BLUERUSH MEDIA GROUP CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
Dated: November 26, 2014
For the Year Ended July 31, 2014

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, 2014 and 2013. 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, 2014 and 2013.

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

BASIS OF PRESENTATION

Unless otherwise noted, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS").

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

All financial information is reported in Canadian dollars.

This MD&A was approved for issue by the Board of Directors on November 26, 2014.

Caution Regarding Forward-Looking Information:

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

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

NATURE OF THE BUSINESS

BlueRush, through its wholly owned subsidiary, BlueRush Digital Media Corp., is a digital marketing 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 also creates innovative rich media and social media products and solutions that companies can leverage across all new media platforms including Internet, Web TV, Smartphones, Tablet Computers and Digital Signs. 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.

OVERALL PERFORMANCE

BlueRush achieved revenues for the year ended July 31, 2014 of $4,043,947 compared to $5,295,092 for the year ended July 31, 2013. The Company incurred a net loss of $182,123 in the current year compared to net earnings of $349,732 in the previous year.

The year ended July 31, 2014 was challenging for us as a major client that had contributed approximately 22% of contract revenues in the previous year, restructured and set new cost measures on spending and shifted more to utilizing internal resources. This resulted in a decrease in overall revenues. To compensate for the reduction in revenues and realign expenses with revenues, we have been implementing new cost saving measures by reducing salaries, consulting and overhead, however these new measures were implemented part way through the year therefore we experienced an overall net loss. In addition, we have been focusing our resources on developing a product capability for the Company, in order to shift our business model based on traditional services to more of a product based company. This will allow us to remain competitive by offering new and unique products.

Internally, BlueRush continued development on products including DigitalReach™, SmartAdvisor™ and Managing Cancer at Work™, and the Company actively aimed to strengthen its own marketing efforts specifically on a redesign of its website and active participation in the social media space for LinkedIn, Facebook, Twitter and Google Plus. Additionally, BlueRush added Interactive Conversation a means by which websites provide more humanlike interfaces quickly directing viewers to the content that's right for them. The Company was also awarded 10 awards from the IAC "Internet Advertising Competition" for its submissions bringing its total awards won since 2010 to 82.

The Company's strategic partner for SmartAdvisor™ has been very active on marketing this product and has delivered proposals for its adoption. We continue to be encouraged by the potential for this product and developing a product business based on new regulations that will require brokerage and advisory firms to deliver regulatory documents electronically and have full tracking to prove such documents were sent.

The Managing Cancer at Work™ digital offering was also a key area of focus with many internal resources working towards its completion. Currently the product is into pilot in the USA through our strategic partnership. Plans are underway for sales in the USA and Canada during the pilot phase to large corporations.

On another front, BlueRush developed a new offering with a product related to its original core video products. Individeo™ is the trademark name for BlueRush of its video personalization services. The Company had been pioneering personalization of videos on a one to one basis for a number of years and now has the means through internal resources and partnerships to design and develop and deliver videos that use customer data to personalize videos to each and every customer. The result is more effective lead generation and client retention. This product offering will boost our efforts with new and existing clients and provide differentiation in our services business.

OVERALL PERFORMANCE (Continued)

In summary, while sales were not where we hoped they would be the Company has made excellent progress on internal product development and is making changes to its traditional service products in terms of how these services are positioned and differentiated from an ever-increasing number of competitors. We are encouraged by the potential opportunity to increase business with existing client relationships and new ones as well as their excellent response to our new service and product offerings. The Company is also working to lower its cost of operations and efficiency to offer such services and products and increase long term margins.

RESULTS OF OPERATIONS

Selected annual information for the Company for its most recently completed financial years as at and for the years ended July 31, 2014 and 2013, is as follows:

	As of July 31, 2014	As of July 31, 2013
Total Assets	$ 3,468,504	$ 2,738,516
Total Financial Liabilities	1,203,018	251,549
Shareholders' Equity	1,870,479	2,038,539

	For the Years Ended		
	July 31, 2014	July 31, 2013	July 31, 2012
Revenue from Operations	$ 4,043,947	$ 5,295,092	$ 4,576,397
Net (loss) earnings	(182,123)	349,732	(481,434)
per share - basic	(0.006)	0.011	(0.015)
per share - diluted	(0.006)	0.011	(0.015)

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

For the year ended July 31, 2014, BlueRush recorded revenues of $4,043,947 and aggregate expenses of $4,211,617. The Company recorded a net loss of $182,123 or $0.006 per share. This compares with revenues of $5,295,092 and net earnings of $349,732 or $0.011 per share for the year ended July 31, 2013.

