



**UNAUDITED CONDENSED
INTERIM FINANCIAL STATEMENTS
AS AT JUNE 30, 2013
(In Canadian Dollars)**

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

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

(in Canadian dollars)

	As at June 30, 2013	As at December 31, 2012
	\$	\$
ASSETS		
Current assets		
Cash	316,477	429,254
Tax credits receivable	5,276,499	3,606,099
Sales tax receivable	94,943	373,461
Prepaid expenses and other receivables	197,236	369,560
	<u>5,885,155</u>	<u>4,778,374</u>
Non-current assets		
Non-current portion of tax credits receivable	2,066,641	2,961,889
Available-for-sale investment	10,000	20,000
Mining properties (Notes 3 and 4)	-	3,351,929
Deferred exploration and evaluation expenditures (Notes 3 and 4)	42,587	75,718,754
Property and equipment (Notes 3 and 5)	1,106,682	8,637,820
Total assets	<u>9,111,065</u>	<u>95,468,766</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued charges	2,120,014	2,118,296
Loans payable (Note 6)	2,888,050	268,730
Current portion of obligations under finance leases	16,154	15,448
	<u>5,024,218</u>	<u>2,402,474</u>
Non-current liabilities		
Obligations under finance leases	7,169	15,426
Convertible notes	10,069,283	8,958,647
Deferred income tax liabilities (Note 3)	-	10,746,310
Asset retirement obligations	2,304,913	2,269,620
Total liabilities	<u>17,405,583</u>	<u>24,392,477</u>
EQUITY (DEFICIT)		
Share capital	82,551,146	82,551,146
Equity component of convertible notes	4,933,323	4,933,323
Warrants	498,321	2,575,671
Contributed surplus	13,014,715	11,229,519
Accumulated other comprehensive loss	(40,000)	(30,000)
Deficit	(109,252,023)	(30,183,370)
Total equity (deficit)	<u>(8,294,518)</u>	<u>71,076,289</u>
Total liability and equity	<u>9,111,065</u>	<u>95,468,766</u>

Going concern (Note 1)

Subsequent events at the closing date (Note 11)

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

STRATECO RESOURCES INC.
Interim Statements of Income
(Unaudited)

(in Canadian dollars)

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2013	2012	2013	2012
	\$	\$	\$	\$
EXPENSES				
Exploration and evaluation expenditures (Note 8)	808,746	-	808,746	-
General and administrative expenses (Note 9)	332,375	704,895	735,486	1,289,693
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment (Note 3)	-	-	87,241,070	-
Operating loss	(1,141,121)	(704,895)	(88,785,302)	(1,289,693)
Finance income	(1,497)	(24,862)	(5,023)	(48,716)
Finance costs				
Accretion expense on convertible notes	574,516	453,914	1,110,636	881,929
Accretion expense on asset retirement obligations	17,812	22,511	35,293	44,774
Accretion expense on loans payable	60,616	29,680	119,320	59,061
Interest and bank charges	78,405	60,459	147,361	120,365
Interest on obligations under finance leases	580	906	1,244	1,889
Loss before income tax	(1,871,553)	(1,247,503)	(90,194,133)	(2,348,995)
Current income tax expense (recovery)	(28,337)	38,324	(87,016)	(54,364)
Deferred income tax expense (recovery) (Note 3)	-	123,482	11,038,464	213,585
Income tax expense (recovery)	(28,337)	161,806	(11,125,480)	159,221
NET LOSS	(1,843,216)	(1,409,309)	(79,068,653)	(2,508,216)
NET LOSS PER SHARE, BASIC AND DILUTED	(0.01)	(0.01)	(0.47)	(0.02)
WEIGHTED-AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (in thousands)	167,753	167,204	167,753	159,883

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

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

(in Canadian dollars)

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2013	2012	2013	2012
	\$	\$	\$	\$
Net loss	(1,843,216)	(1,409,309)	(79,068,653)	(2,508,216)
Other comprehensive income (loss) that may be reclassified subsequently to net income				
Changes in fair value of available-for-sale investment	(10,000)	(10,000)	(10,000)	(10,000)
COMPREHENSIVE INCOME (LOSS)	(1,853,216)	(1,419,309)	(79,078,653)	(2,518,216)

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

STRATECO RESOURCES INC.
Interim Statements of Cash Flows
(Unaudited)

(in Canadian dollars)

