

BLUERUSH MEDIA GROUP CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

Dated: March 31, 2017

For The Three and Six Months Ended January 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, 2016 and 2015. 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, 2016 and 2015.

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 March 31, 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, through its wholly owned subsidiary, BlueRush Digital Media Corp., is a digital services and solutions company which combines leading edge technology with award winning creative design. BlueRush helps companies design, develop and manage their end-to-end digital media strategy. BlueRush has deep roots in the FINTECH (Financial Technology industry) providing services and products to leading financial service organizations. The Company has developed a product suite, which provides one to one personalization across the entire customer journey. BlueRush Media Group Corp. is a publicly listed company 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

For the three months ended January 31, 2017, the Company achieved revenues of \$816,505 and incurred a net loss of \$397,130. This compares to revenues of \$988,339 and net earnings of \$87,003 for the three months ending January 31, 2016. For the first time in its history nearly one third of revenues were attributed from the new product side of the business. At the same time overall revenues for the three and six months ended January 31, 2017 were down as major financial service firms deferred and minimized spending on digital services. Furthermore, the Company was required to keep on additional high paid resources to complete promised enhancements and fixes to DigitalReach™ for both the regulatory and marketing side of honoring commitments made to clients. This decrease in traditional service revenues combined with higher costs for required resources resulted in the net loss the Company incurred during the three and six months ended January 31, 2017. In the beginning of the third quarter of 2017, management implemented cuts in overall expenses for employees and contractors which is estimated to decrease future costs by approximately \$700,000 per year, in order to accurately align our future revenues with our costs.

It should be noted that the user base of the Company's product, DigitalReach™ has now reached over 70,000 financial advisors. This includes those utilizing it for either the regulatory or marketing side of content storage, distribution and tracking. During the three months ended January 31, 2017 a major schedule A bank client also reached a new milestone in overall usage of DigitalReach™ with regard to the number of mailings sent in one day collectively. Users provided positive feedback regarding the ease of use of the platform as well a boost to their productivity. This success bodes well for increased use within other areas or departments of the bank as well as potential expansion to operations outside of Canada. On the regulatory side of the product, the enhancements made during the period resulted in a significant performance increase resulting in higher satisfaction amongst users and thus all clients, as reported by our strategic partner. Once again this bodes well for growth in this product through potential to add new customers and feature sets.

On the Individeo™ product side BlueRush developed new use cases for Investment Statements, financial calculators and selectors and customer bills for firms in Telecom and Utilities. These use cases along with previous ones have been well received by clients in the financial services and telecom sectors. We are currently working on pilot projects for new clients and exploring larger opportunities with clients that have already tested Individeo™.

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OVERALL PERFORMANCE (Continued)

Project work continued on the services side with existing and new clients. Project types here include: design and development of highly trafficked websites, videos, and financial tools and selectors and content marketing.

In summary, despite growth in the product business, which represents the future direction and scalability of the Company, we experienced a net loss during the three and six months ended January 31, 2017. In order to accurately align our future revenues with our costs we have taken the necessary steps to reduce overall expenses by eliminating resources and putting other cost controls in place. In total these cuts will amount to annually approximately \$700,000 yet still allow the Company to meet its demands on delivering projects and advancing our product business. We remain steadfast in our approach and objective to grow our revenues on the product side while seeking larger anchor clients for the services business.

Interested parties as well as investors should recognize that the Company is still in the process of transitioning a significant portion of its business from service revenue to product revenue. Investments are required for such a transition. Management expects this will have a positive influence on profitability and has evidence of this already with the growth of its product side.

The information on our refreshed website www.BlueRush.com reflects the new changes in the Company's direction. Product sites for DigitalReach, www.digitalreach.ca and Individeo, www.individeo.com were launched this year. The Company will also commit to regular updates to its site and social media activities.

RESULTS OF OPERATIONS

Certain financial information for the Company as of January 31, 2017 and July 31, 2016 and for the three months ended January 31, 2017 is provided below:

	As of January 31, 2017 (Unaudited)	As of July 31, 2016 (Audited)
Total Assets	\$ 3,672,880	\$ 4,402,492
Total Financial Liabilities	1,698,892	1,888,985
Deferred Revenue	161,825	203,012
Deferred tax liability	84,660	117,018
Shareholders' Equity	1,727,503	2,193,477

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RESULTS OF OPERATIONS (Continued)

	Three Months Ended	
	January 31, 2017 (Unaudited)	January 31, 2016 (Unaudited)
Revenue from Operations	\$ 816,505	\$ 988,339
Net (loss) earnings	(397,130)	87,003
per share - basic	(0.012)	0.003
per share - diluted	(0.012)	0.003

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

For the three months ended January 31, 2017, the Company recorded revenues of \$816,505 and aggregate expenses of \$1,232,070. The Company realized a net loss of \$397,130 or \$0.012 per share. This compares with revenues of \$988,339 and net earnings of \$87,003 or \$0.003 per share for the three months ended January 31, 2016.

We incurred an overall decrease in revenues of approximately 17% since the prior quarter which is mainly from a decrease in services revenue offset by an increase in our product revenues. Our overall traditional service revenues have decreased mainly due to financial clients curbing expenditures and from increasing competition and efforts to complete work internally. Our licensing revenues from our products have increased as our new products gain traction in the market. License revenues for the regulatory side of DigitalReach began in June 2016 and have continued monthly since its launch. Our new focus is on product and licensing revenues versus our traditional service revenues. We expect that our licensing revenues will continue to increase as our 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. Since this product became available for use, we discontinued capitalizing the costs and began amortizing these costs over their expected useful life to the Company.

