



ARRIS HOLDINGS INC.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE PERIOD ENDED DECEMBER 31, 2010

THIS MD&A IS DATED FEBRUARY 14, 2011

Management Discussion and Analysis

The following management's discussion and analysis (the "MD&A") of the financial condition and results of the operations of Arris Holdings Inc. (the "Company" or "AHI") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended December 31, 2010, and should be read in conjunction with the Company's interim financial statements for the same period. These interim financial statements have been prepared in Canadian dollars unless otherwise stated, and in accordance with Canadian generally accepted accounting principles ("GAAP"). This document is dated February 14, 2011. Readers can find the Company's financial statements and further information regarding the company and its operations on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Forward Looking Statements

This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are not guarantees of future performance.

These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks & Uncertainties section. As a company that depends on the investment marketplace for its revenues, readers are cautioned that the Company cannot accurately predict how future conditions may impact our investment portfolio. Such conditions may include general economic, political or market factors in Canada or elsewhere, changes to regulatory or compliance requirements, changes in government policies, the risks inherent in a capital intensive business, the possible future impact of tax exposures, currency and exchange rate fluctuations, changes in interest rates that affect the cost of borrowing, or the performance of the businesses included in our stock portfolio; all of which are difficult or impossible to predict accurately.

While we believe the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. Arris Holdings Inc. has no intention and undertakes no obligation to update or revise any forward-looking statements, whether written or oral that may be made by or on the Company's behalf.

About Arris Holdings Inc.

Arris Holdings Inc. was incorporated on October 30, 2009. On November 2, 2009, the Company and its former parent company, RTN Stealth Software Inc. ("RTN") (formerly known as Arris Resources Inc.), entered into a Plan of Arrangement. Under the Plan of Arrangement the Company acquired a portfolio of securities ("Equity Portfolio") from RTN in exchange for the issuance of 17,583,372 of the Company's common shares.

On the effective date of the Plan of Arrangement, January 5, 2010, AHI acquired the Equity Portfolio at the carrying value of the Equity Portfolio (\$1,484,000) in the accounts of RTN, in exchange for the issuance of 17,583,372 AHI's common shares. Each shareholder of RTN of record, as of the close of business on November 5, 2009, received their pro-rata share of the 17,583,372 common shares of the Company issued for the acquisition of RTN's Equity Portfolio.

The common shares of the Company started to trade on the Canadian National Stock Exchange on April 14, 2010 under the Symbol "AHI"; the symbol was subsequently changed to "AAF".

Overall Performance

Principal Business

The Company's principal business is the development of its investment in marketable securities and is seeking new investment opportunities that focus on Canadian small cap private and public companies in the resource sector with a focus on increasing the Company's value to the benefit of its stakeholders. Accordingly, its financial success may be dependent upon the extent to which it can develop its investments and the economic viability of developing any additional investment portfolios.

Ability to Continue as a Going Concern

The interim financial statements for the three months ended December 31, 2010 have been prepared in accordance with Canadian generally accepted accounting principles with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company had bank indebtedness of \$1,323 as at December 31, 2010 and has incurred losses since inception. Management recognizes that the Company will need to obtain additional financing in order to meet its planned business objectives, to repay its liabilities arising from normal business operations when they come due, and to maintain its operations in the next twelve months. There is no assurance that the Company will be able to raise additional financing. These factors raise substantial doubt about the Company's ability to continue as a going concern. The interim financial statements for the three months ended December 31, 2010 do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in business.

Corporate Development

- a) Warrants exercised: On February 7, 2011, all of the Company's outstanding warrants (2,000,000 warrants) were exercised into common shares of the Company at \$0.07/share for gross proceeds totalling \$140,000. The Company will use the proceeds to finance its operations.
- b) Acquisition of mineral properties: On February 9, 2011, the Company has acquired two mineral claims covering areas located in the Kamloops mining division of British Columbia, through its newly incorporated subsidiary, Cielo Gold Corp., from an arm's-length entity for consideration of \$5,000 (paid).
- c) Shareholder Meeting: The Company has set the date for its first shareholder meeting, it will take place on April 28, 2011. Shareholders of record as of March 4, 2011 will be entitled to vote at the meeting and will receive further information regarding the meeting from the Company. The Notice of Meeting is available on SEDAR.