	Six-month periods ended June 30,	
	2013	2012
	\$	\$
Cash flow provided by (used in)		
OPERATING ACTIVITIES		
Net loss	(79,068,653)	(2,508,216)
Non-cash items:		
Stock-based compensation	-	223,531
Accretion expenses	1,265,249	985,764
Depreciation of property and equipment	5,664	16,856
Impairment of mining properties, deferred exploration and evaluation expenditures and property and equipment	87,241,070	-
Deferred income tax expense (recovery)	(11,038,464)	213,585
	(1,595,134)	(1,068,480)
Changes in non-cash working capital items		
Tax credit receivable	(311,107)	(54,364)
Sales tax receivable	278,518	(321,028)
Prepaid expenses and other receivables	172,324	(40,095)
Exploration supplies (Note 4)	263,946	-
Accounts payable and accrued charges	739,542	(290,440)
	1,143,223	(705,927)
Cash flow from operating activities	(451,911)	(1,774,407)
INVESTING ACTIVITIES		
Tax credit received	-	478,674
Acquisition of mining properties	(6,619)	(34,540)
Increase in deferred exploration and evaluation expenditures	(1,992,632)	(8,138,525)
Additions to property and equipment	(115,500)	(1,543,692)
Cash flow from investing activities	(2,114,751)	(9,238,083)
FINANCING ACTIVITIES		
Share capital and warrants issuance	-	12,999,988
Issue costs	-	(702,985)
Loans payable, net of financing costs	2,461,436	-
Payments on obligations under finance leases	(7,551)	(6,906)
Cash flow from financing activities	2,453,885	12,290,097
NET CHANGE IN CASH	(112,777)	1,277,607
Cash, beginning of period	429,254	3,858,141
CASH, END OF PERIOD	316,477	5,135,748
Cash transactions		
Interest received	5,023	48,716
Interest paid	59,081	121,682

Supplemental cash flows information (Note 9)

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

STRATECO RESOURCES INC.
Interim Statements of Changes in Equity (Deficit)
For the Six-month Periods Ended June 30, 2013 and 2012
(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, 2012	144,998,110	72,285,878	4,933,323	3,442,107	9,766,175	(10,000)	(25,758,257)	64,659,226
Net loss	-	-	-	-	-	-	(2,508,216)	(2,508,216)
Other comprehensive income (loss)	-	-	-	-	-	(10,000)	-	(10,000)
Comprehensive income (loss)	-	-	-	-	-	(10,000)	(2,508,216)	(2,518,216)
Private placements	22,025,620	11,012,810	-	-	-	-	-	11,012,810
Warrants issued in connection with private placements	-	(340,322)	-	340,322	-	-	-	-
Issue costs, net of income taxes of \$189,103	-	(510,391)	-	(3,491)	-	-	-	(513,882)
In consideration of issue costs, net of income taxes of \$24,210	180,000	14,000	-	10,210	-	-	-	24,210
Stock-based compensation	-	-	-	-	341,015	-	-	341,015
Deferred income tax	-	(7,748)	-	-	-	-	-	(7,748)
Expiry of warrants, net of income taxes of \$1,865	-	-	-	(13,864)	11,999	-	-	(1,865)
Balance at June 30, 2012	167,203,730	82,454,227	4,933,323	3,775,284	10,119,189	(20,000)	(28,266,473)	72,995,550
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	-	-	-	-	-	-	(79,068,653)	(79,068,653)
Other comprehensive income (loss)	-	-	-	-	-	(10,000)	-	(10,000)
Comprehensive income (loss)	-	-	-	-	-	(10,000)	(79,068,653)	(79,078,653)
Expiry of warrants, net of income taxes of \$292,154	-	-	-	(2,077,350)	1,785,196	-	-	(292,154)
Balance at June 30, 2013	167,753,181	82,551,146	4,933,323	498,321	13,014,715	(40,000)	(109,252,023)	(8,294,518)

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

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(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 June 30, 2013, the Company’s objective is the care and maintenance of the Matoush camp and to cover costs essential to the viability of the Matoush project in the light of the events described in Note 3. The address of its registered office and principal place of business is 1225 Gay-Lussac Street, Boucherville, Québec, J4B 7K1, Canada. The Company’s shares are listed on the Toronto Stock Exchange TSX under the trading symbol “RSC”.

The Company has not yet determined whether the mining properties have economically recoverable ore reserves.

The accompanying unaudited condensed interim 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. In making its assessment, Management is aware 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 financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and 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 \$79,068,653 for the six-month period ended June 30, 2013, and had an accumulated deficit of \$109,252,023 as at June 30, 2013. 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 June 30, 2013, the Company had working capital of \$860,937, including \$316,477 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 financial statements.