The Company's expenditures for the three months ended January 31, 2017 increased by approximately 35% compared to the three months ended January 31, 2016. The main reason for the increase was an increase in salaries and consulting expenses which are related to development of our new products and implementing our sales and marketing plan for our new products. We also recorded foreign exchange gains during the prior comparative period, resulting in higher overall general and administrative expenses.

The Company has also applied for new Ontario Interactive digital media tax credits for the 2012 to 2016 fiscal years for a total amount of \$307,735. Since the Company has no history of receiving these claims they will not be recognized until they have been approved by the Canada Revenue Agency ("CRA"). The Company is also in the process of completing the same applications for the 2015 and 2016 fiscal years but they have not yet been filed with CRA.

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RESULTS OF OPERATIONS (Continued)

Summary of Quarterly Results:

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

	Three months ended (unaudited)			
	January 31, 2017	October 31, 2016	July 31, 2016	April 30, 2016
Total Revenue	\$ 816,505	\$ 971,868	\$ 857,363	\$ 737,320
Net loss for the period	(397,130)	(68,844)	(37,383)	(268,698)
Net loss per share - basic	(0.012)	(0.002)	(0.001)	(0.008)
Net loss per share - diluted	(0.012)	(0.002)	(0.001)	(0.008)

	Three months ended (unaudited)			
	January 31, 2016	October 31, 2015	July 31, 2015	April 30, 2015
Total Revenue	\$ 988,339	\$ 989,304	\$ 976,324	\$ 760,178
Net earnings (loss) for the period	87,003	47,588	329,655	(98,309)
Net earnings (loss) per share - basic	0.003	0.001	0.01	(0.003)
Net earnings (loss) per share - diluted	0.003	0.001	0.01	(0.003)

CASH FLOWS

Six Months Ended January 31, 2017 and 2016

During the six months ended January 31, 2017, the Company utilized \$217,481 in net cash in its operating activities as compared to generated \$478,399 during the six months ended January 31, 2016. The decrease in cash from operating activities was mainly because of the net loss during the period.

During the six months ended January 31, 2017, net cash used in financing activities was \$26,963 as compared to net cash provided by financing activities of \$Nil in the prior quarter. The Company received a new term loan of \$100,000 less \$2,000 in transaction costs, and repaid \$124,963 of its current term loans.

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CASH FLOWS (Continued)

Six Months Ended January 31, 2017 and 2016 (Continued)

During the six months ended January 31, 2017 net cash used in investing activities was \$114,641 mainly from expenditures incurred for internally generated intangible assets (Individeo). The Company also purchased \$3,323 of computer equipment compared to purchases of \$1,799 in the prior period.

For the six months ended January 31, 2017 the Company had an overall net decrease in cash of \$364,991, which was mainly related to financing our new product development and increase in net loss.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet Highlights	January 31, 2017	July 31, 2016
Cash	\$ 1,703,145	\$ 2,068,136
Accounts receivable	464,212	733,540
Income taxes and investment tax credits recoverable	770,421	943,161
Total assets	3,672,880	4,402,492
Total liabilities	1,945,377	2,209,015
Total equity	1,727,503	2,193,477

As at January 31, 2017, the Company had current assets of \$2,463,708 and current liabilities of \$807,044, resulting in working capital of \$1,656,664 as compared to working capital of \$2,117,018 as at July 31, 2016. The Company's cash position continues to be strong and the Company's cash and current assets would be sufficient to meet the Company's current financial obligations.

In June and July 2015 the Company received a term loan from Investissement Quebec ("IQ") in the amount of \$1,000,000 to fund working capital needs. The term loan is interest bearing at prime rate plus 3.15% per annum. Interest only payments were required until June 2016 (12 months); thereafter monthly principal payments of \$16,665 plus interest are due until May 2021 (59 months), with the final payment of \$16,765 due June 2021.

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).

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LIQUIDITY AND CAPITAL RESOURCES (Continued)

In October 2016, the Company received a term loan from BDC in the amount of \$100,000 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 \$2,060 plus interest is due September 2017, thereafter monthly principal payments of \$1,660 plus interest are due until August 2022 (59 months).

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

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 six months ended January 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, 2016, 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. Included in salaries and benefits expense for the three and six months ended January 31, 2017 is \$105,212 and \$221,441, respectively (three and six months ended January 31, 2016 - \$99,212 and \$208,500, respectively) for compensation paid to key management personnel.

OFF-BALANCE SHEET ARRANGEMENTS

There are no significant off-balance sheet arrangements.

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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

Revenue from contracts 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.

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.

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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 authorized share capital of BlueRush Media Group Corp. consists of an unlimited number of common shares, of which 32,593,000 common shares are issued and outstanding.

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, 2015	# of shares outstanding as of July 31, 2015
Common Shares	Unlimited	32,593,000	32,593,000

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.

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DESCRIPTION OF SECURITIES (Continued)

Stock Option Plan (Continued)

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 January 31, 2017 and changes during the six months then ended is presented below:

	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	1,875,000	\$ 0.15
Granted	-	-
Exercised	-	-
Forfeited/cancelled/expired	-	-
Outstanding - end of period	1,875,000	\$ 0.15
Exercisable - end of period	1,875,000	\$ 0.15

The weighted average remaining contractual life of stock options as of January 31, 2017 is 5.27 years (July 31, 2016 - 5.78 years).

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

Number of Options Outstanding	Exercise Price \$	Expiry Date
1,875,000	0.15	May 10, 2022

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.