

# **STRATECO**

**RESOURCES**

**TSX: RSC**  
**Frankfort: RF9**



**MATOUSH EXCEPTIONAL  
URANIUM PROJECT**

January 2012



# FORWARD LOOKING STATEMENTS

This presentation contains certain "Forward Looking Statements", including but not limited to statements regarding the Company's overall objectives and strategic plans, work programs, exploration budgets and targets and mineral resources estimates. Forward Looking Statements express, at the date of this presentation, the Company's plans, expectations, estimates and beliefs as to future events or results. Forward Looking Statements involve a number of risks, many of which are beyond the Company's control, and there can be no assurance that such statements will prove to be accurate.

Therefore, actual results and future events could differ materially from those anticipated in such statements. Risks and uncertainties that could cause results or future events to differ materially from current expectations expressed or implied by the Forward Looking Statements include, but are not limited to, factors associated with fluctuations in the market price of precious metals, mining industry risks and hazards, uncertainty as to estimation of mining resources and other risks related to the activities of the mining industry. The reader is cautioned not to place undue reliance on these Forward Looking Statements.



# REASONS TO INVEST IN STRATECO

## 1. QUALIFIED MANAGEMENT

- One of the 4 companies in Canada which have been qualified by the CNSC

## 2. MATOUSH HAS ONE OF THE HIGHEST URANIUM GRADES OUTSIDE ATHABASCA

- Grade is King in mining

## 3. EXPLORATION POTENTIAL – OBJECTIVE TO REACH + 60M POUNDS

- Definition drilling – 15,000 meters in 2012

## 4. AGGRESSIVE INVESTOR RELATION PROGRAM



# CORPORATE OVERVIEW

## Share Capital Structure

Recent Share Price	\$0.45
Market Capitalization	\$65 million
-----	
Shares Outstanding	144 million
Options	5.3 million
Warrants	15.3 million (price \$0.75 - \$1.05)
Convertible notes: Unsecured and bearing no interest	14.9 million
Management Ownership	5%
52 Weeks High / Low	\$1.34 / 0.39
Working Capital	\$7.8 million



# URANIUM MARKET DEVELOPMENT

- There are now over 440 commercial nuclear power reactors operating in 30 countries.
- Over 60 further nuclear power reactors are under construction.
- Over 150 are firmly planned.



## EFFECTS GLOBAL TEMPERATURE

Global mean annual temperature change relative to 1980-1999



+1°C

- › Increasing risk of wildfires; species shifting habitats due to changing conditions

+2°C

- › Up to 30% of plant and animal species at risk of extinction
- › Decreased crop productivity in seasonally dry and tropical regions, leading to increased risk of famines
- › Most corals bleached

+3°C

- › About 30% of global coastal wetlands lost
- › Increased morbidity and mortality from heat waves, floods and droughts
- › Hundreds of millions of people exposed to water shortages

+4°C

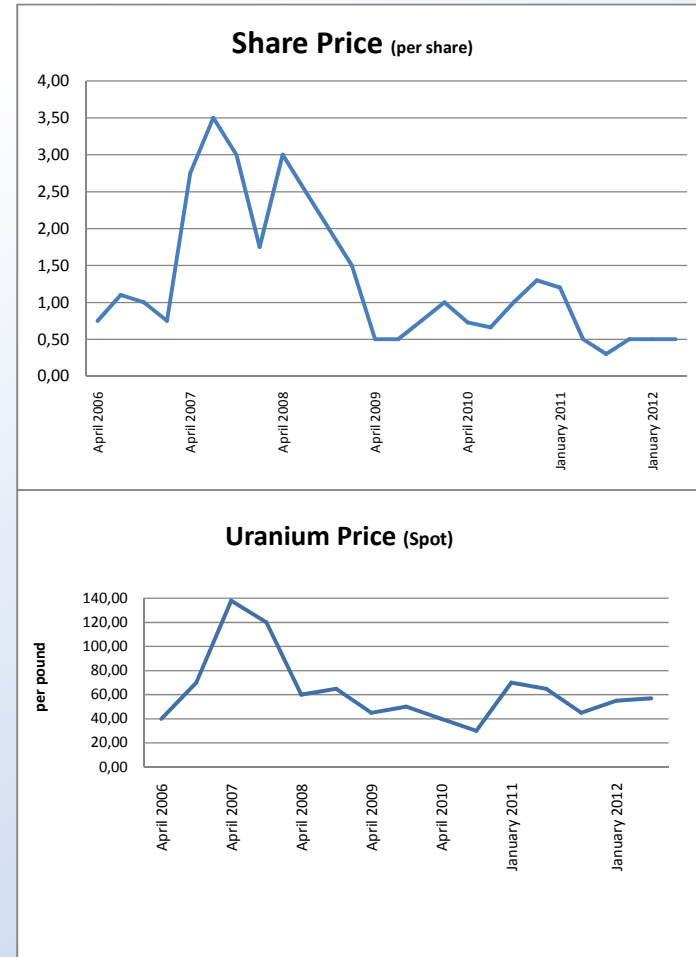
- › Millions more people could experience floods every year - especially in densely-populated and low-lying deltas of Africa and Asia

