

BRS VENTURES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")
Three and Nine Months ended July 31, 2012

The following information, prepared and approved by the directors as of September 26, 2012, should be read in conjunction with the unaudited condensed interim financial statements of BRS Ventures Ltd. (the "Company" or BRS Ventures") for the nine months ended July 31, 2012, together with the audited financial statements of the Company for the year ended October 31, 2011 and the accompanying Management's Discussion and Analysis (the "Annual MD&A") for that fiscal year as well as the unaudited condensed interim financial statements of the Company for the three months ended January 31, 2012 and the accompanying Management's Discussion and Analysis for that fiscal period. The referenced condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Figures from periods ended prior to and including October 31, 2010 are in accordance with Canadian generally accepted accounting principles prior to convergence to IFRS ("Canadian GAAP"). All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to the Company and its operations is available under the Company's profile on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

The Company's interim condensed financial statements for the three and nine months ended July 31, 2012, 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 September 26, 2012.

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 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" 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") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007. The Company is classified as a capital pool company ("CPC") as defined by TSX Venture Exchange Policy 2.4 ("Policy 2.4"). The Company's objective is to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals. The Company is currently trading on the NEX board of the TSX Venture Exchange (the "Exchange") under the trading symbol "BRV.H".

OVERALL PERFORMANCE

On October 7, 2009, the Company entered into an agreement to acquire all the assets of Quantum United Technologies Inc. (QTI). A draft Information Circular, describing the terms and process that constituted the Qualifying Transaction, was presented to the Exchange for approval. The Exchange subsequently decided not to approve the Qualifying Transaction as the underlying technology was deemed to be too early in its development. This delay exceeded the time deadline for a CPC to complete a Qualifying Transaction. As a result, the Company had the option to move to the NEX board ("NEX") subject to shareholders' approval. At the AGM on July 20, 2010 the Company received shareholder approval to move to the NEX. The Company's listing was transferred to the NEX on July 28, 2010. On August 16, 2010 the Company terminated its agreement with QTI and wrote-off a \$60,000 loan to 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. On July 21, 2011, the Company announced that it would not be proceeding with a transaction with LPI and the funds held on deposit were recorded as a gain on write-off of non-refundable deposit during the year ended October 31, 2011.

Any proposed qualifying transaction is still subject to approval by the Exchange.

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.

RESULTS OF OPERATIONS*Nine months ended July 31, 2012*

Excluding non-recurring items that included a \$1,458 gain on the forgiveness of debt in 2012 and a \$25,070 deposit forfeiture in 2011, the Company incurred operating expenses of \$50,525 in the nine months ended July 2012 (2011 - \$53,752). The reported net loss for the nine months ended July 2012 amounted to \$49,067 (\$0.00 per share), 2011 loss - \$28,682 (\$0.01 per share).

The decrease in expenses recorded in the nine months ended July 31, 2012 as compared to the prior period is the net result of changes to a number of expenses. Of note are the following items:

- Accounting and audit fees in 2012 of \$18,224 (2011 - \$5,098) increased largely because with effect from May 1, 2012, current management has elected to recognize a provision for the cost of the annual audit on a quarterly basis resulting in a \$9,000 provision for audit expense in the first nine months of the year ending October 2012. In addition during the current period the Company required additional accounting assistance in the course of restructuring the Company during the first six months of the year, the cost of which was in the order of \$3,500 - \$4,500;
- Legal fees of \$14,756 (2011 - \$37,703) decreased due to less legal activity during the period. Legal fees during the nine months ended July 31, 2011 related to regulatory filings and a proposed Qualifying Transaction.

- Listing fees of \$17,182 (2011 - \$9,951) increased due to additional fees charged by the new transfer agent.
- Gain on forgiveness of debt of \$1,458 (2011 - \$nil) is the result of the settlement of outstanding payables.

Three months ended July 31, 2012

As per the preceding discussion for the nine months ended July, 2012, during 2011, the Company recorded a \$25,070 gain on the forfeiture of a commitment deposit lodged with the Company by a third party that resulted in net income of \$16,493 (\$0.01) per share for the three months ended July 2011 compared to a net loss of \$20,647 (\$0.00 per share) in the current period. Operating expenses for the three months ended July 2012 amounted to \$20,647 (2011 - \$8,577). The increase in the current periods expenditures is largely attributable to higher listing and audit expenses as disclosed in the preceding discussion for the nine month periods ended July 2012 and 2011.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following table sets out financial information for the past eight quarters:

