WASECO RESOURCES INC.

(an exploration stage company)

Management's Discussion & Analysis

For the year ended February 29, 2012

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General

This Management's Discussion and Analysis ("MD&A") is dated June 25, 2012, and reflects the results for the year ended February 29, 2012 and should be read in conjunction with the audited financial statements for that period and the corresponding notes. These financial statements and their related MD&A's, as well as press releases issued by the Company and other information, are available either at the Company's website: www.wasecoresources.com, or at SEDAR: www.sedar.com.

This represents the first annual filing of financial statements by the Company under International Financial Reporting Standards ("IFRS"). There are considerable differences between IFRS and the Generally Accepted Accounting Principles ("GAAP") that formerly governed the preparation of Canadian public company financial statements. Considerable effort has gone into the conversion process from GAAP to IFRS and every effort has been made within the financial statements and this MD&A to explain the differences, the elections made where alternatives were available and the exemptions claimed in the conversion process.

While the differences in many respects are far reaching, the Company, by virtue of its exploration stage of existence, has not experienced as comprehensive a change as many other companies have. The principal difference the reader will notice is the dramatic change to Mineral Properties values: Formerly capitalized, until and unless brought to commercial production or effectively abandoned, acquisition and exploration expenses are now expensed in the period in which they are incurred. This reduces the significance of the Company's balance sheet and increases its deficit and regular periodic losses (while eliminating the irregular large one time losses incurred when a property was effectively abandoned).

This MD&A is required to contain prospective and forward looking statements. The Company is not in the practice of making forecasts, financial or otherwise, as it believes its business of mineral exploration and development is not sufficiently foreseeable to permit such forecasts to be made with any accuracy. To the extent that it is obliged to include such prospective information herein, the Company claims the protection of safe harbour legislation and generally cautions readers that all forward looking statements are subject to change, inherent risks and uncertainties of many kinds. All statements made herein are made in good faith and in their belief as to best information and expectation available but no guarantee can be provided nor should any be inferred from any forward looking statement.

Description of the Business and Overview

The Company is a Tier 2 junior exploration company, listed on the TSX Venture Exchange ("WRI") and on the Frankfurt Exchange ("WSE"), engaged in the acquisition and exploration of mineral properties. The authorized capital is comprised of an unlimited number of no par value shares. The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

Subsequent to fiscal year end (see News Release dated April 18, 2012) the Company entered into an option agreement to acquire a 75% interest in a gold prospect in Nevada. In the near term, this project has become the lead project for the Company, as preparation for a drilling campaign is in process.

The Company is also focused on a large land position in the Quebec Labrador Trough. These properties are presently subject to a joint venture with AREVA Resources Canada Inc.

(“AREVA”) a wholly owned subsidiary of AREVA Group S.A., the world’s leading integrated nuclear company (see www.areva.com for more information).

The Company is also pursuing an opportunity to participate in the exploration and development of an alluvial gold project in Indonesia. Historically, the Company has carried out extensive work in the area and would like to capitalise on its technical data base.

The Company also has an interest in diamond claims adjacent to DeBeer’s Victor Mine in the James Bay Lowlands.

The Company does not hold any interests in producing or commercial ore deposits and has no production revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of ore containing economic concentrations of uranium, gold or other mineral resources are discovered. If, in the future, a discovery is made, substantial financial resources would be required to establish ore reserves. Additional substantial financial resources would be required to develop mining and processing for any ore reserves that may be discovered. If the Company were to be unable to finance the establishment of ore reserves or the development of mining and processing facilities it might be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development. As a strategic consideration, the Company may find it more attractive to do so in any event, as it considers its primary business and expertise to be exploration, but it does not rule out the possibility of production in the appropriate circumstances.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include commodity prices, availability of capital, exploration risks, regulatory risks, environmental risks, competition, dependence on key personnel, potential risks relating to mineral titles and aboriginal land claims, currency risk and potential amendments to tax laws.

As at June 25, 2012, the directors and officers of the Company are:

Derek Bartlett	Director
A.C.A. (Peter) Howe	Chairman and Director
Richard Ekstein	Director
James (Jay) Richardson	Director and Secretary-Treasurer (C.F.O.)
Richard Williams	Director and President (C.E.O.)

Overall Performance

The following paragraphs provide an analysis of the financial condition of the Company, results of operations, trends, events, uncertainties and industry and economic factors that affect the Company’s performance.

As at February 29, 2012, the Company’s cash position was $914,267. This was a decrease from $1,067,629 at February 28, 2011 resulting from the expenditure on routine administrative costs and $26,283 on exploration (2011- $87,400). Working capital decreased to $781,000 from $890,000 as a result of these costs.

