# FORM 2B
# LISTING APPLICATION


# APPLICATION FOR THE LISTING OF COMMON SHARES OF ISOENERGY LTD.

**OCTOBER 13, 2016**

*No Securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this application.*

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## GLOSSARY OF TERMS

Unless otherwise defined herein, capitalized terms used in this Listing Application have the following meanings:

"**Acquired Properties**" has the meaning ascribed thereto in "*Description of Business – History*";

"**Airesurf**" means Airesurf Networks Holdings Inc., a corporation formerly existing under the laws of the Province of Ontario;

"**Airesurf Common Shares**" means the common shares in the capital of Airesurf;

"**Airesurf Shareholder**" means a former holder of Airesurf Common Shares;

"**Amalgamation**" has the meaning ascribed thereto in "*Description of Business – History*";

"**Amalgamation Agreement**" means the amalgamation agreement dated as of August 30, 2016 between Airesurf, IsoEnergy and 2532314 Ontario Ltd.;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Common Shares**" means the common shares in the capital of IsoEnergy;

"**company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Escrow Agent**" means Computershare Investor Services Inc.;

"**Escrow Agreement**" means the escrow agreement entered into between the Escrow Agent, IsoEnergy and NexGen, as a principal of IsoEnergy;

"**Escrow Shares**" has the meaning ascribed thereto in "*Escrowed Securities and Securities Subject to Restrictions on Transfer*";

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange Inc.;

"**Final Exchange Bulletin**" means the Exchange Bulletin evidencing the final Exchange acceptance of the listing of the Common Shares on the Exchange, which is to be issued following the submission of all required documentation;

"**Financial Statements**" has the meaning ascribed thereto in "*Management's Discussion and Analysis*";

"**IASB**" has the meaning ascribed thereto in "*Management's Discussion and Analysis*";

"**IFRS**" means International Financial Reporting Standards;

"**IsoEnergy**" means IsoEnergy Ltd., a corporation incorporated under the laws of the Province of British Columbia and where the context so requires means IsoEnergy Ltd., after giving effect to the IsoEnergy Merger;

"**IsoEnergy Board**" means the board of directors of IsoEnergy as the same may be constituted from time to time;

"**IsoEnergy Merger**" means the amalgamation of IsoEnergy and 1089338 B.C. Ltd., a wholly-owned subsidiary of NexGen, under section 269 of the BCBCA, pursuant to which all of the issued and outstanding Common Shares were exchanged for an equivalent number of common shares of the amalgamated company (and no more such common shares);

"**NexGen**" has the meaning ascribed thereto in "*Description of Business – History*";

"**NI 43-101**" means National Instrument 43-101 - *Standard of Disclosure for Mineral Projects*, of the Canadian Securities Administrators;

"**NXE Payable**" has the meaning ascribed thereto in "*Description of Business – History*";

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Option Plan**" has the meaning ascribed thereto in "*Stock Option Plan*";

"**Person**" or "**person**" means a company or individual;

"**Promoter**" has the meaning ascribed to it in Section 1.2 of Exchange Policy 1.1 - *Interpretation*;

"**Radio Option Agreement**" means the option agreement dated December 5, 2011 (as amended June 5, 2012, November 23, 2012, April 12, 2013, June 25, 2013, June 28, 2013 and February 21, 2014) among IsoEnergy (by assignment from NexGen) and the Radio Optionors pursuant to which IsoEnergy acquired an option to acquire up to a 70% interest in the Radio Project upon completion of a minimum exploration expenditure of $10 million by May 31, 2017;

"**Radio Optionors**" means, collectively, Michael Lederhouse, Timothy Young and Matthew Mason;

"**Radio Project**" means the uranium exploration project consisting of mineral claim S-113997, located in Northern Saskatchewan;

"**Radio Technical Report**" means the technical report dated effective August 19, 2016 prepared by Tim Maunula, P. Geo in respect of the Radio Project;

"**Shareholder**" means a former holder of Common Shares;

"**SMDC**" has the meaning ascribed thereto in "*Details of the Radio Project – History*";

"**SRC**" has the meaning ascribed thereto in "*Details of the Radio Project – Sampling, Analysis and Data Verification*";

"**Thorburn Lake Project**" means the uranium exploration project consisting of mineral claims S-108047 and S-108048, located in Northern Saskatchewan;

"**Thorburn Lake Technical Report**" means the technical report dated effective September 26, 2016 prepared by Tim Maunula, P. Geo in respect of the Thorburn Lake Project;

"**Thorburn North Property**" means the mineral exploration property consisting of mineral claim S-111628, located in Northern Saskatchewan;

"**Transfer Agreement**" has the meaning ascribed thereto in "*Description of Business – History*"; and

"**TSX**" means the Toronto Stock Exchange.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Listing Application contains "forward-looking statements" (also referred to as "forward-looking information") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this Listing Application that address activities, events or developments that IsoEnergy expects or anticipates will or may occur in the future, including, without limitation, statements about the future exploration activities at the Radio Project, Thorburn Lake Project and the Thorburn North Property; sources, and proposed uses, of funds; capital and operating cost estimates, including option payments and general and administrative expenses; expectations regarding the ability to raise capital for future activities; and other such matters are forward-looking statements. When used in this Listing Application, the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements.

Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts about IsoEnergy's business and the industry and markets in which it operates. Forward-looking information and statements are made based upon certain assumptions and other important factors that could cause the actual results, performances or achievements of IsoEnergy to be materially different from future results, performances or achievements expressed or implied by such information or statements. Such information and statements are based on numerous assumptions including, among others, that the results of planned exploration activities are as anticipated, the price of uranium, the anticipated cost of planned exploration activities, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that third party contractors, equipment, supplies and governmental and other approvals required to conduct IsoEnergy's planned exploration activities will be available on reasonable terms and in a timely manner.

Forward-looking information and statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of IsoEnergy to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks related to the negative operating cash flow and dependence on third party financing; the uncertainty of additional financing; potential forfeiture of the Radio Option Agreement; the limited operating history of IsoEnergy; the lack of known mineral resources or reserves; the influence of a large shareholder; alternate sources of energy and uranium prices; aboriginal title and consultation issues; risks related to exploration activities generally; reliance upon key management and other personnel; title to properties; uninsurable risks; conflicts of interest; permits and licences; environmental and other regulatory requirements; political regulatory risks; competition; and the volatility of share prices, all as more particularly described below under "*Risk Factors*".

Although Airesurf and IsoEnergy have attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

**IsoEnergy does not undertake any obligation to publicly update or revise any forward-looking statements, except as required by applicable securities laws.**

## SUMMARY

*The following is a summary of information relating to IsoEnergy and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Application.*

### Description of Business

IsoEnergy is a mineral exploration company that was incorporated under the laws of the Province of British Columbia on February 2, 2016 as a wholly-owned subsidiary of NexGen for the purpose of acquiring a portfolio of early stage mineral exploration properties from NexGen. The principal business activity of IsoEnergy is the acquisition and exploration of early stage mineral properties. IsoEnergy is focused primarily on the exploration and development of two uranium exploration projects, the Radio Project and the Thorburn Lake Project, in each case, located in the Athabasca Basin of Saskatchewan

Effective June 17, 2016, and pursuant to the Transfer Agreement between IsoEnergy and NexGen, IsoEnergy acquired all of NexGen's interest in the Radio Project (including by way of an assignment of the Radio Option Agreement to it), the Thorburn Lake Project and each of the Madison, 2Z and Carlson Creek properties, all early stage exploration properties located in the Athabasca Basin, Saskatchewan. As consideration for the Acquired Properties, IsoEnergy issued 29 million Common Shares to NexGen at a price of $1.00 per Common Share. Pursuant to the Transfer Agreement, each of IsoEnergy and NexGen agreed to elect that, for tax purposes, the transfer price of the Acquired Properties be equal to the book value thereof.

In addition, on June 30, 2016, IsoEnergy acquired a 100% interest in the Thorburn North Property from 877384 Alberta Ltd. and Jody Dahrouge in exchange for a cash payment of $100,000 and 1,000,000 Common Shares at a price of $1.00 per share.

See "*Description of Business*".

### Securities to be Listed

The authorized share capital of IsoEnergy consists of an unlimited number of Common Shares, of which, as of the date hereof, there are 38,944,113 Common Shares issued and outstanding. The holders of Common Shares are entitled to receive notice of, to attend and vote at all meetings of Shareholders and are entitled to one vote, in person or by proxy, for each Common Share held. Upon the liquidation, dissolution or winding up of IsoEnergy, the holders of the Common Shares shall be entitled to receive, after the payment of all debts owing to creditors, all of the remaining property and assets of IsoEnergy.

See "*Description of Securities to be Listed*".

### Financings and Anticipated Use of Funds

IsoEnergy completed a non-brokered private placement, which closed in four tranches on June 21, June 30, August 4, 2016 and October 12, 2016, and a brokered private placement, which closed on August 5, 2016, pursuant to which IsoEnergy issued and sold an aggregate of 8,182,650 Common Shares for aggregate gross proceeds of $8,364,470 and net proceeds of approximately $7,950,000. IsoEnergy's working capital as at October 13, 2016 was approximately $6,316,000 IsoEnergy intends to use its available funds for the following purposes:

| Anticipated Use of Funds | Amount |
|---|---|
| Project expenditures for the Thorburn Lake Project | $ 2,157,000 |
| Project expenditures for the Radio Project | $ 1,100,000 |
| Project expenditures for the North Thorburn Property | $ 893,000 |
| General & administrative expenses for following 12 months | $ 1,215,000 |
| Unallocated Working Capital | $ 951,000 |

IsoEnergy's business objectives in using its available funds as stated above is to identify uranium mineralization on its principal properties and further understand the geology of the properties for the purposes of future exploration activities.

Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for IsoEnergy to achieve its objectives. In addition, IsoEnergy may require additional funds in order to fulfill all of IsoEnergy's expenditure requirements and to meet its objectives, in which case IsoEnergy expects to either issue additional Common Shares or incur indebtedness. There is no assurance that additional funding required by IsoEnergy will be available on reasonable terms or at all.

See "*Financings*".

**Risk Factors**

The operations of IsoEnergy are speculative due to the high-risk nature of its business which is the exploration of mining properties. The discovery, development and acquisition of mineral properties are in many respects unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on IsoEnergy's capital requirements.

There are a number of risks and uncertainties that may have a material and adverse impact on IsoEnergy's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to IsoEnergy. These include risks related to any form of business and specific risks related to the business of IsoEnergy which include, the risk that third party financing required to continue exploration activities on IsoEnergy's properties will not be available on favourable terms or at all, the risk of forfeiture of the Radio Option Agreement, the risk that NexGen, as a significant shareholder of IsoEnergy, may adversely impact the value, trading price and liquidity of the Common Shares, and the risks inherent in resource exploration activities.

