BRS RESOURCES LTD.

Management Discussion & Analysis
for the Nine Months Ended

July 31, 2022

308 - 1441 Johnston Road
White Rock B.C., V4B 3Z7

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR NINE MONTHS ENDED JULY 31, 2022

INTRODUCTION

The following management's discussion and analysis (this "**MD&A**"), prepared as of October 25, 2022, is management's assessment and analysis of the results and financial condition of BRS Resources Ltd. (the "**Company**" or "**BRS**") for the nine months ended July 31, 2022 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the period ended July 31, 2022, and related notes attached thereto. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS") consistently applied. All figures are reported in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative and grammatical variations) of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views, and are based on certain assumptions, and speak only as of the date of this MD&A. These assumptions, which include, management's current expectations, estimates and assumptions about certain projects and the markets the Company operates in, the global economic environment, interest rates, exchange rates and the Company's ability to manage its assets and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause its actual results to differ materially from those expressed or implied by the forward looking statements, including, but not limited to: (1) risks inherent in petroleum and natural gas exploration and development including environmental hazards, industrial accidents, or unusual or unexpected geological formations; (2) a decrease in the market price of oil and/or gas; (3) a decrease in the demand for oil and gas and oil and gas related products; (4) discrepancies between actual and estimated reserves and risks associated with the estimation of reserves; (5) the possibility that future exploration, development or exploration results will not be consistent with the Company's expectations; (6) the inherent uncertainty of future production and cost estimates; (7) the potential for unexpected costs and expenses and changes to the cost of commencing production and the time when production commences, and actual ongoing costs; (8) the potential for, and effects of, labor disputes or other unanticipated difficulties with, or shortages of, labor; (9) unforeseen or changed regulatory restrictions, requirements and limitations, including environmental regulatory restrictions and liability and permitting restrictions; (10) the failure to obtain governmental approvals and fulfil contractual commitments, and the need to obtain new or amended licenses and permits; (11) changes in laws or policies, delays in, or the inability to obtain, necessary governmental permits; (12) the number of competitors; (13) political and economic conditions in oil and gas producing and consuming countries; (14) failure to obtain additional capital at all or on commercially reasonable terms; (15) other factors beyond the Company's control; and (16) those factors described in the section entitled "Risk Factors and Uncertainties" in this MD&A.

Readers should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from statements made in or incorporated by reference in this MD&A. The Company undertakes no obligation to update forward-looking statements if management's beliefs, estimates and opinions or the Company's circumstances as at the date hereof should change, except as required in accordance with applicable laws.

BUSINESS OF THE COMPANY

BRS Resources Ltd. (the "Company"), incorporated in the Province of British Columbia, is a public company listed on the TSX Venture Exchange under the symbol "BRS". However, the Company is currently subject to a cease trade order. The Company was primarily engaged in production, exploration, and acquisition of petroleum and natural gas properties in Italy through its investment in AleAnna Energy, LLC ("AleAnna Energy").

In early 2016, the Company moved its head office from Dallas, Texas to Vancouver, British Columbia in order to reduce general and administrative expenses. The Company's business and executive office and its registered and records offices are located at 308 - 1441 Johnston Road, White Rock B.C., V4B 3Z7.

OVERALL PERFORMANCE

The Company was previously an international oil and gas exploration company targeting the European upstream energy business, with a primary focus on natural gas extraction in Italy.

The Company's 100% owned subsidiary, Bonanza Resources, owns a minority interest in AleAnna Energy L.L.C. ("AleAnna") which owns 100% of AleAnna Resources L.L.C. AleAnna Resources L.L.C. holds ten "Exploration Permits" and four "Applications for Exploration Permits", that have been approved by the Italian Ministry of Economic Development (General Directorate for Energy and Mining Resources, National Mining Office for Hydrocarbons and Geothermics) (the "Ministry").

AleAnna holds thirty-one exploration applications and permits for over 2.9 million acres (11,782 sq. km) in Italy. To date, AleAnna has also amassed the largest portfolio of newly acquired 3D geophysical data onshore in Italy and has two other successful wells in final stage of production concession award.

To date, AleAnna Resources has acquired 134,672 acres (545 sq. km) of 3-D geophysical data, making it one of Italy's largest owners of on-shore 3-D geophysical data. Part of AleAnna Resources' operating strategy is the use of high-resolution 3-D seismic technologies to image subsurface hydrocarbons to more efficiently high-grade prospects while reducing environmental impact and risk.

COVID-19 (the coronavirus) has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company's financing capabilities. The extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada, the United States and other countries to contain and treat the virus. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact to the date of approval of these financial statements, these conditions could have a significant adverse impact on the Company's financial position and results of operations for future periods.

Cowtrail Property

On May 31, 2022, the Company entered into an option agreement to acquire a 60% interest in a property located in the Quesnel Trough.

To earn a 60% interest, the Company is required to make the following considerations:

i) $20,000 cash or issuance of common shares with equivalent value upon execution of the agreement.
ii) $30,000 cash or issuance of common shares with equivalent value, and $150,000 exploration expenditures on or before May 31, 2023.
iii) cash payment of $50,000, $40,000 cash or issuance of common shares with equivalent value, and an additional $250,000 exploration expenditures on or before May 31, 2024.
iv) cash payment of $50,000, and $50,000 cash or issuance of common shares with equivalent value, and an additional $500,000 exploration expenditures on or before May 31, 2025.
v) cash payment of $100,000, and $60,000 cash or issuance of common shares with equivalent value, and an additional $1,100,000 exploration expenditures on or before May 31, 2026.

A 2.5% Net Smelter Royalty will be granted to the vendor with 1.5% purchasable by the Company for $2,000,000.