During the year ended February 29, 2012, the Company had 30,311,155 common shares outstanding, unchanged from February 28, 2011.

Trends

There are no unusual trends, commitments, events or uncertainties presently known or identifiable to management that would reasonably be expected to have a material effect on the Company's business, financial condition or results of operations beyond the greater than usual variability of ease or difficulty in raising capital which appears to be in a continuing uncertain trend after the extremely difficult period experienced by many companies in the last three years and the aforementioned expectation of bearing 50% of the ongoing exploration costs of the Quebec Labrador Trough exploration Joint Venture. The Company is fortunate that, as noted below, it does not presently or in near term prospect have any need to raise funds as it has more than enough for its present and prospective needs for the next twelve months in its available resources. The nature of the Company's business is demanding of capital for property acquisition costs, exploration commitments and holding costs. The Company intends to utilize cash on hand to meet these obligations and will continue to raise funds, if necessary, to augment this cash position. At the time of writing, no such need is anticipated. As AREVA has now spent its full commitment of exploration funding to earn a 50% interest in the uranium related metals, the flow of profitability the Company has enjoyed from the benefits of the exploration tax credits has been interrupted during the lull in activity. However, the joint venture agreement embodies a similar arrangement which may contribute to profitability in the future but, at present, no ongoing exploration programs are being undertaken in Quebec.

Risks

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest has a known body of commercial ore as defined under NI 43-101. Development of the Company's mineral properties would follow only upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercially viable bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development could be obtained on a timely basis.

Business Risk

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

Commodity Prices

The price of the Company's common shares, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of uranium, gold and/or other metals. Metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, would be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delay or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing would be available if needed or that, if available, the terms of such financings would be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing. No such adverse impacts are presently being experienced for the reason cited above.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, would not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate properties or acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and their development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed would ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than it. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospective properties for mineral exploration in the future.

Land Title

The Company has not sought formal title opinions on its mineral property interests in Canada, the United States and in Indonesia. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title to any of the properties in which the Company has or may acquire an interest.

Review of Operations

Years Ended February 29, 2012 and February 28, 2011

The Company had a net loss of $151,528 or $0.005 per share for the twelve months ended February 29, 2012 compared to $193,686 or $0.006 per share for the same period in 2011.

General and administrative costs, shareholder relations and regulatory fees were $66,415 for the twelve months to February 29, 2012 compared to $68,144 for the corresponding period in 2011.

Professional fees were $21,808 for the year ended February 29, 2012 compared to $34,984 for the comparable period of 2011. For the year, actual professional fees were $40,108, an increase year over year, and included the cost of the conversion to IFRS, but were offset by the reversal of prior year's accruals and other adjustments.

Management fees were $66,415 for the twelve months ended February 29, 2012, compared to $68,144 for the comparable period in 2011. Although there was a slight increase in the quarterly payments made to officers of the Company on a year over year basis this was also offset by the other adjustments referred to above.

Similarly, although shareholder relations costs are shown as $2,730 they were actually $22,346 and were offset by an adjustment as above.

Stock based compensation costs of $41,900 (2011 – Nil) reflects the issuance of options to officers and directors and is referred to elsewhere in this MD&A.

The Company spent $26,283 on exploration and evaluation in the year as its contribution to the AREVA joint venture on the uranium properties in the Quebec Labrador Trough. $87,390 was spent in the corresponding period in 2011.

Interest income was $7,608 for the twelve month period to February 29, 2012 compared to $6,188 for the comparable period in 2011. Miscellaneous income was $Nil (2011 - $18,173).

Exploration Activities

Quebec Labrador Trough Project

There was no exploration activity in the field carried out on the Quebec Labrador Trough Project in the year under review. However, there have been property renewals and other general management expenses totalling $87,799 that will be split by the joint venture partners.

Management continues to be pleased with its working relationship with AREVA. It is the world's leader in the nuclear industry, and as such, provides valuable technical expertise to the projects. It has also developed an in depth knowledge of the area, having explored Northern Quebec over the past 40 years. The work undertaken not only advanced our knowledge and understanding of the properties, but also generated revenue and profitability for the Company from the tax credits on exploration expenditures, as discussed in previous reports and below. These benefits are very positive for the Company and their continuation post the earn-in phase is now a possibility and provided for in the JV Agreement.

History

In fiscal 2006, the Company carried out airborne geophysical exploration activities on five uranium prospects that initially covered approximately 105 square kilometres (210 claims) in the Quebec Labrador Trough. As a result, the Company decided to undertake further staking in areas contiguous to these blocks.

