INTERIM MANAGEMENT DISCUSSION AND ANALYSIS AND UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2014

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SCOPE OF MANAGEMENT'S FINANCIAL ANALYSIS

The following analysis should be read in conjunction with the annual financial statements of Strateco Resources Inc. ("the Company") for the years ended December 31, 2013 and 2012, and the unaudited condensed interim consolidated financial statements for the quarters ended September 30, 2014 and 2013. The unaudited condensed interim consolidated financial statements for the quarter ended September 30, 2014, including comparative figures, have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. All amounts are in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

The sections of this management discussion and analysis ("MD&A") on the strategy and action plan, exploration activities and financial reporting of the Company and its subsidiary, SeqUr Exploration Inc. ("SeqUr"), incorporated under the *Canada Business Corporations Act* on January 13, 2014, reflect Management's current expectations and as such, contain "forward-looking statements". Such statements should be understood in context, particularly statements that reflect the Company's opinions, estimates and expectations with regard to future events or results. Such forward-looking statements are subject to certain factors and involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate. Factors that could cause future results, activities and events to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, uranium price volatility, risks inherent in the mining industry, uncertainty in the estimation of mineral resources, additional financial requirements and the Company's ability to meet such requirements, and the consequences of significant unforeseen delays in obtaining the provincial certificate of authorization required for activities to proceed, for which the Company has had to initiate legal proceedings, the outcome of which remains uncertain. These risks and uncertainties are more fully described in this MD&A and the annual information form filed on SEDAR.

INCORPORATION, NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the *Canada Business Corporations Act* by articles of incorporation dated April 13, 2000.

The Company is primarily engaged in the exploration of mining properties with a view to commercial production. It does not currently have any mines in production. The Company has a portfolio of three mining properties in which it holds a 100% interest and interests in three mining properties, all in Quebec. Together, these properties cover 761 claims for a total area of 40,358 hectares (403 km^2). The Company is focusing its efforts on obtaining the provincial certificate of authorization needed to advance the Matoush project, located in Quebec. Except for some projects in the Athabasca basin in Saskatchewan, the Matoush project, located in the Otish Mountains of northern Quebec, can be considered one of the highest-grade uranium exploration projects in the world. The Company has also transferred an option to its subsidiary to acquire interests in four mineral properties in Saskatchewan totalling 18 mineral claims covering a total of 45,271 hectares (452 km^2). The Company is thus participating in the development of new uranium properties in Saskatchewan and pursuing its goal of advancing its Matoush project in Quebec.

The Company will periodically need to obtain new funds to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

URANIUM MARKET

The uranium market has grown considerably since the beginning of the 2000s because of the associated advantages and demand in many industries. Growing energy needs, particularly in emerging countries like China and India, environmental concerns and the availability of the resource for large-scale production are among the factors behind the rise in the uranium market. The uranium spot price climbed from about US$10/pound in 2002 to a peak of US$137/pound in 2007.

The uranium market was nevertheless shaken by the incident that occurred in Fukushima, Japan, on March 11, 2011, and the uranium spot price dropped substantially, as did all uranium companies indices. A period of uncertainty followed, particularly in relation to the termination of the German nuclear program and the possibility that Japan might not restart its reactors. In the third quarter of 2014, the uranium spot price was approximately US$32/lb and the mid- to long-term price stood at around US$44/lb.

Many analysts are optimistic about the future of the uranium market. Despite economic recessions, the events at Fukushima and the recent drop in uranium prices, demand for energy continues to grow. Energy needs are such that nuclear power projects are being developed around the world. Many countries intend to expand their nuclear capacity, including China, the United Kingdom, India, Russia, the United States, South Korea and the United Arab Emirates. More than 45 countries that do not have a nuclear program are currently considering this option. Uranium demand is expected to grow by 20% by 2020 and 61% by 2030 (UxC, 2013).

On April 13, 2014, the Intergovernmental Panel on Climate Change ("IPCC") released the third part of its report on climate change mitigation, in which it urged governments to take immediate action to limit global warming, including increasing the share of energy supply from nuclear. To succeed in limiting warming to 2 °C, a major change in approach is required, including in the energy supply sector, which accounts for 35% of the planet's greenhouse gas emissions ("GHG"). To avoid the worst, GHGs must decrease by 40-70% by 2050 compared to 2010, and be near zero by the end of the century. To do this, the IPCC advocates the use of low-carbon energy supply (renewables, nuclear), which needs to triple or even quadruple by 2050; their share in electricity supply must increase from 30% today to over 80% by 2050. According to the IPCC, if nothing is done, global warming could easily increase by over 4 °C, which would have a devastating impact on global agriculture, fisheries and the availability of drinking water, in addition to causing a rise in the number of extreme, deadly weather events. This increase is mainly due to the use of fossil fuels such as coal and oil; nuclear is an integral part of the proposed solution. (Report - Summary for Policymakers, IPCC, April 2014)

There are 436 nuclear reactors worldwide in some 30 countries (October 2014), and another 70 under construction in some 14 countries, primarily in Asia. China has 21 reactors in operation, 27 under construction and 60 planned in the next eight to ten years, with another 120 proposed within the next 15 years. In Russia, there are currently 10 reactors under construction and another 31 planned. India intends to increase its nuclear capacity, with 22 new reactors planned in the next eight to ten years, and 35 reactors proposed within the next 15 years. The Nuclear Cooperation Agreement between Canada and India, which took effect on September 27, 2013, opens up markets for Canadian uranium exporters. In all, more than 174 nuclear reactors are expected to be built in the coming years (World Nuclear Association, 2014).

Countries that shut down their nuclear programs following the events in Japan represent a small proportion of global demand for nuclear power. There have not been this many nuclear reactors in construction since the rapid growth seen at the end of the 1980s. Nuclear power is therefore still relevant, and the future is promising.

HIGHLIGHTS

During the third quarter of 2014, the Company followed closely the meetings of the commission of inquiry being held by the *Bureau d'audiences publiques sur l'environnement* ("BAPE") on uranium industry issues in Quebec. Furthermore, due to the Government of Quebec's refusal to grant the last permit needed for the underground exploration phase of the Matoush project and the delays associated with the holding of the BAPE commission of inquiry, the Company was obliged to continue the dismantling of its Matoush camp. The Company also pursued its legal action to invalidate the decision by the former Minister of Sustainable Development, Environment, Wildlife and Parks ("MDDEFP"), now called the Minister of Sustainable Development, Environment and the Fight against Climate Change (« MDDELCC ») of Quebec, on the Matoush uranium project file, so that it can proceed with the underground exploration phase of the project.

Phase two of the BAPE commission of inquiry on uranium industry issues in Quebec, namely the questions and information phase, took place from September 3 to 25, 2014. The purpose of this phase was to "allow the commission and the participants to deepen their knowledge of the issues concerning the uranium industry in Quebec, with the help of specialists and resource persons". Although none of the members of the Company's team was invited to participate in this phase as an expert from the most advanced uranium project in Quebec, the Company did monitor all the public meetings. It notes both a general lack of interest from Quebecers in the commission of inquiry and the extremely tight controls on all aspects of the Canadian uranium industry as described and demonstrated by the experts invited to participate in the BAPE sessions.

The Company also continued to be very active in the media throughout the third quarter, as well as with the general public and shareholders, in order to set the record straight on the Quebec uranium industry. The Company was shocked to see that the Quebec media gave much more coverage to the message of uranium industry opponents than to the information the experts provided to the BAPE, and this is why the Company is attempting to offset this by having a greater media presence.

The Company also continued to dismantle the Matoush camp for the temporary closure of the project. It should be recalled that this decision was part of a cost-cutting program that the Company was required to implement following the Quebec Government's refusal to grant the last certificate of authorization needed to start the advanced exploration phase of the Matoush project. In the third quarter of 2014, the Company sold some of its assets held for sale, for $611,814. The Company also completed the sale of certain assets held for sale subsequent to September 30, 2014, in the amount of $313,800.

