NAIKUN WIND ENERGY GROUP INC.

(A Development Stage Company)

Management's Discussion & Analysis
For the quarter ended June 30, 2019

Containing information up to and including August 28, 2019

This Management's Discussion and Analysis ("MD&A") reviews the activities of NaiKun Wind Energy Group Inc., (the "Company" or "NaiKun") and its material subsidiaries; the wholly owned NaiKun Wind Development Inc. ("Devco"), and NaiKun Wind Generating Inc. ("Genco"). For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the Company's condensed consolidated interim financial statements for the nine months ended June 30, 2019 and 2018 and the accompanying notes, and the MD&A for the year ended September 30, 2018. The above-mentioned documents along with additional information and disclosure relating to the Company can be found on SEDAR at www.sedar.com or on the Company's website, www.naikun.ca.

Forward-Looking Information and Report Date

This MD&A contains certain forward-looking information. Investors are cautioned that all information, other than historical facts included herein, including without limitation, data regarding future plans and objectives of the Company, is forward-looking information based on management's expectations, assumptions and estimates. Although the Company believes these underlying estimates and assumptions to be reasonable, they are difficult to predict, and actual results may differ materially from those in the forward-looking statements.

Forward-looking information can be subject to significant risks and uncertainties, and estimates and assumptions can prove to be inaccurate. There are many factors that could result in materially different outcomes than the forward-looking information contained herein including, but not limited to, the state of capital and financial markets, the general economy, the political climate, the commodity markets, foreign exchange fluctuations, the energy sector, electricity demand, technology, environmental factors, community relations and First Nations. Investors should be aware that there can be no assurance that forward-looking information will prove to be accurate and future events and actual results could differ materially from those anticipated.

The information herein is only provided as of the date of this MD&A, August 28, 2019 (the "Report Date").

Description and Overview of Business

NaiKun Wind Energy Group Inc. is a British Columbia ("BC") based renewable energy company with a current focus on an offshore wind energy project. Headquartered in Vancouver, it is a Tier 2 listed company that trades on the TSX Venture Exchange (TSX-V:NKW). It is developing a 400 MW offshore wind project in the Haida Energy Field which is located in Hecate Strait off the north coast of British Columbia (the "NaiKun Wind Project" or the "Project"). NaiKun was a registered proponent in the Clean Power Call RFP (the "CPC") issued by British Columbia Hydro and Power Authority ("BC Hydro") on June 11, 2008. On March 31, 2010, BC Hydro advised NaiKun Wind that its proposal to build and operate the Project was no longer under consideration for a contract award in the Clean Power Call. The Company is exploring how it can advance the first phase of the project and how the Haida Energy Field can fit into the New Provincial government's clean energy plans.

NaiKun Wind Project

The Company is currently renewing the investigative use license ("IUP") from the Government of British Columbia which provides the Company with the ability to develop wind energy projects within a 550 km^2 area off the north-east coast of Haida Gwaii in British Columbia's Hecate Strait. The proposed site for the first phase is less than 20% of the permit area. The IUP also includes two transmission corridors that would connect the NaiKun Wind Project to Haida Gwaii and the mainland power grid, and includes the license of occupancy for the Company's Met Mast.

The area's wind resource is the best in British Columbia and among the best in the world. This is due to the strong, consistent and high wind speeds, with mean annual wind speeds exceeding 10.0 meters/second (rated as a Class 7 resource). The wind is the strongest and most consistent in the fall and winter when electricity demand is the highest. Other characteristics that make Hecate Strait an ideal location for offshore wind projects include its flat sedimentary seabed, relatively shallow waters, access to BC Hydro's power grid, and its proximity to the potential for increasing electricity demand in Northwest British Columbia.

The energy potential of the area is well more than 2,000 megawatts ("MW"), enough to power more than 900,000 homes. If an Energy Purchase Agreement (EPA) is acquired, the Project would take approximately three years for finalization of supplier agreements, financial close on debt and equity, and construction.

The development schedules for subsequent phases are also subject to environmental and other approvals, First Nations engagement, and other factors.

