BELLAIR VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Year Ended August 31, 2011

Date

This management discussion and analysis ("**MD&A**") of the financial condition and results of operations of Bellair Ventures Inc. (the "**Company**" or "**Bellair**") is for the year ending August 31, 2011.

It is supplemental to, and should be read in conjunction with, the Company's final prospectus dated November 7, 2008 (the "**Prospectus**"), which includes the audited financial statements of the Company for the period from inception to September 2008 and all of the notes, risk factors and information contained therein. The Company's financial statements are prepared in accordance with accounting principles generally accepted in Canada. All amounts presented herein are stated in Canadian dollars, unless otherwise indicated.

Significant Accounting Policies

A detailed summary of the Company's significant accounting policies is included in note 2 of the Company's annual audited financial statements for the year ended August 31, 2011.

Cautionary Statements

Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the Company. Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Examples of such statements include the Company's intention to complete a "Qualifying Transaction" (as defined by policy 2.4 (the "**CPC Policy**") of TSX Venture Exchange Inc. (the "**Exchange**") and to complete future financings, acquisitions or investments. Forward looking-information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. These factors include the ability of the Company to obtain necessary financing, satisfaction of the conditions under any definitive agreement in connection with a Qualifying Transaction and satisfaction of Exchange requirements with respect to a Qualifying Transaction. For more exhaustive information on these risks and uncertainties you should refer to the Prospectus, which is available at www.sedar.com. Forward-looking information contained in this MD&A is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, we are under no obligation and do not undertake to update this information at any particular time except as required by law.

Company Overview

The Company was incorporated on August 22, 2008 under the Canada Business Corporations Act. The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. On September 20, 2008, the Company issued 1,200,000 common shares (the "**Seed Shares**") to seed shareholders for cash consideration of $300,000. The Seed Shares are subject to escrow in accordance with Exchange requirements and will be released in accordance with the terms and conditions of an escrow agreement dated October 7, 2008 among the Company, Equity Financial Trust Company (as escrow agent) and the holders of the Seed Shares.

On November 24, 2008 and pursuant to the Prospectus, the Company completed its initial public offering ("**IPO**") by issuing 1,356,600 common shares at a price of $0.50 per common share for aggregate gross proceeds of $678,300 to be used to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction. In connection with the IPO, the Company also granted (i) to Canaccord Capital Corporation (as the Company's agent in respect of the IPO), a non-transferable agent's option to purchase an aggregate of 135,660 common shares of the Company at $0.50 per common share, exercisable for a period of two years from the date of listing of the Company's common shares on the Exchange (which options expired unexercised during the year ended August 31, 2011), and (ii) to the directors of the Company, incentive stock options to purchase an aggregate of 255,660 common shares of the Company at $0.50 per common share, exercisable for a period of five years from the date of grant. On November 26, 2008, the common shares of the Company commenced trading on the Exchange under the symbol "BVI.P".

On March 03, 2011, the Company announced that trading of the Company's common shares would be transferred to the NEX, a separate trading board of the Exchange, effective immediately, as Bellair had not completed a Qualifying Transaction within the timeframe prescribed by the Exchange. In accordance with the CPC Policy, 600,000 common shares of the Company, representing 50% of the Seed Shares sold to non-arm's length parties, were cancelled in connection with the transfer to the NEX. The Company obtained the requisite shareholder approval for both its transfer to the NEX and the cancellation of the Seed Shares. Trading commenced on the NEX under the symbol "BVI.H".

The Company is a Capital Pool Company (a "**CPC**"), as defined in the CPC Policy. The principal business of the Company is the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. For more information on the Company, please refer to the Prospectus.

Overall Performance

As stated above, the Company issued the Seed Shares on September 20, 2008 for aggregate gross proceeds of $300,000 and completed its IPO on November 24, 2008 for aggregate gross proceeds of $678,300. The CPC Policy sets out the permitted uses of proceeds realized from the sale of all securities issued by a CPC, which include fees for legal and accounting services, agents' fees, costs and commissions and listing and filing fees. For the 12-month period ended August 31, 2011, the Company has a net loss of $351,120 as a result of the following expenditures associated with ongoing administrative and general expenses pertaining to the listing on the

Exchange and the pursuit of its Qualifying Transaction:

Expenses

Professional Fees	$45,747
Filing Fees	$29,549
Bad Debt Expense	$46,277
Write-down of Note receivable	$256,500

The expenses incurred in the year ended August 31, 2011 were offset by interest income on the note of $27,000.

Results of Operations

As at August 31, 2011, the Company had no business operations other than the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. The net loss of $351,120 for the year ended August 31, 2011 was due primarily to the expenses incurred in such period as set out above.

Selected Financial Information

The Company was incorporated on August 22, 2008. Comparative annual data in respect of previous year is for the 12 month period ended August 31, 2010.

