



**INTERIM MANAGEMENT DISCUSSION
AND ANALYSIS
AS AT MARCH 31, 2014**

TABLE OF CONTENTS

Interim Management Discussion and Analysis

SCOPE OF MANAGEMENT’S FINANCIAL ANALYSIS	1
FORWARD-LOOKING STATEMENTS	1
INCORPORATION, NATURE OF OPERATIONS AND GOING CONCERN	1
HIGHLIGHTS	2
FINANCING	3
EXPLORATION ACTIVITIES	4
PERMITS AND AUTHORIZATIONS	5
ENGINEERING	6
COMMUNITY AND INVESTOR COMMUNICATIONS	6
STRATEGY AND ACTION PLAN	7
EXPLORATION AND EVALUATION EXPENSES AND EXPLORATION SUPPLIES	8
SELECTED FINANCIAL INFORMATION AND OPERATING RESULTS	10
RESULTS OF OPERATION	10
CASH ASSETS AND SOURCES OF FINANCING	11
QUARTERLY FINANCIAL INFORMATION	12
OFF-BALANCE-SHEET ARRANGEMENTS	12
RELATED-PARTY TRANSACTIONS	12
OUTSTANDING SHARE DATA	13
RISK AND UNCERTAINTIES	14
NEW ACCOUNTING POLICIES IN EFFECT	14
EVALUATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING	14
ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE	14

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

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 March 31, 2014 and 2013. The unaudited condensed interim consolidated financial statements for the quarter ended March 31, 2014, including comparative figures, have been prepared in accordance with 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, and inactive as at March 31, 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 hold a 100% interest and interests in three mining properties, all in Quebec. Together, these properties cover 792 claims for a total area of 42,002 hectares (420 km²). The Company is pursuing its efforts 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 also has an option to acquire interests in four mineral properties in Saskatchewan totalling 18 mineral claims covering a total of 45,271 hectares. The Company's objectives are to develop new uranium properties in Saskatchewan and advance 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.

STRATECO RESOURCES INC.

Interim Management Discussion and Analysis

March 31, 2014

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 company 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 first quarter of 2014, the uranium spot price was approximately US \$35/lb and the mid- to long-term price stood at around US \$49/lb.

Many analysts are optimistic about the future of the uranium market. Despite economic recessions and the events at Fukushima, 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 434 nuclear reactors worldwide in some 30 countries (April 2014), and another 70 under construction in some 14 countries, primarily in Asia. China has 20 reactors in operation, 29 under construction and 57 planned in the next eight to ten years, with another 118 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 new Nuclear Cooperation Agreement between Canada and India, which took effect on September 27, 2013, opens up new markets for Canadian uranium exporters. In all, more than 173 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

In the first quarter of 2014, the Company pursued the legal proceedings aimed at obtaining the final permit needed to begin underground exploration work at the Matoush uranium project, namely the authorization from Quebec’s ministry of sustainable development, the environment, wildlife and parks (“MDDEFP”). The Company also spent the quarter carefully preparing to take an active part in the review of the Quebec uranium industry by the *Bureau d’audiences publiques sur l’environnement* (the “BAPE”). Meanwhile, the Company’s new subsidiary, SeqUr Exploration Inc., continued to develop its new Jasper Lake project in Saskatchewan.

First, following the agreement signed with Denison Mines Corp. (“Denison”) on December 16, 2013, to acquire an interest of up to 60% in the Jasper Lake project, the Company retained the services of Roscoe Postle Associates Inc. (“RPA”) to conduct four technical studies on the properties of the project: Jasper Lake, Minor Bay, Ahenakew Lake and North Wedge. These studies were ongoing at the end of the first quarter.

STRATECO RESOURCES INC.

Interim Management Discussion and Analysis

March 31, 2014

In mid-February, the Company drilled two holes for a total of 402 metres to test a geophysical anomaly on the North Wedge property. A budget of \$125,000 was allocated for this work. Planning is underway for future exploration work on the four properties of the Jasper Lake project.

On the legal front, the first hearing on the motion to invalidate filed by the Company with Quebec Superior Court (the “Court”) on December 5, 2013, was held on January 24, 2014. The motion seeks to invalidate the 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. The matters to be discussed at the hearing were postponed to a later date due to the motion filed on January 10, 2014, by Quebec’s Attorney General for special case management of the motion to invalidate.