Readers should carefully consider the information set out under "*Risk Factors*" and the other information contained in this Listing Application.

**Financial Information**

The following financial data for the period commencing on incorporation on February 2, 2016 and ending on June 30, 2016 is derived from the audited financial statements of IsoEnergy for such period attached as Appendix "C" to this Listing Application and should be read in conjunction with such financial statements. There is no comparative for the financial data since IsoEnergy was incorporated on February 2, 2016:

| | **Period Ended June 30, 2016 (Audited)** |
|---|---|
| Total revenue | Nil |
| Loss from operations | $(226,265) |
| Loss per share – basic (cents per share) | $(0.08) |
| Loss per share – diluted (cents per share) | $(0.08) |
| Exploration and evaluation assets | $30,228,197 |
| Total assets | $32,297,248 |
| Total current liabilities | $493,812 |
| Total non-current financial liabilities | Nil |
| Cash dividends declared (cents per share) | Nil |

See "*Financial Statement Disclosure*".

**Exchange Listing**

The Exchange has conditionally approved the listing of the Common Shares. Listing is subject to IsoEnergy fulfilling all of the customary requirements of the Exchange. IsoEnergy will be classified as a Tier 2 "Mining Issuer" as prescribed by the applicable policies of the Exchange. See "*Description of Securities to be Listed*".

## CORPORATE STRUCTURE

IsoEnergy was incorporated on February 2, 2016 under the BCBCA. The registered office of IsoEnergy is located at 2500 – 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3. The head office of IsoEnergy is located at 970 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. IsoEnergy does not currently have a website. IsoEnergy is a reporting issuer in the Province of Alberta.

IsoEnergy has one wholly-owned subsidiary, IsoOre Ltd., a corporation existing under the OBCA resulting from the amalgamation of 2532314 Ontario Ltd. and Airesurf on October 13, 2016. IsoOre Ltd. does not carry on any business. See "*Description of Business – History*" below.

## DESCRIPTION OF BUSINESS

### Overview

The principal business activity of IsoEnergy is the acquisition and exploration of early stage mineral properties, principally in the Athabasca Basin of Saskatchewan.

IsoEnergy's principal assets are: (i) a right to earn a 70% interest in the Radio Project, an early stage exploration project in the Athabasca Basin, Saskatchewan; (ii) a 100% interest in the Thorburn Lake Project, an early stage exploration project also in the Athabasca Basin, Saskatchewan; and (iii) a 100% interest, in each of the Madison (mineral claim S-112020), 2Z (mineral claims S-110251, S-110253, S-110254 and S-110255), Carlson Creek (mineral claim S-108061) and the Thorburn North Property (mineral claim S-111628) properties, all early stage exploration properties located elsewhere in the Athabasca Basin, Saskatchewan.

### History

IsoEnergy was incorporated as a wholly-owned subsidiary of NexGen Energy Ltd. ("**NexGen**") for the purpose of acquiring a portfolio of early stage mineral exploration properties from NexGen. NexGen is a Canadian based uranium exploration company focused on the advancement of its Rook 1 Project in the Athabasca Basin, Saskatchewan. NexGen's common shares are listed and posted for trading on the TSX. As of the date hereof, NexGen holds approximately 75.6% of the outstanding Common Shares.

Accordingly, effective June 17, 2016, and pursuant to a transfer agreement (the "**Transfer Agreement**") between IsoEnergy and NexGen, IsoEnergy acquired all of NexGen's interest in the Radio Project (by way of an assignment of the Radio Option Agreement), the Thorburn Lake Project and each of the Madison, 2Z and Carlson Creek properties, all early stage exploration properties located in the Athabasca Basin, Saskatchewan (collectively, the "**Acquired Properties**") on a tax deferred basis. As consideration for the Acquired Properties, IsoEnergy issued 29 million Common Shares to NexGen at a price of $1.00 per Common Share. Pursuant to the Transfer Agreement, each of IsoEnergy and NexGen agreed to elect that, for tax purposes, the transfer price of the Acquired Properties be equal to the book value thereof.

On June 21, 2016, IsoEnergy completed Tranche 1 of a non-brokered private placement and issued 55,000 Common Shares at a price of $1.00 per share for gross proceeds of $55,000.

On June 30, 2016, IsoEnergy acquired a 100% interest in the Thorburn North Property from 877384 Alberta Ltd. and Jody Dahrouge in exchange for a cash payment of $100,000 and 1,000,000 Common Shares at a price of $1.00 per share. Also, on June 30, 2016, IsoEnergy completed Tranche 2 of a non-brokered private placement and issued 1,978,000 Common Shares at a price of $1.00 per share for gross proceeds of $1,978,000.

On August 4 and 5, 2016, IsoEnergy completed Tranche 3 (the final tranche) of a non-brokered private placement and a brokered (best efforts) private placement, respectively. Pursuant to Tranche 3, IsoEnergy issued 2,106,000 Common Shares at a price of $1.00 per share for gross proceeds of $2,106,000. Pursuant to the brokered private placement, IsoEnergy issued 1,818,200 "flow-through" Common Shares at a price of $1.10 per share and 2,092,500 Common Shares at a price of $1.00 per share for aggregate gross proceeds of $4,092,520. The brokered private placement was completed pursuant an agency agreement dated August 5, 2016, between IsoEnergy and Dundee Securities Ltd.

