

NAIKUN WIND ENERGY GROUP INC.

(A Development Stage Company)

Management's Discussion & Analysis First Quarter ended December 31, 2008

Containing information up to and including February 23, 2009

This Management's Discussion and Analysis ("MD&A") reviews the activities of NaiKun Wind Energy Group Inc. ("Group") and its wholly owned subsidiaries, NaiKun Wind Development Inc. ("Devco"), Austar Resources (U.S.) Corporation ("Austar") and Patriot Energy Company Ltd. ("Patriot"), collectively, (the "Company" or "Naikun"). For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the interim financial statements for the three months ended December 31, 2008 ("Q1 – 2009") and the accompanying notes for all relevant periods, including the most recent audited financial statements and MD&A for the year ended September 30, 2008. The above-mentioned documents along with additional information and disclosure relating to the Company can be found on SEDAR at www.sedar.com.

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles, and these statements are filed with the relevant regulatory authorities in Canada. All monetary amounts are in Canadian dollars unless otherwise stated.

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, the energy sector, electricity demand, technology, environmental factors, community relations, First Nations, and foreign exchange fluctuations. 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, February 23, 2009 (the "Report Date").

Description and Overview of Business

NaiKun is a Vancouver-based renewable energy company with a focus on the development of wind energy projects. It is currently in the process of developing a project off the north coast of British Columbia in Hecate Strait (the "Naikun Wind Project" or the "Project") and is a registered

proponent in the Clean Power Call (the “CPC”) issued by British Columbia Hydro and Power Authority (“BC Hydro”). On November 24, 2008, the Company submitted its bid proposal for Phase 1 of the NaiKun Wind Project to supply up to 396 megawatts of electricity in response to the CPC. BC Hydro is scheduled to award electricity purchase agreements (“EPA”) in May to June 2009. Upon a successful EPA award and arrangement of construction financing, the Company intends to transfer the the first phase of the NaiKun Wind Project from its wholly owned subsidiary, NaiKun Wind Development Inc. (“Devco”) to NaiKun Wind Generating Inc. (“Genco”), a company jointly owned by ENMAX Green Power Inc. (“ENMAX”), a wholly owned subsidiary of Calgary based ENMAX Energy Corporation, and Group, to progress the Project through the construction and operation stages. The Company will also continue to develop future phases of the Project.

NaiKun Wind Project

The Company holds an Investigative Use Permit (“IUP”) from the Government of BC and a Permit to conduct Research from the Haida Power Authority both of which provide the Company with the ability to develop wind energy projects in a 550 km² trapezoid shaped area off the northeast coast of Haida Gwaii in British Columbia’s Hecate Strait. In addition, the Company holds an IUP for two cable corridors that would be used to connect the wind projects, Haida Gwaii, and the mainland grid.

The wind resource in the area is the best in BC and among the best in the world due to the consistent and high wind speeds. Other characteristics that make Hecate Strait an ideal location for offshore wind projects include its flat sedimentary seabed, relatively shallow waters and close access to British Columbia Transmission Corporation’s power grid.

The potential of the area within the IUPs is 1750 megawatts (“MW”), enough to power over 500,000 homes. The currently assumed timeframe to fully develop this world-class energy resource within the approved IUP is approximately 10 years. The Company’s approach would see the wind resource developed over 5 phases, each of about 300 MW plus, with full production of the 396 MW Phase 1 scheduled for 2014. In addition, the Company is in the conceptual stage of development for a similar sized Phase 2. Following the commercial and environmental confirmation of Phase 1, the Company would begin the regulatory and commercial evaluation of this subsequent phase. The specific development schedule for Phases 3 through 5 are subject to overall power requirements in the Western Electricity Coordinating Council and Western Renewable Energy Zones, environmental approvals, First Nations consultation and approvals along with other factors which would include securing strategic and financial partners.

