

# BRS Ventures Ltd.

## Management's Discussion and Analysis for the three and six months ended April 30, 2015

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The information contained in this Management's Discussion and Analysis ("MD&A") of BRS Ventures Ltd. for the three and six months ended April 30, 2015 has been prepared as of June 19, 2015. It should be read in conjunction with the audited annual financial statements of BRS Ventures Ltd. for the year ended October 31, 2014. All amounts are expressed in Canadian dollars unless otherwise indicated.

### Company description

BRS Ventures Ltd. (the "Company" or "BRS") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007. Following its initial public offering on February 29, 2008, the Company qualified as a capital pool company ("CPC") as defined by TSX V Policy 2.4 ("Policy 2.4") of the TSX Venture Exchange ("TSX V" or the "Exchange") and the shares were listed for trading under the trading symbol "BRV-P.V". To date the Company has not completed a Qualifying Transaction ("QT") as defined under Policy 2.4. As the Company has yet to complete a QT, the Company no longer qualifies as a CPC and currently trades on the NEX board of the TSX V under the trading symbol "BRV.H".

### General

Currently, BRS is continuing in its efforts to complete a QT and any pre-requisite financing in order to qualify as a Tier 2 Issuer on the TSX-V. Any proposed qualifying transaction is still subject to approval by the Exchange and there can be no assurance that in the event that a QT is secured and approved that the Company will be able to secure the necessary financing.

### Corporate history

On October 7, 2009, the Company initially attempted to complete a QT by entering into an agreement to acquire all the assets of Quantum United Technologies Inc. (QTI) to whom BRS had advanced \$60,000 in anticipation of closing the proposed QT (the "QTI Advance"). A draft Information Circular, describing the terms and process that constituted the proposed QT was presented to the Exchange for approval. The Exchange did not grant an approval of the Qualifying Transaction because the underlying technology was judged to be insufficiently advanced in its development. BRS was consequently unable to meet the time deadline for a CPC to complete a QT. As a result, the Company ceased to qualify as a CPC and moved its listing to the NEX board of the TSX V (the "NEX"). Having secured shareholder approval at the AGM held on July 20, 2010, the NEX listing became effective July 28, 2010. On August 16, 2010 the Company terminated its agreement with QTI.

On October 18, 2010 the Company signed a term sheet for a QT with Landmaster Partners, Inc ("LPI"). As part of that term sheet, LPI paid the Company a US\$25,000 (\$25,070) non-refundable deposit (the "Landmaster Deposit"). On July 21, 2011 the Company announced that it would not be proceeding with the proposed LPI transaction.

### Quarterly results

The following is selected financial data for the last eight quarters ending with the most recently completed quarter, being the three months ended April 30, 2015.

Three months ended (\$)	April 30, 2015	January 31, 2015	October 31, 2014	July 31, 2014
Revenues	-	-	-	-
Net loss	(8,056)	(11,473)	(20,934)	(15,352)
Net loss per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	40,838	61,756	72,408	81,789

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Three months ended(\$)	April 30, 2014	January 31, 2014	October 31, 2013	July 31, 2013
Revenues	-	-	-	-
Net loss	(13,465)	(12,475)	(21,273)	(11,564)
Net loss per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	90,879	114,045	119,798	141,761

The basic and diluted loss per share calculation results in the same amount due to the anti-dilutive effect of any outstanding stock options and warrants.

The loss for the quarters ended October 31, 2014 and 2013 are higher due to \$11,000 (2013 - \$14,835) of GST / HST Input Tax Credits being disallowed by CRA. The Company is disputing CRA's position regarding the \$11,000 disallowed in 2014 and currently reports all GST amounts to the appropriate expense classification on the Statement of Loss.

### Results from Operations

#### *Three months ended April 30, 2015*

During the three months ended April 30, 2015, the Company reported a net loss of \$8,056 or \$0.00 per share (\$13,465 or \$0.00 per share). The decrease in net loss during 2015 is attributable to accounting and audit fees, in relation to consulting services rendered during 2014 for resolving matters related to the disallowed GST / HST.