In this regard, the honourable Justice Danielle Blondin of Quebec Superior Court (the “Court”) was appointed by the Associate Chief Justice on February 5, 2014, to hear the Company’s motion to invalidate. This appointment was aimed at ensuring that the proceedings are handled efficiently and facilitating the resolution of the case.

On March 5, 2014, the Company reacted positively to the MDDEFP minister’s announcement mandating the BAPE to hold a public inquiry and hearings on the environmental and social impact of uranium exploration and mining in Quebec. The Company is confident that the BAPE will propose a balanced approach to the principles of the Environment Quality Act in keeping with the rights of all stakeholders and enabling the proponents to carry through with their plans.

On April 16, 2014, the *study on the state of knowledge, impact and mitigation measures relating to uranium exploration and mining in Quebec* was made public. The study was conducted for the MDDEFP and the Ministry of Natural Resources leading up to the BAPE review of the Quebec uranium industry. Among other things, the study argues that “the existing laws and regulations in Quebec and Canada covering the environment and radiation protection are internationally recognized as best practice.”

Finally, the Company believes that the election of a majority government formed by the Quebec Liberal Party on April 7, 2014, is positive for the Quebec mining industry. The Company will cooperate fully with the government to foster a favourable climate for mining development.

FINANCING

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

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.

The Company will use the proceeds of the placement to maintain the Matoush project in particular, as well as for working capital purposes. 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 of the placement will be applied to the working capital of SeqUr Exploration Inc.

STRATECO RESOURCES INC.

Interim Management Discussion and Analysis

March 31, 2014

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, CQLR, 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 section 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 590 claims covering a total area of 31,195 hectares (312 km²).

The delays and circumstances surrounding the granting of the certificate of authorization by the MDDEFP for the underground exploration phase meant cancelling the Matoush project exploration. As the Company focused all its efforts on the legal procedures aimed at obtaining the authorization from the MDDEFP and made staff cuts due to the delays, no drilling was done on the Matoush deposit in the first quarter of 2014.

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 consist of the Jasper Lake, Minor Bay, Ahenakew Lake and North Wedge properties, in which the Company 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 km²).

In the first quarter of 2014, field exploration work focused on the North Wedge property. Two holes were drilled in February for a total of 402 metres. Despite the fact that no significant mineralization was intersected, the short drilling program was a technical success, notably due to the appropriate interpretation of the structures and lithologies. A budget of \$125,000 was allocated for this work.

Strateco's geology team also continued to compile the geological and geophysical data from previous work on each of the four Jasper Lake properties. This compilation work will allow proper planning of logistics and the most effective and accurate airborne surveys to be completed later this year overall four properties of the Jasper Lake project.

Finally, in mid-January 2014, Strateco retained the services of RPA for technical studies on the four properties of the Jasper Lake project.

STRATECO RESOURCES INC.

Interim Management Discussion and Analysis

March 31, 2014

The Jasper Lake project, which is comprised of four properties formerly known as Jasper Lake, Minor Bay, Ahenakew Lake and North Wedge, is strategically located on the eastern side of the Athabasca Basin, straddling both the shallow eastern edge of the basin and the Wollaston-domain basement. The non-contiguous 18 active claims cover an area of 45,271 hectares and are located near the prolific uranium deposits of Cigar Lake and Rabbit Lake, both less than 12 km from the project boundary. Access to the property is made possible through provincial highway 905 that links La Ronge with Points North in northern Saskatchewan.

Jasper Lake Property

The Jasper Lake property covers 3,993 hectares in a single mineral claim. It represents about 9% of the Jasper Lake project area. The property is accessible by the road connecting Points North and Cigar Lake, and is located less than 12 km from the future Cigar Lake uranium mine. Previous work has already identified a potentially favourable geophysical conductor in the boreal part of the mining title. The entire property lies within the Athabasca Basin.

North Wedge Property

North Wedge is a property that covers 4,227 hectares in a single mineral claim, and represents about 9% of the Jasper Lake project area. It lies about 25 km from the future Cigar Lake uranium mine and 5 km from the West Bear deposit, and is accessible by the road from Points North to Cigar Lake. The diamond drilling planned for this property is a priority to identify the location and size of a geophysical conductor identified by a previous airborne survey. The property lies entirely within the Athabasca Basin, where the sediments are less than 100 metres thick.