The Company’s key business focus includes being a renewable energy developer, an equity owner of wind projects and the operator of wind projects. The Company’s long term revenue plan is built on optimizing these multiple income streams.

Beyond developing the wind potential of the Haida Energy Field located in British Columbia’s Hecate Strait, the Company is continually exploring renewable energy options in British Columbia and other jurisdictions that would be consistent with its corporate objectives and capabilities.

Project Update

Phase 1 (396 MW)

A key milestone for Phase 1 of the NaiKun Wind Project and for Q1-2009 was the submission of a proposal into the BC Hydro Clean Power Call RFP (“CPC”) on November 24, 2008 to develop up to 396 MW of offshore wind capacity.

Clean Power Call RFP (“CPC”)

- Issuance of the CPC in June 2008 marked a key milestone for the BC Energy Plan. The CPC was targeted to acquire “clean” energy from projects using proven technology and had a stated intention of accommodating larger projects with in-service dates of 2016 or earlier. The announced target for the CPC was 5000 GWh of energy. On December 22, 2008, BC Hydro filed an Evidentiary Update which amended the proposed firm energy “need” from 5000 GWh to 3000 GWh. Subsequently on January 12, 2009, BC Hydro in a filing with the BC Utilities Commission indicated that it may buy 5000 GWh of energy or more, subject to affordability of proposed power options.
- The CPC received 68 proposals for clean energy projects around the province, including 45 hydroelectric projects, 19 wind projects, two using waste heat and one each for biogas and biomass. The total capacity of these proposals is 17,000 GWh/year and highlights the availability of a significant renewable energy resource that can be developed by private developers, in many instances working in commercial partnership with First Nations, for BC Hydro to meet domestic needs or to export to other jurisdictions.
- The Company’s bid proposal (“Proposal”) submitted to BC Hydro on November 24, 2008 in response to the CPC included a number of key features designed to achieve success. These included:
 1. **A Legacy for British Columbians** – The NaiKun Wind Project will make a significant contribution to meeting BC’s growing energy needs and initiate development of a new, clean, renewable power resource for British Columbia. The Proposal is aligned with the objectives and goals of the BC Energy Plan.
 2. **Complement to BC Hydro’s Hydroelectric Assets** – The NaiKun Wind Project will provide BC with clean energy free of greenhouse gas emissions, generated by strong, consistent, year-round winds that complement BC Hydro’s existing hydroelectric energy base. The NaiKun Wind Project realizes peak generation during the months when BC’s power demands are at its highest but the generation capacity of the Province’s hydro-based assets is lowest.
 3. **Strong First Nations Support** – the Company has built and maintained positive and collaborative partnerships with First Nations and communities to create lasting benefits. The Company has partnered with First Nations on aspects of the Project such as revenue generation, employment, training, and income sharing, so that local communities benefit directly and significantly from the Project.
 4. **Strong Public Support** – the Company’s consultation, public information, and community relations activities to date have resulted in strong local and provincial support for the Project.
 5. **A Strong Business Case** based on best management practices in financing, project management, construction, and operations to appropriately manage risk and ensure performance.
 6. **An Experienced Team** of energy sector executives, engineers, and project managers with proven ability to deliver large-scale and complex infrastructure projects – including offshore wind – on time, on budget, and in keeping with community needs.

7. **Project Scalability and Flexibility** – the Company can offer additional project phases to meet unanticipated demand and respond to challenges that may result from supply shortfalls.
8. **An Advanced Stage of Development** providing a high degree of certainty that the NaiKun Wind Project will be delivered on time. The Company already has an agreement leading to the supply of wind turbine generators, the environmental assessment process is nearing the final application stage, and financing arrangements are advancing.

The Company is confident that its Phase 1 Proposal offers BC Hydro flexibility to meet future energy needs and positions the Company to successfully deliver a Project that is in the best interests of energy users in British Columbia. BC Hydro has indicated that it intends to award Electricity Purchase Agreements for the CPC in mid-2009, following the receipt of the BCUC decision regarding the 2008 Long Term Acquisition Plan.

