



FORM 51-102F1
INTERIM MANAGEMENT'S DISCUSSION & ANALYSIS

This management's discussion and analysis ("MD&A") relates to the financial condition and results of operations of Stans Energy Corporation together with its owned subsidiaries, as of May 29, 2015 and is intended to supplement and complement Stans Energy Corporation's unaudited interim condensed consolidated financial statements for the three months period ended March 31, 2015 and the notes thereto. Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the Cautionary Statement on Forward Looking Information included with this MD&A and to consult Stans Energy Corporation's audited consolidated financial statements for the 2014 year-end and corresponding notes to the financial statements which are available on SEDAR website at www.sedar.com. The March 31, 2015 unaudited interim condensed consolidated financial statements and MD&A are presented in Canadian dollars and have been prepared in accordance with IAS 34 "Interim Financial Reporting as issued by the International Accounting Standards Board. This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as at and for the three months ended March 31, 2015, as well as our outlook.

This section contains forward-looking statements and should be read in conjunction with the risk factors described in "Risk Analysis". In certain instances, references are made to relevant notes in the consolidated financial statements for additional information.

Where we say "we", "us", "our", the "Company" or "Stans", we mean Stans Energy Corporation or Stans Energy Corporation and/or one or more or all of its subsidiaries, as it may apply.

Cautionary Statement on Forward-Looking Information

This document may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect management the Company's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. Accordingly, readers should not place undue reliance on forward looking statements.

Description of the Business

Stans was incorporated on September 26, 2005 under the laws of the Province of Ontario. The Company is engaged in the business of the acquisition and development of mineral deposits such as uranium, molybdenum, vanadium, beryllium, and rare earth metals in the Kyrgyz Republic. Stans owns five subsidiaries, SevAmRus CJSC (“SevAmRus”), a 99 % owned subsidiary incorporated under the laws of the Russian Federation; Didim Inc. (Didim), a 99 % owned subsidiary of SevAmRus and incorporated under the laws of the Russian Federation, Stans Energy KG LLC, (“Stans KG”), Kutisay Mining LLC, (“Kutisay”), and Kashka REE Plant Ltd., each of which is registered with the Ministry of Justice of the Kyrgyz Republic. Kutisay a 99 % owned subsidiary of Stans Energy KG LLC and Kashka is a wholly owned subsidiary of Stans Energy Corp.

Stans’ common shares are listed on the TSX Venture Exchange (“TSXV”) under the symbol HRE. Stans’ common shares are also listed on the OTCQX market under the symbol HREEF.

The head office, principal address and records office of the Company are located at 8 King St. East, Suite 205, Toronto, Ontario, M5C 1B5.

Currently Stans is focused on the exploration and development of its mineral projects and as such it has no sources of operating revenue and continues to operate at a loss. Operating losses are expected to continue until such time as revenue generation from operating activities commences at commercial levels.

Operating losses and operating cash flow of Stans are affected by various factors, including regulatory compliance, the level of exploration activity and capital expenditures, general and administrative costs, and other discretionary costs and activities. Stans is also exposed to fluctuations in currency exchange rates, political risks, and varying levels of taxation that affect losses and cash flow. Stans seeks to manage the risks associated with its business operations; however, many of the factors affecting these risks are beyond the Company’s control.

Mineral Properties

Licenses to the prospecting/exploration rights in the Kyrgyz Republic as of the date of this discussion:

- Kyzyluraan
- Kargysh
- Aktyuz

Kyzyluraan

In 2013 our focus for Kyzyluraan was on conducting representative sampling on the Kargysh mineralization and metallurgical milling tests of the sampled ore. Additional prospecting was conducting on the property consisting of: 10.2 ln. Km prospecting, 1032.7 m³ of trenching, 917 samples, 380 m³ of new roads.

On June 27, 2014 the Company announced that the State Agency for Geology and Mineral Resources of the Kyrgyz Republic (“SGA”), approved the first Company submission to separate the Kargysh mineralization zone from its Kyzyluraan Field Prospecting Licence.

The Company had also filed a submission to the SGA requesting to reduce the size of its Kyzyluraan Field Prospecting licence from 252.82 sq. km to 124.19 sq. km. This reduction of the prospecting area would substantially reduce the annual licencing fees paid by the Company to the SGA. This is in line with the Company’s ongoing cost reduction efforts in its’ Kyrgyz operations. No approval has been provided by the

SGA, and Company filed for return of license back to the State. SGA approved this request at the end of March 2015.

Kargysh

The SGA issued to Stans Energy KG a licence for subsoil use within the Kargysh Ore Occurrence of the Kyzyluraan area for geological exploration of vanadium, molybdenum and uranium for three years until June 16, 2017. The size of the new exploration licence area is 701 hectares.

For further information please refer to the *Legal Update* Section.

Aktyuz ore field exploration licence

In January 2010, the Company acquired an exploration license for USD\$1,000 for the REEs Aktyuz Ore Field (“AOF”), which surrounds the acquisitions of the mining licenses for the past-producing REEs mine, Kutessay II, and the Kalesay Beryllium deposit. The approximate 40 Sq. km exploration license completely covers the known REEs mineralized zones surrounding Kutessay II. Each identified mineralized horizon exhibits REE mineralization at the surface. On June 24, 2013, Stans Energy Corp received the extension of the licence for the Aktyuz Ore field.