Following an earlier joint venture with UMC Energy Inc., in 2006, the Company entered into an agreement with UraMin Inc. ("UraMin"), a company then listed on the Toronto Stock Exchange and the AIM in London. A series of work programs, including airborne geophysics, ground geochemistry, prospecting, sampling and drilling was initiated as part of earn-in expenditure program totalling $ 2,000,000, that UraMin, (which was acquired during this period by AREVA) agreed to fund the Company to undertake over a two year period in order to acquire a 50% interest in the uranium and related metals discovered on the properties. In addition, UraMin agreed to make cash payments to the Company of $300,000, which have been received. A joint venture Agreement was executed between the Company and AREVA Resources Canada Inc. (AREVA) effective September 1, 2011.

As a result of UraMin being taken over by AREVA, the project benefits from access to additional regional information, as well as a significant team of qualified geologists and technicians for the undertaking and supervision of field work. The Company now works additionally with AREVA staff to integrate the respective property databases and plan and carry out work programs.

AREVA recommended and the Company agreed to allow 397 claims to lapse, as they were deemed to be non-core to the exploration program going forward. The joint venture currently holds 357 claims.

Indonesia

The Company, having previously severed its ties with its former Indonesian subsidiary, retained a significant quantity of proprietary information with respect to the Tewah Alluvial Gold project. Having learned that the Contract of Work covering the project had been terminated, the

Company is in the process of re-establishing title to significant portions of its former holdings. In conjunction with these efforts, the Company is seeking an Indonesian domestic funding partner and it has received expressions of interest in this regard. As of the date of this MD&A, this process of re-assembly had been further delayed by a government imposed moratorium which effects mining, forestry, and agricultural licences in the area. This is primarily a result of large tracts of rain forest having been burned down and subsequently licensed out by the local government authorities for palm oil plantations in an apparent contravention of a national mandate to preserve the rain forests. Three Kuasa Pertambangan ("KP"), which is an Indonesian form of exploration tenement, had been applied for. The process for establishing title once the moratorium is lifted is being formulated. During this hiatus period, we have suspended local expenditures. It is expected that personal attendance in Indonesia by senior management may be required and will increase travel costs but will bring a much enhanced level of understanding and appreciation of the project and its potential for the Company.

Management is also evaluating other mineral property opportunities in Indonesia.

The Company's previously completed Final Feasibility Study on the project in Kalimantan puts it in an advanced position on this project. The recent prices for gold as well as zircon have attracted new potential investors to consider the opportunity. However, any discussions are viewed to be at a very preliminary stage at this time.

Attawapiskat

The Company has participated in a geophysical survey on the Attawapiskat Diamond Property, in northern Ontario, where it holds a 5% interest. The development of the adjacent Victor Mine by De Beers and the work on the Macfadyen diamondiferous dykes to the west of the property, have rekindled interest in the camp. The Company has been informed of certain evaluation work which has been undertaken by one of the other joint owners of the property. As a result, the Company has now been informed of plans for additional work to be done on the property and expects to contribute its proportionate share of the cost of such program. It is possible that the Company might seek to increase its share, presently standing at 5%, by contributing an amount to the program greater than its share, in the event that any participant does not opt to maintain its present interest. Sufficient assessment work has been filed to maintain the property in good standing.

During a previous year, the Company received an amount of $2,500 as its proportionate share of a payment received from De Beers for the rental of a portion of the surface rights of one of the claims and paid $1,580 as its proportionate share of work done in the year. An airborne survey was flown over a portion of the claims during the year by a joint venture partner. No additional amounts have been invested during the year but it is anticipated that there will be further investment as the exploration program continues and perhaps also further investment if the Company is provided the opportunity to increase its interest in the project.

Other Balance Sheet Comparisons

The only significant change in other Balance Sheet items relates to accounts payable and accruals which have been reduced during the twelve month period ended February 29, 2012 by $18,500 being adjustments to accruals for professional fees and the writing off of old account payable balances referred to above.

Other Cash Flow Comparisons

The main elements affecting the Statement of Cash Flows have been discussed above.

The Company's main focus is on its new gold project, acquired after year end, the uranium properties and the re-establishment of its position in Indonesia. It continues to review other projects that it believes would create added shareholder value.

Liquidity and Solvency

The Company's ability to conduct exploration and development on its properties has traditionally been primarily based upon its ability to enter into attractive joint venture arrangements with third parties to undertake exploration and development expenditures on its behalf or to fund it to undertake them. As the Company built its resources from its profitable operations, its ability to undertake additional activities on its own was enhanced.