In March 2011, NaiKun received a Federal screening decision from the Canadian Environmental Assessment Agency (CEAA). The decision concluded the harmonized environmental assessment review process and confirmed that the Project, which could be Canada's first offshore wind energy project, can be constructed with no significant adverse environmental, social or health effects. Responsible federal agencies are now authorized to issue the required construction and operating permits, including a Navigable Water Protection Act Approval and Fisheries Act Authorization. This Federal approval is in addition to the Environmental Assessment Certificate issued by the Government of British Columbia in December 2009. The Provincial Environmental Assessment Certificate was extended on December 9, 2014 for a five-year period, expiring in December 2019. The Council of the Haida Nation commissioned an independent evaluation of the NaiKun Wind Energy Project and in August 2011 released the resulting report authored by Dr. Thomas I. Gunton and Chris T. Joseph. This report referenced the extensive environmental reviews undertaken by the federal and provincial governments as well as by Rescan. The report concluded that with the implementation of specified mitigation measures, the Project is unlikely to have any significant adverse environmental risks. NaiKun's phase 1 Project, and prospective subsequent phases, has the potential to provide B.C with a significant and scalable resource that is complementary to the aims and objectives of the Government in British Columbia.

NaiKun continues to work with First Nations, Northern Communities, BC Hydro, the Government of British Columbia, and the Government of Canada to move the Project forward.

Outlook

The significant wind energy resource in Northwest BC's Hecate Strait provides an opportunity to supply renewable energy for the increasing requirements in the Province of BC, Alberta and the western USA. When the Company was unsuccessful in the 2010 Clean Power Call it was determined that the best interest of the shareholders would be served by continuing to advance the wind project, reducing the day to day costs of operating the Company, and continuing to look for partnerships and business opportunities in the renewable energy field. The Company's efforts since that time have seen substantial refinement and development of the project that are associated with the remarkable improvements in offshore wind technology, associated lower costs, and expansion of the industry from a European base with a relatively small number of competitors to a low-cost world-wide industry that continues to see technology improvements and lower costs. The generation costs per megawatt and the energy production of offshore wind have significantly improved over the past few years. Electricity prices in Europe, based on recent projects, are now in the low €60/MW range. In November 2017, a project was awarded to a large utility in Europe which had an initial price of US$ 53/MW with the long-term price projected at US$ 40/MW. More recently the 800 MW offshore wind project in Massachusetts was awarded to Vineyard Wind LLC and included electricity pricing of US$ 65/MW. These prices make offshore competitive with any long-term energy prices and costs will continue to drop with the advent of larger and more efficient turbines and other improvements in the industry. The significant projections for offshore wind development in Asia demonstrate the speed of the world-wide development of offshore wind. Research from global natural resources consultancy Wood Mackenzie indicates Asia-Pacific's offshore wind capacity will rise 20-fold to 43 GW by 2027. Wood Mackenzie project that East Asia needs around US$37 billion in investments to meet the mammoth growth in offshore wind capacity over the next five years. The development of a strong supply chain from Asia will further reduce the costs of offshore wind in BC.

At the same time as the industry has progressed to a low-cost world-wide energy developer, the profile of the Naikun project has changed from a local project in British Columbia to a well-known world ranked wind resource.

<u>BC Government Climate Action Plans and Renewable Energy "Road Map"</u>

In the summer of 2017, the NDP party, with the support of the BC Green Party, formed government in BC. Both parties are strongly committed to a low carbon economy, a renewable energy future for BC, and significant advances in the Province's Climate Change Strategy; all of which bode well for NaiKun's strong, affordable wind resource.

The Haida Energy Field is a remarkable utility scale world-class wind resource that is permitted and can be developed in a brief time frame to meet the power needs in BC, Alberta and the western USA.

Haida Gwaii is the largest land mass in British Columbia that is not connected to the BC Hydro grid. Six communities on Haida Gwaii represent 10% of the communities that are still on diesel generation. The development of the Haida Energy Field would include a transmission line that would connect Haida Gwaii with the mainland BC Hydro grid. This would effectively bring cost-effective, reliable, green power to Haida Gwaii which would in turn facilitate a vibrant on-island renewable energy economy that could augment the forestry, fishery and cultural initiatives on Haida Gwaii.

