UNAUDITED CONDENSED
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2014

(In Canadian Dollars)

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

Strateco Resources Inc.
1225 Gay-Lussac Street, Boucherville, Quebec J4B 7K1
Tel.: 450 641-0775 • 1 866 774-7722 • Fax: 450 641-1601
Website: www.strateco.ca Email: info@strateco.ca
Toronto Stock Exchange “TSX”: RSC Frankfurt Stock Exchange “FSE”: RF9

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

(in Canadian dollars)

	As at March 31, 2014	As at December 31, 2013
	$	$
ASSETS		
Current assets		
Cash	686,282	1,843,106
Tax credits receivable	1,080,864	1,080,864
Sales tax receivable	95,429	106,261
Prepaid expenses and other receivables	99,076	105,920
	1,961,651	3,136,151
Non-current assets		
Non-current portion of tax credits receivable	1,856,641	1,856,641
Available-for-sale investment	237,000	93,992
Mining properties (Note 3)	100,000	100,000
Deferred exploration and evaluation expenditures (Note 3)	219,833	-
Property and equipment (Note 4)	1,105,413	1,105,413
Total assets	5,480,538	6,292,197
LIABILITIES		
Current liabilities		
Accounts payable and accrued charges	937,477	928,229
Provisions	1,830,000	1,830,000
Current portion of obligations under finance leases	11,343	15,426
	2,778,820	2,773,655
Non-current liabilities		
Loans payable	2,984,195	2,981,941
Convertible notes	6,805,677	6,151,853
Asset retirement obligations	2,278,293	2,259,419
Total liabilities	14,846,985	14,166,868
EQUITY (DEFICIT)		
Share capital	83,312,089	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	107,797	(35,211)
Deficit	(111,177,666)	(109,516,056)
Total equity (deficit)	(9,366,447)	(7,874,671)
Total liability and equity (deficit)	5,480,538	6,292,197

Going concern (Note 1)
Subsequent events at the closing date (Note 10)
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 March 31,	
	2014	**2013**
	$	**$**
EXPENSES		
Mineral property expenditures (Note 7)	3,066	-
Exploration and evaluation expenditures (Note 7)	606,844	-
General and administrative expenses (Note 8)	352,478	403,111
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	87,241,070
Operating loss	962,388	(87,644,181)
Finance income	(3,526)	(3,526)
Finance costs		
Accretion expense on convertible notes	653,824	536,120
Accretion expense on asset retirement obligations	18,874	17,481
Accretion expense on loans payable	2,254	58,704
Interest and bank charges	74,628	68,956
Interest on obligations under finance leases	315	664
Loss before income tax	(1,708,757)	(88,322,580)
Recovery of income tax expense	-	(58,679)
Recovery of deferred income tax	(47,147)	(11,038,464)
Recovery of income tax expense	(47,147)	(11,097,143)
NET LOSS	(1,661,610)	(77,225,437)
NET LOSS PER SHARE, BASIC AND DILUTED	(0.009)	(0.460)
WEIGHTED-AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (in thousands)	184,686	167,753

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 March 31,	
	2014	**2013**
	$	**$**
Net loss	(1,661,610)	(77,225,437)
Other comprehensive income (loss) that may be reclassified subsequently to net income		
Changes in fair value of available-for-sale investment	143,008	-
COMPREHENSIVE INCOME (LOSS)	(1,518,602)	(77,225,437)

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)