This decrease in revenue of approximately 24% was mainly the result of a substantial drop in business from a major client in the financial services industry after they restructured and set new cost measures on spending and shifted more to utilizing internal resources, which represented approximately 22% of the decrease. This is however not seen as a permanent change as BlueRush continues to work with this client and hopes to recover the lost revenues when their restructuring ends. The remaining decrease was due to the difference in the timing of jobs in progress at year end compared to the prior year.

RESULTS OF OPERATIONS (Continued)

Sales efforts in our traditional services area are now focused on those clients that will generate a projected minimum amount of business. With new products and services in the lineup, and new sales people BlueRush is working to rebuild and grow. The information on the company website reflects the new changes in the company's direction. The Company will also commit to regular updates to its site and social media activities.

We partook less video production projects than the previous year and are focusing sales efforts on increasing the amount of work we do in deeper technology (i.e. mobile, tablets, responsive design and projects that require integration). We have also improved our efficiency across the offices in Toronto and Montreal through the implementation of new controls in tracking our time incurred on projects. Since implementing these new controls, it has helped us to effectively control overall costs and overall production costs.

The Company's annual decrease in expenditures from fiscal 2013 was 13% which were mainly related to a general decrease in staff, consultants and overhead in an effort to reduce overall costs. As well a claim was recorded for Scientific Research and Development ("SRED") Tax Credits of $573,538 which has reduced salaries expense. The SRED tax credits have been recorded as investment tax credits recoverable on our consolidated statement of financial position, and have correspondingly reduced our salaries and wages expense in the consolidated statement of earnings. These claims are subject to audit by Canada Revenue Agency and any adjustments that results could affect investment tax credits recorded in the consolidated financial statements.

Salaries and benefits (before accounting for SRED) increased by less than 1% from the prior year. Although we have been focusing on decreasing staff to compensate for the decrease in revenue, we have also made an effort to reduce the use of outside contractors and rely greater on full time staff. As a result, our consulting costs also decreased by approximately 20%. After accounting for SRED, our overall salaries and benefits expense decreased by approximately 12% since fiscal 2013.

We incurred $6,563 in stock-based compensation for the year ended July 31, 2014 as compared to $79,063 for the fiscal year ended July 31, 2013. Our stock-based compensation is related to the vesting period of our stock options granted in prior years. During fiscal 2014 and 2013, no stock options or warrants were issued.

Corporate income taxes for the year ended July 31, 2014 was $14,453 and $130,228 for the year ended July 31, 2013. Our combined corporate tax rate is approximately 26%.

Summary of Quarterly Results:

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

	Three months ended (unaudited)			
	July 31, 2014	**April 30, 2014**	**January 31, 2014**	**October 31, 2013**
Total Revenue	$ 570,851	$ 817,524	$ 1,276,118	$ 1,379,454
Net (loss) earnings for the period	(302,806)	(99,327)	17,440	202,570
Net (loss) earnings per share - basic	(0.01)	(0.003)	0.001	0.006
Net (loss) earnings per share - diluted	(0.01)	(0.003)	0.000	0.006

RESULTS OF OPERATIONS (Continued)

Summary of Quarterly Results: (Continued)

	Three months ended (unaudited)			
	July 31, 2013	**April 30, 2013**	**January 31, 2013**	**October 31, 2012**
Total Revenue	$ 1,578,889	$ 1,157,052	$ 1,369,263	$ 1,189,888
Net (loss) earnings for the period	214,985	(97,313)	38,578	193,482
Net (loss) earnings per share - basic	0.007	(0.003)	0.001	0.006
Net (loss) earnings per share - diluted	0.007	(0.003)	0.001	0.006