On July 4, 2014, a judgment was rendered on the Crees' request to intervene in the Company's motion to invalidate the former MDDEFP minister's decision of November 7, 2013, to refuse to issue the certificate of authorization for the Matoush underground exploration program. The judgment allows Cree participation for all issues and at all stages of the proceedings. In addition, with respect to the Company's motion to invalidate, the Company received, on October 28, 2014, the defense of the Attorney General of Quebec; examination of witnesses out of court will follow.

The Company's subsidiary, SeqUr Exploration Inc. ("SeqUr"), a private company, has officially launched its new website, www.sequr.ca. The site contains current information about the company and its projects in Saskatchewan and special sections that keep shareholders, potential investors and the general public up to date on the latest news about SeqUr and the uranium industry.

Finally, on November 3, 2014, the Company announced that it has given its consent to a transaction between The Sentient Group ("Sentient") and Toro Energy Limited ("Toro"), an Australian public company with uranium exploration projects in Australia. The transaction involves, among other things, the sale of a substantial portion of Sentient's holdings in the Company and its entire position in SeqUr, in exchange for shares of Toro. For more details on this transaction, please consult the Company's press release dated November 3, 2014, available on the website www.strateco.ca.

FINANCING

The Company did not enter into any private placements or other type of financing agreement in the first or third quarter.

On May 8, 2014, in the second quarter, the Company signed an agreement with Sentient Executive GP IV, Limited, ("Sentient IV"), part of Sentient, an insider and a related party, for a private placement of a total of 28,000,000 shares at a price of $0.05 per share for proceeds of $1,400,000. This placement received shareholder approval at the Annual General and Special Meeting of Shareholders ("annual meeting") on May 27, 2014, as well as regulatory approval.

At the annual meeting, 98.53% of the Company's shareholders present at the meeting or represented by proxy, voted in favour of the special resolution authorizing the directors of the Company to enter into a private placement. Voting on this matter was on a disinterested basis (excluding Sentient).

On June 12, 2014, the Company closed a non-brokered private placement of $1,400,000 with Sentient IV. The Company incurred $32,366 in fees and issue costs in connection with this financing, which was charged to share capital. The proceeds of the private placement are primarily being used for the maintenance of the Matoush project and working capital. A sum of $250,000 was allocated to the option agreement on the Jasper Lake project, in Saskatchewan.

On June 10, 2014, SeqUr issued 14,999,999 common shares to the Company in exchange for the Company's option on the Jasper Lake uranium project, consisting of four properties in Saskatchewan.

At the annual meeting, 99.37% of the Company shareholders present at the meeting or represented by proxy voted in favour of a special resolution authorizing the Company to distribute the 15 million common shares of SeqUr held by the Company to its shareholders, when deemed appropriate by the Company's board of directors.

In addition, on June 12, 2014, SeqUr closed a non-brokered private placement with Sentient IV of 5,000,000 common shares priced at $0.02 per share, for total gross proceeds of $100,000. SeqUr incurred fees of $7,500 in connection with this financing, which were charged to non-controlling interest. The Company now owns 75% of the subsidiary. The proceeds of the financing will be used solely for SeqUr's working capital.

Finally, it should be noted that SeqUr's Board of Directors adopted a resolution on July 2, 2014, appointing Jonathan Lafontaine, a director, as President and Chief Executive Officer, and Charles Riopel as a director, representing Sentient on the board of directors, in addition to the three other SeqUr directors.

EXPLORATION ACTIVITIES

Resources – Qualified Person: Mr. Jean-Pierre Lachance, the Company's Executive & Exploration and Community Relations Vice President, meets the criteria and is recognized as a qualified person as defined in the *Regulation 43-101 respecting standards of disclosure for mineral projects, c. V-1.1, r.15*. Mr. Lachance supervised the establishment of the information constituting the basic technical disclosure and approved the information contained herein. Mr. Lachance also verified the data disclosed, including the sampling, analytical or test data underlying the information or opinions contained in the written disclosure below, using a procedure that enabled him to confirm that the data was produced using the appropriate procedures, that it was accurately transcribed from the original source and that it can be used.

The quality assurance and quality control protocols are described in detail in Appendix A to the 2013 annual information form filed on SEDAR. This appendix provides a technical description of the analytical procedures, sampling methods and quality assurance and control protocols used for the exploration program. This technical description can also be found in the "*Quality Assurance and Quality Control-QA/QC*" section of the Company's website, at www.strateco.ca.

MATOUSH PROJECT (QUEBEC)
(Comprising the Matoush, Matoush Extension, Eclat and Pacific Bay-Matoush properties)

The Matoush project, located about 275 km north of Chibougamau in the Otish Mountains of northern Quebec, consists of the wholly-owned Matoush, Matoush Extension and Eclat properties, as well as the Pacific Bay-Matoush property, where the Company holds a 60% interest. The Matoush project currently comprises 559 claims covering a total area of 29,551 hectares (295 km^2).

The delays and circumstances surrounding the granting of the certificate of authorization by the MDDELCC for the underground exploration phase meant cancelling the Matoush project exploration. The Company decided to temporarily close the Matoush camp so as to reduce its operating expenses.

As part of the temporary closure of the Matoush camp, the medium and high grade drill core was selected, grouped and sorted in four separate locked, welded containers. Over 920 core boxes were moved and sorted. The exercise, which took place between August 13 and August 29, 2014, was conducted under the supervision of a former project geologist, assisted by two Mistissini Crees. The goal of the operation was to secure and sort the core for each of the Matoush mineralized zones so that it can be easily accessed when needed.

JASPER LAKE PROJECT (SASKATCHEWAN)
(Comprising the Jasper Lake, Minor Bay, Ahenakew Lake and North Wedge properties)

The Jasper Lake project in the Athabasca Basin in Saskatchewan consists of the Jasper Lake, Minor Bay, Ahenakew Lake and North Wedge properties, in which SeqUr can earn an interest of up to 60%. The Jasper Lake project currently consists of 18 mineral claims covering a total of 45,271 hectares (452 km^2).

No exploration took place on any of the properties of the Jasper Lake project during the third quarter of 2014.

In addition, in the third quarter of 2014, SeqUr assessed various financing options for, among other things, exploration work on the Jasper Lake project.

PERMITS AND AUTHORIZATIONS

LEGAL AND ADMINISTRATIVE PROCEEDINGS

Since the beginnings of the Matoush project in 2006, the Company has worked tirelessly to get through a long process of meeting the applicable standards and complying with provincial and federal regulations with respect to uranium projects. After completing a large number of environmental, social, economic and technical studies, the Company finally obtained its authorization from the federal Environment Minister and, in October 2012, from the Canadian Nuclear Safety Commission (“CNSC”), and a positive recommendation from the provincial evaluation committee for the Matoush underground exploration program. Furthermore, since the beginning of the Matoush project permitting process, the Company has been granted more than 20 certificates, permits and leases at the provincial level alone.

In January 2013, the Company began legal proceedings aimed at obtaining the former MDDEFP certificate of authorization needed to begin underground exploration at the Matoush project. All the legal proceedings that occurred prior to the third quarter of 2014 are described in previous quarterly and annual reports, as well as in the “The Matoush Project – Legal Proceedings” section of the Company’s website.

The Company pursued these legal efforts in the third quarter of 2014. It remains fully engaged in the process and more determined than ever to win its case.

It should be recalled that the Company filed a motion to invalidate with Quebec Superior Court (“the Court”) on December 5, 2013. This motion seeks to invalidate the former MDDEFP minister’s decision of November 7, 2013, whereby he refused to issue the certificate of authorization for the underground exploration phase of the Matoush project. In addition to seeking to invalidate the decision, the Company is asking the Court to force the minister to issue the certificate of authorization needed for the advanced exploration phase.

In this regard, on December 24, 2013, the Crees filed a request to intervene in the Company's motion to invalidate. On February 20, 2014, a hearing was held on the type and scope of the Cree intervention. The honourable judge Danielle Blondin, who is in charge of the motion to invalidate, took the question of the Cree participation under deliberation and rendered her judgement in July 2014. The ruling authorizes the Crees to participate in relation to all issues and at all stages of the proceedings.