The Company has been developing Phase 1 of the NaiKun Wind Project with the assistance of various personnel from ENMAX, who have a 50% ownership interest in Genco, the company that will build, own and operate Phase 1 of the NaiKun Wind Project. The Company expects to secure a third equity partner for Genco with a targeted ownership position of 35% to 40%. The Company plans to obtain debt on a project financing basis with advice from The Bank of Tokyo-Mitsubishi UFJ who has been retained as an advisor on Phase 1 of the NaiKun Wind Project.

Other project highlights for Phase 1 of the NaiKun Wind Project during Q1-2009 include:

- securing the participation of key engineering consultants Sandwell Engineering (“Sandwell”) of Vancouver and Offshore Design Engineering (“ODE”) from the United Kingdom. Sandwell has extensive experience with west coast projects and ODE has expertise in UK offshore wind construction and operation.
- signing a Letter of Intent (“LOI”) with Siemens Wind Power (“Siemens”) which focuses on the supply of 110 offshore wind turbines, each with a capacity of 3.6 MW. This LOI builds on the Company’s existing Memorandum of Understanding (“MOU”) with Siemens for the supply of offshore transmission systems to support the project.

From inception to December 31, 2008, the Company has expensed approximately \$30.1 million on the development stages of the NaiKun Wind Project, of which \$11.2 million related to engineering and development costs. In addition, the Company has capitalized \$3.3 million in costs relating to the construction and installation of the Metmast, which includes an asset retirement obligation (“ARO”) in regards to the future costs associated with removal of the Metmast.

Phase 2 (400 MW)

- The Company is in the conceptual stage of development for a 400 MW Phase 2, the evaluation of which would begin upon commercial and environmental confirmation of the similar sized Phase 1. The development of this potential 400 MW would be contingent on, among other things, First Nations’ consultations and appropriate environmental approvals and securing an off-take agreement with BC Hydro or another creditworthy purchaser. In addition, construction of the incremental 400 MW would be contingent upon the availability of cost-effective transmission capacity and the commitment of project partners and financing. The Company believes that the option to develop Phase 2 of the Project may be attractive to utilities looking for renewable energy options. The Company further believes that the scalability of the Project differentiates the Company from most other energy projects in the western renewable energy market.

Outlook

The Company's next major milestone will be the filing of its Phase 1 application for an Environmental Assessment Certificate ("EAC") to the governments' of British Columbia and Canada in mid March 2009. In support of this application, all environmental studies and reviews have been completed. Concurrent with the EAC application to the BC and Canadian governments, the Company will also submit its environmental assessment to the Haida Nation for their approval. The Company expects that these applications will be accepted for review in April 2009 with the issuance of respective environmental certificates in late 2009.

In mid 2009, NaiKun Wind also expects to be advised of BC Hydro's decision regarding successful proponents in the CPC and the related EPA awards. As outlined in the Project Update, the Company believes its Proposal is supported by a sound business case that is consistent with British Columbian's desire for affordable, green power that supports the goal of energy self sufficiency by 2016.

Over the next six months, the Company will focus on securing a third equity partner for Genco. The targeted ownership structure will result in ENMAX owning 50% of Genco, the third equity partner owning 35% to 40% and the Company owning 10% to 15%. These targets reflect the Company's strategy of leveraging its primary role as project developer. The Company expects the third equity partner will begin participation in late 2009 once specific development risks have been eliminated. Expected milestones in advance of the contribution from the third equity investor include the award of an EPA from BC Hydro for Phase 1, key supplier agreements for major project equipment and components and environmental approvals.

In addition to moving forward with the environmental approval process and advancing financing arrangements over the next six months, the Company will study the detailed geotechnical conditions which will assist with the design and placement of turbine foundations beginning in 2012. A drilling program to assess individual turbine locations will be undertaken in summer 2009, once the Company is awarded an EPA from BC Hydro for Phase 1 of the Project.

