CDN MSolar Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

March 31, 2018

As at July 30, 2018

The following Management's Discussion and Analysis (the "MD&A") of CDN Msolar Corp. (the "Company" or "CMS" as of July 30, 2018 should be read in conjunction with the audited financial statements for the year ended March and related notes thereto for the year ended March 31, 2018. Copies of which are available on SEDAR at www.sedar.com.

These financial statement have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). IFRS has been applied since the incorporation.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "Forward-Looking Statements") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Risks and Uncertainties below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward Looking-Statements. Investors are cautioned against placing undue reliance thereon. The Company undertakes no obligation to revise or update the Forward-Looking Statements, except as required by applicable law.

OVERALL PERFORMANCE

Corporate Structure and History

The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 15, 2013. On September 30, 2013, the Company completed an amalgamation with MN Ventures Ltd. ("MN"), a reporting issuer in each of the provinces of British Columbia and Alberta. The Company continues under the name CDN MSolar Corp. following the amalgamation. On April 8, 2014, the common shares of the Company were listed on the Canadian Securities Exchange under the symbol "CNSX:CMS".

The Company is established to be the exclusive worldwide marketing and business development of Dongying Minghui New Energy Science & Technology Co., Ltd. ("Minghui"). Minghui is located in the national economic and technology development zone in the city of Dongying located on the Yellow

River delta in the Shandong Province of China. Minghui has developed, created and manufactured certain products and systems that involve proprietary technologies, patents, methodologies, systems and solutions regarding integrated energy saving technology, collectively, the Minghui developments, IP and products (the "Minghui Technology"). Minghui has developed over thirty patents in conjunction with several Chinese universities in China. At its core, Minghui designs, manufactures and sells integrated energy saving technology ("IEST") systems combining its flat-panel solar collector, multi-source heat pump and deep geothermal pump in response to a growing demand for energy-saving solutions designed for residential and commercial buildings. The Company plans to expand Minghui business from its base in China to the international market.

The success of the Company is dependent upon certain factors that may be beyond management's control, such as political, currency, and liquidity risk. If the Company is unable to fund its investments or otherwise fails to invest in an active business, its business, financial condition or results of operations could be materially and adversely affected

Description of Business

On April 15, 2013, the Company signed a Technology Transfer Agreement (the "Agreement") to purchase the Minghui Technology for $195,000 in exchange for 9,750,000 common shares valued at $0.02 per share. Pursuant to the Agreement, Minghui granted the Company an irrevocable license to produce, develop market, sell and/or otherwise distribute the Minghui Technology. The license is unlimited to use and exploitation worldwide, with the exception of China.

The Company's business strategy is to focus on the marketing of geothermal energy technology and PV power generation technology on behalf of Minghui, in North America. The Company will assist Minghui to export these technologies from China to North America.

The Company does not have sufficient funds to operate the business normally.

On August 8, 2017, The Company was found to in default of Canadian Securities Exchange (CSE) requirements and as such was suspended pursuant of CSE Policy 3. The suspension is considered a Regulatory Halt as defined in National Instrument 23-101 Trading Rules. A cease trade order had been issued by the Ontario and British Columbia Securities Commission. This cease trade order was revoked November 1, 2017 in BC and Ontario however; the company has not yet completed the process for reinstatement with the CSE.

SELECTED ANNUAL INFORMATION

The financial results of the Company for the financial years ended March 31, 2018, 2017 and 2016 are summarized as follows:

	For the Financial Year ended March 31, 2018 ($)	For the Financial Year ended March 31, 2017 ($)	For the Financial Year ended March 31, 2016 ($)
Total Revenue	-	-	-
Loss from Continuing Operations			
(i) Total for the Year	(15,471)	(415,933)	(132,602)
(ii) per share – basic	(0.01)	(0.19)	(0.01)
(iii)per share - fully diluted	(0.01)	(0.19)	(0.01)
Net Profit or (Loss)			
(i) Total for the Year	10,217	(415,933)	(132,602)
(ii) per share – basic	0.00	(0.02)	(0.06)
(iii)per share - fully diluted	0.00	(0.02)	(0.06)
Total Assets	3,519	7,791	430,533
Total Non-Current Financial Liabilities	-	-	-
Distributions or Cash Dividends declared per-share	-	-	-

DISCUSSION OF OPERATIONS

During the year ended March 31, 2018, the Company had no material operations.

For the year ended March 31, 2018, the Company had a loss of $15,471 (2017: loss $415,933) and had an accumulated deficit of $1,126,474 (2017: $1,111,003).