The following important facts relate to the Aktyuz Ore Field:

1. The Aktyuz Ore Field is comprised of 5 rare earth mineralized zones, consisting of Kutessay I, Kutessay II, Kutessay III, Aktyuz, and Kuperlisai.
2. The Aktyuz deposit was first mined for lead in the 9th to the 12th century.
3. The Aktyuz deposit was mined from underground for lead, zinc, silver, tin and copper from 1942 to 1946.
4. The Aktyuz deposit saw limited REE underground mining for REE's from 1946 to 1951 before Kutessay II was put into production.
5. Surface exploration for REE only on Kutessay I, Kutessay III, and Kuperlisai.

Aktyuz Mine.

Based on the historical records Stans Energy conducted exploratory drilling on possible rare earth mineralized zones under the historic Aktyuz mine. The 2011 exploration program was inconclusive. More detailed research of the historical documentation is required. No field exploration took place since 2012.

Aktyuz Ore Field.

Stans completed 2011 surface exploration work, and built a computerized model using 2010 and 2011 results and historic data. An application for the extension of the Aktyuz Orefield licence was submitted to the State Agency for Geology and Mineral Resources in December 2011. The prospecting licence was extended as of June 24, 2013. As result of the designation of the significant area of the license as a National Park a very limited prospecting work was undertaken in 2014. Numerous requests of the Company to remove the restrictions went unanswered and in April 2015 Company filed for return of the Licence No. 2512 (valid through December 31, 2015) back to the State.

Kutessay II and Kalesay Mining Licences

On December 29, 2009, the Company acquired a mining license for the formerly producing REE mine, Kutessay II, in Kyrgyzstan. The Company acquired 100% of the Kutessay II and Kalesay beryllium deposits by acquiring 100% of OSC “Kutisay Mining” by Government auction on the Central Asian Stock Exchange

See “**Legal Update**” below.

Production Program for 2014 comprised:

- The plant is currently on a care and maintenance program.

In 2015, staffing levels have been further reduced at KRP to 12 people, plus 12 security personnel on contract basis.

During the period ended March 31, 2015, there were no exploration and development activities.

A summary of material components of exploration and evaluation expenditures for the years ended December 31, 2014 and 2013 are as follows:

[illegible]

Summary of material components of quarterly exploration expenditures and development

	2013						2014	2015
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	\$	\$	\$	\$	\$	\$	\$	\$
Explorations rights/licenses	-	-	-	-	-	-	-	-
Mining licenses	-	-	-	-	15,010	12,740	10,617	-
Exploration and evaluation expenditures and overhead capitalized into exploration licenses	43,569	98,585	170,768	9,738	-	68,656	57,727	-
Development and evaluation expenditures and overhead capitalized into mining licenses	924	708,696	236,159	-	-	126,796	-	-
Write off /Impairment	-	(7,836,201)	(406,927)	(9,738)	(15,010)	(208,192)	(68,344)	-

Legal Update

The Company and company's subsidiaries are involved in a number of material and immaterial claims in Kyrgyzstan which have created risks or uncertainties to the Company's business.

All outstanding project development and construction is on hold due to the Court Decisions in favour of the General Prosecutors Office of Kyrgyzstan and Kutessay-II and Kalesay licenses expropriation. Further to the Company's previous staff reductions in 2013, more reductions were carried out through 2014 to streamline work functions at its subsidiaries.

Notably:

- In March 2013, the General Prosecutor's Office of Kyrgyzstan took action against the State Agency for Geology and Mineral Resources seeking to invalidate the process of awarding the mining license to Kutisay Mining OSC. The injunction preventing interaction between the State Agency for Geology and Mineral Resources and Kutisay Mining LLC stems from this court case. In April 2013, the Company notified the General prosecutor that it would launch an international arbitration claim if the courts in Kyrgyzstan would not quickly resolve the matter. No court actions were reached until March 2014, when the Inter-District Court of Bishkek had ruled in favour of the General Prosecutor's Office with respect to its claim regarding Stans' wholly owned Kutessay II project. On July 30, 2014 the Bishkek City Court ruled in favour of the Kyrgyz General Prosecutor's Office to annul the 2009 Minutes of Negotiations (registration No. 1736-H-09. At the end of March 2015 the Supreme Court dismissed Company's appeal in this case.
- A petition to the Kyrgyz Supreme Court was filed after the Bishkek City Court ruling. On November 3, 2014 the Licencing Committee of the SGA notified Kutisay Mining LLC, Stans' subsidiary that the licenses for Kutessay II and Kalesay had been revoked. Subsequently the Supreme Court advised that the City Court ruling would remain in effect until the December 23, 2014 hearing of the Supreme Court. Notwithstanding the appeal to the Supreme Court, Kutisay Mining has filed a claim against the revocation by the SGA to the Inter-District Court of Bishkek. On December 8, 2014 the Inter-District Court ruled to dismiss the appeal. On December 24, 2014, Stans Energy appealed the December 8th Decision to the Bishkek City Court. On January 27, 2015 the Bishkek City Court ruled to leave the decision in effect and it's subject to further appeals to the Supreme Court of the Kyrgyz Republic. Stans maintains the right to appeal for a year period from the date of the last decision.