	Three-month periods ended March 31,	
	2014	2013
	$	$
Cash flow provided by (used in)		
OPERATING ACTIVITIES		
Net loss	(1,661,610)	(77,225,437)
Non-cash items:		
Accretion expenses	674,952	612,305
Depreciation of property and equipment	-	5,664
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	87,241,070
Shares issued in payment of interest	73,973	-
Recovery of deferred income tax	(47,147)	(11,038,464)
	(959,832)	(404,862)
Changes in non-cash working capital items		
Tax credit receivable	-	(58,679)
Sales tax receivable	10,832	188,825
Prepaid expenses and other receivables	6,844	66,970
Accounts payable and accrued charges	10,760	(15,386)
	28,436	181,730
Cash flow from operating activities	(931,396)	(223,132)
INVESTING ACTIVITIES		
Acquisition of mining properties	-	(6,619)
Increase in deferred exploration and evaluation expenditures	(140,596)	(1,768,269)
Additions to property and equipment	-	(117,086)
Cash flow from investing activities	(140,596)	(1,891,974)
FINANCING ACTIVITIES		
Loans payable, net of financing costs	(80,749)	2,461,436
Payments on obligations under finance leases	(4,083)	(3,733)
Cash flow from financing activities	(84,832)	2,457,703
NET CHANGE IN CASH	(1,156,824)	342,597
Cash, beginning of period	1,843,106	429,254
CASH, END OF PERIOD	686,282	771,851

Cash transactions		
Interest received	3,526	3,526
Interest paid	655	58,462

Supplemental cash flow information (Note 9)

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 Three-month Periods Ended March 31, 2014 and 2013
(Unaudited)

(in Canadian dollars)

	Number of common shares outstanding	Share capital	Equity component of convertible notes	Warrants	Contributed surplus	Accumulated other comprehensive loss	Deficit	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**
Net loss	-	-	-	-	-	-	(77,225,437)	(77,225,437)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-
Comprehensive income (loss)	-	-	-	-	-	-	(77,225,437)	(77,225,437)
Expiry of warrants, net of income taxes of $292,154	-	-	-	(2,077,350)	1,785,196	-	-	(292,154)
Balance at March 31, 2013	**167,753,181**	**82,551,146**	**4,933,323**	**498,321**	**13,014,715**	**(30,000)**	**(107,408,807)**	**(6,441,302)**
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)**
Net loss	-	-	-	-	-	-	(1,661,610)	(1,661,610)
Other comprehensive income (loss)	-	-	-	-	-	143,008	-	143,008
Comprehensive income (loss)	-	-	-	-	-	143,008	(1,661,610)	(1,518,602)
In consideration of loan interest payable (Note 5)	1,288,937	73,973	-	-	-	-	-	73,973
Expiry of warrants, net of income taxes of $47,147	-	-	-	(347,041)	299,894	-	-	(47,147)
Balance at March 31, 2014	**185,817,434**	**83,312,089**	**4,933,323**	**92,706**	**13,365,304**	**107,797**	**(111,177,666)**	**(9,366,447)**

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 March 31, 2014, the Company's objectives are the development of new uranium properties in Saskatchewan, and the care and maintenance of the Matoush camp in Quebec and to cover 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 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 generally accepted accounting principles ("GAAP") 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 GAAP 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 $1,661,610 for the three-month period ended March 31, 2014, and had an accumulated deficit of $111,177,666 as at March 31, 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 March 31, 2014, the Company had negative working capital of $817,169, including $686,282 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 May 8, 2014.

(in Canadian dollars)

2. BASIS OF PREPARATION 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.

During the three-month period ended March 31, 2014, the Company incorporated SeqUr Exploration Inc., a wholly-owned subsidiary specialized in the acquisition, exploration and evaluation of mineral properties, under the *Canada Business Corporations Act*. The subsidiary was inactive as at March 31, 2014. Following the creation of its subsidiary, the Company adopted the following accounting methods:

Consolidation
The Company's consolidated financial statements include the financial statements of Strateco Resources Inc. and those of its subsidiary, SeqUr Exploration Inc. 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.