Auto expense and warehouse rental expense for the year ended March 31, 2018 were $0 (2017: $12,729 and $20,009) respectively.

Salary and benefits expense for the year ended March 31, 2018 were $0 (2017: $32,698).

SUMMARY OF QUARTERLY RESULTS

Net gain for the three months ended March 31, 2018 was $31,993 (2017: loss $320,612). The most significant reason for gain is the result of the restructuring and recognition of various payables by the Company and a decrease in operational costs.

The financial results for each of the eight most recently completed quarters are summarized as follows:

	Three Months ended March 31, 2018 ($)	Three Months ended December 31, 2017 ($)	Three Months ended September 30, 2017 ($)	Three Months ended June 30, 2017 ($)
Total Assets	3,519	1,817	1,266	8,135
Working Capital (Deficiency)	(70,382)	(102,375)	(75,662)	(69,032)
Shareholders' Equity	(70,382)	(362,375)	(335,663)	(329,032)
Profit or (Loss)	31,993	(26,712)	(6,631)	(14,121)

Profit or (Loss) per share	0.01	(0.01)	(0.00)	(0.01)
	Three Months ended March 31, 2017 ($)	**Three Months ended December 31, 2016 ($)**	**Three Months ended September 30, 2016 ($)**	**Three Months ended June 30, 2017 ($)**
Total Assets	7,791	308,708	377,715	401,793
Working Capital (Deficiency)	54,911	5,701	46,728	74,240
Shareholders' Equity	(314,911)	5,701	48,455	76,210
Profit or (Loss)	(320,612)	(42,754)	(27,755)	(24,812)
Profit or (Loss) per share	(0.01)	(0.00)	(0.00)	(0.00)

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2018, the Company had $965 of cash and cash equivalents (2017: $0) and net working deficiency of $70,382 (2017: $54,911). The company has an ongoing monthly working capital requirement of $3,000 per month. The Company's ability to continue its operations as intended is dependent on its ability to obtain necessary financing and raise sufficient capital to implement its business plan. These factors indicate uncertainty about the Company's ability to continue as a going concern.

The financial results for the financial year ended March 31, 2018, 2017 and 2016 are summarized as follows:

	Financial year ended March 31, 2018 ($)	Financial year ended March 31, 2017 ($)	Financial year ended March 31, 2016 ($)
Cash Flows from Operating Activities	(12,408)	(104,383)	(126,593)
Cash Flows from Investing Activities	-	-	-
Cash Flows from Financing Activities	(13,373)	(15,922)	(1,457)
Increase (decrease) in Cash and Cash Equivalents	965	(120,305)	(128,050)
Cash and Cash Equivalents – Beginning of Year	-	120,305	248,355
Cash and Cash Equivalents – End of Year	965	-	120,305
	Financial year ended March 31, 2018 ($)	**Financial year ended March 31, 2017 ($)**	**Financial year ended March 31, 2016 ($)**
Cash and Cash	965	-	120,305

Equivalent			
Total Assets	3,519	7,791	430,533
Total Liabilities	73,901	322,702	329,511
Share Capital	1,056,092	796,092	796,092
Total Shareholders' Equity	(70,382)	(314,911)	101,022
Total Liabilities and Shareholders' Equity	3,519	7,791	430,533

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2018, and up to the date of this MD&A, the Company had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As at March 31, 2018, an amount of $37,451 (2017: $284,078) was due to a director of the Company. The amount is unsecured, non-interest bearing and with no fixed terms of repayment.

As at March 31, 2018, an amount of $24,837 (2016: $24,837) was due to the former President of the Company. This amount is unsecured, non-interest bearing with no fixed terms of repayment.

There was no key management remuneration or payroll paid during the year.

PROPOSED TRANSACTION

As at March 31, 2018, and up to the date of this MD&A, there were no proposed transactions of the Company, other than as disclosed herein.

CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

As at March 31, 2018, the Company was a "venture issuer" as that term is defined in National Instrument 51-102 Continuous Disclosure Obligations, and as such is not required to provide the information pertaining to the critical accounting estimates of the Company.

For a detailed summary of the Company's accounting policies, the reader is directed to Note 3 of the Notes to the audited financial statements of the Company for the financial year ended March 31, 2018 and 2016 available on SEDAR at www.sedar.com.

INTERNAL CONTROLS OVER FINANCIAL REPORTING ("ICFR")

No changes have occurred in the current period in the Company's ICFR that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's interim financial statements for the period ended March 31, 2018 (together the "Interim Filings").

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and ICFR, as defined in NI 52-109. 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 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.

RISK AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company.