- In June 2013, the Company commenced arbitration against the Kyrgyz Chemical and Metallurgical Plant (“KCMP”) seeking up to USD \$4,300,000 in damages for losses with respect to breach of contractual deliveries concerning the Kashka Rare Earth Processing plants that were purchased from KCMP in 2011. This arbitration follows unsuccessful efforts to negotiate secure delivery of all of the contracted deliverables. Stans Energy asserts that KCMP mis-disclosed and has failed to deliver assets of significant monetary value that were part of the contract deliveries. The claim was declined by the Arbitration Court and the matter is now under review in the civil court.
- In October 2013, Stans Energy commenced international arbitration proceedings against the Kyrgyz Republic for its expropriatory and unlawful treatment of the Company in relation to the Kutessay II rare earth project. The claim was made to the International Arbitration Tribunal at the Moscow Chamber of Commerce and Industry (the “MCCI Tribunal”). The claim was seeking USD\$117,853,000 in compensation for losses and damage.
- The arbitration was brought by Stans and its’ subsidiaries under the Convention for the Protection of Investor’s Rights to which Kyrgyzstan is a signatory. Hearings commenced in Q2 2014.
- In this case, expropriatory is used to mean legislative action or administrative action or omission attributable to the host government which has the effect of depriving the holder (Stans) of a guarantee of its ownership of or control of, or a substantial benefit from; its investment. Stans claimed that it had suffered actual deprivation of its right to carry out subsoil activity by way of actual deprivation of its license which entitles it to carry out such activity. Stans has been deprived of its control over its investments and future income by actions of General Prosecutors Office of the Kyrgyz Republic and parliamentary members of the Jogorku Kenesh, the Parliament of the Kyrgyz Republic, and other associated Kyrgyz Republic Government agencies.
- In March 31, 2014 Stans Energy was informed that the MCCI Tribunal had upheld its jurisdiction on the matter between Stans and the Kyrgyz Republic. The Kyrgyz Republic had put forth a claim that the Court had no jurisdiction in deciding the case brought against it by the Company. The court ruled that it did in fact have jurisdiction over the matter and set the final hearings in the case over two days: April 29-30, 2014.
- In March 2014 the Kyrgyz Republic made a filing to the Economic Court of the Commonwealth of Independent States (the “Economic Court”) seeking a decision on the interpretation of Section 11 of the Moscow Convention as well. The Economic Court provided its ruling on September 23, 2014. This ruling is not enforceable as a legal ruling even within the Commonwealth of Independent States (“CIS”). It is not binding on the MCCI Tribunal or the on courts outside the CIS.
- On April 30, 2014 the MCCI Tribunal concluded its final hearings in the matter between the Company and the Kyrgyz Republic. In this matter the Court has ruled in favour of Stans Energy Corp
- On June 30, 2014 the MCCI Tribunal awarded USD \$118,206,057 for recovery by the Company.
- On July 2, 2014, Stans sent a detailed proposal for resolution to representatives of the Kyrgyz Republic. No formal response was received by the Company.
- On July 9, 2014, the Company sent a voluntary payment request addressed to Prime Minister Otorbaev of the Kyrgyz Republic. Since no formal response to the request has been received by the Company, its’ legal team continues to finalize the required submission documents to proceed with collection of damages as awarded by the Tribunal.
- On August 6, 2014 The Ministry of Economy of the Kyrgyz Republic formed a new Interdepartmental

Commission to study proposals made by the Company as part of the negotiation process. To date this Commission has not provided any response or guidance to the Company.