+5°C

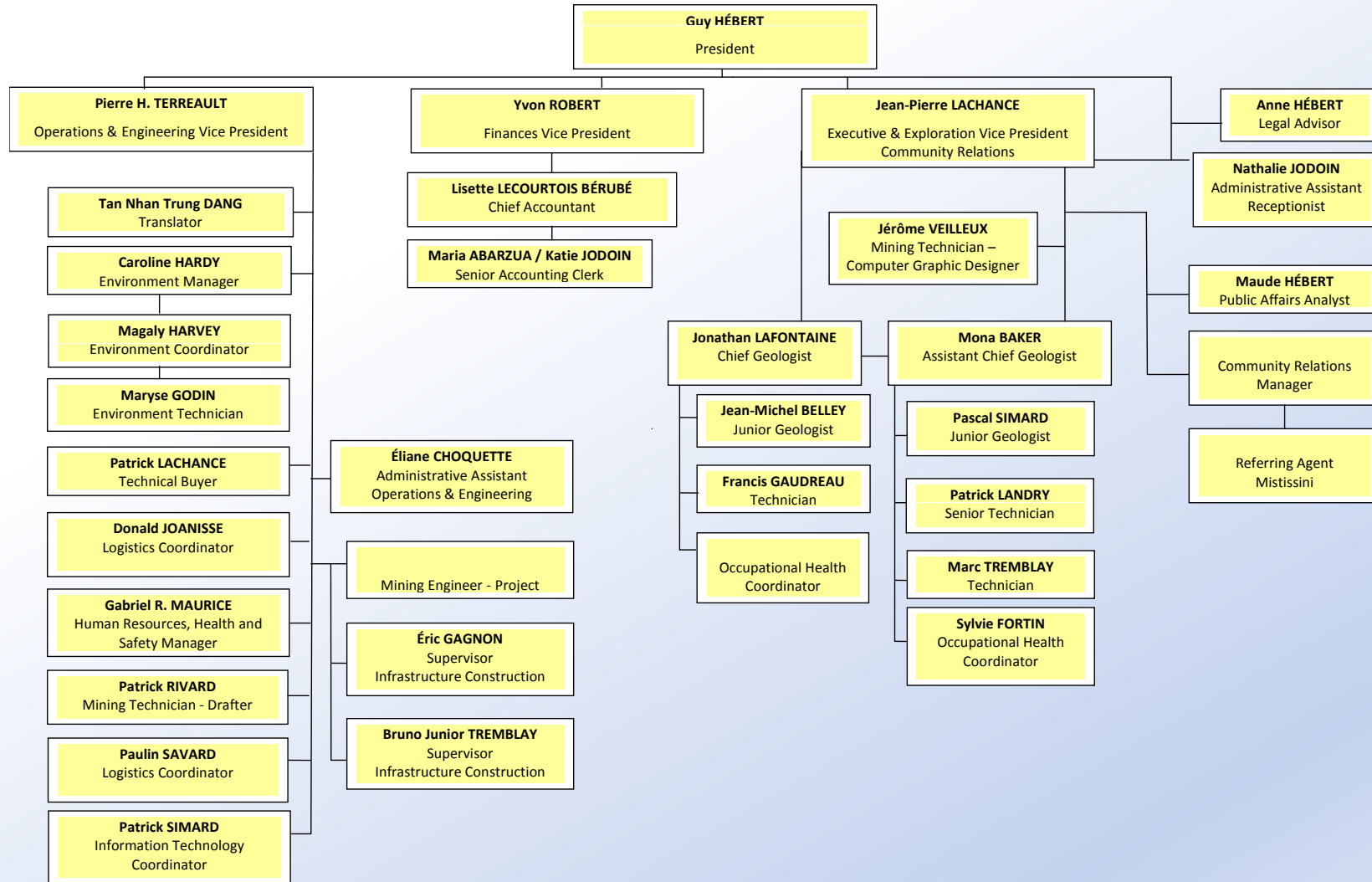
- › More than 40% of animal and plant species under threat
- › Substantial burden on health services



