

FORM 51-102F1

Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") as of August 25, 2016 should be read in conjunction with the Company's interim condensed financial statements for the nine months ended June 30, 2016 and accompanying notes thereto. All dollar amounts are expressed in Canadian funds unless otherwise stated.

International Financial Reporting Standards ("IFRS")

The interim condensed financial statements for the nine months ended June 30, 2016 are prepared in accordance with International Financial Reporting Standard 34 as issued by the International Accounting Standards Board. Accordingly certain financial information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. The disclosure in the interim condensed financial statements are incremental to the disclosure included in the annual financial statements. The Company's external auditors, Collins Barrow Edmonton LLP, have not performed a review of the interim condensed financial statements.

Except as otherwise noted, the financial information contained in this MD&A and in the interim condensed financial statements has been prepared in accordance with IFRS.

Overall Performance

Reco Northern Alberta Inc. was incorporated under the Alberta Business Corporations Act on November 28, 2013 for the purpose of modular home building for the territory of Northern Alberta.

Selected Annual Information

| | 2015 | 2014 |
|---------------------------------------|---------|---------|
| Revenue | - | - |
| Expenses | 3,765 | 2,985 |
| Other Income | - | - |
| Net Income (Loss) | (3,765) | (2,985) |
| Income (Loss) per Share | (0.00) | (29.85) |
| Fully Diluted Income (Loss) per Share | (0.00) | (29.85) |
| Total Assets | 2,242 | - |
| Total Long-term Liabilities | - | - |

Summary of Quarterly Results (in accordance with IFRS)

| | June 30, 2016 | Mar. 31, 2016 | Dec 31, 2015 | Sep 30, 2015 | Jun. 30, 2015 | Mar. 31, 2015 | Dec 31, 2014 | Sep 30, 2014 |
|---|------------------|------------------|-----------------|-----------------|------------------|------------------|-----------------|-----------------|
| Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Expenses | \$ 5,691 | \$ 2,799 | \$ 2,019 | \$ 3,765 | \$ - | \$ - | \$ - | \$ 2,985 |
| Gain (loss) on disposal of Property | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Income (Loss) | \$ (5,691) | \$ (2,799) | \$ (2,019) | \$ (3,765) | \$ - | \$ - | \$ - | \$ (2,985) |
| Basic and diluted EPS | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |

Interim Result

Revenues

The Company has not commenced commercial operations and currently has no revenue.

Expenses

General and administrative expenses consist of expenses incurred in maintaining the reporting issuer status of the company

Liquidity

The Company has nil cash balance and a working capital deficiency of \$17,259 as at June 30, 2016.

Capital Resources

The Company has no commitment for capital expenditures to note at this time.

Transactions with Related Parties

Amount payable to related party is unsecured, bear no interest and are payable on demand. The amount advanced from a commonly controlled company was for working capital purposes.

Off – Balance Sheet Arrangements

As at June 30, 2016, we have not entered into any off-balance sheet arrangements.

Risk Factors

The corporation is exposed to a variety of business and other risks and uncertainties including the following:

- Our ability to raise sufficient funds to carry on our operations.
- The demand for our services.
- Our ability to achieve profitable operations.

Financial Instruments and Other Instruments

Financial instruments of the company consist of accounts payable and accrued liabilities and amount due to related party. Accounts payable and accrued liabilities and amount due to related party are classified as other financial liabilities. Financial instruments classified as other financial liabilities are initially measured at fair value with subsequent periodical revaluations recorded at amortized costs using the effective interest rate method.

Share Structure

The Company has 25,635,635 common shares outstanding at August 25, 2016.

Critical Accounting Policies and Estimates

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the interim condensed financial statements and accompanying notes.

There is a full discussion and description of the Company's estimates and judgments used in preparing the interim condensed financial statements for the nine months ended June 30, 2016 in Note 2 to the interim condensed financial statements.

Forward Looking Information

This management discussion and analysis may contain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. These statements are not historical acts and are subject to risks and uncertainties which could cause actual results and the timing of certain events to differ materially from those set forth in or implied herein including, without limitation, risks associated with the company's proposed activities.