Further funding for any corporate purposes will be forthcoming from refunds of costs of work undertaken which may be provided by the Quebec provincial Government pursuant to the Quebec Income Tax Act and such further equity or other financing as the Company may feel advisable.

The Company's present resources represent sufficient funds in prospect to fund administrative costs and modest exploration and development of its own. UraMin having completed its earn in and elected not to exercise its option to increase its interest to 70% by advancing to a bankable feasibility study, the Company anticipates participating with UraMin in further expenditure in the 50:50 joint venture which has been formed.

It is also the Company's intention to investigate introducing a joint venture partner for the development of its Indonesian project and it is optimistic from initial expressions of interest that this is achievable, particularly in the currently favourable environment of strong prices both for gold and for zircon, an important prospective by-product in this project. The Company will address these possibilities more rigorously when the property re-assembly has been completed.

Dividends

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Related Party Transactions

There were no related party transactions during the year beyond the payment or accrual of $69,000 (2011 - $45,000) in management fees paid or payable to three officers and/or directors.

Waseco's transition to International Financial Reporting Standards ("IFRS")

As mandated by the Canadian Accounting Standards Board, IFRS replaced previous Canadian

GAAP for publicly accountable enterprises, including the Company, effective fiscal years beginning on or after January 1, 2011, that is effective with this fiscal year beginning March 1, 2011.

Accordingly, the Company has reported financial statements for the year ended February 29, 2012 in accordance with IFRS which include comparative 2011 financial statements adjusted to comply with IFRS.

The Board of Directors and the Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and made aware of the evaluation of the key aspects of IFRS affecting the Company.

Transition to IFRS from GAAP

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises would be required to adopt International Financial Reporting Standards ("IFRS") for financial periods beginning on and after March 1, 2011.

The Company has adopted IFRS with an adoption date of March 1, 2011 and a transition date of March 1, 2010.

IFRS Conversion

The Company's IFRS conversion plan was comprehensive and addressed matters including changes in accounting policies, restatement of comparative periods, organizational and internal controls and any required changes to business processes. To facilitate this process and ensure the full impact of the conversion was understood and managed reasonably, the Company hired an IFRS conversion project manager. The accounting staff attended several training courses on the adoption and implementation of IFRS. Through in-depth training and the preparation of reconciliations of historical Canadian GAAP financial statements to IFRS, the Company believes that its accounting personnel have obtained the necessary understanding of IFRS.

In conjunction with the adoption of IFRS the Company has updated its accounting system, which will satisfy all the information needs of the Company under IFRS. The Company has also reviewed its current internal and disclosure control processes and they did not need significant modification as a result of the conversion to IFRS.

Impact of IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP; however, significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS did not change the actual cash flows of the Company, the adoption resulted in changes to the reported financial position and results of operations of the Company. In order to allow the users of the financial statements to better understand these changes, we have provided reconciliations between Canadian GAAP and IFRS for the total assets, total liabilities, shareholders equity, cash flows and net loss in the notes to the interim unaudited financial statements. The adoption of IFRS has had no significant impact on the net cash flows of the Company. The changes made to the statements of financial position and comprehensive income have resulted in reclassifications of various amounts on the statements of cash flows; however, as there has been no change to the net cash flows, no reconciliations have been presented.

In preparing the reconciliations, the Company applied the principles and elections of IFRS 1, with a transition date of March 1, 2010. As the Company has adopted IFRS effective March 1, 2010, it has applied the provisions of IFRS 1 as described under the section entitled "Initial Adoption – IFRS 1", with a March 1, 2010 transition date. The Company will also apply IFRS standards in effect at February 29, 2012 as required by IFRS 1.

Initial Adoption of International Accounting Standards

IFRS 1 ''First Time Adoption of International Accounting Standards'' sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional date of the statement of financial position with all adjustments to assets and liabilities as stated under GAAP taken to retained earnings unless certain exemptions are applied.

The Company elected to take the following IFRS 1 optional exemptions:

- to apply the requirements of IFRS 3, Business Combinations, prospectively from the Transition Date;
- to apply the requirements of IFRS 2, Share-based payments, only to equity instruments granted after November 7, 2002 which had not vested as of the Transition Date.

Comparative Information

The Company has restated all periods from March 1, 2010 onwards in accordance with IFRS. IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the transition date are consistent with those made under previous Canadian GAAP.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS has resulted in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

A complete analysis of the Company's adoption of IFRS can be found in the Company's annual audited financial statements for the year ended February 29, 2012 referrenced in the General note above.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and to plan expenditures only when funds will be available. As at February 29, 2012, the Company had current assets of $957,394 (previous year end $1,085,474) and current liabilities of $176,546 (previous year end $194,998). As a result, working capital at February 29, 2012 was $780,848 down from $890,476 at the prior year end. The bulk of the Company's current assets is represented by cash and is correspondingly secure and predictable.