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

Saskatchewan Mineral properties	**Interest**	**December 31, 2013**	**Additions**	**March 31, 2014**
		$	**$**	**$**
Jasper Lake project	Option on 49%	100,000	-	100,000

Deferred E&E expenditures	**December 31, 2013**	**Additions**	**March 31, 2014**
	$	**$**	**$**
Jasper Lake project	-	219,833	219,833

(in Canadian dollars)

4. PROPERTY AND EQUIPMENT

	Buildings and infrastructure	Vehicles and rolling stock *(i)*	Equipment	Total *(ii)*
	$	$	$	$
Three-month period ended March 31, 2014				
Net book value, beginning of period	976,914	32,702	95,797	1,105,413
Additions	-	-	-	-
Depreciation	-	-	-	-
Net book value, end of period	976,914	32,702	95,797	1,105,413
As at March 31, 2014				
Cost	14,446,494	526,486	1,052,069	16,025,049
Accumulated depreciation	(6,337,330)	(476,027)	(887,432)	(7,700,789)
Accumulated impairment charges	(7,132,250)	(17,757)	(68,840)	(7,218,847)
Net book value	976,914	32,702	95,797	1,105,413

(i) Vehicles and rolling stock includes vehicles and rolling stock under a finance lease with net book values of $18,806 as at March 31, 2014.

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

5. 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, part of the Sentient Group, a related party.

6. 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 March 31, 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.

(in Canadian dollars)

6. FINANCIAL INSTRUMENTS – FAIR VALUE (CONT'D)

	March 31, 2014		December 31, 2013	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$	**$**	**$**	**$**
Financial assets				
Cash	686,282	686,282	1,843,106	1,843,106
Available-for-sale financial assets	237,000	237,000	93,992	93,992
Financial liabilities				
Accounts payable and accrued charges	937,477	937,477	928,229	928,229
Obligations under finance leases	11,343	11,343	15,426	15,426
Loans payable	2,984,195	3,000,000	2,981,941	3,000,000
Convertible notes	6,805,677	6,864,163	6,151,853	6,211,090

7. MINERAL PROPERTIES AND E&E EXPENDITURES

Mineral property expenditures	**Three-month period ended March 31, 2014**	
	Interest	**Total**
		$
Matoush project		
Matoush	100%	55
Matoush Extension	100%	54
Eclat	100%	-
Pacific Bay-Matoush	60%	3,011
Other project		
Mistassini	60%	(54)
		3,066

E&E expenditures	**Three-month period ended March 31, 2014**		
	Additions	**Tax Credits, net**	**Total**
	$	**$**	**$**
Matoush project			
Matoush	585,219	-	585,219
Matoush Extension	1,280	-	1,280
Eclat	631	-	631
Pacific Bay-Matoush	1,868	-	1,868
Other projects			
Mistassini	1,076	-	1,076
Prospecting - general exploration expenses	16,770	-	16,770
	606,844	-	606,844

(in Canadian dollars)

8. GENERAL AND ADMINISTRATIVE EXPENSES

	Three-month periods ended March 31,	
	2014	**2013**
	$	**$**
Salaries and benefits	171,240	185,412
Consulting and professional fees	91,526	95,033
Communication and promotion expenses	55,233	75,202
Office expenses	34,479	41,800
Depreciation of property and equipment	-	5,664
	352,478	403,111

9. SUPPLEMENTAL CASH FLOW INFORMATION

	Three-month periods ended March 31,	
	2014	**2013**
	$	**$**
Non-cash transactions		
Deferred E&E expenditures included in accounts payable and accrued charges	157,889	911,177
Additions to property and equipment included in accounts payable and accrued charges	-	49,968
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	73,973	-

10. SUBSEQUENT EVENTS

On May 8, 2014, the Company signed an agreement with Sentient Executive GP IV, Limited, part of the Sentient Group, 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 is subject to shareholder approval at the Annual General and Special Meeting of Shareholders on May 27, 2014, as well as regulatory approval. An amount of $250,000 will be reserved for the option agreement on the Jasper Lake project in Saskatchewan.

SeqUr Exploration Inc., a wholly-owned subsidiary of the Company, signed an agreement with Sentient Executive GP IV, Limited, on the same day for a private placement of a total of 5,000,000 shares at a price of $0.02 per share for proceeds of $100,000. All the proceeds will be applied to the working capital of SeqUr Exploration Inc.