The Company’s financial year ends on December 31. These unaudited condensed interim financial statements were approved for issuance by the Board of Directors on August 12, 2013.

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

2. BASIS OF PREPARATION AND NEW ACCOUNTING POLICIES IN EFFECT

These unaudited condensed interim 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 financial statements should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2012, which were prepared in accordance with IFRS as issued by the IASB.

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

CHANGES IN ACCOUNTING POLICIES

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

The Company has adopted the amendments to IAS 1 effective January 1, 2013. These amendments required the Company to group other comprehensive income (loss) items by those that will be reclassified subsequently to income. These changes did not result in any significant adjustments.

The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

The Company has adopted the amendments to IFRS 12 effective January 1, 2013. These amendments forward existing disclosures and also introduce significant additional disclosure that address the nature of, and risks associated with, an entity’s interests in other entities. These changes did not result in additional disclosures as the Company does not have an interest in other entities.

3. JUDGMENTS, ESTIMATES AND ASSUMPTION

Many of the amounts included in the financial statements require Management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on Management’s experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the financial statements.

Management’s judgments and estimates could have an appreciable impact on the amounts reported in the financial statements with respect to the following items, which have changed significantly since the audited annual financial statements for the year ended December 31, 2012:

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

3. JUDGMENTS, ESTIMATES AND ASSUMPTION (CONT'D)

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company's evaluation of the recoverable amount with respect to the non-financial assets is based on numerous assumptions and may differ significantly from actual values. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Company's control. This evaluation involves a comparison of the estimated recoverable amounts of non-financial assets to their carrying values. The Company's recoverable amount estimates are based on numerous assumptions. The recoverable amount estimates may differ from actual values and these differences may be significant and could have a material impact on the Company's financial position and result of operations. Assets are reviewed for an indication of impairment at each statement of financial position date and when there are indicators of impairment. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to: the right to explore in the specific area will expire during the period or in the near future and is not expected to be renewed; substantive exploration and evaluation ("E&E") expenditures in a specific area are neither budgeted nor planned; E&E of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale, significant negative industry or economic trends, a significant drop in uranium prices or the Company's incapacity to obtain permits needed to carry out the underground exploration program at the Matoush project.

On October 16, 2012, the Canadian Nuclear Safety Commission ("CNSC") issued the Company a licence for the underground exploration program at the Matoush project.

On January 17, 2013, the Company filed a motion for *mandamus* and declaratory judgement with the Québec Superior Court. Among other things, the motion is intended to ensure that the Québec ministry of sustainable development, environment, wildlife and parks (*Ministère du Développement durable, de l'Environnement, de la Faune et des Parcs*, or "MDDEFP") comes to a decision on the authorization required for the execution of the Matoush project underground exploration program. At the initial case management session held in Québec City on March 20, 2013, on its motion for *mandamus* and declaratory judgment, the Company informed the Superior Court of Québec that it had decided to amend its petition to limit it to the motion for *mandamus*. This decision was made in the interest of accelerating the judicial process.

On March 28, 2013, the MDDEFP announced that it would initiate studies on the uranium industry ahead of a mandate given to the office of public hearings on the environment (*Bureau d'audiences publiques sur l'environnement*, or "BAPE"). This mandate will address the social and environmental impacts of uranium exploration and operations in Québec. The MDDEFP also announced that no certificates authorizing uranium exploration and operations projects within the province would be issued until the BAPE had tabled its report.

In the light of the events of March 28, 2013, the Company tested its non-financial assets for impairment.

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

3. JUDGMENTS, ESTIMATES AND ASSUMPTION (CONT'D)

All the Company's mining properties and the associated deferred E&E expenditures have been fully impaired by \$3,358,548 and \$76,663,675 respectively, given the Company's inability to proceed with its underground exploration program for the Matoush project, the uncertainty surrounding the uranium industry in Québec and the lack of significant planned E&E expenditures. The Company's property and equipment have also been impaired by \$7,218,847, based on Management's best estimate of their recoverable value, which was \$1,106,682 as of March 31, 2013. The recoverable value of assets is equal to their fair value net of costs of disposal, such that assets are not depreciated prospectively. At March 31, 2013, recoverable value was assessed based on the residual value of the assets, that is, the estimated amount the Company would obtain from their disposal on March 31, 2013, net of estimated disposal costs. Given the Company's inability to determine whether or not they were recoverable, all E&E and mining property expenditures incurred by the Company in the three-month period ended June 30, 2013, including those for the care and maintenance of the Matoush project, were recorded in the statement of income (Note 8).