Strategic and operational risks are risks that arise if the Company fails to develop the solar business in Canada under the Minghui Technology Agreement and/or to debt financing in financing the business development. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The credit risk on cash is limited because the Company has no trade receivables as at March 31, 2018 and 2017. Therefore, the Company is not exposed to significant credit risk.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at March 31, 2018, the Company had no cash (2017: $0) to settle accounts payable of $8,246 (2017: $13,787) and due to related parties of $38,964 (2017: $308,915) which significantly fail due for payment within twelve months of the financial position date.

Start Up Venture: the Company's prospects are affected by the risks, expenses, and difficulties frequently encountered by companies in the growth stage, particularly companies in highly competitively markets. As an early growth-stage company, the risks faced by BC518 include, but are not limited to, evolving and unpredictable business models and growth management. To address these risks, the Company must, among other things, expand its customer base, implement and successfully execute its business and marketing strategy, continue to develop and upgrade its processes and technology, provide superior service to customers, respond to competitive developments, and attract, retain, and motivate qualified personnel. There is no assurance that it will be profitable in the future.

The success of the Company is dependent upon certain factors that may be beyond the Company's control. If the Company is unable to fund any such investment required to advance the business under the Minghui Technology agreement or otherwise fails to invest in new technology or obtain adequate sales, then financial condition or results of operations could be materially and adversely affected.

Conflicts of Interest: Certain of the directors of the Company also serve as directors and/or officers of other companies involved in operations that may be related to the business the Company enters into.

Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

FUTURE CASH REQUIREMENTS

The Company's future capital requirements will depend on many factors, including, among others, cash flow from operations. If the Company pursues other business opportunities, the Company may need to raise additional funds through debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. Accordingly, the Company is investigating various business opportunities that ideally will increase the Company's positive cash flow.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVEUNE

The required additional disclosure concerning the Company is contained in the audited financial statements and related notes thereto for the financial year ended March 31, 2017 and 2016. Copies of which are available on SEDAR at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

On April 15, 2013, the Company issued 9,750,000 shares at $0.02 per share to Dongying Minghui New Energy Science & Technology Co., Ltd. as a part of a technology transfer agreement for the total of $195,000. On May 3, 2013, the Company issued 6,250,000 shares at $0.02 for debts settlement, of which 4,000,000 shares were issued to a company controlled by the President. On May 31, 2013, the Company redeemed 1 share which was issued upon incorporation.

On August 26, 2013, the Company issued 2,000,000 shares for cash at $0.05 per share for total proceeds of $100,000. On October 10, 2013, the Company issued 1,999,997 common shares valued at $0.05 per share for a total of $100,000 upon amalgamation with MN Ventures Ltd. In addition, the Company exchanged the original 18,000,000 common shares outstanding under the predecessor, CDN MSolar Corp. for 18,000,000 common shares of CDN MSolar Corp., the amalgamated Company.

On December 19, 2013, the Company has issued 260,920 common shares to the President of the Company at $0.10 per share as a settlement of the convertible debenture agreement. The fair value of the shares on December 19, 2013 was considered to be $0.10.

On March 2, 2014, the Company issued 1,666,667 shares for cash at $0.15 per share for total proceeds of $250,000.

On March 9, 2018 the Company issued 52,000,000 shares at a price of five cents per share in settlement of debts in the amount of $260,000.

As at March 31, 2018, the company had 73,927,584 issued and outstanding common shares (2017: 21,927,584) of which none are held in escrow (2016: 2,739,138).

On July 4, 2018, the Company consolidated its common shares on the basis of one new common share for every ten existing common shares. As of the date hereof there are an aggregate of 7,392,759 common shares outstanding following the consolidation.

As at the date of this report, there were no stock options or warrants outstanding.

SUBSEQUENT EVENTS

On July 4, 2017, The Company filed a Notice of Civil Claim against Mr. Samuel Lin Hoi Yu, a former President and director, in the Supreme Court of British Columbia, B.C. regarding the repayment of an advance in the sum of $300,000 (Note 5). In addition, the Company has also filed a second claim against the former president alleging that the former president wrongfully took possession of an advance intended to be made to the Company by a controlling shareholder. On July 18, 2017, Mr. Yu filed a response denying this claim. These matters are going to be heard by the Supreme Court of British Columbia on January 7, 2019. The outcome of both of claims is uncertain.

On July 4, 2018, the Company announced that it had effected a consolidation of its common shares on the basis of one new common share for every ten existing common shares outstanding. There are an aggregate of 7,392,759 common shares of the Company outstanding following the consolidation.

ADDITIONAL INFORMATION

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