Since incorporation and pending completion of the brokered and non-brokered private placements, NexGen has financed IsoEnergy's operational expenses. As of August 15, 2016, approximately $458,400 was owing by IsoEnergy to NexGen in that regard (the "**NXE Payable**"). On August 16, 2016, NexGen converted $450,000 of the NXE Payable into 450,000 Common Shares at a price of $1.00 per share.

On October 12, 2016, IsoEnergy completed a non-brokered private placement, pursuant to which IsoEnergy issued 132,950 Common Shares at a price of $1.00 per share for gross proceeds of $132,950.

Also effective October 12, 2016, IsoEnergy completed the IsoEnergy Merger, pursuant to which IsoEnergy and 1089338 B.C. Ltd., a wholly-owned subsidiary of NexGen, amalgamated under section 269 of the BCBCA and all of the issued and outstanding Common Shares were exchanged for an equivalent number of common shares of the amalgamated entity.

On, October 13, 2016, pursuant to the terms of the Amalgamation Agreement, IsoEnergy acquired all of the issued and outstanding Airesurf Common Shares by way of a "three-cornered" amalgamation among Airesurf, IsoEnergy and 2532314 Ontario Ltd. Pursuant to the terms of the Amalgamation Agreement, 2532314 Ontario Ltd. and Airesurf amalgamated (the "**Amalgamation**") under the provisions of the OBCA to form IsoOre Ltd., which is a wholly-owned subsidiary of IsoEnergy; each issued and outstanding Airesurf Common Share was cancelled; and each Airesurf Shareholder received 0.020833 Common Shares for each Airesurf Common Share held immediately prior to the effective time of the Amalgamation. Upon completion of the Amalgamation, IsoEnergy issued an aggregate of 302,881 Common Shares to Airesurf Shareholders and IsoEnergy became a reporting issuer in the Province of Alberta.

**Radio Option Agreement**

As previously stated, together with the Acquired Properties, effective as of June 17, 2016, IsoEnergy acquired NexGen's a right to earn a 70% interest in the Radio Project, an early stage exploration project in the Athabasca Basin, Saskatchewan, pursuant to the Radio Option Agreement.

Pursuant to the Radio Option Agreement, IsoEnergy has the exclusive option to acquire a 70% interest in the Radio Project, upon incurring $10,000,000 of expenditures on the Radio Project by May 31, 2017.

Upon NexGen earning a 70% interest in the Radio Project, IsoEnergy and the Radio Optionors will be deemed to have formed a joint venture with IsoEnergy having an initial 70% interest therein and the Radio Optionors having an initial 30% interest and the parties shall proceed in good faith to negotiate the terms of joint venture agreement. The Radio Optionors' 30% interest shall be free carried until the commencement of commercial production after which all costs and expenses (other than those incurred in connection with an expansion in respect of which the Radio Optionors shall be free carried) shall be *pro rata* to the parties' respective interest in the joint venture.

The Radio Option Agreement provides that the Radio Optionors shall retain a 2% net smelter royalty and a 2% gross overriding royalty on gems and diamond production from the property, calculated in accordance with the Radio Option Agreement.

## DETAILS OF THE RADIO PROJECT

Tim Maunula prepared the Radio Technical Report entitled "Technical Report for the Radio Project, Northern Saskatchewan" dated effective August 19, 2016. Mr. Maunula is a "qualified person" under NI 43-101. The following description of the Radio Project has been summarized from the Radio Technical Report and readers should consult the Radio Technical Report to obtain further particulars regarding the Radio Project, available under IsoEnergy's profile on www.sedar.com.

**Project Description and Location**

The Radio Project is located in the Athabasca Basin of Northern Saskatchewan and approximately 400 kilometres north of La Ronge, Saskatchewan, the nearest major community and 700 kilometres north of Saskatoon. Air access to the Radio Project is by helicopter with the nearest air base being at Points North, less than 10 kilometres from the claim. Points North is also serviced by regular commercial flights from Saskatoon. An access road from highway 905 to the Roughrider property provides truck, ATV or snowmobile access to within one kilometre of the Radio Project. Points North is on highway 905, which is open year-round.

The Radio Project is 847 hectares in size and consists of mineral claim S-113997, which has an effective date of September 1, 2009 and is in good standing until November 29, 2036, subject to making the annual expenditures discussed below. IsoEnergy's interest in the Radio Project is derived from the Radio Option Agreement among IsoEnergy as optionee (by assignment from NexGen) and the Radio Optionors. See "*Description of Business – Radio Option Agreement*" above.

To maintain the property in good standing, exploration on the property is required, with annual expenditures of $15/ha until the claim's tenth anniversary in 2019, after which annual expenditures increase to $25/ha.

Any surface facilities and mine workings constructed would be located on Provincial lands. The right to use and occupy Provincial lands is acquired under a surface lease from the Province of Saskatchewan. A surface lease is for a maximum of thirty-three years and can be renewed. Annual expenditures for a lease are $25/ha for the first 10 years, $50 for the next ten years, and $75 thereafter.

There are no known royalties, back-in rights, payments, or other agreements or encumbrances to which the Radio Project is subject except that pursuant to the Option Agreement upon exercise of the option, the Radio Optionors will have a 2% net smelter royalty and a 2% gross over-riding royalty on gems and diamonds.

**History**

The area of and around the Radio Project has seen exploration for uranium since the 1960s with the first recorded work in the area by Numac Oil and Gas Limited (now Numac Energy Inc.) ("**Numac Energy**") and partner Esso Minerals Canada in 1969.