In addition, with respect to the Company's motion to invalidate, the Company received, on October 28, 2014, the defense of the Attorney General of Quebec; examination of witnesses out of court will follow.

The Company is pursuing its legal actions, and intends to continue to vigorously defend the interests of its shareholders, who have invested more than $125 million in the Matoush uranium project in Quebec.

BAPE COMMISSION OF INQUIRY ON THE QUEBEC URANIUM INDUSTRY

On March 3, 2014, the former MDDEFP minister gave the BAPE the mandate to hold an inquiry commission on the Quebec uranium industry. The commission's work began May 20, 2014, for a one-year term. The BAPE's report must be delivered to the minister of the MDDELCC, by May 20, 2015, and the minister will then have 60 days to make it public.

The BAPE began the first phase of its mandate on May 20, 2014. This pre-consultation phase, which ended on June 23, 2014, allowed the commission to tour a dozen Quebec municipalities and communities to "listen to the public's concerns and adjust its inquiry strategy accordingly" (BAPE, May 6, 2014).

The second phase, namely the questions and information phase, took place from September 3 to 25, 2014, in Mistissini, Québec City, Wendake and Kangiqsualujjuaq. During this phase, "the commission and participants will consider the inquiry issues in more depth, with support from experts and resource people" (BAPE, May 6, 2014).

The Company notes that unlike to the first phase, where a larger number of people attended to express their personal views and their concerns, very few people attended the sessions for the second phase of the BAPE inquiry, when the discussions focused on the uranium industry facts. Many experts made presentations on various uranium industry issues and answered the Commissioners' questions.

The third and final phase of the commission of inquiry, the briefs presentation phase, will start on November 10, 2014, and will be "exclusively dedicated to the hearing of briefs and verbal opinions, and of citizens', municipalities', organizations' and groups' suggestions" (BAPE, October 7, 2014).

All the inquiry commission's sessions can be found on the BAPE website: http://www.bape.gouv.qc.ca/sections/mandats/uranium-enjeux/index.htm.

ENGINEERING

On June 12, 2014, the Company announced that it was temporarily closing its Matoush camp in the Otish Mountains, in northern Quebec. This decision is part of a cost cutting program that the Company adopted due to the Quebec government's refusal to issue the final permit needed to start the advanced exploration phase of the Matoush project.

The Company's Matoush camp has been on standby for over a year, ever since a moratorium and commission of inquiry on Quebec's uranium industry was announced on March 28, 2013.

The damages arising from the temporary closure of the Matoush camp and any cost associated with reopening the camp in the future add to the damages incurred by the Company and its shareholders following the Quebec government's refusal to issue the certificate of authorization. During the third quarter of 2014, the Company sold some of its facilities and equipment for $611,814 and did some of the site rehabilitation and restoration work. The Company also completed the sale of certain assets held for sale subsequent to September 30, 2014, in the amount of $313,800.

The temporary closure of the Matoush camp is being carried out in such a way as to protect the environment and human health, in keeping with the approach the Company has taken since the start of the Matoush project in 2006.

COMMUNITY AND INVESTOR COMMUNICATIONS

The delayed issuance of the certificate of authorization from the MDDELCC has forced the Company to operate with a smaller staff, and the Company therefore currently has no representatives in the local communities. However, discussions with members of the Cree community of Mistissini and the James Bay community indicate that the long-standing relationship persists. The Company remains available and open to discussion and to providing the local communities with information.

In addition, throughout the third quarter, the Company's President and Chief Executive Officer, Guy Hébert, increased his media exposure to remind Quebec politicians, local communities and the general public about the Matoush situation and set the record straight on the Quebec uranium industry.

The Company responds daily to questions from shareholders and the public, and all the public information on the Matoush project is posted on the Company's website (www.strateco.ca).

STRATEGY AND ACTION PLAN

EXPLORATION

No site work can be done on the underground exploration program at the Matoush project until the Company obtains a certificate of authorization from the MDDELCC.

The temporary closure of the Matoush camp, aimed to reducing costs while retaining the Company's recognized expertise, should end by the end of 2014.

SEQUR EXPLORATION INC.

SeqUr is planning a financing by the end of 2014, subject to market conditions, which would allow the 15 million shares of SeqUr to be distributed to the Company's shareholders, when deemed appropriate by the Company's board of directors, and airborne geophysical surveys to be flown over the entire Jasper Lake project.

LEGAL PROCEEDINGS

The Company will focus its efforts on the ongoing proceedings in relation to the motion to invalidate the Minister's decision proceeding for as long as required, so as to enforce its rights and protect the rights of its shareholders. In addition to the legal proceedings already underway, the Company reserves its rights to any future claims, and will continue to inform its shareholders on the ongoing legal proceedings.

BAPE COMMISSION OF INQUIRY ON THE QUEBEC URANIUM INDUSTRY

The Company intends to continue to be very active throughout the BAPE inquiry commission so as so vigorously defend its shareholders' interests, the Quebec uranium industry and the development of its advanced uranium exploration program at its Matoush project, whose negligible environmental impact has already been the subject of all the studies and public hearings required under Quebec's Environment Quality Act applicable to Quebec public lands and other federal legislation.

EXPLORATION AND EVALUATION EXPENDITURES AND EXPLORATION SUPPLIES

Exploration and evaluation expenditures and exploration supplies for the nine-month period ended September 30, 2014	Matoush	Matoush Extension	Eclat	Pacific Bay-Matoush	Mistassini	Jasper Lake Project	Total
	$	$	$	$	$	$	$
Balance, beginning of period	-	-	-	-	-	-	-
Additions							
Salaries, consultants and subcontractors	475,483	1,504	1,489	2,381	194	111,429	592,480
Maintenance of infrastructure, access roads, fuel depot and others	497,621	-	-	-	-	-	497,621
Drilling	(826)	-	-	-	-	130,557	129,731
Transport and fuel	225,963	-	-	-	-	28,375	254,338
First aid	2,655	-	-	-	-	112	2,767
Laboratories and analyses	-	-	-	-	-	5,922	5,922
Travel and lodging	32,364	-	-	92	-	7,730	40,186
Canadian Nuclear Safety Commission costs	(142,622)	-	-	-	-	-	(142,622)
Supplies and equipment rental	84,559	-	-	-	-	1,512	86,071
General expenses	69,208	1,962	892	4,077	1,675	686	78,500
Environment	34,428	-	-	-	-	72	34,500
	1,278,833	3,466	2,381	6,550	1,869	286,395	1,579,494
Refundable credit for resources	-	-	-	-	-	-	-
	1,278,833	3,466	2,381	6,550	1,869	286,395	1,579,494
Exploration and evaluation expenditures presented in the statements of income	(1,278,833)	(3,466)	(2,381)	(6,550)	(1,869)	-	(1,293,099)
Net change	-	-	-	-	-	286,395	286,395
Balance, end of period	-	-	-	-	-	286,395	286,395

EXPLORATION AND EVALUATION EXPENDITURES AND EXPLORATION SUPPLIES

Exploration and evaluation expenditures and exploration supplies for the nine-month period ended September 30, 2013	**Matoush**	**Matoush Extension**	**Eclat**	**Pacific Bay-Matoush**	**Mistassini**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	67,814,685	663,891	4,397,255	1,881,763	961,160	75,718,754
Additions						
Salaries, consultants and subcontractors	1,024,434	4,510	8,173	3,922	1,106	1,042,145
Maintenance of infrastructure, access roads, fuel depot and others	820,166	-	-	-	-	820,166
Drilling	196,139	954	1,234	(14,040)	(5,418)	178,869
Transport and fuel	61,908	-	-	-	-	61,908
First aid	137,377	-	-	-	-	137,377
Travel and lodging	47,542	-	-	-	-	47,542
Canadian Nuclear Safety Commission costs	251,623	-	-	-	-	251,623
Supplies and equipment rental	177,763	-	-	-	-	177,763
Rolling equipment maintenance	6,745	-	-	-	-	6,745
General expenses	180,405	1,905	702	2,161	1,318	186,491
Environment	41,330	-	-	-	-	41,330
Depreciation of property and equipment	358,181	-	-	-	-	358,181
	3,303,613	7,369	10,109	(7,957)	(2,994)	3,310,140
Refundable tax credits for resources	(686,090)	(2,855)	(3,917)	3,566	1,160	(688,136)
	2,617,523	4,514	6,192	(4,391)	(1,834)	2,622,004
Impairment	(68,748,195)	(667,072)	(4,403,017)	(1,883,727)	(961,664)	(76,663,675)
Exploration and evaluation expenditures presented in the statements of income	(1,627,074)	(1,333)	(430)	6,355	2,338	(1,620,144)
Net change	(67,757,746)	(663,891)	(4,397,255)	(1,881,763)	(961,160)	(75,661,815)
Balance, end of period	56,939	-	-	-	-	56,939