Other Corporate Highlights

Effective November 28, 2008, the Company was upgraded to a Tier 1 listing on the TSX Venture Exchange. Tier 1 is the TSX Venture Exchange's premier tier and is reserved for advanced companies with significant financial resources. Advantages of a Tier 1 listing include a more favourable regulatory environment and increased opportunity for participation by institutional investors.

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 in particular, wind energy companies. Some factors that may have a material impact on the Company's future include, but are not limited to:

Wind Resource and Weather

Although historical wind data obtained from Environment Canada at or around the site for the NaiKun Wind Project, along with data received from the Metmast, indicate it as being world-class in nature and supportive of the project economics, wind speeds are unpredictable, may vary over time and may or may not continue at the historical trend due to changes in weather

patterns. Prior to construction, the measured wind speeds affect the financeability of the Project and during operations, affect the profitability of the Project and the Company. During construction, the weather and marine environment at the Project site can cause scheduling delays resulting in material cost overruns or a delay in the operation start date. Where possible, the Company will incorporate insurance and contracting strategies to manage this risk.

Contracting Parties

The Company's current and future contractual arrangements with various parties (eg. consultants, suppliers, First Nations, strategic partners, management, etc.) for the development, construction and operation of the Project is another risk factor. The Company's ability to fulfill its obligations as well as the ability and likelihood of the other parties to fulfill their obligations can have a material impact on the future success of the Company.

Electricity Purchase Agreement

A significant milestone and risk factor for the Company is the award of an EPA from BC Hydro. The Company's current business plan assumes a successful EPA award. Not receiving an EPA would require the Company to significantly alter its strategic plan and such a shift could materially affect the Company's future.

Financing

Although the Company has raised sufficient capital to complete the development stages of the Project, it will need to obtain additional financing before commencing the construction stage. Financing will be obtained from a combination of: strategic partners, debt and equity. The general economy and credit markets affect each of these sources and are currently in a period of volatility and there is uncertainty as to the duration of this cycle. The Company is working with an international financial advisor with specific experience in offshore wind projects to develop a financing plan.

Financial Summary

The following summarizes selected financial information for the three months ended December 31, 2008, 2007 and the cumulative data from October 1, 2004 to December 31, 2008.

	December 31 <u>2008</u>	Three months ended December 31 <u>2007</u>	October 1, 2004 to December 31 <u>2008</u>
Net Loss	\$(3,698,809)	\$(2,561,277)	\$(26,865,807)
Loss per common share	<u>\$0.09</u>	<u>\$0.07</u>	

The following summarizes the total assets and total liabilities as at December 31, 2008, September 30, 2008 and September 30, 2007.

	December 31 <u>2008</u>	September 30 <u>2008</u>	September 30 <u>2007</u>
Total Assets	\$26,831,548	\$31,997,564	\$39,719,445
Total Liabilities	7,945,723	9,412,930	2,602,707

Net Loss and the decrease in *Total Assets* during the three months ended December 31, 2008 are primarily due to the Company's expenditures on the NaiKun Wind Project, virtually 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:

Quarter ended	Revenues - \$	General, Administrative & Engineering Expenses - \$	Net Income (Loss) - \$	Basic Earnings (Loss) per share - \$	Fully Diluted Earnings (Loss) per share - \$
31-Dec-08	Nil*	3,901,310	(3,698,809)	(0.09)	(0.09)
30-Sep-08	Nil*	7,725,568	(6,993,167)	(0.19)	(0.19)
30-Jun-08	Nil*	4,832,236	(4,531,506)	(0.12)	(0.12)
31-Mar-08	Nil*	2,490,954	(2,101,702)	(0.06)	(0.06)
31-Dec-07	Nil*	3,006,750	(2,561,276)	(0.07)	(0.07)
30-Sep-07	Nil*	2,423,289	(2,098,122)	(0.07)	(0.07)
30-Jun-07	20,064	1,330,676	(1,272,336)	(0.05)	(0.05)
31-Mar-07	33,217	1,092,349	(528,064)	(0.03)	(0.03)