Three Months Ended July 31, 2014 and 2013

For the three months ended July 31, 2014, BlueRush recorded revenue of $570,851 and a net loss of $302,806 or $0.01 per share. This compares with revenue of $1,578,889 and net earnings of $214,985 or $0.007 per share for the three months ended July 31, 2013. This decrease in revenue was mainly the result of a substantial drop in business from a major client in the financial services industry after they restructured and set new cost measures on spending and shifted more to utilizing internal resources. To compensate for the reduction in revenues and realign expenses with revenues, we have been implementing new cost savings measures by reducing salaries, consulting and overhead, however these new measures continue to be implemented therefore we experienced an overall net loss for this quarter.

CASH FLOWS

Years Ended July 31, 2014 and 2013

During the year ended July 31, 2014, the Company generated $17,642 in cash from its operating activities as compared $352,588 in cash for operating activities during the year ended July 31, 2013. The decrease in cash from operating activities was mainly because of our decrease in revenue and overall net loss.

During the year ended July 31, 2014, cash provided by financing activities was $807,500 as compared to cash provided by financing activities of $15,000 in during fiscal 2013. In July 2014 the Company entered into a new term loan with CIBC in the amount of $800,000. In addition, the Company received proceeds of $7,500 from the exercise of stock options in the current year and $15,000 in the prior year.

During the year ended July 31, 2014 cash used in investing activities was $239,683 mainly from expenditures and recoveries incurred for internally generated intangible assets (DigitalReach™, SmartAdvisor™ and Managing Cancer at Work™). The Company also purchased $3,200 of computer equipment compared to purchases of $11,653 for the year ended July 31, 2013.

For the year ended July 31, 2014 the Company had a net increase in cash of $593,601 as compared to a net increase in cash of $355,935 for the year ended July 31, 2013. Our increase in cash overall was mainly related to proceeds received from our new term loan, offset by expenditures for internally developed intangible assets and a decrease in revenues and overall net loss.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet Highlights	July 31, 2014	July 31, 2013
Cash	$ 1,624,107	$ 1,030,506
Accounts receivable	733,129	1,016,346
Income taxes and investment tax credits recoverable	729,405	276,422
Total assets	3,468,504	2,738,516
Total liabilities	1,598,025	697,863
Total equity	1,870,479	2,038,539

As at July 31, 2014, the Company had current assets of $3,169,597 and current liabilities of $1,598,025, resulting in working capital of $1,571,572 as compared to working capital of $1,980,466 as at July 31, 2013.

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 order to meet daily cash flow requirements, the Company utilizes a revolving line of credit in the form of an overdraft on its chequing account at the Canadian Imperial Bank of Commerce ("CIBC"). In July 2014, the Company entered into a new credit arrangement with CIBC where the line of credit was increased to a maximum of $1,000,000 (2013 - $750,000) or the aggregate of 75% of accounts receivable under 90 days and 40% of work in process and unbilled disbursements (to a maximum of $500,000). The credit facility is interest-bearing at the CIBC prime rate plus 1.50% per annum. As of July 31, 2014, the Company has $152,078 in use and $847,922 available under the line of credit.

Also in July 2014 the Company entered into a new term loan with CIBC in the amount of $800,000. The term loan is interest-bearing at the CIBC prime rate plus 0.25% per annum. Interest only payments are required until January 2015 (6 months); thereafter monthly principal payments of $22,222 are due until January 2018 (36 months).

The line of credit and term loan are repayable on demand and secured by a general security agreement covering all the assets of the parent and subsidiary corporations. Since the term loan is due on demand, it has been presented as a current liability on the statement of financial position.

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 year ended July 31, 2014, 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.

Key management personnel are defined as those individuals having authority and responsibility for planning, directing and controlling the activities of the Company. Compensation of key management personnel included salaries and consulting fees, which for fiscal 2014 totaled $417,455 (2013 – $535,986).

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 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. 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 recoverable and salaries and wages expense. Management also exercises judgment in determining the recoverability of ITCs recorded as an asset which have not yet been applied to reduce taxes payable.

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.