Results of Operations

The Company was incorporated on October 31, 2009. As a result, the Company operated only two months during the three-month period ending December 2009. Therefore the operating results of current quarter (three months ended December 31, 2010) is compared to the Company's operating results of two months in the comparative quarter in the prior year. Analysis for the results of operations is as follows:

The Company had no revenue in the current quarter. Loss in the current quarter was \$62,411 (2010— loss of \$4,000). The loss in the current quarter was a combined result of a \$35,035 mark-to-market mark down for the investment held (2010—\$nil), and incurring operating expenses of \$27,376 (2010 – 4,000).

During the current quarter, the \$27,376 operating expenses consisted mainly of \$15,050 consulting fees (2010—\$nil), \$6,000 rent (2010 - \$nil), and \$3,100 professional fees (2010- \$4,000). The Company was inactive and incurred minimum expenditures from October 30, to December 31, 2009 as it was newly incorporated on October 30, 2009.

In accordance with the Company's accounting policies, the Company's investments are classified as held-for-trading. As a result, the Company is required to mark its investments to their fair values at the end of each reporting period in accordance with the Canadian GAAP. The mark-to-market write down in the current quarter was \$35,035 (2009-\$nil). The Company did not have investment for the two months ended December 31, 2009. As a result, the Company did not have un-realized loss or gain in that period. It is expected the Company will incur more unrealized gain or loss in the future reporting periods.

Summary of Quarterly Results

The following table summarizes the results of operations for the five most recent quarters of the Company since its incorporation on October 30, 2009:

	Quarter Ended				2009 October 30 to December 31
	2010				
	December	September	June	March	
	31	30	30	31	
	\$	\$	\$	\$	
Total Revenue	-	-	-	-	-
Gain from disposition of investment	-	-	-	641	-
Loss from market value adjustment of investments	35,035	13,100	193,500	225,776	
Operating expenses	27,376	47,153	20,465	13,250	4,000
Net loss	62,411	60,253	213,965	238,385	4,000
Net loss per share, basic and diluted	0.00	0.00	0.01	238,385	4,000

It is anticipated that general operating and administrative costs will remain low while AHI is in the early stages of development, allowing the Company to direct its resources toward development of its investment portfolio.

Liquidity

Financing of operations is achieved primarily through equity financing. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2010, the Company had a working capital of \$1,004,986 and current liabilities of \$65,173 (including bank indebtedness of \$1,323). The Company received \$140,000 on February 7, 2010 when all of its outstanding share purchase warrants (2,000,000 share purchase warrants) were exercised into the Company's common shares at \$0.07 per share to finance its operations (see "**Corporate Development**"). The Company is considering acquiring further equity financing to fund the Company's operations and the repayment of its liabilities.

Transactions with Related Parties

Related Party	Three Months Ended December 31, 2010	October 31 to December 31, 2009	Description
Cabmerl Industries Ltd. ¹	\$6,000	\$Nil	Rent
	\$15,000	\$Nil	Consulting Fees

¹ Lucky Janda is a director of Cabmerl Industries Ltd. ("Cabmerl").

On May 1, 2010, AHI entered into a lease agreement and a consulting agreement with Cabmerl Industries Ltd. The monthly rent, and consulting fees are \$2,000 and \$5,000 respectively. The terms of these two agreements are not fixed and can be terminated on thirty days notice. During the three months ended December 31, 2010, AHI was charged \$6,000 (2010-\$nil) rent and \$15,000 (2010-\$nil) in consulting fees by Cabmerl. The transactions with Cabmerl have occurred in the normal course of operations and have been measured at exchange amounts agreed by both parties. As at December 31, 2010, the Company's accounts payable and accrued liabilities balance included a \$50,820 payable balance owing to Cabmerl. This related-party payable is un-secured and non-interest bearing.

Significant Accounting Policies including Initial Adoption

Refer to Note 2 to the Company's unaudited interim financial statements for the three months ended December 31, 2010, which are available at www.sedar.com.

Critical Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from these estimates.

Significant areas requiring the use of management estimates are assumptions used in bifurcating warrants attached to units sold in private placements, assumptions used in determining the fair value of financial instruments, including the investments held by the Company, and future income tax asset valuation allowances.

Financial Instruments and Management of Risks

There are no material changes from its most recent year ended September 30, 2010.

International Financial Reporting Standards (IFRS)

In February 2008, the Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly accountable profit-oriented enterprises to use IFRS, replacing Canadian GAAP for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Due to the Company's September 30 fiscal yearend, the Company will adopt IFRS commencing October 1, 2011 and will restate the financial statements (for comparative purposes) reported by the Company for the year ended September 30, 2011.