# STOCK AND URANIUM PRICE CHARTS



# ORGANIZATIONAL CHART





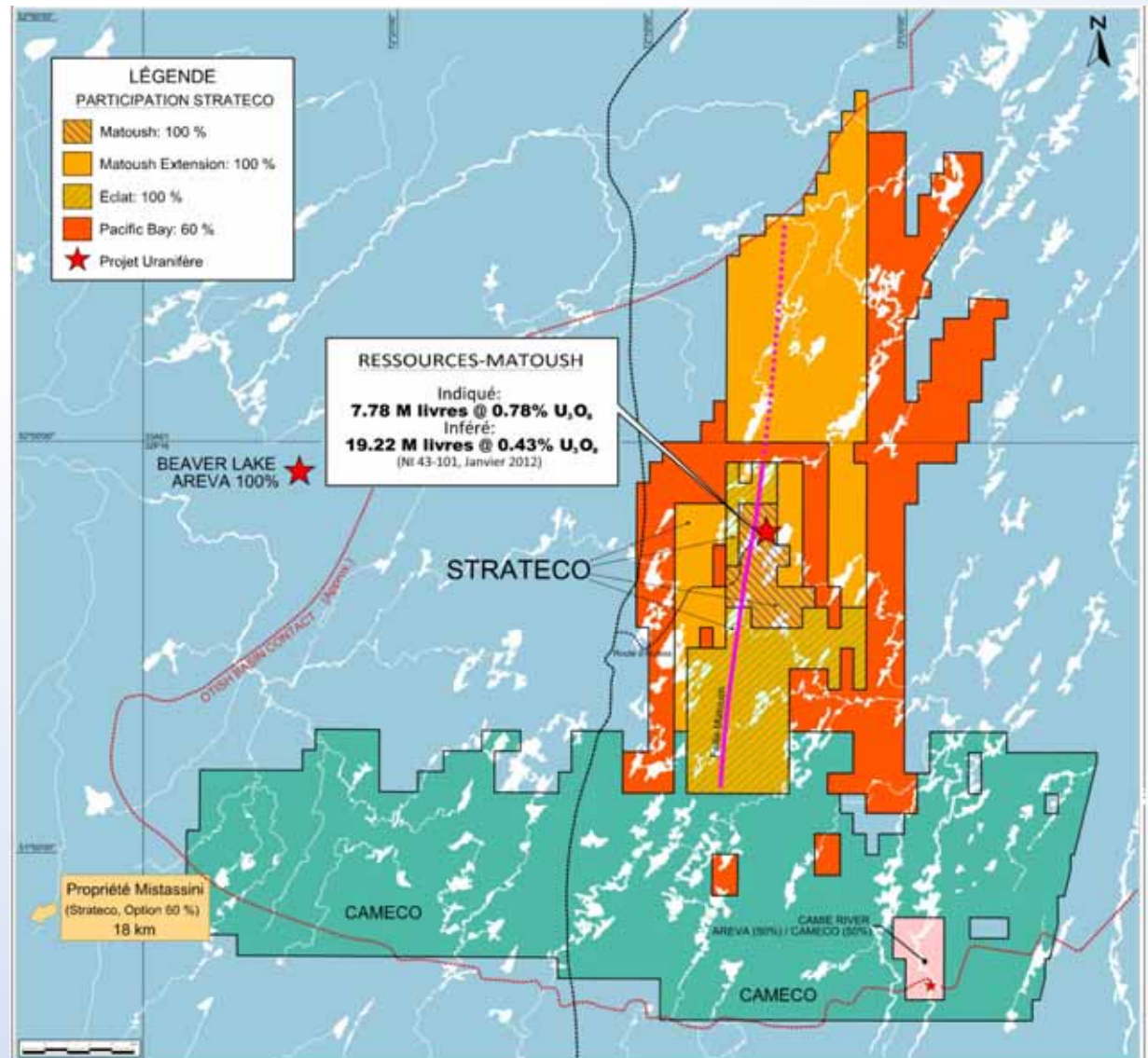
# PROJECT LOCATION

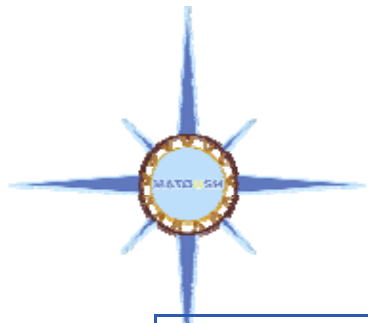




# MATOUSH PROJECT - OTISH MOUNTAINS

- Property covers 312 km<sup>2</sup>, 25 km strike length. Matoush structure VLF and drilling defined over 10 km.
- The new NI 43-101 resource estimate in January 2012, has increased by 50% since the last resource estimate in September 2009 at Matoush.
- Indicated resources are estimated to total 453,000 tonnes grading 0.78% U<sub>3</sub>O<sub>8</sub> containing 7.78 million pounds U<sub>3</sub>O<sub>8</sub>. Inferred resources are estimated to total 2.04 million tonnes grading 0.43% U<sub>3</sub>O<sub>8</sub> containing 19.22 million pounds U<sub>3</sub>O<sub>8</sub>. The mineral resources are contained within six zones: AM-15, MT-22, MT-34, MT-2, MT-6 and MT-36.





# MATOUSH MINERAL RESOURCES

<b>INDICATED</b>	<b>Tonnes (x 1,000)</b>	<b>Grade (% U<sub>3</sub>O<sub>8</sub>)</b>	<b>Pounds U<sub>3</sub>O<sub>8</sub> (x 1,000)</b>
AM-15	269	0.70	4,170
MT-34	184	0.89	3,610
<b>TOTAL INDICATED</b>	<b>453</b>	<b>0.78</b>	<b>7,780</b>
<b>INFERRED</b>			
AM-15	91	0.21	430
MT-02	64	0.36	500
MT-06	192	0.18	770
MT-22	885	0.52	10,160
MT-34	607	0.47	6,300
MT-36	201	0.24	1,070
<b>TOTAL INFERRED</b>	<b>2,041</b>	<b>0.43</b>	<b>19,220</b>

Notes :

**January 2012**

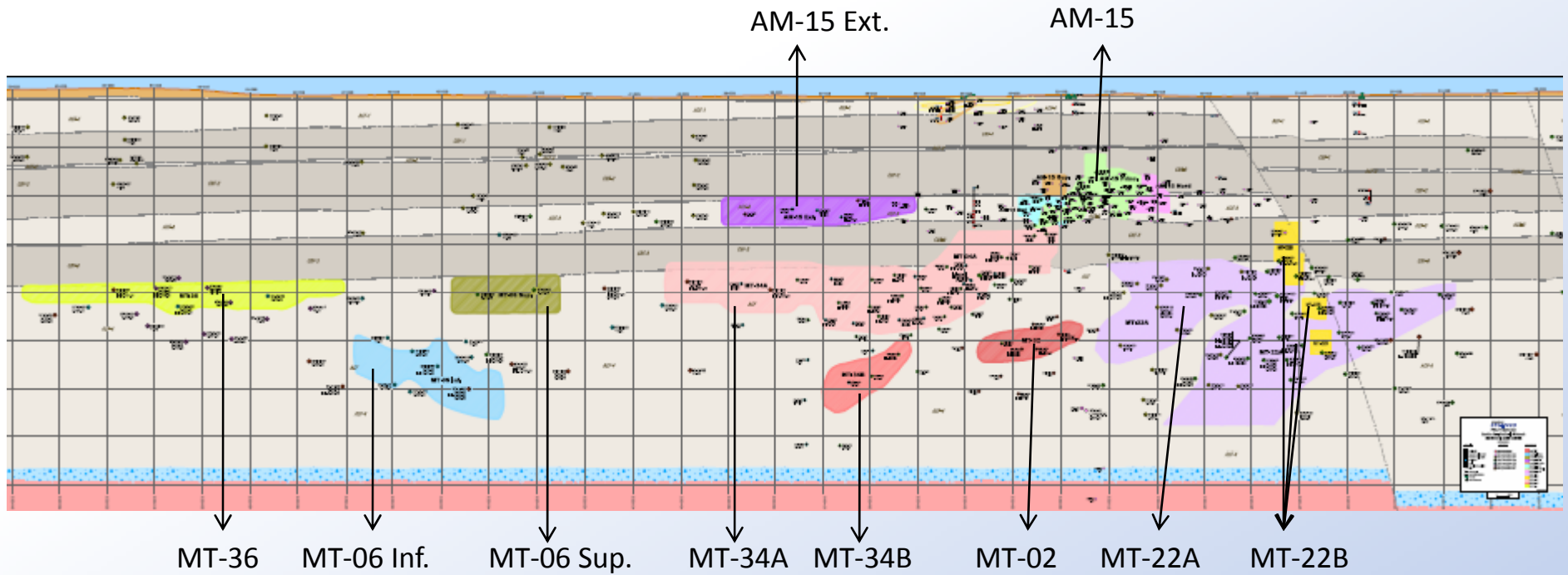
**Scott Wilson RPA**

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a cut-off grade of 0.1% U<sub>3</sub>O<sub>8</sub>.
3. High U<sub>3</sub>O<sub>8</sub> grades were cut to 9%.
4. Mineral Resources are estimated using an average long-term uranium price of US\$80 per pound, and a US\$/C\$ exchange rate of 1.0.
5. A minimum mining width of 1.5 metres was used.
6. Numbers may not add due to rounding.

