

BRS VENTURES LTD.
Management's Discussion and Analysis of Operations ("MD&A")
For the year ended October 31, 2013

The following information, prepared as of February 26, 2014, should be read in conjunction with the audited financial statements of BRS Ventures Ltd. (the "Company" or "BRS") for the year ended October 31, 2013, which have been prepared in accordance with International Financial Reporting Standards (the "IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking statements. For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please refer to the discussions under the headings: "FORWARD-LOOKING STATEMENTS" and "RISKS AND UNCERTAINTIES".

FORWARD-LOOKING STATEMENTS

The Company's financial statements for the year ended October 31, 2013, 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 February 26, 2014.

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. 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.

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". As a CPC, the Company's objective is to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions or opportunities and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals in order to qualify as a Tier 2 Issuer on the TSX V. As

BRS 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".

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 and wrote-off the \$60,000 QTI Advance.

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, when the Company announced that it would not be proceeding with the proposed LPI transaction, LPI forfeited the Landmaster Deposit proceeds which BRS recognized in income as a gain on the deposit forfeiture during the year ended October 31, 2011.

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.

Effective November 2, 2011, the Company consolidated its common shares on the basis of one (1) new common share for every three (3) old common shares issued and outstanding at that time. All references to share and per share amounts have been retroactively restated to reflect the share consolidation.

INVESTING AND FINANCING ACTIVITIES

On November 4, 2011, the Company completed a private placement of 10,000,000 common shares at \$0.05 per share for gross proceeds of \$500,000 (the "November 2011 Financing"). In connection with the private placement, the Company incurred cash issue costs of \$2,755. The Company also issued 975,000 finder's shares, of which 249,997 shares were subject to escrow, with the same terms as the private placement shares. The Company has not engaged in any further financing activity since November 4, 2011.

LIQUIDITY AND CAPITAL RESOURCES

For the year ended October 31, 2013, operating activities had a cash requirement of \$45,461 (2012- \$58,431). Operating cash requirements for the year ended October 31, 2013 compared to those in the prior year are consistent with the discussion outlined in the **RESULTS OF OPERATIONS** for the year ended October 31, 2013 as presented below. Unlike the year ended October 31, 2012, during the year ended October 31, 2013, the Company did not require any additional funds to meet additional legacy working capital obligations (2012 - \$278,029) to bring total operating cash requirements to \$47,480 for the year ended October 31, 2013 (2012 - \$336,460). However during the year ended October 31, 2013, Canada Revenue Agency ("CRA") advised that the Company it is not eligible to recover GST Input Credits until such time as it is engaged to complete a QT. Accordingly, expenses recorded in the year ended October 31, 2013 include \$14,835 for GST/HST claims not recovered of which \$12,885 pertain to claims submitted prior to October 31, 2012 as well as \$1,950 pertaining to claims that would have otherwise been recoverable during the year ended October 31, 2013. As a result, related working capital declined by \$14,835 compared to a \$12,885 increase in working capital posted during 2012 that reflected GST Input Credits that BRS had previously believed to be recoverable.

The foregoing cash requirements were met with proceeds from the November 2011 Financing that netted the Company \$405,578 to result in a year-over-year cash decrease in year ended October 31, 2013 of \$47,480 (2012 - increase of \$69,118). As at October 31, 2013, the Company had net working capital of \$102,966 (2012 - \$151,449) including cash of \$118,965 (2012 - \$166,445).

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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.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected audited financial information of the Company for each of the last three fiscal years ended October 31:

	2013	2012	2011
	\$	\$	\$
Financial Position			
Net current assets (liabilities)	102,966	151,449	(197,156)
Non-current assets	-	-	-
Net equity (deficiency)	102,966	151,449	(197,156)
Operations			
Loss before the undernoted	(60,296)	(58,431)	(87,711)
Indebtedness forgiven	11,813	1,458	30,913
Net loss and comprehensive loss	(48,483)	(56,973)	(56,798)
Cash Flows			
Operating activities	(47,480)	(336,460)	(20,160)
Financing activities	-	405,578	91,667
Investing activities	-	-	-
Increase (decrease in cash)	(47,480)	69,118	71,507
Cash - beginning of year	166,445	97,327	25,820
Cash - end of year	118,965	166,445	97,327
Common shares			
Number outstanding, October 31	12,941,659	12,941,659	1,966,659

RESULTS OF OPERATIONS***Year ended October 31, 2013***

For the year ended October 31, 2013, the Company recorded a net loss of \$48,483 (2012 -\$56,973) or \$0.00 per share (2012 - \$0.00 per share). Operating expenses for the year ended October 31, 2013 totaled \$60,296 (2012 - \$58,431) to result in a net increase of \$1,865 in 2013. The overriding factor in the 2013 increase was attributable to \$14,835 in GST / HST payments that CRA advised during 2013 were not recoverable. But for this GST issue, 2013 operating expenses declined from a total of \$58,431 in 2012 to \$45,461 in 2013. This decline was largely attributable to a combined reduction of \$13,181 in listing and legal fees which reflects the absence of any financing or capital expenditure activities in the year ended October 31, 2013 compared to the year ended 2012 when the Company completed the November 2011 Financing.