The recent BC Government policy announcements (CLEAN BC) make it clear that to achieve the Paris Accord Climate Action objectives and provinces GHG targets, BC must electrify most energy consuming uses and also must convert most carbon-based fuel current users to electricity. Couple these aggressive policy commitments with the likelihood that British Columbia will not build another new Hydro Dam or large Gas generation facility, it is clear that future energy supply must come from utility scale renewable resources like Naikun's wind project.

Northwest BC is a Unique Region supplied by a single HVAC Transmission Line

The Naikun Wind resource is located in the northwest region of BC, a unique part of the province serviced by one 600km long HVAC transmission line with a finite capacity. Additional electrical power for this part of the province must be provided locally or via a new multi-billion dollar transmission line that would take up to a decade to approve and complete. Providing electrical power locally is the most practical and cost-effective alternative for the fast growing commercial and industrial demand in the region. Projects under development such as LNG Canada (Phase 1 and 2), Kitimat LNG, and Cedar LNG would provide over 1000MW of new electrical demand in the region that can be best served with local renewable energy; projects like Naikun's. The Naikun wind project is the only large scale permitted project in the region that can meet the demand for power when these industrial projects are scheduled to come on stream.

Orsted Energy Partnership

In October 2018 the partnership negotiations with Orsted Energy were mutually terminated and other parties have been engaged in discussions to partner with NaiKun in the development of the wind resource. To quote the joint press release of October 15, 2018 …

"Michael O'Connor, CEO of NaiKun, "We would like to thank Orsted for assisting us in continuing to develop the project over the last 12 months and wish them well with their future endeavors. NaiKun is in current discussions with interested alternate partners who are familiar with the wind resource and the development that NaiKun has progressed over the past many years, including the accomplishments of the last year. With the industrial development on the North Coast of British Columbia, and the growing demand and support for Renewable Energy, there are compelling reasons for the project to proceed to the development stage …"

New Partnership Engagement

When the Orsted agreement was terminated, Naikun engaged numerous parties in discussions to partner in the development of the permitted first phase. To assist with the search and selection of a senior partner, to develop the offshore wind project, the Company engaged the services of PricewaterhouseCoopers (PwC).

Subsequent to June 30, 2019 the Company signed an indicative agreement with a major offshore wind development company and the parties are currently working to negotiate and sign a definitive agreement in the next few weeks.

Risks and Uncertainties

The Company's future and growth is dependent on a number of risk factors common to other companies in the renewable energy sector and, wind energy companies. Some factors that may have a material impact on the Company's future include, but are not limited to:

Electricity Purchase Agreement ("EPA")

A significant milestone and risk factor for the Company is an award of an EPA from BC Hydro or a similar purchaser of electricity. The Company continues to advance the Project, demonstrating how the Haida Energy Field will meet the Provincial Governments' clean energy plans (Clean BC). NaiKun is optimistic about the proposed plans of the Provincial and Federal Governments to proceed with a significant renewable energy program in the near future. Given the scale, cost, and availability (permitted) of the resource and a potential new partnership in the fall of 2019, the Company is optimistic the first phase of the NaiKun wind project can become part of these programs in the near future.

However, the Company cannot predict when or if the Project will proceed, or if an EPA will be awarded.

Capital Resources

Due to the delay in receiving an EPA for the Project, the Company has substantially reduced its activity level and cash expenditures. During the three months ended December 31, 2018, to provide near term funding, the Company sold its shares in Barkerville Gold Mine for $111,687 and, on January 24, 2019 entered into a loan agreement with one of the Company's directors to provide financing of $300,000. With the current resources and with the anticipated participation of a new partner in fall of 2019 the Company expects to be adequately financed into the near future.

Prior to executing an EPA, the Company will need to raise additional equity at the Project level and likely at the Company level to fund contributions for equipment deposits and Project security. The availability and possible dilutive effect of additional equity will be subject to market conditions at the time of any equity financing.

Project Financing

The availability and cost of project equity and debt are beyond the Company's control and subject to market conditions at the time the NaiKun Wind Project advances to the construction stage.