**New 43-101 in January 2012**



# MATOUSH LONGITUDINAL SECTION





# HIGH QUALITY AND UNIQUE DEPOSIT

## Deposit characteristics

## Operating Uranium Mines in Canada

## Matoush Project

**Acid-generating sulphide minerals**

Various levels

traces

**Thorium-232 minerals**

Various levels

none

**Toxic elements**

**arsenic**

Various levels

traces

**selenium**

Various levels

traces

**Elements**

**copper**

Various levels

traces

**nickel**

Various levels

traces

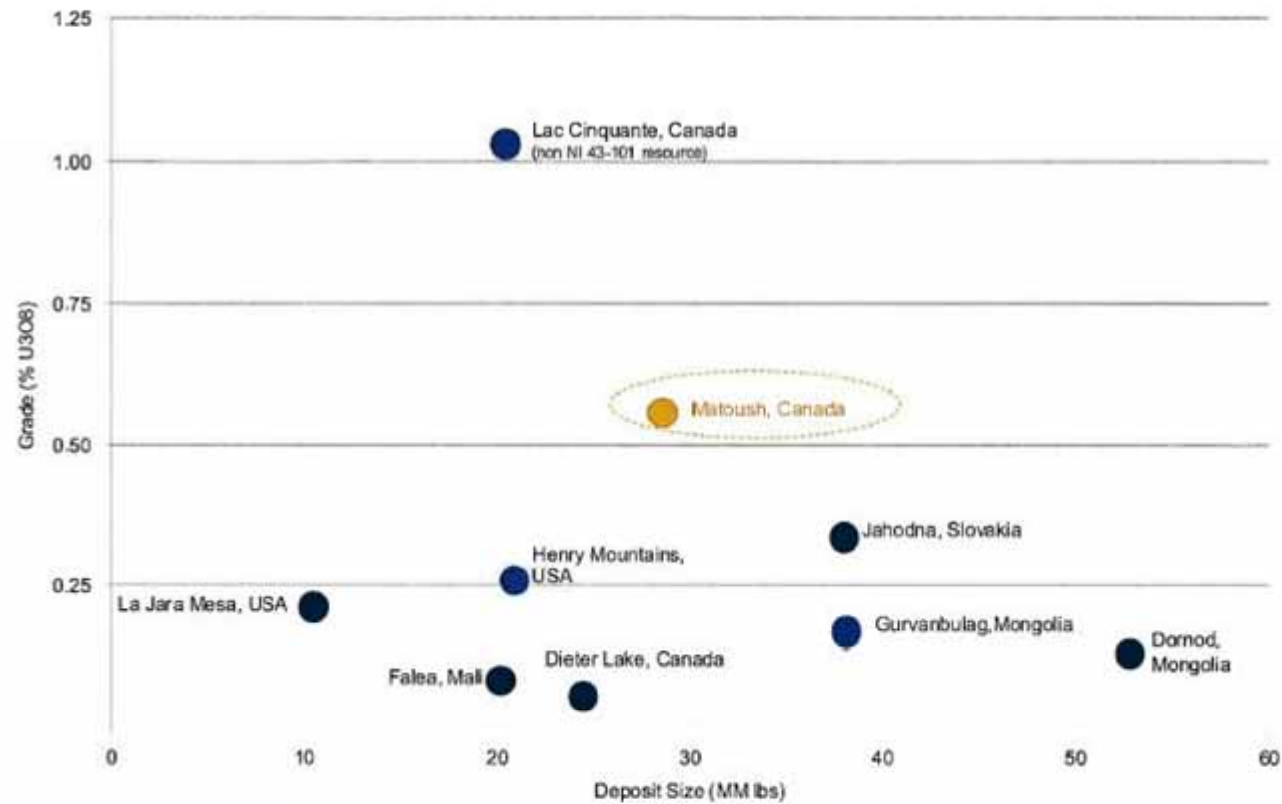
**molybdenum**

Various levels

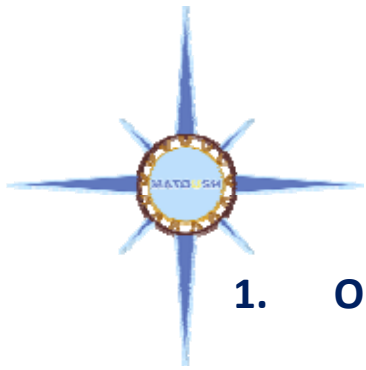
traces



- The bubble chart shows development stage underground uranium deposits located outside of the Athabasca Basin
- Matoush is one of the world's highest grade deposits outside of the Athabasca Basin



Source: Metals Economics Group, Company disclosure.

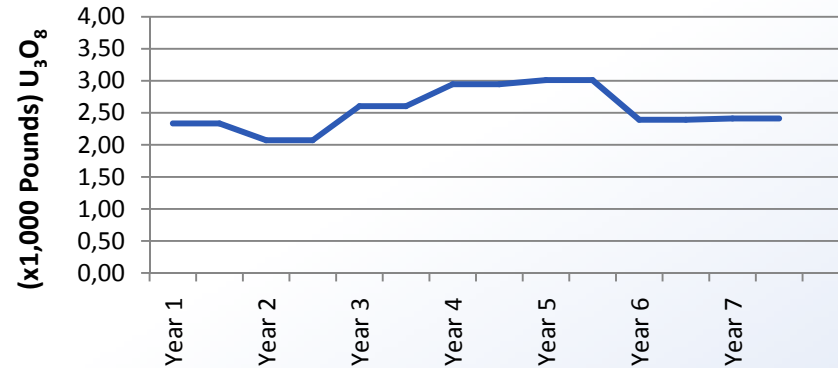


# SCOPING STUDY

**(Under revision, new update in February 2012)**

Does not take into account the most recent resource estimate by Roscoe Postle Associates Inc. dated January 2012.