	Three months ended							
	July 2012	April 2012	January 2012	October 2011	July 2011	April 2011	January 2011	October 2010
	\$	\$	\$	\$	\$	\$	\$	\$
Total assets	182,690	197,538	232,963	109,392	12,311	17,461	23,962	36,037
Total liabilities	23,335	17,536	44,060	306,548	273,017	294,661	274,889	268,062
Non-refundable deposit forfeited	-	-	-	-	25,670	-	-	-
Total revenues	-	-	-	-	-	-	-	-
Net (loss) income	(20,647)	(8,901)	(15,519)	(28,116)	16,493	(26,273)	(18,902)	(12,350)
Net (loss) income per share - basic and diluted(1)	(0.00)	(0.00)	(0.00)	(0.01)	0.01	(0.01)	(0.01)	(0.01)

(1) The basic and diluted (loss) income per share calculations result in the same amount.

Information for October 31, 2010 is presented in accordance with Canadian GAAP. All other quarters are presented in IFRS. In the quarter ended July 2011 the Company recognized \$25,070 in income that arose on the forfeiture of a commitment deposit lodged with the Company by a third party.

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. In connection with the private placement, the Company incurred cash issue costs of \$2,755. The Company also issued 975,000 finder's shares with the same terms as the private placement shares.

At October 31, 2011, the Company had received \$91,667 in share subscriptions in connection with the private placement.

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations consumed approximately \$50,525 of cash (before working capital items) for the nine months ended July 31, 2012 (2011 - \$53,752). The Company's aggregate operating, investing, and financing activities during the nine months ended July 31, 2012 resulted in an increase in its cash balance from \$97,327 at October 31, 2011 to \$167,763 at July 31, 2012. The Company's working capital increased from a deficiency at October 31, 2011 of \$197,156 to working capital of \$159,355 as at July 31, 2012.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

For years beginning after January 1, 2011 Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date for the Company is November 1, 2010. The nine months ended July 31, 2012 is the Company’s third reporting period under IFRS.

The Company’s IFRS conversion team identified four phases to the Company’s conversion: scoping and planning, detailed assessment, implementation and post-implementation. The Company has now completed its IFRS conversion project through the implementation phase. The post-implementation phase will continue in future periods, as outlined below.

The accompanying unaudited condensed interim financial statements for the three and nine months ended July 31, 2012 and for the three months ended January 31, 2012 provide details of the Company’s Canadian GAAP to IFRS differences, accounting policy decisions and IFRS 1, First-Time Adoption of IFRS, exemptions for significant or potentially significant areas that have had an impact on the Company’s financial statements on transition to IFRS or may have an impact in future periods.

The conversion to IFRS has had a no impact on the financial record keeping and financial disclosures of the Company. Internal controls were unaffected by the IFRS conversion. Accounting systems have been assessed and re-configured to ensure accurate reporting under IFRS, both internally and externally. The IFRS conversion resulted in no adjustments to the financial statements.

FINANCIAL INSTRUMENTS

Classification of Financial Instruments

The Company’s financial instruments consist of cash and accounts payable and accrued liabilities. The Company designated its cash as loans and receivables, which are measured at amortized cost. The accounts payable and accrued liabilities are designated 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 the Bank of Montreal.

Interest Rate Risk

Interest rate risk is the risk that the 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 or have fixed interest rates.

Related Party Transactions

During the three and nine months ended July 31, 2012 and 2011 the following fees were paid to related parties or companies in which Company officers and or directors held a controlling interest or significant influence:

	Three months ended		Nine months ended	
	July 31		July 31	
	2012	2011	2012	2011
	\$	\$	\$	\$
Audit and accounting	567	-	7,593	-
Legal	4,512	-	5,203	-

At July 31, 2012, accounts payable and accrued liabilities included \$2,107 (October 31, 2011 - \$nil) due to a company controlled by a director of the Company.

Key management includes the directors of the Company. The compensation paid or payable to key management for services during the nine months ended July 31, 2012 was \$7,593 of accounting fees (2011 - \$nil) and \$5,203 of legal fees (2011 - \$nil).

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.

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value.

Unlimited preferred shares issuable in series.

All share information is reported as of September 26, 2012 in the following table:

Type of Security	Number	Exercise Price (\$)	Expiry Date
Issued and outstanding common shares	12,941,659	N/A	N/A
Options	130,000	0.30	February 28, 2013

Of the 12,941,659 common shares outstanding, 725,000 are held in escrow which will be released as to 10% if, as and when the Company completes a Qualifying Transaction and an additional 15% on each 6 month interval thereafter.

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 condensed interim financial statements for the three and six months ended April 30, 2012 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 the Interim Filings on SEDAR at www.sedar.com.

OUTLOOK

The Company is seeking financing to increase working capital and complete a Qualifying Transaction.