Contracting Parties

The Company has been engaged in discussions with a number of energy companies with proven capabilities in financing, building, and operating offshore wind projects around the world. To assist in the successful search for a leading partner, the company has retained the services of PricewaterhouseCoopers. Subsequent to June 30, 2019, the Company has signed an indicative agreement with a major offshore development company and the two parties are currently working to negotiate and sign a definitive agreement. The Company's current and future contractual arrangements with various parties (e.g., consultants, suppliers, First Nations, strategic partners, management, etc.) for the development, construction and operation of the Project are another risk factor. The Company's and other parties' ability to fulfill obligations can have a material impact on future success. The Company would include technical and financial capacity and credit-worthiness assessments in its contracting strategies. The Company would also need to either sell the Project in part or full, or enter into an agreement with a strategic partner in order to fund future contractual arrangements. The Company may not be able to sell a portion at a reasonable price nor to secure an appropriate partnership.

Wind Resource and Weather

Long-term historical wind data obtained from Environment Canada at or around the site for the NaiKun Wind Project, along with data received from the Met Mast, indicate this is a world-class, affordable wind resource. However, wind speeds may vary over time and may or may not continue at the historical trend due to changes in weather patterns. The 20 plus years of correlated data indicate the resource may be growing stronger over time, however, this is not assured. During construction, the weather and marine environment at the Project site can cause scheduling delays resulting in cost overruns or a delay in the operation start date. Where possible, the Company would incorporate their extensive experience to manage this risk.

Financial Summary

The following summarizes selected financial information for the three and nine months ended June 30, 2019, and 2018.

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Loss and comprehensive loss	$294,574	$225,965	$887,148	$609,940
Loss per common share	$0.004	$0.003	$0.014	$0.009

The following summarizes the total assets and total liabilities as at June 30, 2019 and September 30, 2018, and 2017.

	June 30, 2019	September 30, 2018	September 30, 2017
Total Assets	$539,048	$581,696	$1,074,438
Total Liabilities	$1,555,063	$1,086,422	$872,951

The loss and the decrease in total assets during the three months ended June 30, 2019 is primarily due to the Company's expenditures on the Project and administration, all of which were expensed in the period incurred.

Summary of Quarterly Results

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters. For more detail information, refer to the consolidated financial statements for the applicable periods.

Quarter ended	Revenues - $	Project, general and administrative expenses - $	Net loss - $	Basic and diluted loss per share - $
30-Jun-19	Nil	294,578	294,574	0.00
31-Mar-19	Nil	358,020	357,987	0.00
31-Dec-18	Nil	229,274	234,587	0.00
30-Sep-18	Nil	217,656	236,924	0.00
30-Jun-18	Nil	246,942	225,965	0.00
31-Mar-18	Nil	241,441	174,844	0.00
31-Dec-17	Nil	281,876	209,131	0.00
30-Sep-17	Nil	228,915	186,250	0.00

The level of expenditures and loss varies from period to period depending on the level of activity related to the development of the NaiKun Wind Project. During the quarter ended March 31, 2016 there were significant reductions in management compensation and the directors cash compensation was eliminated effective October 1, 2015, with all of these reductions remaining in place through June 30, 2019. The Company has also negotiated deferred compensation for the CEO and certain of the consultants who are working to help advance the Project. Expenses by quarter, through the two year reporting period, are consistent with the exception of the quarter ending March 31, 2019 as explained below. In September 2016 the Company sold certain non-wind assets and received shares in Barkerville Gold Mine as part of the proceeds and in quarters ending March 31, 2017 and June 30, 2017 there was an increase in the market value of these common shares resulting in unrealized gains of $50,000 and $72,000 respectively. In quarters ending September 30, 2017, December 31, 2017, March 31, 2018, June 30, 2108, and September 30, 2018 fair value adjustments were recorded of $3,000, $33,000, $39,000, $49,500, and $19,500 respectively resulting in unrealized losses. In the quarter ending December 31, 2018 the Company sold these shares with a realized loss of $5,313 expensed in the quarter ending December 31, 2018. Of the expenses recorded in the quarters ending March 31, 2017 through March 31, 2019, $55,000 per quarter relate to the accrual of the deferred portion of the CEO's annual compensation. These accrual amounts do not represent a draw on cash but rather a deferred payable.

Results of Operations

The Company reported a loss of $294,574 for the three months ended June 30, 2019 compared with a loss of $225,965 for the same period last year. Cash used in operations for the nine months ended June 30, 2019 was $345,754 compared to $179,141 for the same period last year.