- October 10, 2014 a 10-day emergency Mareva Injunction was received by the Company in the Ontario Court of Justice. This injunction prohibits the Kyrgyz Republic and Kyrgyzaltyn JSC ("KJSC") from selling disposing, exchanging, assigning, transferring, pledging or encumbering 47,000,000 shares in the capital of Centerra Gold ("Centerra"), a TSX listed company. The order also prohibits Centerra or its transfer agent from issuing share certificates in respect of the arrested Shares.
- On October 24, 2014 the Ontario Court of Justice extended the Mareva injunction indefinitely until the collection matter between Stans and the Kyrgyz Republic is resolved in Ontario Courts. Stans Energy is represented by Bennett Jones and Baker Makenzie is representing Kyrgyzsaltyn and the Kyrgyz Republic.
- On January 7, 2015 the Company reported that the Ontario Superior Court of Justice had granted KJSC leave to appeal the decision of the Court continuing Stans' Mareva injunction dated October 24, 2014. The decision to grant leave does not set aside the *Mareva* injunction granted to Stans on October 10, 2014, and continued by the Court on October 24, 2014. Stans anticipates that the appeal to the Ontario Divisional Court will be heard in May 2015. This leave to appeal does not impact the Company's ongoing preparations for filing for recognition of the Award and asset seizure of Centerra Gold shares currently under arrest.
- On January 28, 2015, the Company reported that Bennett Jones, its attorneys in Canada, have served and filed the Company's application record in support of its application for an order of the Ontario Superior Court of Justice recognizing and enforcing the US\$ 118 million award of the MCCI Tribunal.
- On February 2, 2015, Stans reported that the Moscow City Arbitrazh Court combined two separate ongoing challenges brought by the Kyrgyz Republic in Moscow. This hearing was held regarding the Kyrgyz Republic's appeal of the decision on March 31, 2014 of the MCCI Tribunal regarding its jurisdiction in hearing the Company's international arbitration proceedings. Furthermore another hearing was to be held on February 12, 2015 where the Kyrgyz Republic was seeking to set aside the verdict of the MCCI from June 30, 2014. These two cases have been combined into one and a judgment was expected to be issued in late April 2015.
- On April 29, 2015, the Moscow City Arbitrazh Court announced an oral decision in the Kyrgyz Republic's case against the Company. The Company understands that the Moscow City Arbitrazh Court ordered that the MCCI decision in favour of Stans in its' arbitration claim against the Kyrgyz Republic be set aside on procedural grounds. The Moscow City Arbitrazh Court advised counsel that the written order with reasons would be provided within five (5) business days. To date no written decisions have been provided.
- Stans retains the right to file an appeal within 30 days of the written ruling. Until that appeal is heard, the decision of the Moscow City Arbitrazh Court does not come into effect.
- On May 14, 2015, the Company announced that it had served notice that it had commenced a new arbitration proceeding against the Kyrgyz Republic under United Nations Commission on International Trade Law ("UNCITRAL") guidelines. The Company is currently preparing the required submission documents to proceed with the claim.
- May 15, 2015 an appeal hearing was held in Ontario Divisional Court (the "Court") where Kyrgyzaltyn ("KJSC") was seeking to overturn the Ontario Superior Court of Justice's previous decision extending the Mareva Injunction. The Court has taken its decision under reserve.

- The Ontario Superior Court of Justice has set a new date for arguments to be submitted in the enforcement of the company's US\$118 million award from the Moscow Chamber of Commerce and Industry. This change of date is to from June 29, 2015 is to account for the pending Ontario Divisional Court ruling and the full written ruling from the Moscow City Arbitrazh Court.
- Final arguments for award enforcement of the US\$118 Million MCCI Tribunal award are expected to be presented to the Ontario Court of Justice by July 21, 2015.

Impairment in 2013

The Company considers both quantitative and qualitative factors to assess impairment. Since early 2013, the Kyrgyzstan Government and the Company have been involved in a legal dispute with respect to its Kutessay and Kalesay exploration licenses.

In 2013, the Company determined that there were indicators of impairment for its Exploration and Evaluation Assets and Property, Plant and Equipment and other assets in Kyrgyzstan. The indicators of impairment result from the political uncertainty in Kyrgyzstan, the current economic uncertainty and the downturn in the mining industry in particular, the depressed prices for rare earth and other elements, the legal challenges the Company is facing with respect to its Kutessay and Kalesay exploration licenses and the Company's decision to significantly reduce future exploration expenditures until there is greater certainty with respect to the Company's legal situation in Kyrgyzstan and the economy improves.

As a result, the Company in accordance with IAS 36, Impairment of Assets, recorded an impairment of \$18,857,551 for the year ended December 31, 2013, which included \$9,324,431 relating to its interests in the Kyzyluraan, Aktyuz, Kutessay II and Kalesay properties; \$7,695,899 relating to the Kashka Rare Earth Processing Facility; and write off of \$1,837,221 in prepaid expenses and other assets.

During the year ended December 31, 2014, the Company recorded an additional expenditures expense on impaired mineral properties and the Kashka plant of \$1,120,546 which included \$724,502 relating to the impaired Kashka Rare Earth Processing Facility, \$174,488 relating to its interests in the impaired Kyzyluraan, Aktyuz, Kutessay II and Kalesay properties, and \$221,566 in prepaid expenses and other assets.

During the period ended March 31, 2015, the Company recorded \$Nil in additional expenditures on impaired mineral properties and the Kashka plant.

The Kashka Rare Earth Processing Facility was acquired in 2011 and was being modernized and re-commissioned to process rare earth elements. Given the Company's current inability to further develop its Kutessay II, Kalesay and other mineral properties and the inability to date to identify a feasible alternate source of rare earth elements that could be processed at this facility, it is expected that this Kashka will remain idle for an indefinite period.

Mineral properties and deferred expenditures by property

During the period ended March 31, 2015, the Company recorded \$Nil in additional expenditures on impaired mineral properties.

Licenses to exploration and mining rights in the Kyrgyz Republic as of March 31, 2014:

	Balance at January 1, 2014	Changes in the period		Impairment	Balance at March 31, 2014
		Additions	Foreign exchange translation		
Kyzyluraan	\$ -	9,738	-	(9,738)	\$ -
Aktyuz	-	-	-	-	\$ -
Kutessay II	-	-	-	-	\$ -
Kalesay	-	-	-	-	\$ -
	\$ -	9,738	-	(9,738)	\$ -

Licenses to exploration and mining rights in the Kyrgyz Republic as of December 31, 2014:

	Balance at January 1, 2014	Changes in the period		Expensed expenditures on Impaired properties	Balance at December 31, 2014
		Additions	Foreign exchange translation		
Kyzyluraan	\$ -	42,828	-	(42,828)	\$ -
Kargysh	-	57,727	-	(57,727)	-
Aktyuz	-	73,934	-	(73,934)	-
Kutessay II*	-	126,796	-	(126,796)	-
Kalesay*	-	-	-	-	-
	\$ -	301,285	-	(301,285)	\$ -

*On November 3, 2014 the Licencing Committee of the SGA revoked the licences for Kutessay II and Kalesay.