Numac Energy carried out an airborne radiometric survey on Permit 8, including ground now covered by S-113997 and a hydrogeochemical survey analyzing for uranium and radon in lake waters. Most of the results for lakes on S-113997 returned low values but Midwest Lake returned high radon values (3 to 10 times background values). Further prospecting in the area of Midwest Lake in 1969 and 1970 did not locate any anomalous radioactivity. The airborne radiometric survey however outlined a swath of higher radioactivity along the southeastern boundary or just to the southeast of the property which was thought to be related to till with a higher concentration of basement (rather than sandstone) material. The subsequent discovery of uranium mineralized sandstone boulders at Midwest Lake in the early 1970s by Numac Energy resulted in all of its exploration being focused in that area and the permit covering what is now the S-113997 area lapsed.

In 1976, Kelvin Energy Inc. staked a large land package and optioned it to Asamera Oil Corp. Ltd. ("**Asamera**"). Claim 4728 of this package included what is now S-113997. Asamera was operator of the large land package, which subsequently became a joint venture with Saskatchewan Mining Development Corp. (now Cameco Corp.) ("**SMDC**").

Work carried out in 1976, which covered S-113997, included an airborne radiometric – magnetic - VLF-EM survey which detected a radiometric pattern similar to that of Numac Energy's 1969 survey over the same ground. Limited prospecting discovered nothing of interest. Several VLF-EM conductors were identified in the area but none appeared to extend to S-113997 (the several that trend towards the property died out within 500 metres of the border).

In 1977, Asamera completed, on and in the vicinity of S-113997, an INPUT EM survey which detected no conductors on S-113997, a surficial geology study, lake sediment and water sampling, prospecting and radon in water surveys, radon in soils and ground radiometric surveys. The lake sediment sampling returned above background levels of uranium in many lakes of the project area. Radon in lake, bog and stream waters on the property showed several areas with above background to anomalous values but no specific pattern to the results. One lake, just at the southern tip of the property boundary gave anomalous uranium in lake sediments (5.0 ppm, background of 2.0 ppm) and anomalous radon in lake and bog waters. Some 1500 metres to the north, samples indicated a small area (100mX100m) with anomalous radon in soils. No radioactive boulders were discovered in the area. Also in 1977, a surficial geology study was completed for Asamera by consultant, L. Bayrock which determined that S-113997 is covered by muskeg, and hummocky and ground moraines.

The discovery in 1977 of mineralization on the Dawn Lake 11 Zone resulted in Asamera concentrating exploration in the Dawn Lake area (a few kilometres to the east of S-113997) and in areas with airborne EM anomalies.

In 1978, a regional gravity survey was completed on the Asamera property and S-113997 was interpreted to be in an area of northerly trending basement structures within NE trending gravity gradients.

In 1979, Asamera completed an airborne VLF-EM, radiometric and magnetic survey over its property, including the area of S-113997. Results were little different from those in previous surveys.

Between 1979 and 1982 little work was recorded on the area of S-113997. A Barringer experimental airborne COTRAN test survey was carried out in 1982 as part of the test survey work carried out on the NEA-IAEA area. Geochemical and other geophysical test work was also completed. The only results of note were two weak EM anomalies detected by the COTRAN System and anomalous nickel and copper values in lake sediments in the area covered by S-113997. Asamera drilled a hole, Q5-33, north of the Radio Project and it is reported that chlorite occurs in the sandstone in the drill hole. Chlorite in sandstone is associated with hydrothermal alteration in the vicinity of uranium mineralization.

SMDC/Cameco took over from Asamera as operator of the Dawn Lake joint venture in 1983. Little exploration work has been recorded on S-113997 since 1983.

In 1992, boulder geochemical sampling showed high (>60%) illite in sandstone at four of ten sampling sites in the south corner of the property (the only part of the property that was sampled), and above background lead values at two sites in the same area.

In 2002, AeroTEM and Step loop EM were carried out over part of S-113997. The Step loop EM survey showed an unexplained early channel anomalous response in the southern part of the property and the AeroTEM consisted of four lines spaced 1000 metres apart completed on the property. While no basement EM conductors were defined on the Radio Project, the airborne survey results showed large areas of higher conductivity (lower resistivity) which are continuous from line to line along the southeastern boundary. These may be sourced in the basement or could be caused by structures and/or alteration in the sandstone.

No additional information on exploration work conducted after 2005 on S-113997 is recorded in the non-confidential assessment files.

In 2011, an airborne VTEM and magnetic survey was completed by Geotech Ltd. for Reva Resources Corp. who previously held the right to explore the property pursuant to an option agreement with the Optionors during the first half of 2011. An airborne magnetic gradiometer survey by Goldak Airborne Surveys was also completed. The Radio Optionors engaged Intrepid Geophysics to interpret the Goldak magnetic data and R. Koch interpreted the Geotech electromagnetic data. The magnetic data provided more detail than is available from the government regional magnetic surveys and thus a cleaner interpretation of the basement geology. In essence, the north half of the property is underlain by basement Archean orthogneisses that are strongly magnetic and very resistive.

The remainder of the property is underlain by weakly magnetic and variably conductive rocks, probably Wollaston Supergroup metasediments.

The VTEM survey similarly improved on the earlier ground and airborne data. While no strong EM anomalies (basement graphitic conductors) were defined on the property the survey did confirm and extend the weakly conductive basement anomaly detected by the 2002 AeroTEM survey. This survey indicates that there is a significant part of the property that is underlain by weakly conductive lithologies. Some of this weak conductivity may be related to the strong conductors (graphitic horizons) just off property to the southeast.