SELECTED FINANCIAL INFORMATION AND OPERATING RESULTS

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
Finance income	3,276	1,838	8,392	6,861
Expenses				
Mineral property expenditures	-	(3,255)	(34,938)	(3,255)
Exploration and evaluation expenditures – net of exploration camp lodging revenues	35,699	(811,398)	(1,062,556)	(1,620,144)
Salaries and benefits, consultants and professional fees, communications and promotional expenses and office expenses	(369,860)	(279,650)	(1,112,236)	(1,009,472)
Accretion expense on convertible notes, asset retirement obligations and loans payable	(829,160)	(696,718)	(2,292,883)	(1,961,967)
Depreciation of property and equipment	-	-	-	(5,664)
Interest and bank charges	(76,105)	(79,542)	(226,561)	(228,147)
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	-	-	(87 241 070)
Gain on disposal of property and equipment	-	3,043	-	3,043
Gain on disposal of assets held for sale	186,466	-	186,466	-
Income tax recovery	-	-	47,147	11,125,480
Net loss	(1,049,684)	(1,865,682)	(4,487,169)	(80,934,335)
Net loss per share, basic and diluted	(0.01)	(0.01)	(0.02)	(0.47)

As at:

	September 30, 2014	December 31, 2013
	$	**$**
Total assets	5,631,356	6,292,197
Non-current financial liability		
Loans payable	2,988,784	2,981,941
Convertible notes	8,355,870	6,151,853
	11,344,654	9,133,794

RESULTS OF OPERATIONS

The net loss for the three- and nine-month periods ended September 30, 2014, decreased for the following reasons:

No impairment was recorded for the three- and nine-month periods ended September 30, 2014, while the Company had impaired its non-financial assets as at March 31, 2013. The Company's mining properties, Matoush project-related deferred exploration and evaluation expenditures, and property and equipment were impaired by a total of $87,241,070 as at March 31, 2013.

The substantially-lower the income tax recovery for the nine-month period ended September 30, 2014, as compared to the same period in 2013, is partly attributable to the above-mentioned impairment recorded as at March 31, 2013.

The impairment had also had the effect of completely eliminating the deferred income tax liabilities and a corresponding recovery of deferred income tax had been recorded for the three-month period ended March 31, 2013.

Since the recognition of the above-mentioned impairment of its non-financial assets recorded as at March 31, 2013, the Company has presented all of its Matoush project exploration and evaluation expenditures in the interim consolidated statement of income. Total expenditures for the three- and nine-month periods ended September 30, 2014, net of lodging revenues, amounted to credit of $35,699 and $1,062,556, respectively, compared to $811,398 and $1,620,144 respectively, for the same periods in 2013. It should be noted that an amount of $267,750 in lodging revenue from the Matoush camp was recognized in exploration and evaluation expenses for the three- and nine-month periods ended September 30, 2014, while no such revenue was recognized for the same periods in 2013.

The Company generated a gain of $186,466 for the three-month period ended September 30, 2014, from the sale of assets held for sale and the decommissioning costs associated with these assets assumed by the buyers.

The accretion expense on convertible notes, asset retirement obligations and loans payable is increasing primarily because the accretion on convertible notes increases as the financial liabilities approach maturity. These charges had no impact on the Company's cash flow.

CASH ASSETS AND SOURCES OF FINANCING

The Company had negative working capital of $619,183 at September 30, 2014 (positive working capital of $362,496 at December 31, 2013), excluding assets held for sale but including $1,378,138 in cash. This working capital includes $1,080,864 in tax credits receivable at September 30, 2014 ($1,080,864 at December 31, 2013), as well as a provision of $1,830,000 as at September 30, 2014 ($1,830,000 as at December 31, 2013). Management estimates that these funds will not be sufficient for the Company to continue operating. Any funding shortfall may be met in the future in a number of ways, including, but not limited to, the issuance of new equity instruments, further expenditure reductions and other measures. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, or that these sources of funding or initiatives will be available to the Company or will be available on terms acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements.

The Company's operating activities used $1,949,417 in the nine-month period ended September 30, 2014 ($457,295 in the same period of 2013). The increase in cash flow used was due in part to the general decrease in changes in non-cash working capital items during the nine-month period ended September 30, 2014, primarily as a result of major changes in the Company's operations during the same period in 2013 arising from its inability to conduct its Matoush underground exploration program, which entailed an increase in accounts payable and accrued charges and the transfer of exploration supplies to prepaid expenses and other receivables. In addition, a much lower sum was received in income tax credits for the nine-month period ended September 30, 2014, compared to the same period in 2013.

The Company's investing activities consist primarily of funds used for exploration and evaluation work carried out in Saskatchewan, as shown in the "Exploration and Evaluation Expenditures and Exploration Supplies" tables of this MD&A. The Company also used funds for the properties of the Jasper Lake project in Saskatchewan, although it generated cash flow from the sale of assets from the Matoush camp in Quebec.

During the nine-month period ended September 30, 2014, the Company's financing activities included the closing of a non-brokered private placement on June 12, 2014, with Sentient IV, an insider and a related party, and the issuance of common shares for gross proceeds of $1,400,000. In addition, SeqUr, a subsidiary of the Company, closed a non-brokered private placement on June 12, 2014, with Sentient IV and issued common shares for gross proceeds of $100,000. On March 20, 2014, the Company issued 1,288,937 common shares priced at $0.057 per share for a total of $73,973 in payment of quarterly interest on the $3,000,000 loan granted by Sentient IV on December 20, 2013. On June 20, 2014, the Company issued 1,362,688 common shares priced at $0.056 per share for a total of $75,616 and on September 22, 2014, the Company issued an additional 2,107,995 common shares priced at $0.036 each, for total proceeds of $75,617, also in payment of quarterly interest on the same $3,000,000 loan. Note that the issuance of shares in payment of quarterly interest is a non-cash transaction.

QUARTERLY FINANCIAL INFORMATION

The following table contains selected financial information for the last eight quarters. The amounts were determined in accordance with IFRS, and are in Canadian dollars.

	Sept. 30, 2014 *(iv)*	**June 30, 2014 *(ii)***	**March 31, 2014 *(ii)***	**Dec. 31, 2013 *(ii, iii)***	**Sept. 30, 2013 *(ii)***	**June 30, 2013 *(ii)***	**March 31, 2013 *(i)***	**Dec. 31, 2012**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Total income	3,276	1,590	3,526	14,872	1,838	1,497	3,526	5,324
Net income (loss)	(1,049,684)	(1,775,875)	(1,661,610)	1,601,649	(1,865,682)	(1,843,216)	(77,225,437)	(954,906)
Net income (loss) per share, basic and diluted, attributable to parent company equity holders	(0.005)	(0.009)	(0.009)	0.009	(0.011)	(0.011)	(0.460)	(0.006)

(i) The net loss is attributable to the $87,241,070 impairment of the Company's mining properties, deferred exploration and evaluation expenditures and property and equipment, and to the recovery of deferred income taxes in the amount of $11,038,464.

(ii) The higher net loss is attributable to the presentation of all exploration and evaluation expenditures in the statement of income since the recognition of the impairment charge on the Company's non-financial assets; these Matoush-related expenditures totalled $808,746, $811,398 and $2,391,156 for the three-month periods ended June 30, 2013, September 30, 2013 and December 31, 2013, respectively, and $606,844 and $491,411 for the three-month periods ended March 31, 2014 and June 30, 2014, respectively.