General Financial Condition

As at March 31, 2015, the Company had a cash balance of \$18,242 (December 31, 2014 - \$176,699) to settle current liabilities of \$599,571 (December 31, 2014 - \$203,442). All of the Company's financial liabilities have contractual maturities of less than 12 months and are subject to normal trade terms.

A summary of selected financial information for the period ended March 31, 2015 and March 31, 2014 is as follows:

	Three months ended	
	March 31, 2015	March 31, 2014
Interest Income	\$ 871	\$ 9,757
Gain on disposal of Property, Plant and Equipment	833	-
Gain on disposal of materials	7,665	-
Other revenue	1,873	-
Total Expenses	(720,974)	(1,216,770)

Net loss after tax attributed to common shareholders	(708,945)	(1,204,316)
Total Assets	326,469	4,951,651
Cash flows used in operations	(328,461)	(758,108)
Loss per share (basic and diluted)	\$ 0.004	\$ 0.008

Results of Operations

As at March 31, 2015, the Company had not recorded any revenues from its projects.

Results of Operations for the quarter ended March 31, 2015

The Company incurred a net loss for the three months period ended March 31, 2015 of \$709,762 as compared to a net loss of \$1,207,013 in the prior year. Explanations for the decrease in loss of \$497,251 from Q1-2014 are explained below:

- Additional expenditures on impaired assets for the three months ended March 31, 2014 amounted to \$144,038, and for the three month ended March 31, 2015 - \$Nil.. The expenditures are relating to interests in the Kyzyluraan, Aktyuz and Kargysh properties, the Kashka rare earth element processing facility, to prepaid expenses related to impaired in 2013 mineral properties and Kashka plant, and various consumables.
- A decrease of \$218,340 in salaries and benefits for the three months period ended March 31, 2015 as comparing to the same period in 2014, due to a further decrease in personnel in Kyrgyzstan and Canada.
- A decrease of \$101,466 in Q1- 2015 the office and administrative costs as the Company continues efforts to preserve the treasury.
- An increase of \$82,634 in consulting and professional fees due to ongoing litigations in 2015 which were extended to Canadian Courts.
- A decrease of \$34,512 in Q1- 2015 in stock-based compensation due to decrease in vested and expensed options as comparing to Q1-2014.

The following table sets forth a breakdown of material components of the office and administration costs of the Corporation for the two periods ended:

	March 31, 2015	March 31, 2014
Salaries and other employee benefits	\$ 200,092	\$ 418,432
Travel	24,927	48,040
Rent	32,348	39,026
Promotion and advertising	-	5,000
Investors' relations	2,430	15,622
Other office and administration expenses	68,495	55,712
	\$ 328,292	\$ 581,832

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters:

	2013, \$			2014, \$			2015, \$	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Interest Income	30,251	14,950	28,101	9,757	15,731	3,960	2,571	871
Expenses:								
Stock-based compensation	141,497	50,572	54,418	70,668	79,932	85,465	58,039	36,156
Write off / Impairment loss	-	17,631,553	1,049,069	144,038	15076	316,214	450,304	-
Operating Expenses	415,786	2,166,753	1,320,507	1,002,064	1,101,845	884,001	1,190,252	674,477
Net Loss for the period	615,596	19,201,361	2,237,051	1,207,013	1,181,122	1,281,720	1,696,024	709,762
Loss per share (basic and diluted)	\$0.000	\$0.120	\$ 0.014	\$ 0.008	\$ 0.010	\$ 0.010	\$ 0.010	\$ 0.004

This summary of quarterly results should be read in conjunction with the financial statements and notes included in the Company's annual report.

Related Party Transactions

During the three months ended March 31, 2015, the Company expensed \$49,000 (three months ended March 31, 2014 - \$15,688) in consulting fees to a director and officers of the Company (included in the table below). These transactions are in the normal course of operations and are measured at the exchange amount (the amount of consideration established and agreed to by the related party).

The remuneration awarded to Directors and to senior key management is as follows:

	Period ended	
	March 31, 2015	March 31, 2014
Salaries	\$ 83,324	\$ 87,880
Stock-based compensation	36,156	64,535
	\$ 119,480	\$ 152,415

Disclosure of Outstanding Share Data

As at March 31, 2015, and as of the date of this Discussion, the following is a description of the outstanding equity securities and exercisable securities previously issued by the Company:

(a) Issued - common shares

	Number of shares	Amount
Balance, December 31, 2012	157,263,986	\$ 43,110,033
Balance, December 31, 2013	157,263,986	\$ 43,110,033
Balance, December 31, 2014	157,263,986	\$ 43,110,033
Issuance of shares in March (i) and April 2015 (ii)	9,754,600	\$ 273,567
Balance, May 29, 2015	167,018,586	\$ 43,383,600

- (i) On March 23, 2015, the Company issued 334,800 units at a price of \$0.075 per unit for gross proceeds of \$25,110 and net proceeds of \$14,785 (less fair value of warrants). No finders' fees were

paid. Pursuant to Canadian securities laws, the securities issuable under this private placement are subject to a hold period which expires on July 24, 2015. Each unit consisted of one common share in the capital of the Company and one share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company for a period of 24 months from date of issue at a price of \$0.10 per common share.