Ahenakew Lake Property

Ahenakew Lake consists of six non-contiguous mineral claims covering a total area of 14,147 hectares, representing about 31% of the Jasper Lake project area. Provincial Highway 905 crosses this property, which is less than 10 km from the Rabbit Lake mine. It is located on the outskirts of Wollaston Lake and straddles the Athabasca Basin and the Archean basement rocks of the Wollaston Domain. The property is within 6 km of the Horseshoe-Raven deposits and 3 km of the West Bear deposit. There are many geophysical anomalies on the property; targets are currently being prioritized.

Minor Bay Property

The Minor Bay property covers ten contiguous mineral claims for a total area of 22,884 hectares, about 51% of the Jasper Lake project area. Provincial Highway 905 crosses this property, which lies within 17 km of the Rabbit Lake mine and 6 km of the West Bear deposit. The property is on the outskirts of Wollaston Lake and primarily overlies the Archean basement rocks of the Wollaston Domain.

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 MDDEFP certificate of authorization needed to begin underground exploration at the Matoush project. All the legal proceedings that occurred prior to the first 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 first quarter of 2014. It remains fully engaged in the process and more determined than ever to win its case.

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

The first hearing on the motion to invalidate, which the Company filed with Quebec Superior Court (the “Court”) on December 5, 2013, was held on January 24, 2014. This motion seeks to invalidate the 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.

The matters to be discussed at the hearing were postponed to a later date due to the motion filed on January 10, 2014, by Quebec’s Attorney General for special case management of the motion to invalidate. This motion, which the Company did not oppose, was aimed at ensuring that the proceedings were handled efficiently and facilitating the resolution of the case by appointing a judge responsible for the proper handling of the case.

The motion was heard by the Associate Chief Justice on February 5, 2014. The honourable Justice Danielle Blondin of Quebec Superior Court was then appointed to hear the Company’s motion to invalidate. She is well aware of the facts of the case as she was also in charge of the Company’s legal proceedings in 2013, including the motion for *mandamus*.

On December 24, 2013, the Crees filed a motion to intervene in the Company’s motion to invalidate. A hearing on the nature and scope of the Crees intervention was held on February 20, 2014. Judge Blondin took the Crees participation under advisement; no decision had yet been rendered as of the date of this MD&A.

The Company is pursuing its legal actions, and intends to continue to vigorously defend the interests of its shareholders, who have invested more than \$123 million in the Matoush uranium project in Quebec.

ENGINEERING

The Company did not do any studies or engineering work as it had still not received the certificate of authorization from the MDDEFP needed to start the work on the underground exploration phase of the Matoush project, and all its efforts were focused on the legal proceedings aimed at obtaining that authorization. The Matoush project site therefore remained on care and maintenance, and site expenses were minimized.

The Matoush project site has been on standby since the Minister’s announcement of March 28, 2013.

COMMUNITY AND INVESTOR COMMUNICATIONS

The delayed issuance of the certificate of authorization from the MDDEFP 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.

Throughout the first quarter of the year 2014, the Company focused on the legal and administrative proceedings aimed, among other things, at enforcing its rights and the rights of its shareholders. The Company responds daily to questions from shareholders on the proceedings underway, and all the news on the Matoush project and the legal proceedings is posted on the Company’s website (www.strateco.ca).

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

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 MDDEFP.

In the coming quarters, the Company, through its subsidiary SeqUr, firmly intends to actively pursue exploration and development of the Athabasca Basin properties acquired under the Jasper Lake option pursuant to the agreement signed in December 2013 with Denison.

The action plan includes planning and execution of airborne surveys, mainly electromagnetic, on all four properties of the Jasper Lake project, which covers an area of 45,000 hectares.

The Company plans to focus its efforts on the identification of other advanced, high-potential properties in northern Saskatchewan, which is a very prolific area, with a view to partnering with reputed explorers and developers.

The Company will also consider reviewing other opportunities in Quebec, where the potential for discovery is still very high, and remains confident that the BAPE review of the Quebec uranium industry will educate the public and the government and allow informed decisions to be made on the basis of accurate, scientific facts.

COMMUNITY RELATIONS

Since acquiring the new properties in Saskatchewan, SeqUr has continued to gather information on the local communities. SeqUr intends to take the time needed to establish good relations with the local communities, using Denison's long-time presence in the region as a model.