In the spring and summer of 2012 NexGen completed ground gravity and DC-Resistivity/Chargeability surveys on the property. Gravity readings were made at 50 m intervals on cut lines spaced 200 m apart, with 1,261 gravity measurements made.

Based on the ground geophysical surveys and airborne magnetic work, the northern half of the property appears to be underlain by resistive magnetic gneisses, and most of the southern half is likely underlain by weakly magnetic, less resistive metasedimentary rocks. Eight areas of exploration interest were defined by resistivity lows, often with coincident gravity lows, suggestive of clay alteration, which is often found with unconformity-type uranium mineralization.

A nine drill hole (3,473 m) exploration program was also completed in 2013, a total meterage of 3,472.9 m was drilled. This diamond drill program is discussed below under "*Drilling*".

**Geological Setting**

The Radio Project lies at the eastern edge of the Athabasca Basin, a middle Proterozoic clastic basin containing a relatively undeformed sequence of unmetamorphosed clastic rocks, predominantly sandstones, named the Athabasca Group.

The Athabasca Group consists of eight formations with provenance, at different times, from the east, south, and northwest. In the Cluff Lake area, almost all of the sequence consists of fine to coarse-grained sandstones; mudstones and dolostones. In the eastern half of the basin only one formation is present, the Manitou Falls Formation, consisting of four units of fluvial sandstones with interbedded pebbly beds and conglomerates.

The Athabasca sandstones on the Radio Project, have a thickness of 150 m to 200 m and all are a part of the Manitou Falls Formation. There are fine- to medium-grained quartz sandstones with pebbly and conglomeratic beds.

Regional high-resolution magnetic information flown in 2009 with 400 m line spacing, along with the 2011 data (100 m spacing), suggest that the northern half of the property is underlain by Archean granitic rocks (magnetic high and strong vertical gradient), and the southern half is underlain by corridors of Wollaston Supergroup metasediments.

**Deposits**

The target at the Radio Project is unconformity-associated uranium mineralization as pods, veins, and semi-massive replacements, consisting primarily of uraninite close to basal unconformities, in particular those between Proterozoic conglomerate sandstone basins and metamorphosed basement rocks.

The deposits are not large volumetrically, often only a few hundred metres long (up to 2,000 m), and a few metres to 40 m thick and/or wide. Sandstone and/or unconformity hosted deposits (egress type) tend to be physically larger than ingress type basement hosted deposits.

The faulting associated with mineralization propagates upward and fluid movement into the sandstone results in extensive alteration envelopes above mineralization. Alteration consists of variable chlorite, tourmaline, hematite, illite, silicification, and desilicification. The alteration zone and trace amounts of uranium can extend more than 400 m vertically from the unconformity.

**Exploration**

IsoEnergy has not completed any exploration work on the Radio Project.

**Drilling**

The only drilling on the property was completed by NexGen. NexGen completed 3,473 m of diamond drilling in 9 drill holes from June 19 to July 22, 2013. The drill holes were designed to test a combination of airborne magnetic and EM anomalies, as well as ground resistivity and gravity anomalies that are considered to have geophysical signatures similar to other uranium deposits in the Athabasca Basin. Diamond drilling was concentrated on two geophysically-defined trends.

No anomalous radioactivity (herein defined as greater than 300 cps as measured with a hand-held scintillometer) was intersected in any of the 9 drill holes. Above average radioactivity (herein defined as greater than 150 cps as measured hand-held scintillometer) was observed in holes RD-13-03, and RD-13-08. Encouraging sandstone alteration, including bleaching, desilicification and argillization was intersected in drill hole RD-13-06, immediately south of the projected trend of the Roughrider metasedimentary corridor.

**Sampling, Analysis and Data Verification**

Representative dill core samples were collected for whole-rock geochemical analysis, spectral analysis, density measurements and petrographic studies.

*Whole Rock Geochemical Samples*

Three different types of samples were collected for whole-rock geochemical analysis: (i) composite "chip" sampling was used for sedimentary rock types; (ii) "point" samples were taken in basement rock types and (ii) plit core samples were collected in basement rock types.

Composite samples, being small (centimetre-scale) chip/disc samples, were collected at the end of each row of sedimentary drill core (~1.5 m intervals) and combined as a composite sample over a 15.0 m interval. Each sample comprised approximately 10 chips/discs. Point samples, consisting of whole 10.0 cm pieces of core, were removed at systematic 5.0 m intervals down to the end of hole. Split core samples were collected for geochemical analysis of alteration styles, structures and other features of interest larger than 10.0 cm. Split core samples were variable with thicknesses ranging from 0.1 m and 1.1 m wide intervals. All samples were cut using a cart-mounted wet saw.

Two types of QA/QC were "collected" in the field: field duplicate and field blanks. Field duplicate and blank samples were inserted into the sample stream at every tenth sample interval, with each type of sample repeating every 20th sample (i.e., duplicate on sample #10, blank on #20, duplicate on #30, blank on #40, etc.). QA/QC samples were taken regardless of sample type.

All composite, point, point duplicates, and blank whole-rock geochemical samples were inserted into 20.3 cm (8.0 inch) by 33.0 cm (13.0 inch) poly ore bags. All split and split duplicates whole rock geochemical samples were inserted into 30.5 cm (12.0 inch) by 50.8 cm (20.0 inch) poly ore bags. The drill hole, depth the sample was collected from, and/or to for both composite and split core samples, and sandstone or basement rock type were recorded on two sample tags included in sample books. One tag remained attached to the sample book and the other tag was included in the plastic sample bag. A unique number was attributed to each set of tags to avoid sample identification duplication. The sample number was re-written in black marker on the outside of the respective sample bag. All samples were placed within UN approved white ROPAK IP-1 20 L sample pails and sealed with secure ROPAK U5 lids. The sample numbers included in each pail were written on the outside of the respective pails, as well as sample shipment dispatch numbers, individual pail number of total pails per dispatch, and shipping from and to addresses.