*starting in the year ended September 30, 2007 ("Q4-2007"), the Company changed its presentation of financial results to reflect the change in focus from a junior natural resources company to a wind energy company in the development stages. Prior to Q4-2007, the Company recorded gross revenue from petroleum and natural gas sales. From Q4-2007 onwards, revenue from petroleum and natural gas sales is netted against its applicable expenses and reported as Other Revenue. Petroleum and natural gas activity has been declining as the Company continues to divest of its interests.

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.

Result of Operations

The Company reported a loss of \$3,698,809 for three months ended December 31, 2008 compared with a loss of \$2,561,277 for the same period last year. Cash outflows from operations amounted to \$5,227,815 compared with an outflow of \$3,220,611 for the same period last year. These increases are both primarily due to the Company's expenditures on the NaiKun Wind Project, virtually all of which are expensed in the period. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a going-concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business.

General, administrative and engineering expenses for three months ended December 31, 2008 totaled \$3,901,310 (2007 - \$3,006,750) of which \$1,051,779 (2007 - \$195,673) was for compensation, and \$1,835,443 (2007 - \$774,119) related to engineering and development expenses. Other noteworthy items include office and administrative expenses of \$215,811 (2007 - \$208,056), public and community relations expenses of \$199,062 (2007 - \$172,417), professional fees of \$228,252 (2007 - \$146,774), and travel expenses of \$91,972 (2007 - \$121,788). Non-cash expenses was comprised of depletion and amortization of \$185,229 (2007 - \$48,409). The significant increase for each of these items over the prior year is primarily due to increased activity on the development of the NaiKun Wind Project.

During the three months ended December 31, 2008, the Company recorded investment income of \$179,529 (2007 - \$420,411). The decline in investment income is attributable to the lower average cash balance and the significant decline in interest rates over the last year. The Company's net petroleum and natural gas sales amounted to \$14,021 during the three months ended December 31, 2008 compared with \$25,956 for the same period in the previous year. This decrease is attributable to reduced activity and the decline of oil prices.

Liquidity

As at December 31, 2008, the Company had \$22,685,101 in cash and cash equivalents compared to \$27,942,637 as at September 30, 2008. Of that balance, approximately \$22 million was held in Bankers Acceptances issued by Canadian Chartered Banks with maturity dates ranging from 2 days to 48 days. In accordance with the Company's Investment Policy, the Company did not hold more than \$10 million with any one issuer. Working capital as at December 31, 2008 was \$20,312,784 vs \$23,856,085 as at September 30, 2008. The decrease in cash and cash equivalents and working capital during the three months ended December 31, 2008 is primarily a result of the expenditures related to the advancement of the NaiKun Wind Project.

Capital Resources and Non-Controlling Interest

During the three months December 31, 2008, the Company did not issue any common shares and as at December 31, 2008 and February 23, 2009 had 39,332,501 common shares issued and outstanding.

As at December 31, 2008 and February 23, 2009, the Company had the following options and warrants outstanding:

Description	Exercise Price	Expiry Date	Number Outstanding
Restricted Warrants	\$0.63	September 30, 2013*	11,300,000
Stock Options	\$0.72	November 28, 2011	562,500
Warrants	\$2.66	December 4, 2009	1,000,000

*or 2 years after close of construction financing ("Financial Close") on Phase 1 of the NaiKun Wind Project (whichever is earlier).

Contingent Liabilities

The Company's deferred compensation plan includes a deferred cash completion bonus plan ("Deferred Plan") that 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 2008 until Financial Close. As at December 31, 2008, the remaining unpaid, unaccrued balance in the Deferred Plan amounted to approximately \$4.4 million.