- (ii) On April 13, 2015, the company issued 9,419,800 units at a price of \$0.05 per unit for gross proceeds of \$470,990 and net proceeds of \$258,782 (less fair value of warrants and finders' fee and fair value of finders' warrants) for gross proceeds of \$470,990. Each unit consisted of one common share in the capital of the Company and one share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company for a period of 24 months from date of issue at a price of \$0.065 per common share. Finders' fees were paid totaling \$11,000 in cash and 215,500 finders' warrants with fair value of \$10,309, with each finder's warrant being exercisable to acquire one common share of the Company for a period of 24 months from date of issue at a price of \$0.065 per common share. Pursuant to Canadian securities laws, the securities issuable under this private placement are subject to a hold period which expires on August 11, 2015.

(b) Warrants

A summary of the status of the common share purchase warrants and changes during the period ended March 31, 2015, and the year ended December 31, 2014 and as of the date of this Discussion is as follows:

		May 29, 2015		March 31, 2015		December 31, 2014
Balance, beginning of period	\$	334,800	\$	-	\$	-
Issued (i-iii)		9,635,300		334,800		-
Balance, end of period	\$	9,970,100	\$	334,800	\$	-

- (i) 334,800 warrants exercisable into one common share per a warrant with an exercise price of \$0.10 with the expiry March 23, 2017.
- (ii) 9,419,800 warrants exercisable into one common share per a warrant with an exercise price of \$0.065 with the expiry April 13, 2017.
- (iii) 215,500 finder's warrants exercisable into one common share per a warrant with an exercise price of \$0.065 with the expiry April 13, 2017

(c) Stock options

As of the date of this Discussion the continuity of stock options is as follows:

	Number of options	Weighted average exercise price
Balance at December 31, 2014	15,490,000	\$ 0.63
Expired (i)	(1,550,000)	0.37
Forfeited (ii)	(65,000)	0.60
Balance at March 31, 2015	13,875,000	0.57
Expired (iii)	(835,000)	0.32
Issued (iv)	3,650,000	0.07
Cancelled (v)	(6,290,000)	1.26
Balance at May 29, 2015	10,400,000	0.12

- (i) On January 12, 2015, 1,550,000 stock options to purchase one common share at \$0.37 expired unexercised.
- (ii) In January 2015, 15,000 stock options to purchase one common share at \$1.85 with the expiry date May 26, 2016 and 50,000 stock options to purchase one common share at \$0.23 with the expiry date May 2, 2018 were forfeited due to termination of KG employees.
- (iii) On April 29, 2015, 835,000 stock options to purchase one common share at \$0.32 expired unexercised
- (iv) On May 11, 2015 the Company granted an aggregate of 3,650,000 incentive stock options to employees and directors of the company. Each stock option entitles the holder to purchase one common share of the company for \$0.07 per share until May 11, 2020. The share options shall vest, in six equal instalments, over a period of 18 months with the first instalment vesting on Aug. 11, 2015, and the remaining options vesting upon six months, nine months, one year, 15 months and 18 months after the date of grant.
- (v) On May 11, 2015, the company cancelled 6,290,000 outstanding and fully vested options of the Company:

Expiry date	Price	Number of options
May 26, 2016	\$1.85	2,600,000
July 14, 2016	1.46	200,000
Aug. 3, 2016	1.39	500,000
Feb. 27, 2017	1.12	40,000
Jan. 10, 2017	0.74	2,200,000
May 11, 2015	0.74	300,000
Aug. 2, 2015	0.61	350,000
March 21, 2018	0.41	100,000

The following table reflects the actual stock options issued and outstanding as of May 29, 2015 (all options are exercisable into one common share of Stans):

Expiry date	Option price (\$)	Number of options outstanding
18-Jun-15	0.25	1,600,000
02-May-18	0.23	50,000
02-May-18	0.23	200,000
23-Oct-18	0.15	1,100,000
03-Mar-19	0.07	2,700,000
03-Jun-19	0.13	800,000
08-Jul-19	0.18	300,000
11-May-20	0.07	3,650,000
		10,400,000

Proposed Transactions

The board of directors of the Company is not aware of any proposed transactions involving proposed asset or business or business acquisition or disposition which may have an effect on financial conditions, results of operations and cash flows.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance finance arrangements.

Commitments

The Company is committed to pay approximately \$6,900 per month for the lease of its office.

	2015	2016	2017	Total
Operating leases	\$62,100	\$82,800	\$48,300	\$193,200

Liquidity and Capital Resources

The activities of Stans are financed through the completion of equity offerings involving the sale of securities which generally include private placements and rights offering with the shareholders of Stans.