(iii) Net income was primarily due to a of $5,125,105 gain on exchange of convertible notes.

(iv) The lower net loss is attributable in part to $267,750 in lodging revenues from the Matoush camp recognized under exploration and evaluation expenditures, and finally, the gain of $186,466 from the sale of assets from the Matoush camp.

OFF-BALANCE-SHEET ARRANGEMENTS

The Company does not have any off-balance-sheet arrangements.

RELATED-PARTY TRANSACTIONS

BBH GEO-MANAGEMENT INC.

Effective August 1, 2014, the Company renewed a service agreement with BBH, a related company with an officer and director, Guy Hébert, who is also an officer and director of the Company. The agreement, which remains in effect until December 31, 2015, provides for BBH to supply the Company with certain services.

Costs and expenses billed by BBH to the Company include the following:

- Use of BBH's offices and equipment for a monthly charge of $5,500 to be reviewed on August 1, 2015;
- Accounting;
- Consulting services, including geology.

The Company's Board of Directors approved the BBH service agreement without Mr. Hébert being present. The fees paid by the Company to BBH for the services of BBH's personnel are equivalent to what the Company would otherwise pay to a third party in the industry.

The Company and its subsidiary entered into the following transactions with BBH:

	Nine-month periods ended September 30,	
	2014	**2013**
	$	**$**
Capitalized exploration and evaluation expenditures in deferred exploration and evaluation expenditures		
Fees	38,000	355,000
In the statement of income		
Professional fees	158,000	152,000
Fees for exploration and evaluation expenditures	299,000	299,000
Office expenses	50,000	50,000

At September 30, 2014, accounts payable and accrued liabilities included an amount of $79,000 ($311,000 at September 30, 2013) owed to related parties. The fees charged by BBH for services rendered to the Company and its subsidiary by employees of BBH include a mark-up of 1.85 to cover benefits and other risks borne by BBH as employer. The invoices of BBH are payable upon receipt and bear interest at a rate of 5% per year.

While complying with the non-solicitation provision of the services agreement with BBH, the Company had to take into account the fact that on issuance of the CNSC license or when other events occur, it would have to incur expenses and fees to attract and hire personnel, manage its affairs and carry out its mineral exploration and development programs. Thus, the Company entered into an employee transfer agreement with BBH on November 8, 2011, effective August 1, 2011 (the "Transfer Agreement").

Among other things, the Transfer Agreement grants BBH the right to claim fees for the transfer of permanent employees from BBH to the Company. In the Transfer Agreement, the Company undertook to pay BBH for the transfer of each permanent employee, within 30 days of their commencement of employment with the Company, a fee based on a percentage of their base salary payable by the Company.

The Transfer Agreement provides for the future transfer of permanent employees of BBH who could eventually become employees of the Company but who were still employees of BBH as at November 5, 2014.

SENTIENT

Subsequent to the transactions described in Notes 10 and 13 to the financial statements dated December 31, 2013, Sentient has significant influence over the Company and thus is considered a related party. Agreements and transactions with Sentient are already disclosed in the financial statements of December 31, 2013, and in the unaudited condensed interim consolidated financial statements of September 30, 2014, and are therefore not described here.

On November 3, 2014, the Company announced that it has given its consent to a transaction between Sentient and Toro Energy Limited ("Toro"). The transaction involves, among other things, the sale of a substantial portion of Sentient's holdings in the Company and its entire position in SeqUr, in exchange for shares of Toro. The details of this transaction are disclosed in Note 11 "Subsequent event" of the unaudited condensed interim consolidated financial statements as at September 30, 2014.

OUTSTANDING SHARE DATA

	November 5, 2014
	Number
Common shares	217,288,117
Stock options	2,758,500
Warrants	1,500,000
	221,546,617

RISK AND UNCERTAINTIES

Risk factors are more fully discussed in the Company's MD&A in the annual report for the year ended December 31, 2013.

NEW ACCOUNTING POLICIES IN EFFECT

The new accounting policies in effect for the quarter ended September 30, 2014, are set out in Note 2 to the Company's unaudited condensed interim consolidated financial statements.

EVALUATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING

Management maintains a system of internal control over financial reporting to provide reasonable assurance that assets are safeguarded from any loss or unauthorized use and that financial information is reliable and available in a timely manner. The President and Chief Executive Officer and the Chief Financial Officer have also designed or caused it to be designed internal controls over financial reporting to provide reasonable assurance that financial reporting is reliable and that the financial statements are designed to report financial information in accordance with IFRS.

There were no important changes in the internal control over financial reporting during the three-month period ended September 30, 2014, that had or could reasonably be expected to materially affect the internal control over financial reporting ("ICFR").

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This MD&A is dated November 5, 2014, and complies with Canadian Securities Administrators' *Regulation 51-102 respecting continuous disclosure obligations, c. V-1.1, r. 24*. The purpose of this MD&A is to help the reader understand and assess the material changes and trends in the Company's results and financial position. It presents Management's perspective on the Company's current and past activities and financial results, as well as an outlook of activities planned for the coming months. The Company regularly discloses additional information through press releases and other reports filed on the Company (www.strateco.ca), and SEDAR (www.sedar.com) websites.

(Signed) Guy Hébert

Guy Hébert
President and Chief Executive Officer

(Signed) Yvon Robert

Yvon Robert
Chief Financial Officer

UNAUDITED CONDENSED
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2014
(In Canadian Dollars)

The attached condensed interim consolidated financial statements have been prepared by Management of Strateco Resources Inc. and have not been reviewed by the auditor

STRATECO RESOURCES INC.
Interim Consolidated Statements of Financial Position
(Unaudited)

(in Canadian dollars)

	As at September 30, 2014	As at December 31, 2013
	$	$
ASSETS		
Current assets		
Cash	1,378,138	1,843,106
Tax credits receivable	1,080,864	1,080,864
Sales tax receivable	-	106,261
Prepaid expenses and other receivables	165,804	105,920
	2,624,806	3,136,151
Assets held for sale (Note 3)	497,584	-
	3,122,390	3,136,151
Non-current assets		
Non-current portion of tax credits receivable	1,650,711	1,856,641
Available-for-sale investment	213,879	93,992
Mining properties (Note 4)	350,000	100,000
Deferred exploration and evaluation expenditures (Note 4)	286,395	-
Property and equipment (Note 5)	7,981	1,105,413
Total assets	5,631,356	6,292,197
LIABILITIES		
Current liabilities		
Accounts payable and accrued charges	885,972	928,229
Sales tax payable	52,396	-
Provisions	1,830,000	1,830,000
Current portion of obligations under finance leases	2,899	15,426
Current portion of asset retirement obligations (Note 3)	472,722	-
	3,243,989	2,773,655
Non-current liabilities		
Loans payable	2,988,784	2,981,941
Convertible notes	8,355,870	6,151,853
Asset retirement obligations	1,646,473	2,259,419
Total liabilities	16,235,116	14,166,868
EQUITY (DEFICIT)		
Share capital	84,830,956	83,238,116
Equity component of convertible notes	4,933,323	4,933,323
Warrants	92,706	439,747
Contributed surplus	13,365,304	13,065,410
Accumulated other comprehensive loss	84,676	(35,211)
Deficit	(113,974,169)	(109,516,056)
	(10,667,204)	(7,874,671)
Non-controlling interest	63,444	-
Total equity (deficit)	(10,603,760)	(7,874,671)
Total liability and equity (deficit)	5,631,356	6,292,197

Going concern (Note 1)
Subsequent event (Note 11)
The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

STRATECO RESOURCES INC.
Interim Consolidated Statements of Income
(Unaudited)

(in Canadian dollars)

