

**BLUE RIBBON CAPITAL CORP.**  
**Period Ended March 31, 2008**  
**Management Discussion and Analysis**

**Form 51-102F1**

**1. Date – May 26, 2008**

The following discussion and analysis is a review of operations, current financial position and outlook for Blue Ribbon Capital Corp. (the “Company” or “BRCC”) and should be read in conjunction with the audited financial statements for the period ended December 31, 2007. Results are presented for the period ended March 31, 2008. Amounts are reported in Canadian dollars based upon the financial statements prepared in accordance with Canadian generally accepted accounting principles.

All statements in this MD&A, other than statements of historical fact, that address future acquisitions and events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include industry-related risks, regulatory approvals, and continued availability of capital and financing and general economic, market or business conditions.

**2. General Development of the Business**

**2.1 History**

The Company is a CPC which was incorporated on September 12, 2006 and issued 1,050,000 Company Shares at a price of \$0.10 per share to its founders raising gross proceeds of \$105,000. On July 30, 2007 the Company entered into an agency agreement with Union Securities (the “Agent”) for an Initial Public Offering (the “Offering”) of a minimum of 2,500,000 common shares and a maximum of 5,000,000 common shares at a price of \$0.20 per common shares pursuant to the policies of the TSX Venture Exchange. This Initial Public Offering was completed on September 14, 2007.

The Company's principal business is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses with a view to completing a Qualifying Transaction and, once identified and evaluated, to negotiate an acquisition or participation in such assets or businesses. Until the Completion of the Proposed Qualifying Transaction, the Company will not carry on business other than the identification and evaluation of assets or businesses in connection with a potential Qualifying Transaction. The Proposed Qualifying Transaction is intended to be the Company's Qualifying Transaction.

**3. Selected Financial Information and Management's Discussion and Analysis**

**3.1 Information From Inception**

The fiscal year end of BRCC is December 31. The following table summarizes BRCC's financial results for the period ended March 31, 2008 and the year-ended December 31, 2007.

	<u>Period ended March 31, 2008</u>	<u>Period ended December 31, 2007</u>
Total revenues	\$Nil	\$Nil
Loss from continuing operations	\$(25,274)	\$(214,839)
Net Income or Loss	\$(25,274)	\$(214,839)
Total assets	822,076	\$853,054
Total long term liabilities	\$Nil	\$Nil
Cash dividends declared	\$Nil	\$Nil

**Note:**

BRCC was incorporated on September 12, 2006.

### **3.2 Management's Discussion and Analysis**

#### *Overview*

This management's discussion and analysis ("**MD&A**") provides analysis of BRCC's financial results for the period ended March 31, 2008. The following information should be read in conjunction with the audited financial statements of BRCC for the period ended December 31, 2007 (and the notes thereto).

#### **Results of Operations**

##### *Revenue*

The Company has not generated any significant revenues in the period ended March 31, 2008 except for \$7,592 in interest income earned on a guaranteed investment certificate that it holds.

##### *Operating Expenses*

Overall in the first quarter of 2008, BRCC has incurred general and administrative expenses totaling \$32,866.

##### *Assets*

Total assets at March 31, 2008 amounted to \$822,076 and consist mainly of cash and short term investments.

##### *Liquidity and Capital Resources*

In order to provide the Company with a minimum of funds with which to identify and evaluate businesses or assets with a view of completing a Qualifying Transaction, the Company issued 1,050,000 Company Shares to its founders at a price of \$0.10 per share for gross proceeds of \$105,000. Subsequently, the Company announced its initial public offering on July 30, 2007. The Company completed a private placement on Sept 14, 2007 by issuing 5,000,000 units at \$0.20 per unit for a total of \$1,000,000 net of share issuance costs of \$111,800. The Company also granted options to acquire an aggregate of 605,000 common shares at an exercise price of \$0.20 per share to directors and officers of the Company and an agent's option to acquire an aggregate of 450,000 common shares at an exercise price of \$0.20 per share for a period of 24 months to Union Securities. Union Securities received an administration fee and a cash commission equal to 9% of the proceeds of the offering. The Company commenced trading on the TSX Venture Exchange under the symbol "BRQ.P on September 21, 2007.