Related Party Transactions

During the three months ended December 31, 2008, the Company contracted certain management, legal and administrative services from various consultants and companies, some of which are controlled by officers, directors and others. During the three months ended December 31, 2008, \$80,000 of these expenses were included in the Consolidated Statement of Loss (vs \$152,500 in the same period last year). These transactions with related parties are in the normal course of operations and have been recorded at the amount of consideration paid, which is considered similar to those that would be otherwise negotiated with third parties.

As at December 31, 2008, the Company holds a mortgage receivable with a principal value of \$732,000 from a Company director, who is also a senior officer of one of the Company's subsidiaries. The purpose of the mortgage was to purchase a home. The long term loan receivable is secured by the property, bears interest at the Bank of Montreal prime rate and has a term to maturity of three (3) years.

During the year ended Sept 30, 2008, the Company approved a payout from the Company's Deferred Plan to the chairman of the Company in recognition of his contribution to the Company and his transition from being the Chairman, President and CEO of the Company to non-executive Chair and his planned retirement. This payment will be made on his retirement as non-executive Chair in September 2009, amounts to \$1.44 million and represents his entire entitlement under the Deferred Plan. This amount was accrued as Compensation Expense during the year ended September 30, 2008 and is reflected in current liabilities as at December 31, 2008.

In November 2008, the Company implemented a share purchase loan and benefit program. Company employees who purchase the Company's shares ("Shares") in the open market are eligible to receive a benefit equal to 25% of their purchase and a full recourse loan for the remaining 75%. The Shares purchased under this program are subject to a one year hold. The loan bears interest at the CRA prescribed rate, has a one year term, is due and payable if the employee leaves the Company and can be called for repayment at the Company's discretion if the Company's 10 day moving average share price exceeds \$1.50. As at December 31, 2008, the Company has advanced \$315,333 to employees under this program.

Commitments

As at December 31, 2008, the Company had the following commitments:

- 1) Lease of Premises – the minimum annual net lease payments on the Company's premises are as follows for the periods ended September 30:

2009	\$104,882
2010	146,103
2011	148,190
2012	<u>6,236</u>
Total	<u>405,411</u>

- 2) Upon completion of certain project milestones, Genco, an entity owned 50% by the Company and 50% by ENMAX Green Power Inc. will have the option to purchase the rights to the NaiKun Wind Project from Devco and progress the Project through to the construction and operation phases.

Subsequent Events

On January 29, 2009, the Company announced the formation of a commercial limited partnership ("LP") involving NaiKun Wind Operating Inc., a wholly owned subsidiary of the Company, and the Council of the Haida Nation ("CHN"). The purpose of the LP is to operate and maintain the NaiKun Wind Project.

Significant Accounting Policies

The Company prepares its financial statements in conformity with generally accepted accounting principles for Canada. In its unaudited financial statements for the three months ended December 31, 2008, the Company lists its significant accounting policies in Note 2.

Accounting Changes

Goodwill and Intangible Assets

Section 3064, Goodwill and Intangible Assets, is replacing Section 3062, Goodwill and Intangible Assets, and Section 3450, Research and Development Costs, and is effective for fiscal years beginning on or after October 1, 2008. Section 3064 establishes new standards for the recognition, measurement, presentation and disclosure of intangible assets. This new standard did not have a material impact on the Company's consolidated financial statements.

International Financial Reporting Standards (“IFRS”)

In early 2008, the CICA announced that International Financial Reporting Standards (“IFRS”) will become Canadian accounting standards for publicly accountable enterprises on January 1, 2011. The Company will be required to adopt IFRS for its year ended September 30, 2011 and is currently evaluating the impact and processes required. Over the next few months, the Company will formulate a schedule and involve the necessary consultants to develop a strategy to meet the requirements of IFRS.

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 Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers 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 MI 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 February 23, 2009