#### *Six months ended April 30, 2015*

During the six months ended April 30, 2015, the Company reported a net loss of \$19,529 or \$0.00 per share (\$25,940 or \$0.00 per share). The decrease in net loss during 2015 is attributable to accounting and audit fees, in relation to consulting services rendered during 2014 for resolving matters related to the disallowed GST / HST.

### Investing and Financing activities

The Company did not engaged in any investing or financing activities for the six months ended April 30, 2015 and 2014.

### Liquidity and capital resources

For the six months ended April 30, 2015, operating activities had a cash requirement of \$19,529 (2014 - \$25,940) before adjustments for working capital.

The Company had working capital of \$21,211 at April 30, 2015 compared to \$40,740 at October 31, 2014. The Company had cash of \$39,963 at April 30, 2015, compared to \$70,658 at October 31, 2014. Management expects that the Company will require additional financing in order to complete a Qualifying Transaction. There can be no assurance that in the event the Company is successful in its efforts to secure a qualifying business opportunity, that adequate financing can be secured.

### Related party transactions and key management compensation

Some key management personnel, or their related parties, may hold positions in other entities whose services are retained by the Company. In such instances, these appointments result in the Company's key management personnel representing those related parties in which they hold control or significant influence over the financial or operating policies of these entities.

The Company's related parties consist of the Company's directors, officers and companies associated with them including, Malaspina Consultants Inc., a company owned by Robert McMorran, a director of the Company.

Key management includes officers and directors (executive and non-executive) of the Company. There was no compensation paid or payable to key management during the six months ended April 30, 2015.

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During the three and six months ended April 30, 2015, the Company entered into transactions with directors and officers of the Company and/or companies they control as follows:

	Three months ended April 30		Six months ended April 30	
	2015	2014	2015	2014
	\$	\$	\$	\$
Accounting and audit*	2,054	1,461	6,623	3,086

\*The charge includes accounting fees paid to Malaspina Consultants Inc.

As at April 30, 2015, the Company's total indebtedness to related parties amounted to \$1,614 (October 31, 2014 - \$6,915). The amounts due to related parties are unsecured, non-interest-bearing and due on demand.

### Financial Instruments

Financial instruments of the Company consist of cash and accounts payable and accrued liabilities. The risks associated with financial assets and liabilities have not changed since October 31, 2014.

### Accounting standards issued but not yet effective:

#### IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments – to replace IAS 39 – Financial Instruments: Recognition and Measurement. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of determining the impact of IFRS 9 on its financial statements.

#### Risks and uncertainties

The Company has incurred significant losses since inception. The continued operations of the Company are dependent on its ability to generate future cash flow and obtain additional financing. The Company has traditionally financed its cash requirements through the issuance of common shares. If the Company is unable to generate cash from operations or obtain additional financing its ability to continue as a going concern could be impeded.

#### Shares outstanding

As of June 19, 2015, the Company's authorized, issued, fully paid and voting shares were 12,941,659 with 724,997 held in escrow.

#### Disclosure controls and procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the three and six months ended April 30, 2015 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with its filings on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Forward-looking information

The Company's condensed interim financial statements for the three months ended January 31, 2015, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. It is important to note that, unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of June 19, 2015.

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Forward-looking statements often, but not always, are identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect”, “targeting” and “intend” and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company’s future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms acceptable to the Company and the ability of third-party service providers to deliver services in a timely manner. Some of these risks and uncertainties are identified under the heading “**RISKS AND UNCERTAINTIES**” as disclosed elsewhere in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise except as required by securities law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

#### **Other Information**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Outlook**

The Company is maintaining its search for a business opportunity on which to complete a Qualifying Transaction while seeking additional financing in order to increase working capital.