## 1. ORE PRODUCTION AND RECOVERED METAL



TOTAL	Mill Feed (x 1,000) Tonnes	Grade % U <sub>3</sub> O <sub>8</sub>	Recovered Metal 97.6% (x 1,000 pounds) U <sub>3</sub> O <sub>8</sub>
	<b>1,648.6</b>	<b>0.501</b>	<b>17 775 000</b>

## 2. REVENUE

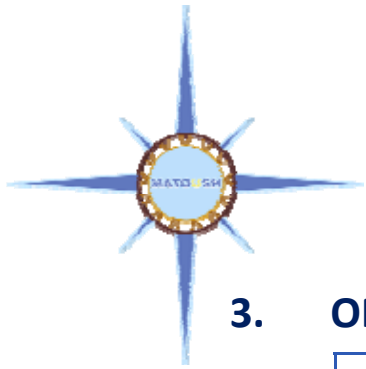
The price scenario was established by SD Energy with a long term price from US \$60.00 to US \$90.00 per pound U<sub>3</sub>O<sub>8</sub> over the life of the project with an evaluation price of US \$75.00 per pound U<sub>3</sub>O<sub>8</sub>.

The exchange rate US\$/CAN\$ is 0.85.

Transport to smelter in North America is \$0.10 per pound.

Royalty 2%.

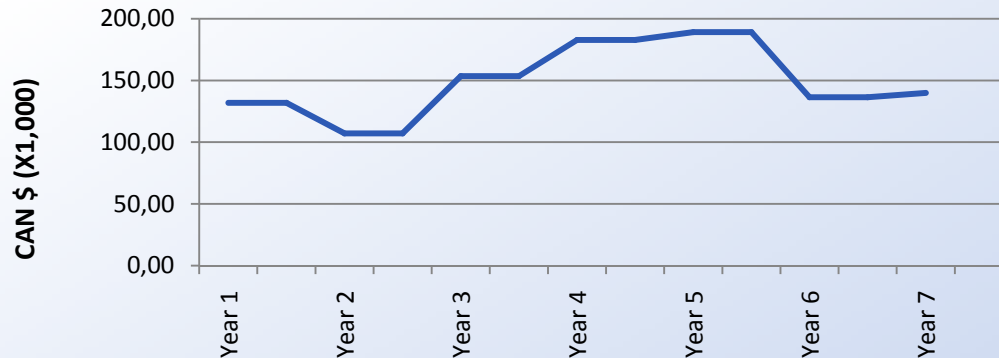
	CAN \$ (X 1,000)
Gross Revenue	\$1,568,363
Transport to smelter	\$1,777
Royalty	\$31,332
Gross Revenue (NSR) net of the royalty	\$1,535,253



### 3. OPERATING COSTS

Mining	\$91.64/t milled	Maintenance	\$24.86/t milled
Process	\$92.74/t milled	Site services	\$32.68/t milled
Power (generators)	\$35.77/t milled	G&A	\$22.43/t milled
<b>Average Operating Cost: \$300.12/t milled</b>			
<b>CAN \$27.84/pound</b>		<b>US \$23.66/pound</b>	

### 4. OPERATING PROFIT



**Total Operating Profit: CAN \$1,040,484,000**

- The scoping study is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized.
- \*Mineral resources that are not mineral reserves do not have demonstrated economic viability.



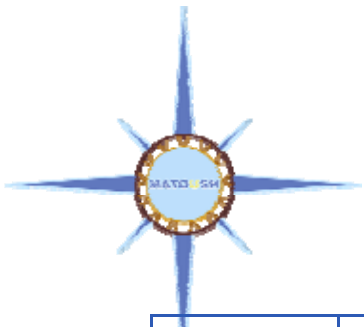
## 5. CAPITAL COSTS

	CAN \$ (x 1,000)	CAN \$ (x 1,000)
<b>Direct Capital Costs</b>		191,009
Mine	32,466	
Process	143,146	
Infrastructure	15,398	
<b>Indirect Capital Costs</b>		48,568
<b>Contingency</b>		52,273
<b>Capital Spare</b>		980
<b>Before Start Up</b>		<b>292,830</b>
<b>Sustaining Capital (6 years)</b>		19,126
<b>Closure</b>		30,000
<b>Mine Life Capital Costs</b>		<b>341,955</b>

## 6. FINANCIAL

**Pre-tax Internal Rate  
of Return: 41.5%**

NET PRESENT VALUE (NPV) Before Tax	
Discount Rate %	CAN \$ (x 1,000)
5	475,550
8	377,640
10	323,530
15	218,070



## SENSITIVITY 10% Discount Rate

Grade	% U <sub>3</sub> O <sub>8</sub>	NPV
	0.501 %	\$ 323,530
0.80	0.401%	\$ 148,460
0.90	0.451%	\$ 235,990
1.00	0.501%	\$ 323,530
1.10	0.551%	\$ 411,060
1.20	0.601%	\$ 498,600

Opex	Millions	NPV
	\$ 494,800	\$ 323,530
0.80	\$ 395,800	\$ 380,480
0.90	\$ 445,300	\$ 352,000
1.00	\$ 494,800	\$ 323,530
1.10	\$ 544,200	\$ 295,050
1.20	\$ 593,700	\$ 266,580

Price	US\$/lb	NPV
	75.00	\$ 323,530
0.67	50.00	\$ 31,700
0.80	60.00	\$ 148,260
1.00	75.00	\$ 323,530
1.07	80.00	\$ 381,890
1.14	85.50	\$ 446,220