Project, general and administrative expenses ("PG&A") for the three months ended June 30, 2019 totaled $294,578 (2018 - $246,942) of which $60,805 (2018 - $38,801) related to public and community relations, $17,500 related to consultant fees (2018 – nil), $10,323 related to interest expense (2018 – nil), $16,928 (2018 - $7,000) related to professional fees, $35,418 (2018 - $30,619) for office and administrative expenses and $9,793 (2018 - $21,677) related to travel. Compensation expense for the three months ended June 30, 2019, which is also included in PG&A, amounted to $143,811 (2017 - $148,845). PG&A expenses were higher this quarter over the same quarter in the prior year as government relations ($22,004), legal costs ($9,928), and consultant fees ($17,500) are higher related to work done in the quarter to profile the project and to secure a senior partner to assist in developing the project.

During the three months ended June 30, 2019, the Company recorded investment income of nil (2019 - $477), an realized fair value loss on financial instruments of nil (2018 - $49,500), and given that the Orsted negotiations were terminated it received nil (2018 - $70,000) of other income under that agreement.

Liquidity

As at June 30, 2019, the Company had $0.15 million in cash and cash equivalents compared to $0.09 million as at September 30, 2018. Working capital, being current assets less current liabilities, as at June 30, 2019 was $(0.97) million vs. $(0.46) million as at September 30, 2018. The decrease in cash and cash equivalents and working capital during the three months ended June 30, 2018 is the result of expenditures related to the advancement of the NaiKun Wind Project and the ongoing overhead and administration to maintain the Company.

During the quarter ended March 31, 2014 the Company made a deposit with Natural Resources Canada (NRC) as part of the Met Mast license renewal. This deposit is held by NRC to ensure the retirement obligation is fulfilled when the Met Mast is decommissioned.

During the three months ended December 31, 2018, to provide near term funding of the Company's activities, the Company sold its common shares in Barkerville for $111,687. The Company also entered into a loan agreement dated January 24, 2019 with one of the Company's directors to provide financing of $300,000. In October 2018, the partnership negotiations with Orsted were mutually terminated and other parties were engaged in discussions to partner with NaiKun in the development of the wind project. These discussions are currently ongoing with the expectations of a final selection of a partner in the second quarter of calendar 2019.

The Company believes it will still be some time before there is clarity on the development plans for the northwest region of BC, and until those plans are understood there is uncertainty as to the future demand for electricity and the role that the NaiKun Wind Project could play in meeting that demand.

The Company's ability to continue as a going concern is dependent on its ability to obtain additional financing or an investment by a strategic partner in order to meet its planned business objectives and be able to advance the Project. The Company will need to raise funds through grants, strategic collaborations, public or private equity, debt financing, or other funding sources. The funding may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If the Company is unable to generate positive cash flows or obtain adequate financing, the Company would need to curtail operations.

Capital Resources

During the three months ended June 30, 2019, the Company issued 179,687 common shares at a fair value of $0.06 per common share to directors as full payment of their remuneration. Also, during the three months ended June 30, 2019, 2,253,902 common shares were issued on the exercise of warrants at the price of $0.10. As at June 30, 2019 the Company had 67,614,663 common shares issued and outstanding. Subsequent to June 30, 2019, the Company issued 179,687 shares at a fair value of $0.06 per common share to directors as full payment of their remuneration. These subsequent issuances covered compensation for the period of April 1, 2019 to June 30, 2019 and the value ascribed to the shares was based on the Company's stock price on June 30, 2019. As at the date of this MD&A, the Company had 67,794,350 common shares issued and outstanding.

As at June 30, 2019, and as at the date of this MD&A, the Company had the following options and warrants outstanding:

Description	Exercise Price	Expiry Date	Number Outstanding
Stock Options	$0.135	February 5, 2020	200,000
Stock Options	$0.10	January 2, 2021	1,300,000
Stock Options	$0.10	October 6, 2026	450,000
Stock Options	$0.095	November 1, 2027	1,400,000
Stock Options	$0.10	January 23, 2029	1,250,000
Stock Options	$0.10	February 22, 2021	1,000,000
Warrants	$0.10	July 14, 2019	7,500,000
Warrants	$0.10	September 7, 2019	1,486,178
Warrants	$0.15	September 7, 2019	798,955
Warrants	$0.10	January 24, 2020	3,000,000

As of the date of this MD&A, the Company had 5,600,000 stock options, and 5,285,133 warrants outstanding.