Stock-Based Compensation

Stock-based compensation is calculated utilizing the Black-Scholes option pricing model to determine the value of options as of their grant date. Management is required to estimate the volatility of the price of its shares, the amount of future dividends that will be paid, the market's risk-free interest rate, the expected life of the options, and the expected forfeiture rate. These estimates will affect the reported amount of stock-based compensation expense and contributed surplus.

SHARE CAPITAL

The Company has authorized an unlimited number of common shares and has 32,593,000 (2013 - 32,518,000) common shares issued and outstanding at the date thereof.

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.

On February 10, 2014, the Company received cash proceeds of $7,500 and issued 75,000 shares upon the exercise of options at $0.10 per share. The estimated fair value of these options granted on May 8, 2009 in the amount of $3,750 was removed from contributed surplus and allocated to share capital.

STOCK OPTIONS

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% (2013 - 10%) 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.

STOCK OPTIONS (Continued)

A summary of the status of the Company's stock options as at July 31, 2014 and 2013 and changes during the years then ended is presented below:

	Number of Options	Weighted Average Exercise Price	
Outstanding - beginning of period	2,620,000	$	0.14
Granted	-		-
Exercised	(75,000)		0.10
Forfeited/cancelled/expired	(375,000)		0.10
Outstanding - end of period	2,170,000		0.15
Exercisable - end of period	2,170,000		0.15

The Company had the following stock options outstanding as of July 31, 2014:

Number of Options Outstanding	Exercise Price $	Expiry Date
120,000	0.10	March 5, 2015
2,050,000	0.15	May 10, 2022
2,170,000		

SHARE PURCHASE WARRANTS

The Company had the following warrants outstanding as of July 31, 2014:

Number of Warrants Outstanding	Exercise Price $	Expiry Date
250,000	0.10	May 23, 2015
250,000	0.10	August 23, 2015
500,000		

FINANCIAL INSTRUMENTS

Credit Risk

BlueRush is exposed to credit risk on its trade accounts receivable. Credit risk is minimized by ensuring the credit worthiness of the entities with which it carries on business. The Company's clients predominantly consist of financial institutions and large public companies, many of whom are repeat clients and have long term relationships with the Company. Management regularly reviews the credit terms and collectability of accounts and for the year ended July 31, 2014 has recorded a bad debts expense of $70,180 (2013 - $1,079).

FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company is exposed to liquidity risk on accounts payable to its suppliers, which arise in the normal course of operations and are due in less than one year, on its bank overdraft which is due on demand and its term loan which is repayable in 36 monthly instalments of $22,222 beginning in January 2015. The Company manages liquidity risk by continuously monitoring actual and forecasted cash flows and budgets on all contracts, while maintaining adequate working capital on hand to meet its future obligations. As of July 31, 2014, the Company had cash on hand of $1,624,107, accounts receivable of $733,129 and $847,922 available on its line of credit to meet working capital requirements.

Sensitivity Analysis

As at July 31, 2014, the carrying value and fair value amounts of the Company's financial instruments are approximately the same. The Company does not believe there would be any material movements as a result of changes in interest rates or foreign exchange rates.

Fair Value Hierarchy

Financial instruments measured at fair value on the statement of financial position are categorized into levels of the fair value hierarchy. The Company only has one financial instrument measured at fair value, cash, which is categorized into Level 1. The fair value of Level 1 financial instruments is based on quoted market prices.

MANAGEMENT OF CAPITAL

The Company considers share capital, contributed surplus, and retained earnings as capital and manages its capital to meet its funding requirements for ongoing operations. There have been no changes in the Company's objectives towards managing its capital in the year.

The Company includes the following in its capital:

		July 31, 2014		July 31, 2013
Share capital	$	774,883	$	763,633
Contributed surplus		336,551		333,738
Retained earnings		759,045		941,168
	$	1,870,479	$	2,038,539

The Company's objectives when managing capital are:

(a) To ensure that the Company maintains the level of capital necessary to meet the requirements of its suppliers and its ongoing operations;

(b) To give shareholders sustained growth in value by increasing shareholders' equity; and

(c) To maintain a flexible capital structure which optimises the cost of capital at acceptable levels of risk.