These impairments created a reversal of deferred income tax liabilities as at March 31, 2013 and a corresponding recovery of deferred income taxes in the three-month period ended March 31, 2013.

As at the date of the present unaudited condensed interim financial statements, the proceedings on the motion for *mandamus* were still pending. The Company also served the MDDEFP with a formal notice for damages and interest for an initial amount of \$16,000,000 on April 22, 2013.

The Company reserves all rights to any future claims in the event that the undue delays continue and lead to irreparable loss of the Matoush project. In such circumstances, an additional amount would be added to the claim to compensate for the loss of value of the project, which amount has yet to be determined. In addition, the Company has asked the Court to issue a safeguard order. The Company has requested the Court to order the government to pay a sum of \$420,000 to \$800,000 on the last day of each month beginning on May 31, 2013, until at least September 30.

Finally, the Company has amended its motion for *mandamus*, which originally asked the Québec Superior Court to order the Minister of the MDDEFP to make a decision on the issuance of the certificate of authorization. The Company is now asking that the Court order the minister to issue the certificate of authorization.

The hearings for the safeguard order took place on June 13 and 14 at Québec Superior Court.

Following the hearings, the MDDEFP minister notified the Company on June 21, 2013, that he plans to "refuse to issue the permit for the Matoush underground exploration project" due to "a lack of sufficient social acceptability". The notification also gave the Company 60 days to present its "observations" to the Minister regarding his intended refusal to issue the requested permit. The Company fully intends to provide comments to the Minister.

On July 5, 2013, the Minister presented a motion asking the Court to dismiss the *mandamus* proceedings. The Company plans to vigorously oppose this new step.

On July 31, 2013, the Court issued a ruling rejecting the motion from the Company for a safeguard measure. One reason for the ruling is that the Court cannot, at this stage in the proceedings, assume what the final ruling will be on the main application for *mandamus*. In addition, the Court stated that a quantifiable prejudice can be compensated by damages and does not, in principle, cause the irreparable prejudice required for a safeguard order to be issued. The Court added, citing a Supreme Court of Canada ruling, that financial prejudice may be irreparable in nature only in a case where a court ruling has the effect of causing the loss of part of a business or where one party may suffer permanent commercial loss.

The Company will continue with its legal action.

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

3. JUDGMENTS, ESTIMATES AND ASSUMPTION (CONT'D)

Given the uncertainty surrounding the amended motion for *mandamus* and the conclusions of the BAPE's report, the accounting for asset retirement obligations continues to be based on the Company's estimate that the rehabilitation and restoration work required by legislation and regulations will be undertaken in 2017. Changes to the above-mentioned items could have an impact on the timing of rehabilitation and restoration work, and thus on obligations with respect to property and equipment asset retirement obligations.

The choice of method and estimated losses for impairment purposes requires the exercise of judgment by Management, and are based on information available as at the date of these financial statements.

4. MINING PROPERTIES AND DEFERRED E&E EXPENDITURES

Mining properties	Interest	December 31, 2012	Additions	Impairment (Note 3)	June 30, 2013
		\$	\$	\$	\$
Matoush project					
Matoush	100%	1,339,982	-	(1,339,982)	-
Matoush Extension	100%	40,775	-	(40,775)	-
Eclat	100%	1,290,671	-	(1,290,671)	-
Pacific Bay-Matoush	60%	661,782	-	(661,782)	-
Other project					
Mistassini	60%	18,719	6,619	(25,338)	-
		3,351,929	6,619	(3,358,548)	-

Deferred E&E expenditures	June 30, 2013	December 31, 2012
	\$	\$
Deferred E&E expenditures	-	75,212,699
Exploration supplies	42,587	506,055
	42,587	75,718,754

Deferred E&E expenditures	December 31, 2012	Additions	Tax Credits	Impairment (Note 3)	June 30, 2013
	\$	\$	\$	\$	\$
Matoush project					
Matoush	67,308,630	1,896,391	(456,826)	(68,748,195)	-
Matoush Extension	663,891	5,193	(2,012)	(667,072)	-
Eclat	4,397,255	9,407	(3,645)	(4,403,017)	-
Pacific Bay-Matoush	1,881,763	3,207	(1,243)	(1,883,727)	-
Other project					
Mistassini	961,160	823	(319)	(961,664)	-
	75,212,699	1,915,021	(464,045)	(76,663,675)	-