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2014	2013	2014	2013
	$	$	$	$
EXPENSES				
Mineral property expenditures (Note 8)	-	3,255	34,938	3,255
Exploration and evaluation expenditures – net of exploration camp lodging revenues (Note 8)	(35,699)	811,398	1,062,556	1,620,144
General and administrative expenses (Note 9)	369,860	279,650	1,112,236	1,015,136
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	-	-	87,241,070
Gain on disposal of property and equipment	-	(3,043)	-	(3,043)
Gain on disposal of assets held for sale (Note 3)	(186,466)	-	(186,466)	-
Operating loss	(147,695)	(1,091,260)	(2,023,264)	(89,876,562)
Finance income	(3,276)	(1,838)	(8,392)	(6,861)
Finance costs				
Accretion expense on convertible notes	818,844	615,976	2,204,017	1,726,612
Accretion expense on asset retirement obligations	8,009	18,148	82,023	53,441
Accretion expense on loans payable	2,307	62,594	6,843	181,914
Interest and bank charges	75,977	79,048	225,894	226,409
Interest on obligations under finance leases	128	494	667	1,738
Loss before income tax	(1,049,684)	(1,865,682)	(4,534,316)	(92,059,815)
Recovery of income tax expense	-	-	-	(87,016)
Recovery of deferred income tax	-	-	(47,147)	(11,038,464)
Recovery of income tax expense	-	-	(47,147)	(11,125,480)
NET LOSS	(1,049,684)	(1,865,682)	(4,487,169)	(80,934,335)
Net loss attributable to:				
Equity holders of the parent company	(1,030,361)	-	(4,458,113)	-
Non-controlling interest	(19,323)	-	(29,056)	-
NET LOSS PER SHARE, BASIC AND DILUTED, ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	(0.01)	(0.01)	(0.02)	(0.47)
WEIGHTED-AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (in thousands)	215,363	176,688	197,297	170,764

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

STRATECO RESOURCES INC.
Interim Consolidated Statements of Comprehensive Income
(Unaudited)

(in Canadian dollars)

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
Net loss	(1,049,684)	(1,865,682)	(4,487,169)	(80,934,335)
Other comprehensive income (loss) that may be reclassified subsequently to net income				
Changes in fair value of available-for-sale investment	24,408	(2,000)	119,887	(12,000)
COMPREHENSIVE INCOME (LOSS)	(1,025,276)	(1,867,682)	(4,367,282)	(80,946,335)
Comprehensive income (loss) attributable to:				
Equity holders of the parent company	(1,005,953)	-	(4,338,226)	-
Non-controlling interest	(19,323)	-	(29,056)	-

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

STRATECO RESOURCES INC.

Interim Consolidated Statements of Cash Flows

(Unaudited)

(in Canadian dollars)

	Nine-month periods ended September 30,	
	2014	**2013**
	$	**$**
Cash flow provided by (used in)		
OPERATING ACTIVITIES		
Net loss	(4,487,169)	(80,934,335)
Adjustments for:		
Accretion expenses	2,292,883	1,961,967
Depreciation of property and equipment	-	5,664
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	87,241,070
Gain on disposal of property and equipment	-	(3,043)
Gain on disposal of assets held for sale	(186,466)	-
Shares issued in payment of interest	225,206	-
Payments for asset retirement obligations	(14,962)	-
Recovery of deferred income tax	(47,147)	(11,038,464)
	(2,217,655)	(2,767,141)
Changes in non-cash working capital items		
Tax credits receivable	205,930	671,157
Sales tax	158,657	266,572
Prepaid expenses and other receivables	(59,884)	475,486
Accounts payable and accrued charges	(36,465)	896,631
	268,238	2,309,846
Cash flow from operating activities	(1,949,417)	(457,295)
INVESTING ACTIVITIES		
Acquisition of mining properties	(250,000)	(6,619)
Increase in deferred exploration and evaluation expenditures	(276,723)	(2,285,459)
Additions to property and equipment	-	(154,404)
Proceeds of the disposal of property and equipment	-	3,043
Proceeds of the disposal of assets held for sale	611,814	-
Cash flow from investing activities	85,091	(2,443,439)
FINANCING ACTIVITIES		
Issuance of share capital	1,400,000	822,319
Issue costs	(7,366)	-
Non-controlling interest, net of issue costs	100,000	-
Loans payable, net of financing costs	(80,749)	2,461,436
Payments on obligations under finance leases	(12,527)	(11,456)
Cash flow from financing activities	1,399,358	3,272,299
NET CHANGE IN CASH	(464,968)	371,565
Cash, beginning of period	1,843,106	429,254
CASH, END OF PERIOD	1,378,138	800,819

Cash transactions		
Interest received	8,392	6,861
Interest paid	1,510	59,488

Supplemental cash flow information (Note 10)

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

STRATECO RESOURCES INC.
Interim Consolidated Statements of Changes in Equity (Deficit)
For the Nine-month Periods Ended September 30, 2014 and 2013
(Unaudited)

(in Canadian dollars)

	Attributable to equity holders of the parent company									
	Number of common shares outstanding	**Share capital**	**Equity component of convertible notes**	**Warrants**	**Contributed surplus**	**Accumulated other comprehensive loss**	**Deficit**	**Total**	**Non-controlling interest**	**Total equity (deficit)**
		$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Balance at January 1, 2013	**167,753,181**	**82,551,146**	**4,933,323**	**2,575,671**	**11,229,519**	**(30,000)**	**(30,183,370)**	**71,076,289**	**-**	**71,076,289**
Net loss	-	-	-	-	-	-	(80,934,335)	(80,934,335)	-	(80,934,335)
Other comprehensive income (loss)	-	-	-	-	-	(12,000)	-	(12,000)	-	(12,000)
Comprehensive income (loss)	-	-	-	-	-	(12,000)	(80,934,335)	(80,946,335)	-	(80,946,335)
Private placement	16,446,389	822,319	-	-	-	-	-	822,319	-	822,319
Issue costs	-	(26,734)	-	-	-	-	-	(26,734)	-	(26,734)
In consideration of issue costs	328,927	-	-	-	-	-	-	-	-	-
Expiry of warrants, net of income taxes of $292,154	-	-	-	(2,077,350)	1,785,196	-	-	(292,154)	-	(292,154)
Balance at September 30, 2013	**184,528,497**	**83,346,731**	**4,933,323**	**498,321**	**13,014,715**	**(42,000)**	**(111,117,705)**	**(9,366,615)**	**-**	**(9,366,615)**
Balance at January 1, 2014	**184,528,497**	**83,238,116**	**4,933,323**	**439,747**	**13,065,410**	**(35,211)**	**(109,516,056)**	**(7,874,671)**	**-**	**(7,874,671)**
Net loss	-	-	-	-	-	-	(4,458,113)	(4,458,113)	(29,056)	(4,487,169)
Other comprehensive income (loss)	-	-	-	-	-	119,887	-	119,887	-	119,887
Comprehensive income (loss)	-	-	-	-	-	119,887	(4,458,113)	(4,338,226)	(29,056)	(4,367,282)
Private placement (Note 6)	28,000,000	1,400,000	-	-	-	-	-	1,400,000	-	1,400,000
Issue costs (Note 6)	-	(32,366)	-	-	-	-	-	(32,366)	-	(32,366)
Investment in the subsidiary by a non-controlling shareholder, net of issue costs (Note 6)	-	-	-	-	-	-	-	-	92,500	92,500
Shares issued in consideration of loan interest payable (Note 6)	4,759,620	225,206	-	-	-	-	-	225,206	-	225,206
Expiry of warrants, net of income taxes of $47,147	-	-	-	(347,041)	299,894	-	-	(47,147)	-	(47,147)
Balance at September 30, 2014	**217,288,117**	**84,830,956**	**4,933,323**	**92,706**	**13,365,304**	**84,676**	**(113,974,169)**	**(10,667,204)**	**63,444**	**(10,603,760)**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

(in Canadian dollars)

1. INCORPORATION, NATURE OF OPERATIONS AND GOING CONCERN

Strateco Resources Inc. ("the Company") is incorporated under the *Canada Business Corporations Act* and is engaged in the acquisition, the exploration and evaluation and the development of mining properties. As of September 30, 2014, the Company's objectives are the development of new uranium properties in Saskatchewan, the care and maintenance of certain facilities of the Matoush camp in Quebec, which is presently closed temporarily, and covering the costs essential to the viability of the Matoush project. The address of its registered office and principal place of business is 1225 Gay-Lussac Street, Boucherville, Quebec, J4B 7K1, Canada. The Company's common shares are listed on the Toronto Stock Exchange TSX.