Liquidity and Capital Resources

For the period ended August 31, 2011, the Company had $107,208 in cash as a result of net proceeds derived from the issuance of the Seed Shares and the IPO net of expenses incurred to date, which management considers to still be sufficient to meet the Company's ongoing obligations.

Significant Corporate Events

DiBattista Industries Inc. and KNR Management Transactions

On December 8, 2008, the Company announced that it had identified and entered into a non-binding letter of intent in respect of a proposed Qualifying Transaction (the "**Proposed Qualifying Transaction**") with DiBattista Industries Inc. ("**DBI**"), a holding company that was attempting a consolidation of assets in the industrial and environmental waste services, recycling and infrastructure industry.

On December 23, 2008, the Company announced that it had entered into a definitive agreement (the "**Agreement**") in respect of the Proposed Qualifying Transaction. Pursuant to the Agreement, DBI would amalgamate with a newly-created, wholly-owned subsidiary of the

Company (the "**Amalgamation**"). In consideration for the approval of the Amalgamation, the Company was to issue, to the holders of common shares of DBI (the "**DBI Shares**"), two common shares of the Company for each DBI Share. Completion of the Proposed Qualifying Transaction was subject to a number of conditions, including approval of the Amalgamation by holders of the DBI Shares and the Exchange and the completion of equity and debt financings.

On April 23, 2009, the Company announced that the Agreement between Bellair and DBI had been terminated. As a result of a variety of factors, including volatile and declining economic conditions, DBI was unable to raise the capital required under the Agreement.

On November 25, 2010, the Company and R. DiBattista Investments ("**RDBI**") entered into a non-binding letter of intent pursuant to which the Company was to acquire all of the issued and outstanding common shares in the capital of KNR Management ("**KNR**") through a share exchange transaction (the "**KNR Transaction**"). If completed, the KNR Transaction was expected to constitute the Company's Qualifying Transaction.

On February 03, 2011, the Company announced that it had entered into a definitive agreement for a proposed Qualifying Transaction with RDBI in respect of the KNR Transaction. Closing of the KNR Transaction was subject to a number of conditions, including (i) the completion of a private placement for gross proceeds of not less than $500,000, (ii) KNR successfully closing a term loan facility in the amount of approximately $2,250,000, (iii) confirmation of a definitive valuation for KNR, (iv) completion of customary due diligence, and (v) the parties obtaining all necessary approvals and consents, including the approval of the Exchange.

Subsequent to August 31, 2011, the Company terminated all discussions regarding the KNR Transaction.

Movement to the NEX and Share Capital Reduction

On March 03, 2011, the Company announced that trading of the Company's common shares would be transferred to the NEX, a separate trading board of the Exchange, effective immediately, as Bellair had not completed a Qualifying Transaction within the timeframe prescribed by the Exchange. In accordance with the CPC Policy, 600,000 common shares of the Company, representing 50% of the Seed Shares sold to non-arm's length parties, were cancelled in connection with the transfer to the NEX. The Company obtained the requisite shareholder approval for both its transfer to the NEX and the cancellation of the Seed Shares. Trading commenced on the NEX under the symbol "BVI.H".

Note Receivable

As part of the proposed Qualifying Transaction Agreement with DBI, the Company advanced $225,000 to DBI in fiscal 2009. The loan bore interest at 12%, was originally due on January 15, 2010 and was personally guaranteed by a principal of DBI. On April 23, 2009, the Company announced that it had terminated its definitive Agreement with DBI. On January 18, 2010, the Company and DBI agreed to extend the repayment date of the loan to May 31, 2010.

On June 16, 2010, DBI made an interest payment of $39,279. On June 30, 2010, the Company, DBI and a guarantor agreed to further extend the maturity date of the loan and obligations under the guarantee to August 31, 2010.

On November 25, 2010, the Company and DBI entered into a non-binding letter of intent pursuant to which the Company was to acquire all of the issued and outstanding common shares in the capital of KNR. If completed, the KNR Transaction was expected to constitute the Company's Qualifying Transaction. Subsequent to August 31, 2011, the Company terminated the proposed KNR Transaction. As a result, the balance of the note receivable of $225,000, and unpaid accrued interest of $31,500 at August 31, 2011, has been written down to $Nil as collection is not reasonably assured.

Disclosure of Outstanding Share Data

As more specifically described above under "Company Overview" and "Movement to the NEX and Share Capital Reduction", there are 1,956,600 issued and outstanding common shares in the capital of the Company and the Company has granted options to purchase an aggregate of 255,660 common shares in the capital of the Company.

Risk Factors

The Company's overall performance and results of operations are subject to a number of risks and uncertainties. Please refer to the risk factors outlined in the Prospectus.

Related Party Transactions

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount which is the amount of consideration established and approved by the related parties.

There were no related party expenses for the year ended August 31, 2011.

Future Accounting Pronouncements

*International Financial Reporting Standards ("**IFRS**")*

In January 2006, the CICA's Accounting Standards Board ("**AcSB**") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. While the Company has begun assessing the adoption of IFRS, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Additional Information

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