The Company is currently negotiating with the vendor regarding the outstanding option payments.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited interim financial information, in Canadian dollars, in accordance with IFRS for each of the eight most recently completed quarters.

	Quarter Ended			
	July 31, 2022 ($)	**April 30, 2022 ($)**	**January 31, 2022 ($)**	**October 31, 2021 ($)**
Total revenue	-	-	-	-
Net loss	(87,839)	(43,161)	(55,000)	(78,024)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)
	Quarter Ended			
	July 31, 2021 ($)	**April 30, 2021 ($)**	**January 31, 2021 ($)**	**October 31, 2020 ($)**
Total revenue	-	-	-	-
Net loss	(32,900)	(32,900)	(32,900)	(93,498)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

RESULTS OF OPERATIONS

For the nine months ended July 31, 2022 compared to the nine months ended July 31, 2021

Net loss for the nine months ended July 31, 2022 totaled $185,835, compared to a net loss of $98,700 for the nine months ended July 31, 2021. The difference relates to legal, accounting and regulatory fees incurred in order to update the books and records to lift the cease trade order during the nine months ended July 31, 2022.

The following is a summary of the changes in the components of revenue and expense and the reasons for the changes:

		Nine Months Ended July 31, 2022 ($)	Nine Months Ended July 31, 2021 ($)	Increase (Decrease) ($)
Interest expense	A	6,248	-	6,248
Legal and accounting	B	81,817	8,700	73,117
Regulatory fees	C	7,576	-	7,576

A. Primarily relates to accretion of interest from issuance of convertible debentures.
B. Primarily relates to an increase in accounting fees incurred by a third party provider to update the books and records to lift the cease trade order.
C. Related to fees paid to BC Securities Commission in order to lift the cease trade order.

For the three months ended July 31, 2022 compared to the Three months ended July 31, 2021

Net loss for the three months ended July 31, 2022 totaled $87,839, compared to a net loss of $32,900 for the three months ended July 31, 2021. The difference relates to legal, accounting and regulatory fees incurred in order to update the books and records to lift the cease trade order during the three months ended July 31 2022.

The following is a summary of the changes in the components of revenue and expense and the reasons for the changes:

		Three Months Ended July 31, 2022 ($)	**Three Months Ended July 31, 2021 ($)**	**Increase (Decrease) ($)**
Interest expense	A	6,248	-	6,248
Legal and accounting	B	46,417	2,900	43,517
Regulatory fees	C	5,000	-	5,000

A. Primarily relates to accretion of interest from issuance of convertible debentures.
B. Primarily relates to an increase in accounting fees incurred by a third party provider to update the books and records to lift the cease trade order.
C. Related to fees paid to BC Securities Commission in order to lift the cease trade order.

FINANCING, LIQUIDITY AND CAPITAL RESOURCES

Working capital deficiency at July 31, 2022 was $832,675, compared to $625,213 as at October 31, 2021. The increase in the deficiency is due to the Company accruing additional payables but not having sufficient cash resources to pay off its current obligations. Current liabilities were $913,394 at July 31, 2022 compared to $640,352 at October 31, 2021. The Company's accumulated deficit at July 31, 2022 was $38,404,899, compared to $38,219,064 as at October 31, 2021.

BRS has historically relied on the issuance of share capital to raise funds. The Company is continually evaluating additional financing opportunities to meet its operational needs.

Notwithstanding previous success in acquiring financing on acceptable terms, there is no guarantee that the Company will be able to obtain funding or on what terms any such capital may be available to the Company.

The Company's ability to continue as a going concern is dependent upon its ability to raise the necessary funds and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. General market conditions may have an impact on the Company's ability to raise funds in the future. If the Company is not able to continue as a going concern, the Company may be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim consolidated financial statements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate value of transactions relating to key management personnel were as follows:

	Period ended July 31, 2022	Period ended July 31, 2021
Consulting fees	$ 90,000	$ 90,000

As at July 31, 2022, $428,250 (October 31, 2021 - $381,602) was owing to key management personnel or to a company controlled by a director or key management personnel and the amounts were included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

OUTSTANDING SHARE DATA

The Company had the following securities outstanding as of October 25, 2022:

a) Issued and outstanding share capital

Class	Par Value	Authorized	Outstanding
Common	No Par Value	Unlimited	130,428,946

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company's cash is classified at FVTPL and its accounts payable and accrued liabilities are carried at amortized cost.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs are other than quoted prices in Level 1 that are either directly or indirectly observable for the asset or liability.
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy level.

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. As at July 31, 2022, the Company believes that the carrying values of accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as fair value through profit or loss, and cause fluctuations in the fair value of future cash flows for assets or liabilities measured at fair value. Currently, the Company is not exposed to significant market risk.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The carrying value of this financial asset represents the Company's maximum exposure to credit risk. The Company manages its credit risk by maintaining its cash in a federally regulated financial institution in Canada.

Foreign Exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. A significant change in the currency exchange rates between the US dollar and the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. However, because most of the Company's financial instruments are denominated in Canadian dollars, the Company does not believe it is subject to any significant foreign exchange risk at this time.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they become due. The Company's financial liabilities consist of its accounts payable and accrued liabilities. As at July 31, 2022, the Company had a working capital deficiency of $832,675 (October 31, 2021 – $625,213).

The Company will manage its liquidity risk, by gaining access to funding at market rates through equity and debt markets once it lifts its cease trade order. In the future, the Company may issue new shares, adjust its debt levels or mix between short-term and long-term borrowings.

OTHER INFORMATION

You should read this MD&A of the financial position and results of operations of the Company for the period ended July 31, 2022 in conjunction with the Company's unaudited condensed interim consolidated financial statements for the period ended July 31, 2022. Additional information relating to the Company is available through the Company's public filings on SEDAR at www.sedar.com.