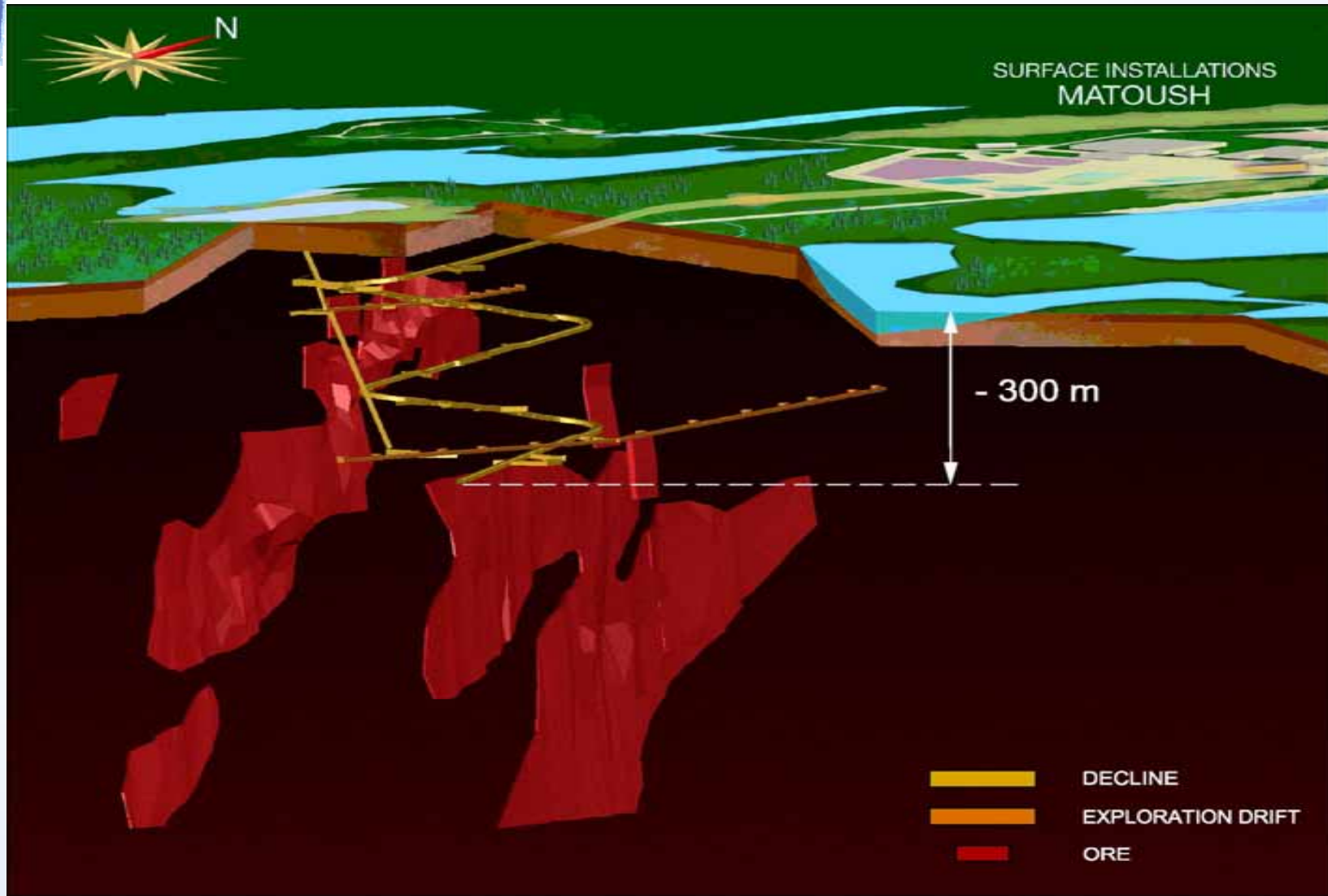
Capex	Millions	NPV
	\$ 342,000	\$ 323,530
0.80	\$ 273,600	\$ 376,950
0.90	\$ 307,800	\$ 350,240
1.00	\$ 342,000	\$ 323,530
1.10	\$ 376,200	\$ 296,820
1.20	\$ 410,300	\$ 270,110



# THE NEXT 4 YEARS



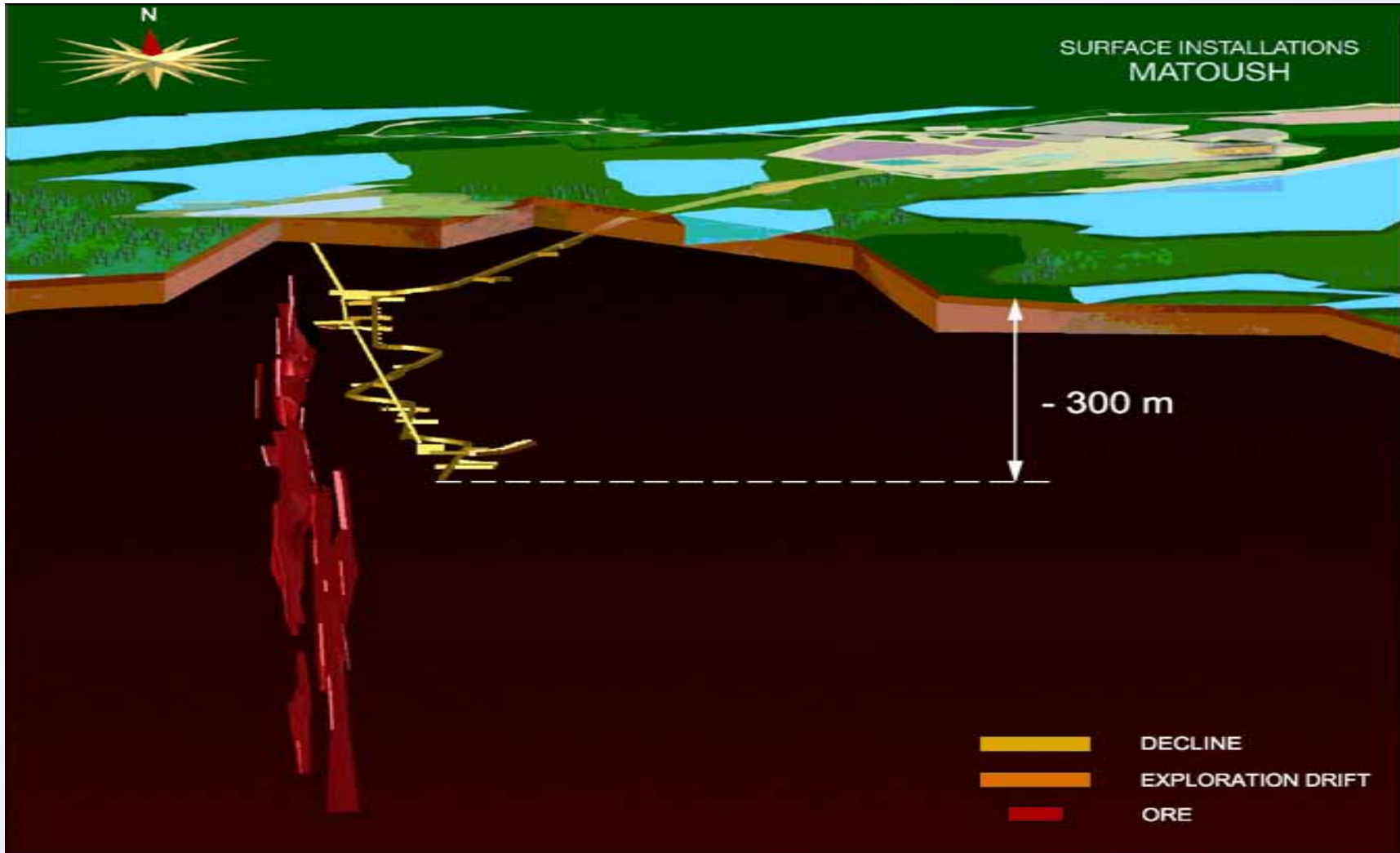
# UNDERGROUND EXPLORATION INFRASTRUCTURE