With respect to the Matoush project, the Company has built long-standing relations with members of the Mistissini Cree community and the James Bay community in northern Quebec. It intends to maintain its relations with the municipal authorities and residents who wish to be informed on events in connection with Matoush project.

LEGAL PROCEEDINGS

The Company will focus its efforts on the ongoing proceedings in relation to the motion to invalidate the Minister's decision and *mandamus* 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.

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

EXPLORATION AND EVALUATION EXPENSES AND EXPLORATION SUPPLIES

Exploration and evaluation expenditures and exploration supplies for the three-month period ended March 31, 2014	Matoush	Matoush Extension	Eclat	Pacific Bay-Matoush	Mistassini	Jasper Lake Project	Total
	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of period	-	-	-	-	-	-	-
Additions							
Salaries, consultants and subcontractors	155,697	90	90	203	60	83,348	239,488
Maintenance of infrastructure, access roads, fuel depot and others	180,604	-	-	-	-	-	180,604
Drilling	11,359	-	-	-	-	99,283	110,642
Transport and fuel	95,384	-	-	-	-	30,363	125,747
First aid	196	-	-	-	-	28	224
Travel and lodging	-	-	-	-	-	4,569	4,569
Canadian Nuclear Safety Commission costs	63,950	-	-	-	-	-	63,950
Supplies and equipment rental	30,675	-	-	-	-	1,512	32,187
General expenses	34,314	1,190	541	1,665	1,016	730	39,456
Environment	4,441	-	-	-	-	-	4,441
	576,620	1,280	631	1,868	1,076	219,833	801,308
Refundable credit for resources	-	-	-	-	-	-	-
	576,620	1,280	631	1,868	1,076	219,833	801,308
Exploration and evaluation expenditures presented in the statements of income	(576,620)	(1,280)	(631)	(1,868)	(1,076)	-	(581,475)
Net change	-	-	-	-	-	219,833	219,833
Balance, end of period	-	-	-	-	-	219,833	219,833

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

EXPLORATION AND EVALUATION EXPENSES AND EXPLORATION SUPPLIES

Exploration and evaluation expenses and exploration supplies for the three-month period ended March 31, 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	386,249	4,150	8,173	2,677	823	402,072
Maintenance of infrastructure, access roads, fuel depot and others	431,068	-	-	-	-	431,068
Drilling	117,844	772	1,234	530	-	120,380
Transport and fuel	3,278	-	-	-	-	3,278
First aid	76,655	-	-	-	-	76,655
Travel and lodging	13,731	-	-	-	-	13,731
Canadian Nuclear Safety Commission costs	140,886	-	-	-	-	140,886
Supplies and equipment rental	56,484	-	-	-	-	56,484
Rolling equipment maintenance	2,665	-	-	-	-	2,665
General expenses	76,394	271	-	-	-	76,665
Environment	33,434	-	-	-	-	33,434
Depreciation of property and equipment	358,181	-	-	-	-	358,181
	1,696,869	5,193	9,407	3,207	823	1,715,499
Refundable credit for resources related for exploration expenses	(456,826)	(2,012)	(3,645)	(1,243)	(319)	(464,045)
Impairment	(68,748,195)	(667,072)	(4,403,017)	(1,883,727)	(961,664)	(76,663,675)
Net change	(67,508,152)	(663,891)	(4,397,255)	(1,881,763)	(961,160)	(75,412,221)
Balance, end of period	306,533	-	-	-	-	306,533

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

SELECTED FINANCIAL INFORMATION AND OPERATING RESULTS

	Three-month periods ended March 31,	
	2014	2013
	\$	\$
Finance income	3,526	3,526
Expenses		
Mineral property expenditures	(3,066)	-
Exploration and evaluation expenditures	(606,844)	-
Salaries and benefits, consultants and professional fees, communications and promotional expenses, office expenses and general exploration expenses	(352,478)	(397,447)
Accretion expense on convertible notes, asset retirement obligations and loans payable	(674,952)	(612,305)
Depreciation of property and equipment	-	(5,664)
Interest and bank charges	(74,943)	(69,620)
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	-	(87,241,070)
Income tax recovery	47,147	11,097,143
Net loss	(1,661,610)	(77,225,437)
Net loss per share, basic and diluted	(0.009)	(0.460)

As at:

	March 31, 2014	December 31, 2013
	\$	\$
Total assets	5,480,538	6,292,197
Non-current financial liability		
Loans payable	2,984,195	2,981,941
Convertible notes	6,805,677	6,151,853
	9,789,872	9,133,794

RESULTS OF OPERATION

The net loss for the three-month period ended March 31, 2014, decreased for the following reasons:

No impairment was recorded for the three-month period ended March 31, 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 three-month period ended March 31, 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.