MANAGEMENT OF CAPITAL (Continued)

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. The Company maintains or adjusts its capital level to enable it to meet its objectives by:

(a) Providing services to its customers that are profitable to the Company;

(b) Utilizing a line of credit provided by its bank; and

(c) Raising capital through equity or debt financings.

The Company is not subject to any capital requirements imposed by a regulator. There were no changes in the Company's approach to capital management during the year. To date, the Company has not declared any cash dividends to its shareholders as part of its capital management program. The Company's management is responsible for the management of capital and monitors the Company's use of capital. The Company expects that its current capital resources will be sufficient to discharge its liabilities as at July 31, 2014.

Adoption of New and Amended Standards and Interpretations

(a) IFRS 2, Share-Based Payment ("IFRS 2")

The amendments to IFRS 2, issued in December 2013 clarify the definition of “vesting conditions”, and separately define a “performance condition” and a “service condition”. A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. The Company has not entered into any share-based payment transactions subsequent to July 1, 2014.

(b) IFRS 3, Business Combinations ("IFRS 3")

The amendments to IFRS 3, issued in December 2013, clarify the accounting for contingent consideration in a business combination. At each reporting period, an entity measures contingent consideration classified as an asset or a financial liability at fair value, with changes in fair value recognized in profit or loss. The amendments are effective for business combinations for which the acquisition date is on or after July 1, 2014. The Company has not entered into any business combinations subsequent to July 1, 2014.

(c) IFRS 10, Consolidated Financial Statements ("IFRS 10")

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces Standing Interpretations Committee ("SIC") 12, Consolidation—Special Purpose Entities and parts of IAS 27, Consolidated and Separate Financial Statements (“IAS 27”). This standard is effective for annual periods beginning on or after January 1, 2013. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

Adoption of New and Amended Standards and Interpretations (Continued)

(d) IFRS 11, Joint Arrangements ("IFRS 11")

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers. This standard is effective for annual periods beginning on or after January 1, 2013. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

(e) IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. This standard is effective for annual periods beginning on or after January 1, 2013. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

(f) IFRS 13, Fair Value Measurement ("IFRS 13")

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. This standard is effective for annual periods beginning on or after January 1, 2013. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

(g) IFRS 7, Financial Instruments: Disclosures ("IFRS 7") and IAS 32, Financial Instruments: Presentation ("IAS 32")

Financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

Adoption of New and Amended Standards and Interpretations (Continued)

(h) IAS 36, Impairment of Assets ("IAS 36")

The amendments to IAS 36, issued in May 2013, require:

- Disclosure of the recoverable amount of impaired assets; and
- Additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount.

The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

(i) IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39")

The amendments to IAS 39, issued in June 2013, clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations, does not terminate hedge accounting. The amendments are effective for annual periods beginning on or after January 1, 2014. The Company has adopted this standard for its fiscal year ending July 31, 2014. There are no material changes to the Company's consolidated financial statements from the adoption of this standard.

Accounting Standards Not Yet Effective

The following are IFRS changes that have been issued by the IASB, which may affect the Company, but are not yet effective:

(a) IFRS 8, Operating Segments ("IFRS 8")

The amendments to IFRS 8, issued in December 2013, require an entity to disclose the judgments made by management in applying the aggregation criteria for reportable segments. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

(b) IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9, Financial Instruments was issued in November 2009 as the first step in its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting January 1, 2018, with early adoption permitted.

(c) IFRS 15, Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to an annual reporting period beginning on or after 1 January 2017.

(d) IAS 16, Property, Plant and Equipment ("IAS 16") and IAS 38 Intangible Assets ("IAS 38")

The amendments to IAS 16 and IAS 38, issued in December 2013, clarify how an entity calculates the gross carrying amount and accumulated depreciation when a revaluation is performed. The amendments are effective for annual periods beginning on or after July 1, 2014.

Accounting Standards Not Yet Effective (Continued)

(e) IAS 24, Related Party Disclosures ("IAS 24")

The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

The Company is in the process of assessing the impact that the new and amended standards will have on its financial statements and has not adopted any of the new requirements.

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.