlueRush's ability to attract and retain experienced management and employees; (vii) management's ability to manage growth; and (viii) the market price of the common shares of BlueRush is likely to be highly volatile.

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.