The Company has not yet determined whether the mining properties have economically recoverable ore reserves. Recovery of amounts indicated under mining properties are subject to the Company's ability to obtain the financing required to complete exploration, evaluation and development, and eventually, construction and eventually, the profitable future production on its assets.

The accompanying unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern, as described in the following paragraph. These unaudited condensed interim consolidated financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and consolidated financial position classifications that would be necessary were the going concern assumption would not be appropriate. These adjustments could be material.

The Company recorded a net loss of $4,487,169 for the nine-month period ended September 30, 2014, and had an accumulated deficit of $113,974,169 as at September 30, 2014. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its obligations and pay general and administration costs. As at September 30, 2014, the Company had negative working capital of $619,183, excluding assets held for sale but including $1,378,138 in cash. Management considers that these funds are insufficient for the Company to continue operating. Any future funding shortfall may be met in a number of ways, including the issuance of new equity instruments, cost reductions and other measures. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, that such sources of funding or initiatives will be available to the Company or that they will be available on terms acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these unaudited condensed interim consolidated financial statements.

The Company's financial year ends on December 31. These unaudited condensed interim consolidated financial statements were approved for issuance by the Board of Directors on November 5, 2014.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND NEW ACCOUNTING POLICIES IN EFFECT

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting.* The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2013, which were prepared in accordance with IFRS as issued by the IASB.

The accounting policies followed in these unaudited condensed interim consolidated financial statements are consistent with those of the previous financial year, except as described below.

CHANGES IN ACCOUNTING POLICIES

The Company adopted IFRIC 21, Levies as at January 1, 2014. IFRIC 21 provides guidance on accounting for levies in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. The adoption of IFRIC 21 did not require any adjustments as at January 1, 2014.

Assets held for sale
Non-current assets, or disposal groups comprises of assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured at the lower of their carrying amount and fair value less costs to sell, with the exception of financial assets and deferred income tax assets, which continue to be measured in accordance with the Company's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in net income (loss). Subsequent gains are not recognized in excess of any cumulative past impairment losses. The Company presents assets held for sale separately from the Company's other assets and separately from liabilities directly associated with the assets held for sale. Liabilities associated with assets held for sale are presented separately from the Company's other liabilities.

In January 2014, the Company incorporated SeqUr Exploration Inc. ("SeqUr"), at the time a wholly-owned subsidiary specialized in the acquisition, exploration and evaluation of mineral properties, under the *Canada Business Corporations Act*. Following the creation of its subsidiary, the Company adopted the following accounting methods:

Consolidation
The Company's interim consolidated financial statements include the financial statements of Strateco Resources Inc. and those of its subsidiary, SeqUr, 75% owned by the Company. Intercompany unrealized gains and losses, transactions and balances are eliminated on consolidation.

The subsidiary is an entity controlled by the Company. The Company controls an entity when the group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by exercising its power over the entity. The accounts of its subsidiary are fully consolidated from the day on which the Company obtained control, and cease to be on the day on which the Company ceases to have control. The subsidiary's accounting policies are consistent with the policies adopted by the Company.

(in Canadian dollars)

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND NEW ACCOUNTING POLICIES IN EFFECT (CONT'D)

Non-controlling Interest
A non-controlling interest is an interest in the share capital of a subsidiary owned by an external entity. The share of the net assets of the subsidiary attributable to the non-controlling interest is presented as a component of equity. Its share of the net loss and comprehensive loss is recognized directly in equity even if the balance of non-controlling interest income is negative. The Company treats transactions with non-controlling interest holders on the same basis as transactions with holders of equity securities. Changes in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

3. TEMPORARY CLOSURE OF THE MATOUSH CAMP

Assets Held for Sale
On June 12, 2014, the Company announced that it had to temporarily close its Matoush camp, located in the Otish Mountains in northern Quebec. This decision was part of a cost cutting program adopted by the Company following the Quebec government's refusal to issue the final permit needed to start the advanced exploration phase of the Matoush project.

The Company has therefore prepared a plan to sell the buildings, infrastructure and equipment related to the Matoush camp. Given its plan to sell these Matoush camp assets, the Company has classified the estimated recoverable value of its assets as assets held for sale, under current assets. An asset's recoverable value is its fair value, net of disposal costs. No loss on remeasurement was recorded as a result of the revaluations done on June 12, June 30 and September 30, 2014. The Company disposed of assets held for sale with a carrying value of $599,848 for proceeds of $611,814, resulting in a gain on disposal of $11,966. Moreover, the buyers assumed some of the work commitments related to decommissioning of those assets, resulting in a total gain on disposal of $186,466 for the three-month period ended September 30, 2014.

Subsequent to September 30, 2014, the Company sold another portion of the assets held for sale for $313,800.

Asset Retirement Obligations
At June 30, 2014, given the announcement of the temporary closure of the Matoush camp and the preparation of a plan to sell its buildings, infrastructure and equipment, the Company reclassified the estimated value of the asset retirement obligations related to its assets as a current liability, as the Company plans to do the work and incur the expenses required to settle its obligations related to these assets in the next 12 months. For the three-month period ended September 30, 2014, the Company incurred $47,747 in expenses for work required to settle its obligations related to these assets. In addition, for the same period, the buyers of these assets assumed the work commitments required to settle the Company's obligations related to these assets. A sum of $174,500 was therefore recognized as a gain on disposal of assets held for sale, as these costs were borne by the buyers. The Company has kept the obligation relating to the rehabilitation and restoration work required for assets not included in the disposal plan under non-current liabilities, and still expects the work to be done in 2017.

(in Canadian dollars)

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION AND EVALUATION ("E&E") EXPENDITURES

Saskatchewan Mineral properties	**Interest**	**December 31, 2013**	**Additions**	**September 30, 2014**
		$	**$**	**$**
Jasper Lake project	Option on 49%	100,000	250,000	350,000

Deferred E&E expenditures	**December 31, 2013**	**Additions**	**September 30, 2014**
	$	**$**	**$**
Jasper Lake project	**-**	286,395	286,395

5. PROPERTY AND EQUIPMENT

	Buildings and infrastructure	**Vehicles and rolling stock**	**Equipment**	**Total** *(i)*
	$	**$**	**$**	**$**
Nine-month period ended September 30, 2014				
Net book value, beginning of period	976,914	32,702	95,797	1,105,413
Transfer to assets held for sale (Note 3)	(976,914)	(32,702)	(87,816)	(1,097,432)
Net book value, end of period	-	-	7,981	7,981
As at September 30, 2014				
Cost	5,980,443	-	153,371	6,133,814
Accumulated depreciation	(2,891,615)	-	(129,951)	(3,021,566)
Accumulated impairment charges	(3,088,828)	-	(15,439)	(3,104,267)
Net book value	-	-	7,981	7,981

(i) All property and equipment are located in Quebec, Canada.

6. EQUITY

SHARE CAPITAL

On March 20, 2014, the Company issued 1,288,937 common shares at a price of $0.057 per share for a total of $73,973 in payment of quarterly interest on the $3,000,000 loan granted on December 20, 2013, by Sentient Executive GP IV, Limited ("Sentient IV"), part of the Sentient Group, a related party. On June 20, 2014, the Company issued 1,362,688 common shares at $0.056 per share for a total of $75,616 and on September 22, 2014, the Company issued 2,107,995 common shares at a price of $0.036 per share for a total amount of $75,617 in payment of quarterly interest on the same $3,000,000 loan.

On June 12, 2014, the Company closed a non-brokered private placement with Sentient IV, a related party, of 28,000,000 common shares priced at $0.05 per share, for gross proceeds of $1,400,000. The Company incurred fees and issue costs of $32,366 in connection with this financing, which were charged to share capital.

(in Canadian dollars)

6. EQUITY (CONT'D)

That same day, SeqUr, a subsidiary of the Company, closed a non-brokered private placement with Sentient IV of 5,000,000 common shares priced at $0.02 per share, for total gross proceeds of $100,000. SeqUr incurred fees of $7,500 in connection with this financing, which were charged to the non-controlling interest. The Company now owns 75% of the subsidiary.