As at March 31, 2015, Stans had a negative net working capital of \$(368,076) (December 31, 2014 - \$250,928) comprised of cash, VAT receivable, prepaid expenses and other assets, and accounts payable and accrued liabilities.

Stans does not generate revenue from operations and any significant improvements in working capital would result from the issuance of share capital. In 2015, Stans Energy Corp. arranged non-brokered private placements for the total gross proceeds of \$496,100. Stans intends to use the gross proceeds from the offering to finance the legal costs associated with the company's enforcement of the \$118-million (U.S.) award and for general corporate purposes.

Financial Instruments and Financial Risk Factors

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors. There were no changes to the financial objectives, policies and processes for the period ended March 31, 2015.

Credit risk

Credit risk relates to cash and cash equivalents, accounts receivable and arises from the possibility that any counterparty to an instrument fails to perform. The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors. As at March 31, 2015, the Company's maximum exposure to credit risk was the carrying value of cash and cash equivalents, and VAT receivable.

The Company has no significant concentration of credit risk arising from operations. The Company's cash and cash equivalents are either on deposit with one of highly rated banking groups in Canada or invested in guaranteed investment certificates issued by one of highly rated Canadian banking groups.

Amounts receivables consist of sales tax receivable from government authorities in Canada, Kyrgyzstan and Russia. Management believes that the credit risk with respect to financial instruments included in cash, cash equivalents and amounts receivable is remote.

Liquidity risk

The Company's exposure to liquidity risk is dependent on its ability to raise funds to meet purchase commitments and to sustain operations. The Company controls its liquidity risk by managing working capital and cash flows. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had a cash balance of \$18,242 (December 31, 2014 - \$176,699) to settle current liabilities of \$561,483 (December 31, 2014 - \$203,442). All of the Company's financial liabilities have contractual maturities of less than 12 months and are subject to normal trade terms.

Market risk

a) Interest Rate Risk

The Company's current policy is to invest excess cash in investment grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of the banks. The Company does not have any interest bearing debt.

b) Foreign Currency Risk

In the normal course of operations, the Company is exposed to currency risk due to business transactions in foreign countries. Transactions related to the Company's exploration and acquisition activities are mainly denominated in United States dollars ("USD") and some in Kyrgyz SOM and Russian Rubles. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rate.

The Company has not entered into any derivative contracts to manage this risk. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the period-end exchange rates.

As at March 31, 2015, the Canadian dollar equivalent of the Company's financial instruments is as follows:

	Canadian Dollar
Cash	\$ 5,142
Prepaid expenses and other receivables	49,940
	55,082
Accounts payable and accrued liabilities	(365,193)
Net assets (liabilities) exposure	\$ (310,111)

Based on the above net exposures at March 31, 2015, a 10% depreciation or appreciation of the above currencies against the CDN dollar would result in an increase or decrease, respectively, in our net loss by \$16,520 (December 31, 2014 - \$89).

At December 31, 2014, the Canadian dollar (“CDN”) equivalent of the Company’s financial instruments is as follows:

	Canadian Dollar
Cash	\$ 44,426
VAT receivables	44,745
	89,171
Accounts payable and accrued liabilities	(88,928)
Net assets (liabilities) exposure	\$ 243

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. The carrying amounts for cash and cash equivalents, accounts receivables, accounts payable and accrued liabilities on the Statements of Financial Position approximate fair value because of the limited term of these instruments.

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of cash, other receivables, other financial assets, and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments.

Outlook

Although economic conditions in the financial market appear to have made a modest recovery, it remains difficult under current economic conditions to secure debt or equity financing for same companies and in particular for junior resource companies. The Company’s near-term goal continues to be to preserve its cash resources by minimizing operating costs. The Company will continue to review strategic acquisitions and/or partnership opportunities that may become available, and will carefully monitor market conditions in relation to the resumption of planned exploration programs on other key properties.

If the current market conditions persist for an extended period of time, and current legal issues are not resolved, there can be no assurance that additional funding will be available to the Company or if available, that this funding will be on acceptable terms.

Critical Accounting Policies, Estimates and Accounting Changes

Critical Accounting Policies and Estimates

Stans’ accounting policies are described in Note 3 to the consolidated 2014 annual financial statements. The preparation of the Company’s consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Accounting Changes

In May 2013, the IASB issued IFRIC 21, “Levies”. This IFRIC is effective for annual periods commencing on or after January 1, 2014 and is to be applied retrospectively. The Company adopted IFRIC 21 in its financial statements for the annual period beginning January 1, 2014. The Company determined there was no significant impact on the Company’s consolidated financial statements.

Future Changes in Accounting Policies

The following standard has been issued but is not yet effective:

IFRS 9 “Financial Instruments” (“IFRS 9”) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new ‘expected credit loss’ model for calculating impairment. IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management.

This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The Company intends to adopt IFRS 9 in its financial statements for the annual period beginning on January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

Report on Internal Control over Financial Reporting and Disclosure Controls and Procedures

In contrast to the Certificate required under National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (NI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificate filed by the Company with the Annual and Interim Filings on SEDAR at www.sedar.com.

Management believes that based upon the evaluations and actions taken to date, reasonable assurance can be provided that there is no material misstatement of the financial results reported as of December 31, 2014.