Additional Capital

The continued exploration work by the Company may require substantial additional financing.

There can be no assurance that additional capital or other types of financing would be available if needed or that, if available, the terms of such financings would be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing since the mineral property investment that constitutes the primary activity of the Company is linked to such prices.

Critical Accounting Estimates

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. With the transition to IFRS, such estimates have significantly decreased in significance as Mineral Properties are no longer carried as an asset.

Outlook

The business objective of the Company is the acquisition, exploration, development and production of mineral resources from properties in Canada and abroad. More particularly, the Company's primary business objective is to carry out exploration programs on the Nevada and Quebec Labrador Trough properties and to increase its landholding position and advance its project in Indonesia with a view to understanding and potentially re-establishing its feasibility.

If the results in Quebec of the initial exploration and test drilling programs prove to be encouraging, the Company may require additional capital that may require future financings. There can be no assurance that the Company would be able to raise such additional capital if and when required on terms it considers acceptable.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

During the current fiscal quarter, there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. In view of the small size of the Company's management team and the absence of staff beyond that small team, the Company relies fundamentally on the personal involvement of two senior Officers in all transactions and their scrutiny of same.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the quarter covered by this Management's Discussion and Analysis, management of the Company, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual *Certification of Disclosure in Issuers' Annual and Interim Filings*) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Timely Disclosure, Confidentiality and Insider Trading Policy

Management has adopted the policy to ensure that Waseco Resources Inc. (the "Company") and all persons to whom this Policy applies meet their obligations under the provisions of security laws and stock exchange rules by establishing a process for the timely disclosure of all Material Information.

(i) This policy covers disclosures in documents filed with the securities regulators and written statements made in the Company's annual and quarterly reports, news releases, letters to shareholders, presentations by Directors, Officers, Employees or Contractors and information contained on the Company's website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls and any other public disclosures on behalf of the Company, the content of which would reasonably be expected to affect the market value or price of any security of the Company.

(ii) all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information (as defined herein):

(iii) all appropriate parties who have Undisclosed Material Information are prohibited from Insider Trading (as defined herein) and Tipping (as defined herein) under applicable law, stock exchange rules and this policy; and

(iv) communications to the investing public about the company are timely, factual, accurate, complete and not misleading, and broadly disseminated in accordance with all applicable legal and regulatory requirements.

Subsequent Events

On April 18th, 2012, the Company signed a letter agreement whereby it optioned from Sparton Resources Inc., a 75% interest in a lease covering 29 claims on the Battle Mountain Gold Trend in Lander County, Nevada. In order to satisfy the terms of the option, the Company is to maintain the property in good standing by making quarterly lease payments, paying the annual advanced royalty payments of $75,000 (which the Company immediately paid for 2012) and by spending $900,000 on exploration over three years. The Company has also agreed to provide a $100,000 loan for one year, secured by the remaining 25% interest in the lease. The loan is interest bearing at 7% per annum. Mr. Williams, the Company President and C.E.O., is a director of Sparton and as such is a related party. He abstained from voting on the transaction.

Proposed Transactions

Management is continuously examining potential acquisitions or options of additional properties as they are presented to the Company. No other such transactions are presently pending. If the Company makes any commitments as a result of such transactions it would be announced by way of a prompt press release. Referred to above is the Company's renewed interest in the

Tewah project and the possibility of entering into discussions which may lead to arrangements for its exploitation.

Disclosure of Outstanding Share Information

The following table sets forth information concerning the outstanding securities of the Company as at February 29, 2012:

	February 29, 2012	March 1, 2011
Common shares at no par value		
Shares	30,311,155	30,311,155
Warrants	-	-
Options	1,000,000	1,000,000

Summary of Quarterly Results

Selected financial information for the fourth quarter of fiscal 2012 and each of the previous seven quarters appears below:

Details	**Fiscal year ended February 29, 2012**				**Fiscal year ended February 28, 2011**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net earnings (loss)	(60,337.0)	(33,496.0)	8,059.0	(65,754.0)	(79,960.0)	(56,863.0)	(31,563.0)	(25,300.0)
Net earnings (loss) per share	(0.002)	(0.001)	0.000	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)

Management of the Company invites questions from its shareholders and will be pleased to consider how these statements may be made more useful to shareholders and others.

WASECO RESOURCES INC.

"Richard Williams"
President
June 27th, 2012