In light of these requirements, the Company has adopted a four phase approach to ensure successful conversion to IFRS, including:

	Purpose	Status
Phase 1	Diagnostic impact assessment	This phase is essentially completed.
Phase 2	Design and planning: to identify specific changes required to existing accounting policies, information system, and business processes.	This phase is essentially completed.
Phase 3	Solution development: to develop the Company's accounting policies among alternatives allowed under IFRS and the draft of IFRS financial statements.	This phase is in progress.
Phase 4	Implementation: to execute the changes to information systems and business processes, completing formal authorization processes to approve recommended accounting policies changes and training programs across the Company's finance and other staff, as needed.	This phase is in progress.

The Company has completed the diagnostic impact assessment and has identified the following areas to date that may impact the financial statements under IFRS, including:

a) Financial Instruments

The ISAB recently issued IFRS 9 "Financial Instruments", which addresses the recognition and measurement of financial assets. Financial assets are initially measured at fair value and classified as either amortized-cost or fair-value. This differs from the current Canadian GAAP (CICA Handbook section 3855 "Financial Instruments: Recognition and Measurement"), in that financial assets are initially recorded at fair value, and they are classified in one of the followings: held-for-trading, held-to-maturity, loans and receivables, or available-for-sale.

Under Canadian GAAP, any gains or losses from "available-for-sale" financial assets are recognized in other comprehensive income; however, this classification does not exist under IFRS 9. Any changes in fair value or amortization of amortized-cost financial assets are recognized into net income directly. This difference between Canadian GAAP and IFRS is not expected to have a significant quantitative impact on the Company's financial statements given the Company does not have available-for-sale financial instruments.

b) Income Taxes

Under IFRS, a deferred tax asset is recognized to the extent it is "probable" that taxable profit will be available against which the deductible temporary differences can be utilized. Under Canadian GAAP, future tax assets are recognized if it is more likely than not that such asset will be realized. The term "probable" is not defined in IAS 12. However, entities have often used a definition of "more likely than

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not” similar to Canadian GAAP. Accordingly, we do not expect the adoption of IFRS will result in significant difference as long as the Company uses “more likely than not” as its definition of “probable”.

Risks and Uncertainties

The Issuer’s securities are speculative and investment in the Issuer’s securities involves a high degree of risk and the possibility that the investor will suffer the loss of the entire amount invested.

New Enterprise

Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

Equity Investment Risks

An investment in the common shares of the Issuer should be considered highly speculative, not only due to the Issuer’s limited business history but also due to the consideration that equity investments are always subject to varying degrees of risk. These risks may include changes in general economic conditions such as the availability and cost of financing capital; changes in local conditions, such as employment; changes to tax laws; and changes to incentive programs related to the areas in which the Issuer intends to invest. In addition, financial difficulties of other equity investors result in distress sales, which may depress the stocks in which the Issuer operates.

Market Risks

Market risk is the risk that the fair value of, or future cash flows from the Company’s investment in marketable securities will significantly fluctuate because of changes in market prices. The Company will be exposed to market risk or equity risk or equity price risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. Additionally, the Company marks its investments to market in accordance with the accounting policies at each reporting period. This process could result in significant write downs of the Company’s investments over one or more reporting periods, particularly during periods of declining resource markets. The fair value of the investments to the equity of private companies may not have a direct correlation to market prices.

Dilution to the Existing Shareholders

The Issuer has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Issuer could result in a significant dilution in the equity interests of existing shareholders.

Reliance on Management’s Expertise

AHI strongly depends on the business acumen and investing expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse affect on the Issuer. AHI does not have any key person insurance in place for management.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

Conflicts of Interest

The Company's investment as at December 31, 2010 consisted of common shares and share purchase warrants of various public companies. The CEO of the Company also serves as a director of one of the public companies in which the Company has invested. Consequently, there exists a possibility for the CEO to be in a position of conflict. Any decision made by the CEO involving the Company is and will be made in accordance with his duties and obligations to deal fairly and in good faith with the Company and other companies he serves as director. In addition, the CEO will declare, and refrain from voting on, any matter in which the CEO may have a conflict of interest.

Financial and Disclosure Controls and Procedures

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Directors and Officers

Lucky Janda	President & Chief Executive Officer
Rana Vig	Director
Navchand Jagpal	Director
Jamie Lewin	Chief Financial Officer

Additional Information

Additional information regarding the Company may be found on SEDAR, www.sedar.com