All geochemical samples were submitted to Saskatchewan Research Council ("**SRC**") in Saskatoon, Saskatchewan for analysis. All sample pails were transported from site to SRC by NexGen employees. SRC is an independent laboratory with ISO/IEC 17025 Accreditation.

Samples were shipped from site in rice bags and receipts were provided by SRC and provided to NexGen personnel for database entry.

*Spectral Analysis Samples*

Representative 1.0 cm thick chips/discs of drill core were collected at 5.0 m systematic intervals within sandstone and basement rock types, or within selective areas of fractures/structures or clay alteration for Short Wave Infra Red (SWIR) spectroscopy analysis. A total of 292 samples were collected for spectral analysis from nine drill holes of the drilling program. All samples were sent to Mr. Ken Wasyliuk of Rekasa Rocks Incorporated (an independent laboratory) in Saskatoon, Saskatchewan for analysis and interpretation.

*Density Samples*

Density samples were collected in order to determine density measurements of representative lithologies and alteration styles. Density sample sizes ranged from 8.0 cm to 25.0 cm length. Rock densities were calculated using "weight in air" and "weight in water" measurements. Both dry and wet rock densities were calculated. A total of 54 density samples was collected from all nine drill holes of the drilling program. All density measurements were calculated by Mr. Grant Greenwood, contractor of NexGen, in the NexGen Saskatoon office.

*Petrographic Samples*

Samples for petrographic studies were collected in order to identify modal mineralogy, alteration assemblages, styles and features, and mineral paragenesis. Petrographic samples were the same samples used for density measurements. A total of 54 petrographic samples were collected from nine drill holes of the drilling program. All petrographic studies were interpreted by SRC.

*Sample Preparation and Analysis*

SRC performed the sample preparation on all samples submitted to them. On arrival at SRC, samples were sorted into their matrix types (sandstone or basement rock) and according to radioactivity level. SRC scans all core samples with a hand-held Exploranium GR-110 scintillometer and considers anything above 600 cps as radioactive. No radioactive samples were sent to SRC.

Sample preparation (drying, crushing, and grinding) was done in separate facilities for sandstone and basement samples to reduce the possibility of sample cross-contamination. All samples are crushed and pulverized in using agate balls and mills.

Sample drying was carried out at 80° Celsius with the samples in their original bags in large low temperature ovens. Following drying, the samples were crushed to 60% passing two millimeters using a steel jaw crusher. A 100 g to 200 g split was taken of the crushed material using a riffle splitter. This split was then pulverized to 90% passing 150 mesh using a motorized agate mortar and pestle grinding mill. The resulting pulp was transferred to a clear plastic snap-top vial with the sample number labelled on the top. All grinding mills were cleaned between sample runs using steel wool and compressed air. Between-sample grinds of silica sand were performed in case the samples were clay-rich.

Prior to the primary geochemical analyses, the sample materials were digested into solution using two digestion methods. SRC analyzed the samples by inductively coupled plasma mass spectroscopy and inductively coupled plasma optical emission spectroscopy.

*Data Verification*

The data verification procedures consisted of a review of the drill logs, downhole gamma logs, core photos, sample analyses, geological sections and supplemented by core review on site visit.

**Exploration and Development**

The results of historical exploration on the Radio Project have in general been positive. Both geochemical and geophysical results along with diamond drilling show weak anomalies and/or alteration that may be related to uranium mineralization. Structural zones interpreted from the magnetic and topographic data in the immediate vicinity of the property have orientations similar to those that host mineralization on the adjacent properties. Accordingly, the Radio Project warrants further exploration for unconformity-associated uranium mineralization.

IsoEnergy proposes to complete a Phase 1 exploration program consisting of: (i) a program of surficial geochemistry consisting of soil sampling and radon emanometry, using the 2012 DC-resistivity grid; and (ii) a program of helicopter supported diamond drilling consisting of 5,060 m of drilling in 13 drill holes. The primary focus of the Phase 1 drilling should be the completion of three fences across the east-west trend of expected metasediments that extends east from the Roughrider deposit. One of these fences should also follow-up on the zone of sandstone alteration intersected in RD-13-06 in 2013. Additionally, drilling should follow-up on the sporadic but extensive basement alteration observed in RD-13-08. Finally, two drill holes should evaluate the potential for mineralization in projected metasediments along the north edge of the property.

A Phase 2 exploration program consisting of additional diamond drilling (11,700 m) focused on anomalies from the Phase 1 exploration program, will be undertaken if the funds to do so are available and the results of Phase 1 merit additional exploration.

## DETAILS OF THE THORBURN LAKE PROJECT

Tim Maunula prepared the Thorburn Lake Technical Report entitled “Technical Report for the Thorburn Lake Project, Northern Saskatchewan” dated effective September 26, 2016. Mr. Maunula is a “qualified person” under NI 43-101. The following description of the Thorburn Lake Project has been summarized from the Thorburn Lake Technical Report and readers should consult the Thorburn Lake Technical Report to obtain further particulars regarding the Thorburn Lake Project, available under IsoEnergy’s profile on www.sedar.com.