Business Risks, Uncertainties and Going Concern

The Company currently conducts all of its operations in the Kyrgyzstan. Accordingly, operations are exposed to various regulations pertaining to its business and to various levels of political, economic, legal and other uncertainties associated with doing business in Kyrgyzstan.

The Company is in the development stage and is subject to the risks and challenges similar to other companies in a comparable stage of development. These risks include, but are not limited to, dependence on key individuals and successful exploration and development. The application of going concern is dependent upon the Company's ability to attain commercial production and generate future profitable operations.

Substantial expenditures are required to establish reserves, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. The financing required to achieve this exceeds the Company current financial resources.

In the absence of cash flow from operations, Stans relies on capital markets to fund its exploration and evaluation activities. There can be no assurance that adequate funding will be available for those purposes when required.

Development of Stans' resource properties will only continue upon obtaining satisfactory results of properties' assessments. Mineral exploration and development involves a high degree of risk and may not be developed into a producing mine. The long-term profitability of Stans' operations will be in part directly related to the cost and success of its exploration and subsequent evaluation programs, which may be affected by a number of factors. These factors include the particular attributes of the mineral deposits including the quantity and quality of the Uranium and Rare Earth Elements, proximity to, or cost to develop, infrastructure for extraction, financing costs, mineral prices and the competitive nature of the industry. Also of key importance are governmental regulations including those relating to prices, taxes, royalties, land tenure and use, the environment and the importing and exporting of minerals. The effects of these factors cannot be accurately predicted, but any combination of them may result in the Company not receiving an adequate return on invested capital.

Mining Industry

Mining operations generally involve a high degree of risk. Stans operations are subject to the hazards and risks normally encountered in the exploration, development and production of Uranium and Rare Earth Elements, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

The development project has no operating history upon which to base estimates of future cash operating costs. For development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the mineral body, expected recovery rates of minerals, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of Uranium and REEs.

No Revenues

To date, Stans has not recorded any revenues from operations nor has Stans commenced commercial production on any property. There can be no assurance that significant losses will not occur in the near future or that Stans will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of the properties. The Company expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the property will require the commitment of substantial resources to conduct time consuming development. There can be no assurance that Stans will generate any revenues or achieve profitability.

Dependence on Outside Parties

Stans has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the Uranium and Rare Earth Elements from the minerals and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Licenses and Permits, Laws and Regulations

Stans could encounter regulatory and/or permitting delays. Stans utilizes its best efforts to ensure timely application for any government permits necessary for carrying out its business in Kyrgyzstan. However, its past ability to obtain all necessary permits in the timely fashion is not a guarantee of future results as events like bureaucracy, minor changes in legislation and even government holidays that are beyond Stans' control could substantially impede the timing of receiving essential permits and delay or stall Stans' exploration efforts.

Key Personnel

The Company is depending on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company. On September 3, 2013, Robert Mackay, President and CEO, was forced to resign due to health reasons. Rodney Irwin, Chairman of the Board, stepped in as Interim CEO and President, until a suitable replacement candidate can be selected.

Industry Risk

Stans' ability to continue funding its exploration program and possible future profitability is directly related to uranium and REE market prices. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of Stans. The level of interest rates, the rate of inflation, the world supply of and demand for mineral commodities, and exchange rate stability can all cause significant price fluctuation. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political development. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on Stans' business, financial condition and results of operations.

Share Price Volatility

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies, has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities.

Shareholders' Interest in the Company may be Diluted in the Future

The Company will require additional funds for its planned activities. If Stans raises additional funding by issuing equity securities, such financing could substantially dilute the interests of its Shareholders. Sales of substantial amounts of common shares or the availability of securities for sale, could adversely affect the prevailing market prices for the Company's Common Shares. A decline in the market prices of Common Shares securities could impair the ability of the Company to raise additional capital through the sale of new common shares should Stans desire to do so.

The Corporation will do its best to minimize these business risks by employing management, technical staff and consultants with extensive industry experience; maintaining a low cost structure; maintaining prudent

financial practices; controlling timing and magnitude of operating and capital costs; and maintaining insurance in accordance with industry standards.

Country of Operation Risks

Distorted economy of Kyrgyzstan

Kyrgyzstan is a predominantly agricultural economy, however state revenues are heavily dependent on gold export. Therefore gold price fluctuations and/or drop in output can trigger substantial declines in GDP, and cause rapid fluctuations in purchasing power parity, interest rates, tax regime, foreign exchange, etc. The purchasing power volatility can result in mismatch between estimated and actual operating expenditures of Stans and its subsidiary.

Political instability

There has been a high turnover in key government positions and the cabinet of Kyrgyzstan in the past years. On the one hand, this turnover is indicative of a transition to a more representative and competitive political system with a greater diversity of views and platforms. On the other hand, inconsistency of the political direction may have an adverse effect on the progress of regulatory, fiscal and other institutional reforms. Political issues and instabilities could also impact the Company's licenses, properties, and work programs. Furthermore, the timing of the Company's work progress may be adversely affected as additional efforts may be required to accommodate those regulatory changes and additional business costs may be triggered. See also "Legal Update" above.

Approval

The Board of Directors of Stans Energy Corp. has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.