7. FINANCIAL INSTRUMENTS – FAIR VALUE

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities:
  – financial assets available for sale (mining exploration company – Pacific-Bay);
- Level two includes inputs that are observable other than quoted prices included in level one: – none;
- Level three includes inputs that are not based on observable market data: – available-for-sale financial assets (mining exploration company – Canada Strategic Metals).

Fair value estimates are made as at the date of the consolidated statements of financial position, based on relevant market information and other information about financial instruments.

The Company's financial instruments as at September 30, 2014, consist of cash, available-for-sale financial assets, accounts payable and accrued charges, loans payable, obligations under finance leases and convertible notes. The fair value of these financial instruments is disclosed below, and approximates their carrying value due to their short maturity and current market rates, with the exception of the loans payable and the convertible notes.

	September 30, 2014		December 31, 2013	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$	**$**	**$**	**$**
Financial assets				
Cash	1,378,138	1,378,138	1,843,106	1,843,106
Available-for-sale financial assets	213,879	213,879	93,992	93,992
Financial liabilities				
Accounts payable and accrued charges	885,972	885,972	928,229	928,229
Obligations under finance leases	2,899	2,899	15,426	15,426
Loans payable	2,988,784	3,000,000	2,981,941	3,000,000
Convertible notes	8,355,870	8,411,519	6,151,853	6,211,090

(in Canadian dollars)

8. MINERAL PROPERTIES AND E&E EXPENDITURES

Mineral property expenditures		**Three-month periods ended September 30,**		**Nine-month periods ended September 30,**	
		2014	**2013**	**2014**	**2013**
	Interest	**Total**	**Total**	**Total**	**Total**
		$	**$**	**$**	**$**
Matoush project					
Matoush	100%	-	-	55	-
Matoush Extension	100%	-	597	19,024	597
Eclat	100%	-	-	4,928	-
Pacific Bay-Matoush	60%	-	-	11,094	-
Other project					
Mistassini	60%	-	2,658	(163)	2,658
		-	3,255	34,938	3,255

E&E expenditures	**Three-month period ended September 30, 2014**				**Nine-month period ended September 30, 2014**			
	Additions	**Tax Credits, net**	**Exploration Camp Lodging Revenues**	**Total**	**Additions**	**Tax Credits, net**	**Exploration Camp Lodging Revenues**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Matoush project								
Matoush	226,564	-	(267,750)	(41,186)	1,287,850	-	(267,750)	1,020,100
Matoush Extension	451	-	-	451	3,466	-	-	3,466
Eclat	391	-	-	391	2,381	-	-	2,381
Pacific Bay-Matoush	1,783	-	-	1,783	6,550	-	-	6,550
Other projects								
Mistassini	-	-	-	-	1,869	-	-	1,869
Prospecting - general exploration expenses	2,862	-	-	2,862	28,190	-	-	28,190
	232,051	-	(267,750)	(35,699)	1,330,306	-	(267,750)	1,062,556

E&E expenditures	**Three-month period ended September 30, 2013**			**Nine-month period ended September 30, 2013**		
	Additions	**Tax Credits, net**	**Total**	**Additions**	**Tax Credits, net**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Matoush project						
Matoush	810,154	-	810,154	1,856,338	(229,264)	1,627,074
Matoush Extension	-	-	-	2,176	(843)	1,333
Eclat	-	-	-	702	(272)	430
Pacific Bay-Matoush	1,244	-	1,244	(11,164)	4,809	(6,355)
Other project						
Mistassini	-	-	-	(3,817)	1,479	(2,338)
	811,398	-	811,398	1,844,235	(224,091)	1,620,144

(in Canadian dollars)

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
Salaries and benefits	212,993	144,149	558,613	468,213
Consulting and professional fees	115,627	70,787	340,539	283,841
Communication and promotion expenses	12,548	11,723	121,107	130,200
Office expenses	28,692	52,991	91,977	127,218
Depreciation of property and equipment	-	-	-	5,664
	369,860	**279,650**	**1,112,236**	**1,015,136**

10. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine-month periods ended September 30,	
	2014	**2013**
	$	**$**
Non-cash transactions		
Deferred E&E expenditures included in accounts payable and accrued charges	88,324	393,987
Asset retirement obligation fees included in accounts payable and accrued charges	32,785	-
Issue costs included in accounts payable and accrued charges	32,500	26,734
Additions to property and equipment included in accounts payable and accrued charges	-	12,650
Tax credits receivable presented as a reduction in deferred E&E expenditures	-	464,045
Depreciation of property and equipment included in deferred E&E expenditures	-	358,181
Shares issued in payment of interest on the loan payable	225,206	-
Shares issued for share issue costs, net of a tax impact of $0	-	16,446

11. SUBSEQUENT EVENT

On November 3, 2014, the Company announced that it has given its consent to a transaction between The Sentient Group ("Sentient") and Toro Energy Limited ("Toro"), an Australian public company with uranium exploration projects in Australia. The transaction involves, among other things, the sale of a substantial portion of Sentient's holdings in Strateco and its entire position in SeqUr, in exchange for shares of Toro.

Toro has acquired from Sentient 43,000,000 common shares of the Company or 19.79% equity interest in the Company, $14,105,000 of secured convertible notes receivable in the Company, $3,000,000 senior secured first ranking loan in the Company and 5,000,000 common shares of SeqUr, representing 25% equity interest in SeqUr.

Subsequent to the transaction, Sentient, which held 27.13% of the Company's share capital, retains an 7.34% stake in the share capital of the Company and 800 convertible notes, representing an amount of $800,000 secured by a hypothec on the Company's assets.

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, *Guy Hébert, President and Chief Executive Officer of Strateco Resources Inc.,* certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of ***Strateco Resources Inc.*** (the "issuer") for the interim period ended ***September 30, 2014.***

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings (c. V-1.1, r. 27), for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, 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.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **the *Internal Control – Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO)**.

5.2 N/A

5.3 N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on ***July 1, 2014*** and ended on ***September 30, 2014*** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: ***November 11, 2014***

(**Signed*****)* Guy Hébert**

President and Chief Executive Officer

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, *Yvon Robert, Chief Financial Officer of Strateco Resources Inc.,* certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of ***Strateco Resources Inc.*** (the "issuer") for the interim period ended ***September 30, 2014.***

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings (c. V-1.1, r. 27), for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, 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.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **the *Internal Control – Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO)**.

5.2 N/A

5.3 N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on ***July 1, 2014*** and ended on ***September 30, 2014*** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: ***November 11, 2014***

***(*Signed*)* Yvon Robert**

Chief Financial Officer

GENERAL INFORMATION

DIRECTORS

Guy Hébert
Boucherville, Quebec
President and Chief Executive Officer
Strateco Resources Inc.

Jean-Pierre Lachance
St-Hubert, Quebec
Executive, Exploration and Community Relations Vice President
Strateco Resources Inc.

Jean-Guy Masse*
Montreal, Quebec
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Northern Precious Metals Funds Management Inc.

Robert Desjardins*
Montreal, Quebec
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Robert G. Desjardins and Associates Inc.

Marcel Bergeron*
Montreal, Quebec
Financial Consultant

Paul-Henri Couture*
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Minvest Capital

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Town of Mount Royal, Quebec

Charles Riopel
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The Sentient Group

*** Audit Committee member**

OFFICERS

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President and Chief Executive Officer

Jean-Pierre Lachance, Geol.
Executive, Exploration and Community Relations Vice President

Pierre H. Terreault, P. Eng., MPM
Vice President Operations & Engineering

Yvon Robert, CPA, CA
Vice President Finance and Chief Financial Officer

Anne Hébert
Secretary

SHAREHOLDERS INFORMATION

Listing
Toronto Stock Exchange (TSX) - Symbol "RSC"
Frankfurt Exchange: Symbol "RF9"

Transfer Agent and Registrar
Computershare Investor Services Inc.

Auditor
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Pour obtenir une version française de ce rapport, veuillez vous adresser au siège social de la Société à Boucherville (Québec).