Commitments

In September 2017 NaiKun reached a non-binding agreement with Orsted Energy (“Orsted”), previously DE Wind Power U.S. LLC (“DONG Energy”) to exclusively negotiate the terms of a Joint Development Agreement ("JDA") to define how the NaiKun wind project will be developed and the future collaboration, financial and partnership frameworks between the parties. In connection with the agreement, Orsted agreed to contribute to the Company a monthly fee of $35,000 from September 1, 2017 to the earlier of a date that a JDA is signed or June 1, 2018. Either the Company or Orsted could have, at any time after January 1, 2018, terminated the letter agreement by providing the other party written notice. In October 2018, the partnership negotiations with Orsted were mutually terminated and other parties were engaged in discussions to partner with NaiKun in the development of the wind resource. Subsequent to June 30, 2019, the company has signed an indicative agreement with a major offshore wind development company and the two parties are currently working to negotiate and sign a definitive agreement over the next few weeks.

During the three months ended December 31, 2018, the Company concluded an agreement with Enmax Generation Portfolio Inc. (“ENMAX”) to terminate the Asset Purchase Option Agreement between ENMAX, the Company, and the Company’s affiliates. Additionally, for the amount of $1.00, the Company purchased the common shares that ENMAX held in Genco, thereby giving the Company 100% ownership of Genco.

Contingent Liabilities

The Company's Deferred Plan was designed to attract and retain qualified personnel while conserving cash during the Company's development stages. The Deferred Plan deferred payment of the majority of the Company’s salary expenses prior to 2009 until financial close associated with the NaiKun Wind Project as defined within the Deferred Plan agreement. Amounts allocated to the

Deferred Plan have not been accrued due to the uncertainty of the occurrence of the triggering event for payment, that being financial close.

As at June 30, 2019, the remaining unpaid, unaccrued balance in the Deferred Plan amounted to approximately $4.2 million.

To preserve cash, the Company entered into agreements with several consultants and the CEO to defer all or a portion of their retainer, fees, or compensation; the payment of which is triggered by a future Success Event. "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the NaiKun wind farm, to develop the project(s) on some deferred timeframe or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the board of NaiKun that may or may not be partially owned by NaiKun. In order for the deferred retainers and fees to become payable, the Success Event must provide NaiKun shareholders with a significant increase in share value and further, this event must provide NaiKun with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty of the occurrence of a future Success Event.

The Company also entered into an agreement with its CEO to defer $220,000 per annum of his compensation. As at June 30, 2019, the total accumulated accrued amount of this deferral, which commenced January 1, 2016, is $770,000 (2017 - $550,000). In addition, a matching amount is contingently payable and triggered by a future Success Event. This portion has not been accrued due to the uncertainty of the occurrence of a future Success Event.

As at June 30,2019, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is $703,000 (2018 – $642,750) and for CEO compensation, the amount is $770,000 (2018 – $550,000).

Related Party Transactions

Key management compensation to the Chief Executive Officer, Chief Financial Officer, and the Board of Directors for the three months ending June 30, 2019 are as follows:

	2019	2018
Wages and benefits	$ 111,155	$ 113,175
Share-based	32,656	35,670
	$ 143,811	$ 148,845

During the three months ended June 30, 2019 the Company issued 179,687 common shares (2018 – 134,766 common shares) with a fair value of $10,782 (2018 - $10,782) to directors as their annual compensation.

As at June 30, 2019 $10,781 (2018 - $10,782) in directors' remuneration was accrued in accounts payable and accrued liabilities and was subsequently paid by issuance of common shares of the Company.

As at June 30, 2019 $770,000 (2018 – $550,000) was payable to the Company's CEO and included in deferred compensation payable.

Internal Controls and Procedures over Financial Reporting

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

TSX Venture listed companies are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, the certifying officers (the Chief Executive Officer and Chief Financial Officer) do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer 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 (b) 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 issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 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.

Approval

The board of directors of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com under *NaiKun Wind Energy Group Inc.* or at www.naikun.ca.
Dated August 28, 2019