# RAMP EXCAVATION NEXT TO ORE

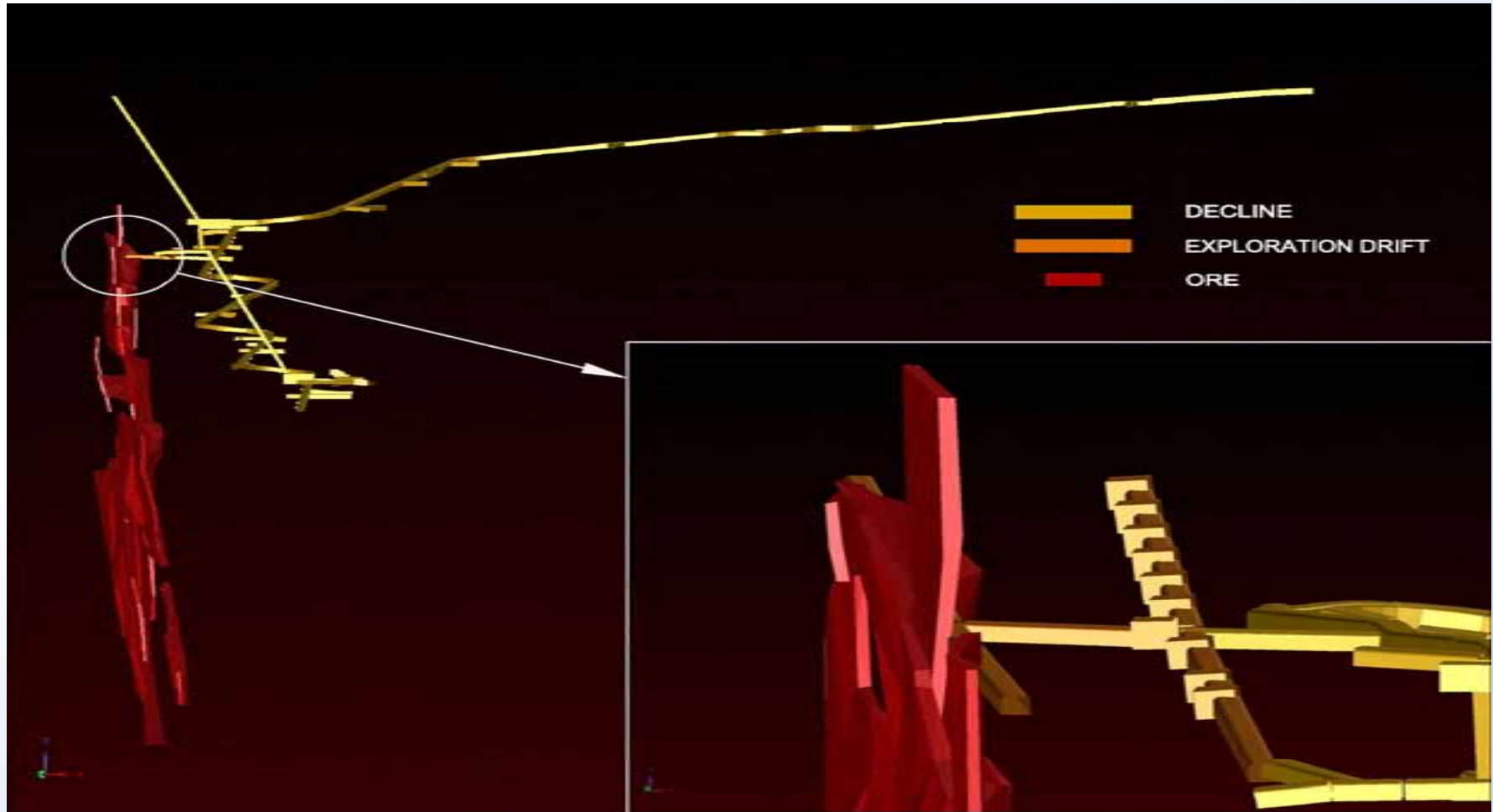
## 36 months





# ORE ACCESS DRIFT

- Starting: in 36 months (duration: 1 month)
- 750 tonnes extracted/kept underground (0.26% on total tonnage)





## WHY THE ORE ACCESS DRIFT

- To determine quantity and quality of water
- To measure radiation level
- To determine radon level
- To validate mining method and cost