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

5. PROPERTY AND EQUIPMENT

	Buildings and infrastructure	Vehicles and rolling stock (i)	Equipment	Total (ii)
	\$	\$	\$	\$
Six-month period ended June 30, 2013				
Net book value, beginning of period	8,386,015	61,296	190,509	8,637,820
Additions	51,554	-	-	51,554
Depreciation	(328,405)	(10,837)	(24,603)	(363,845)
Impairment (Note 3)	(7,132,250)	(17,757)	(68,840)	(7,218,847)
Net book value, end of period	976,914	32,702	97,066	1,106,682
As at June 30, 2013				
Cost	14,854,594	526,486	1,088,308	16,469,388
Accumulated depreciation	(6,518,770)	(476,027)	(922,402)	(7,917,199)
Accumulated impairment charges	(7,358,910)	(17,757)	(68,840)	(7,445,507)
Net book value	976,914	32,702	97,066	1,106,682

(i) There was no depreciation expense relating to finance leases in the statement of income. The depreciation expense relating to property and equipment under finance lease of \$3,932 was capitalized in deferred E&E expenditures for the six-month period ended June 30, 2013.

Vehicles and rolling stock includes vehicles and rolling stock under a finance lease with net book values of \$18,806 as at June 30, 2013.

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

6. LOANS PAYABLE

On January 14, 2013, in accordance with the agreement signed on December 20, 2012, with Sentient Executive GP IV, Limited, part of The Sentient Group, the Company received the \$2,500,000 representing the second payment of the \$3,000,000 loan.

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 (uranium exploration company);
- 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: – none.

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

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

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

The Company's financial instruments as at June 30, 2013, consist of cash, financial assets available-for-sale, 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.

	June 30, 2013		December 31, 2012	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Financial assets				
Cash	316,477	316,477	429,254	429,254
Financial assets available for sale	10,000	10,000	20,000	20,000
Financial liabilities				
Accounts payable and accrued charges	2,120,014	2,120,014	2,118,296	2,118,296
Obligations under finance leases	23,323	23,323	30,874	30,874
Loans payable	2,888,050	3,000,000	268,730	500,000
Convertible notes	10,069,283	10,284,171	8,958,647	9,206,882

8. E&E EXPENDITURES

	Three and six-month periods ended		
	June 30, 2013		
	Additions	Tax Credits	Total
	\$	\$	\$
Matoush project			
Matoush	1,046,184	(229,264)	816,920
Matoush Extension	2,176	(843)	1,333
Eclat	702	(272)	430
Pacific Bay-Matoush	(12,408)	4,809	(7,599)
Other project			
Mistassini	(3,817)	1,479	(2,338)
	1,032,837	(224,091)	808,746

STRATECO RESOURCES INC.
Condensed Notes to the Interim Financial Statements
For the Six-month Periods Ended June 30, 2013 and 2012
(Unaudited)

(in Canadian dollars)

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Three-month periods		Six-month periods	
	ended June 30,		ended June 30,	
	2013	2012	2013	2012
	\$	\$	\$	\$
Salaries and benefits	138,652	-	324,064	-
Consulting and professional fees	118,021	244,169	213,054	571,424
Stock-based compensation	-	219,175	-	223,531
Communication and promotion expenses	43,275	193,748	118,477	391,692
Office expenses	32,427	39,375	74,227	86,190
Depreciation of property and equipment	-	8,428	5,664	16,856
	332,375	704,895	735,486	1,289,693

10. SUPPLEMENTAL CASH FLOW INFORMATION

	Six-month periods	
	ended June 30,	
	2013	2012
	\$	\$
Non-cash transactions		
Deferred E&E expenditures included in accounts payable and accrued charges	686,814	1,198,006
Additions to property and equipment included in accounts payable and accrued charges	51,554	339,895
Tax credits receivable presented as a reduction in deferred E&E expenditures	464,045	2,539,801
Depreciation of property and equipment included in deferred E&E expenditures	358,181	1,173,449
Units issued for share issue costs, net of the tax impact of \$24,210	-	65,790
Stock-based compensation capitalized in deferred E&E expenditures	-	117,484

11. SUBSEQUENT EVENTS AT THE CLOSING DATE

On August 12, 2013, the Company closed a non-brokered private placement with Sentient Executive GP IV, Limited, part of The Sentient Group, of 16,446,389 shares priced at \$0.05 each for gross proceeds of \$822,319. Sentient Executive GP IV, Limited, received 328,927 additional shares evaluated at \$16,446 representing 2% of the gross proceeds of the placement, as a transaction fee.