Three months ended October 31, 2013

For the three months ended October 31, 2013, the Company recorded a net loss of \$21,273 or \$0.00 per share (2012 - a net loss of \$7,906 or \$0.00 per share) for increased operating losses in the three months ended October 31, 2013 of \$13,181. The 2013 increase is substantially attributable to \$14,835 of unrecoverable GST / HST payments that was recorded in the fourth quarter of 2013. Other than with regard to the unrecovered GST payments, operating expense levels for the quarter ended October 2013 compared to those for the quarter ended October 2012 are consistent with the preceding discussion of operations for the year ended October 31, 2013.

SELECTED QUARTERLY FINANCIAL INFORMATION (unaudited)

Selected unaudited quarterly financial information is as follows:

	Quarters ended			
	October 2013	July 2013	April 2013	January 2013
	\$	\$	\$	\$
Total assets	119,798	119,798	168,445	177,828
Total liabilities	(16,832)	(16,832)	(32,642)	(28,223)
Net equity	102,966	102,966	135,803	149,605
Total revenues	-	-	-	-
Net (loss) income comprehensive (loss) income	(21,273)	(11,564)	(13,802)	(1,844)
Basic loss per share	0.00	0.00	(0.00)	(0.00)

	Quarters ended			
	October 2012	July 2012	April 2012	January 2012
	\$	\$	\$	\$
Total assets	119,798	182,690	197,538	232,963
Total liabilities	(16,832)	(23,335)	(17,536)	(44,060)
Net equity	102,966	159,355	180,002	188,903
Total revenues	-	-	-	-
Net (loss) income comprehensive (loss) income	(7,906)	(20,647)	(8,901)	(19,519)
Basic loss per share	(0.00)	(0.00)	(0.00)	(0.00)

KEY MANAGEMENT COMPENSATION AND RELATED PARTIES

The retention of certain key management personnel is not subject to any management agreements,

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.

Key management includes officers and directors (executive and non-executive) of the Company. Included in accounting and audit fees of \$24,011 (2012 - \$22,094) is \$1,711 (2012 - \$9,019) paid to a management company owned by a director. This expenditure was measured at the exchange amount which is the amount agreed upon by the transacting parties. Other than these fees, there were no other transactions with related parties. There was no compensation paid or payable to key management for employee services.

In addition, as at October 31, 2013 the Company's total indebtedness to related parties amounted to \$602 (2012 - \$1,928). The amounts due to related parties are unsecured, non-interest-bearing and due on demand.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Unless otherwise noted, the following revised standards and amendments are effective for the Company beginning November 1, 2013.

- (i) IFRS-9, **Financial Instruments**, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely. Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward existing requirements in IAS 39, **Financial Instruments – Recognition and Measurement**, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. This standard is effective for annual periods beginning on or after January 1, 2015 with earlier application permitted. The Company has not assessed the impact of this standard.
- (ii) IFRS 10, **Consolidated Financial Statements**, requires an entity to consolidate an investee when it has power over the investee, 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 **SIC-12, Consolidation - Special Purpose Entities** and parts of IAS 27, **Consolidated and Separate Financial Statements**. The adoption of this standard is not expected to have a material impact on the Company's financial statements.
- (iii) IFRS 11, **Joint Arrangements**, 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 does not yet have an effective application date, however early application is permitted. The Company has not assessed the impact of this standard.
- (iii) IFRS 12, **Disclosure of Interests in Other Entities**, establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosures that address the nature of, and risks associated with, an entity's interests in other entities. The adoption of this standard is not expected to have a material impact on the Company's financial statements.
- (iv) IFRS 13, **Fair Value Measurement**, is a comprehensive standard for fair value measurement and disclosure 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. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

FINANCIAL INSTRUMENTS***Management of Capital***

The Company's objectives for the management of capital are to safeguard its ability to continue as a going concern including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and investment balances to cover operating costs over a reasonable future period, generally one to one and a half years. The Company accesses capital markets through equity issues as necessary and may also acquire additional funds where advantageous circumstances arise.

Excess cash investments are restricted to bankers' acceptances of major Canadian banks or instruments of equivalent or better quality. The Company currently has no externally-imposed capital requirements.

Classification of Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company classified its cash as loans and receivables. The accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is primarily held with highly rated banking institutions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss is limited because at present the Company's liabilities are non-interest bearing.

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. The Company has working capital of \$102,966 as at October 31, 2013.

OUTSTANDING SHARE DATA

As at February 26, 2014, the Company's authorized, issued, fully paid and voting shares were as follows:

Authorized: an unlimited number of common shares without par value; and
an unlimited number of preferred shares issuable in series of the directors' discretion.

Issued, fully-paid and outstanding:

Type of Security	Number	Exercise Price	Expiry Date
Issued and outstanding common shares	12,941,659	N/A	N/A

Of the 12,941,659 common shares outstanding, 724,997 are held in escrow.

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.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim 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 year ended October 31, 2013 and this accompanying MD&A (together the "Annual 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 the Interim Filings on SEDAR at 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 and to fund a Qualifying Transaction.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com.