The Company has incurred minimal costs other than those related to the inception of the Company, the issuance of shares and the listing on the TSX Venture Exchange. The costs paid or accrued as at March 31, 2008, include the following: audit and bookkeeping fees, legal fees and filing fees and stock based compensation. The total costs related to the initial public offering completed in 2007 were \$219,052 and there is \$792,326 being held in the bank in the form of cash and short-term investments.

#### *Off Balance Sheet Arrangements*

As at March 31, 2008, BRCC had no off balance sheet arrangements such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any instruments that could trigger financing, market or credit risk to BRCC.

#### *Transactions with Related Parties*

There were no related party transactions for the period.

#### *Disclosure of Outstanding Share Data*

For information regarding outstanding share capital of BRCC, please see Note 5 of the audited financial statements of BRCC for the year-ended December 31, 2007.

#### *Critical Accounting Estimates*

For information regarding critical accounting estimates used by BRCC, please see Note 2 of the audited financial statements of BRCC for the year-ended December 31, 2007.

#### *Changes in Accounting Policies including initial Adoption*

On January 1, 2007, the Company adopted CICA accounting Handbook section 3855, Financial Instruments – Recognition and Measurement, section 3861, Financial Instruments – Disclosure and Presentation, section 1530, Comprehensive Income, and section 3251, Equity.

(i) Effective January 1, 2008, the Company adopted the recommendations of The Canadian Institute of Chartered Accountants' ("CICA") Handbook Section 1535, Capital Disclosures ("Section 1535"). The new standard requires an entity to disclose information to enable users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital. Disclosure requirements pertaining to Section 1535 are contained in Note 8 of the unaudited financial statements for the period ending March 31, 2008.

(ii) Effective January 1, 2008, the Company adopted the recommendations of CICA Handbook Section 3862, Financial Instruments - Disclosures ("Section 3862"). Section 3862 provides standards for disclosures about financial instruments, including disclosures about fair value and the credit, liquidity and market risks associated with the financial instruments. Disclosure requirements pertaining to Section 3862 are contained in Note 9 of the unaudited financial statements for the period ending March 31, 2008.

(iii) Effective January 1, 2008, the Company adopted the recommendations of CICA Handbook Section 3863, Financial Instruments - Presentation ("Section 3863"). Section 3863 provides standards for presentation of financial instruments and non-financial derivatives. Adoption of this standard had no impact on the Company's financial instrument related presentation disclosures.

(iv) Effective January 1, 2008, the Company adopted the recommendations of CICA Handbook Section 1400, General Standards of Financial Statement Presentation, to change the guidance related to management's responsibility to assess the ability of the entity to continue as a going concern. Management is required to make an assessment of an entity's ability to continue as a going concern and should take into account all available information about the future, which is at least, but is not limited to, 12 months from the balance sheet dates. Disclosure is required of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

#### *Financial Instruments and Other Instruments*

BRCC's financial instruments consist of cash, amounts receivables, and accounts payable and accrued liabilities.

Management does not believe these financial instruments expose BRCC to any significant interest, currency or credit risks arising from these financial instruments. The fair market values of cash and cash equivalents, accounts and other receivables, deferred costs, accounts payable and accrued liabilities approximate their carrying values.

#### *Business Risks*

The Company was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Proposed Qualifying Transaction and may never pay dividends. The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and there are potential conflicts of interests to which some of the directors and officers of the Company will be subject in connection with the operations of the Company.

#### *Subsequent Event*

There were no subsequent events for the period.

#### *Disclosure Controls and Procedures*

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure.

BRCC's Management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2008. Based on this evaluation, the CEO and CFO have concluded that our disclosure controls and procedures, as defined in Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim filings, are effective to ensure that information required to be disclosed in reports that we file or submit under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules and forms.