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

Since the recognition of the above-mentioned impairment of its non-financial assets, the Company has presented all of its Matoush project exploration and evaluation expenditures in the statement of income. Total expenditures amount to \$606,844 for the three-month period ended March 31, 2014.

CASH ASSETS AND SOURCES OF FINANCING

The Company had negative working capital of \$817,169 at March 31, 2014 (positive working capital of \$362,496 at December 31, 2013), including \$686,282 in cash. This working capital includes \$1,080,864 in tax credits receivable at March 31, 2014 (\$1,080,864 at December 31, 2013), as well as a provision of \$1,830,000 as at March 31, 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 \$931,396 in the three-month period ended March 31, 2014 (\$223,132 in the same period of 2013). The increase in cash flow used was due to the presentation of all exploration and evaluation expenses related to the Matoush project in the Company's interim statement of income since the recognition of the impairment of the Company's non-financial assets, as discussed under "Results of Operations" in this MD&A.

The Company's investing activities consist primarily of funds used for exploration and evaluation work in Saskatchewan carried out, as shown in the "Exploration and Evaluation expenditures and Exploration Supplies" tables of this MD&A.

The Company did not have any financing activities during the three-month period ended March 31, 2014. On March 20, 2014, the Company issued 1,288,937 common shares at a price of \$ 0.057 per share for a total amount 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.

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
 March 31, 2014

QUARTERLY FINANCIAL INFORMATION

The following table contains selected financial information for the last eight quarters.

	March 31, 2014 (iii)	Dec. 31 2013 (iii, iv)	Sept. 30 2013 (iii)	June 30 2013 (iii)	March 31 2013 (ii)	Dec. 31 2012	Sept. 30 2012	June 30 2012 (i)
	\$	\$	\$	\$	\$	\$	\$	\$
Total income	3,526	14,872	1,838	1,497	3,526	5,324	14,299	24,862
Net income (loss)	(1,661,610)	1,601,649	(1,865,682)	(1,843,216)	(77,225,437)	(954,906)	(961,991)	(1,409,309)
Net income (loss) per share, basic and diluted	(0.009)	0.009	(0.011)	(0.011)	(0.460)	(0.006)	(0.006)	(0.008)

- (i) The higher net loss is attributable to the stock-based compensation expense arising from the granting of stock options by the Company and a current income tax expense arising from the renunciation of eligible expenses to qualified investors.
- (ii) 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.
- (iii) 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 for the three-month period ended March 31, 2014.
- (iv) Net income was primarily due to a of \$5,125,105 gain on exchange of convertible notes.

OFF-BALANCE-SHEET ARRANGEMENTS

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

RELATED-PARTY TRANSACTIONS

BBH GEO-MANAGEMENT INC.

Effective August 1, 2011, the Company renewed a service agreement on a monthly basis with BBH, a related company with an officer and director, Guy Hébert, who is also an officer and director of the Company. The agreement 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 each year on July 31;
- 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.

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
 March 31, 2014

The Company concluded the following transactions with BBH:

	Three-month periods ended March 31,	
	2014	2013
	\$	\$
Capitalized exploration and evaluation expenditures in deferred exploration and evaluation expenditures		
Fees	20,000	355,000
In the statement of income		
Professional fees	54,000	48,000
Fees for exploration and evaluation expenses	97,000	-
Office expenses	17,000	17,000

At March 31, 2014, accounts payable and accrued liabilities included an amount of \$76,000 (\$354,000 at March 31, 2013) owed to related parties. The fees charged by BBH for services rendered to the Company 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, also 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 May 8, 2014 (the "Permanent Employees").

SENTIENT GROUP

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

OUTSTANDING SHARE DATA

	May 8, 2014
	Number
Common shares	185,817,434
Stock options	3,549,500
Warrants	1,500,000
	190,866,934

STRATECO RESOURCES INC.
Interim Management Discussion and Analysis
March 31, 2014

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 March 31, 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 had 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 March 31, 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 May 8, 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