# WHY UNDERGROUND DIAMOND DRILLING

- To define the deposit
- To complete bankable feasibility study
- To complete EIA's and various studies

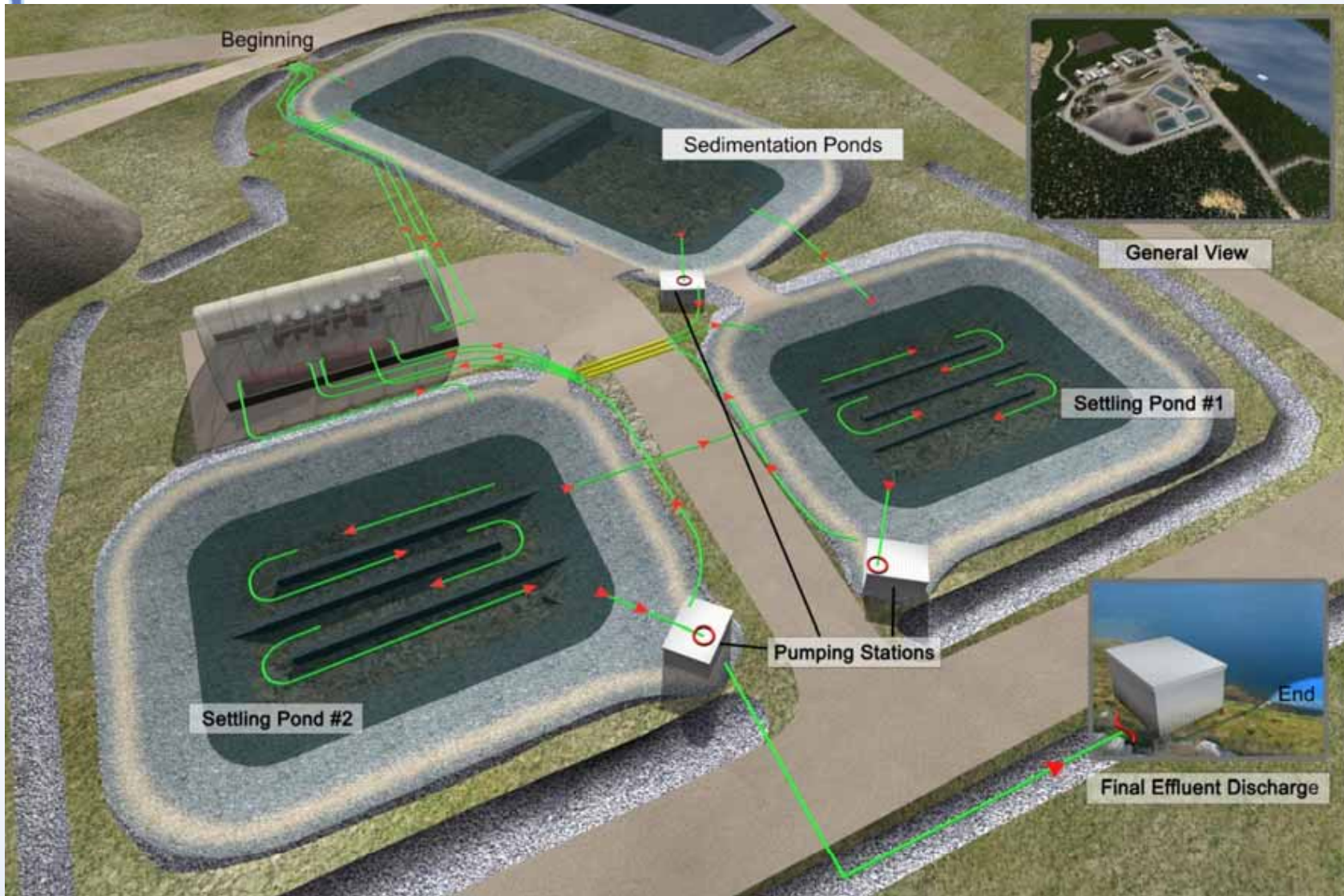


# SURFACE FACILITIES





# WATER TREATMENT PLANT





# PROJECT SCHEDULE

Phase 1: 12 months

Starting December 2011

Description	Duration	Months											
		1	2	3	4	5	6	7	8	9	10	11	12
Licence		★											
Completion of Documents, Designs and Purchasing	6 months	█											
Portal Construction	4 months				█								
Water Treatment Construction	4 months								█				
Power Plant Construction	4 months								█				
Fuel Farm Construction	2 months									█			
Mining Contractor Installation	2 months									█			





## COST ESTIMATE

• Up to date investment	\$60 M
(Cree share: \$19.4 M)	
• Capital investment	\$76 M
<b>Total</b>	<hr/> <b>\$136 M</b>



# PROJECT SCHEDULE

Strateco Resources Inc.		Estimation Matoush project																											
2009 — 2016 Project Schedule		2009		2010		2011				2012				2013				2014				2015				2016			
Description	Activities	H1	H2	H1	H2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Exploration/Geology	Surface Drilling	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
	Geological Modeling & Resource Estimation							Rev.				Rev.				Rev.				Rev.				Rev.				Rev.	
	Underground Drilling																												
Management & Studies	Project Description																												
	Exploration Ramp Design	■	■							■	■																		
	Scoping Study			Rev.																									
	Permitting	■				■				■				■				■				■							
	Feasibility Study																												
Exploration Ramp Infrastructure	Access Road																												
	Surface Installations																												
Development & Construction	Portal and Exploration Ramp																												
	Lateral Development																												
	Production Ramp																												
	Infrastructure Construction																												
	Process Mill Construction																												
Production	Commissioning & Start-Up																												

Q Quarter H Half



# TO BE SUCCESSFUL IN ANY

1. **STRONG MANAGEMENT**
2. **EXCELLENT PROJECT**
3. **AGGRESSIVE INVESTOR RELATIONS PROGRAM**



**THIS IS STRATECO RESOURCES (*RSC*)**

# STRATECO

## RESOURCES

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Frankfort: RF9

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