**Project Description, Location and Access**

The Thorburn Lake Project area is located near the eastern margin of the Athabasca Basin of Northern Saskatchewan. The Thorburn Lake Project is approximately 400 km north of La Ronge, Saskatchewan, the nearest major community, and 700 km north of Saskatoon, the closest large city in the Province.

Access to the Thorburn Lake Property is via all-weather highway 905 from Points North Landing, the closest population centre, and then south 31 km on the Cigar Lake mine road that traverses the property. Points North is serviced by regular commercial flights from Saskatoon. La Ronge, a supply centre for northern Saskatchewan, is 440 km by road to the south.

The Thorburn Lake Project consists of two contiguous mineral claims: S-108047 and S-108048 and covers 2,802 ha. Mineral dispositions S-108047 and S-108048 were acquired by ground staking in 2005. Each of mineral claim S-108047 and S-108048 has an effective date of February 25, 2025 and expires on May 25, 2034 and May 25, 2031, respectively

Any surface facilities and mine workings constructed on the property would be located on Provincial lands. The right to use and occupy Provincial lands is acquired under a surface lease from the Province of Saskatchewan. A surface lease is for a maximum of thirty-three years and can be renewed. Annual expenditures for a lease are $25/ha for the first 10 years, $50 for the next ten years, and $75 thereafter.

There are no known royalties, back-in rights, payments, or other agreements or encumbrances to which the Thorburn Lake Project is subject except that there is a 1% NSR and a 10% carried interest on the Thorburn Lake Property. The carried interest can be converted to an additional 1% NSR at the holder's option upon completion of a bankable feasibility study.

**History**

Surface exploration in the area began in 1968, when Numac Mining Ltd. ("**Numac Mining**") acquired Permit No. 8 over the Thorburn Lake area. In 1969, Numac Mining completed an airborne radiometric survey and ground follow-up. From 1976 to 1985 SMDC conducted exploration on the Property area including airborne and ground geophysical surveys and diamond drilling.

From 1988 to 2003, Cameco Corporation ("**Cameco**") conducted diamond drilling, ground geophysical surveys and boulder and till sampling surveys on areas overlapping the Property.

In 2006, a versatile time domain electromagnetic (VTEM) and a magnetometer surveys was completed over the property by Dejour Enterprises Ltd., which identified a basement conductor. The total survey line coverage was 3804.2-line km.

From April 9 to May 3, 2007, Titan Uranium Inc. ("**Titan**") conducted a ground transient EM (TEM) survey on the Property, which identified a weak conductor.

At the end of June 2011, a ground resistivity survey was completed. The survey outlined several targets that are interpreted as alteration chimneys along and cross-cutting the Thorburn Lake electromagnetic (TDEM) conductive trend. The combination of TDEM and DC resistivity surveys are effective in detecting conductors and hydrothermal alteration anomalies. These features are typically found associated with fault zones and unconformity-type uranium deposits in the Athabasca Basin.

From April to May 2008 and from September 2, 2011 through to October 26, 2011, Titan completed diamond drilling to test the conductive targets identified by the geophysical surveys. See "*Details of the Thorburn Lake Project – Drilling*".

There are no known historical mineral resource or mineral reserve estimates in respect of the Thorburn Lake Project and no production from the property.

**Geological Setting, Mineralization and Deposit Types**

The Thorburn Lake Project lies near the eastern edge of the Athabasca Basin, a middle Proterozoic clastic basin containing a relatively undeformed sequence of unmetamorphosed clastic rocks, predominantly sandstones, named the Athabasca Group.

The Athabasca Group consists of eight formations with provenance, at different times, from the east, south, and northwest. In the eastern half of the basin only one formation is present, the Manitou Falls Formation, consisting of four units of fluvial sandstones with interbedded pebbly beds and conglomerates.

The surficial sediments on the Thorburn Lake Project consist of sandy till cover often forming drumlins, glacio-lacustrine deposits, and outwash sand, gravel, and boulders. The depth of this till cover was found to vary during drilling from 2.1 m to 47.0 m. Depth to the basement of the Thorburn Lake Project ranged from 285.1 m to 315.6 m below surface. Bedrock geology in the region consists of Athabasca sandstones and conglomerates underlain by Paleoproterozoic and Archean metasedimentary rocks and meta-intrusive rocks (pelitic schist or gneiss, graphitic pelite, graphitic schist, amphibolite, graphitic gneiss, altered to unaltered quartzo-feldspathic gneiss, foliated granite, and granitic pegmatite).

Within the property, the Athabasca Group sandstones are characterized as fine to coarse-grained quartz arenite with finer grained clay and silt intervals and conglomeratic layers. The colour varies from white and grey-beige to light-dark pink or purple. Iron staining consists predominantly of light pink to purple or brick red hematite and is most common in coarse intervals within the sandstone and conglomerate. Chlorite, sericite, and clay minerals are present in minor quantities throughout the sandstones and typically increase close to the base of the sandstone package. Basal sections are typically coarse-grained sandstone inter-bedded with pebbly conglomerate with clasts ranging from 1 mm to 65 mm in diameter. Generally, the basal unit is coarser, contains more clay, and is less competent than the rocks above.

The basement rocks are predominantly quartzo-feldspathic gneiss, graphitic gneiss, graphitic pelite, graphitic pelitic schist, foliated granite, amphibolite, and granitic pegmatite. Alteration related to regolith development in the upper sections consists of a hematitic zone and grades into a green coloured chlorite and sericite alteration zone. Paleoweathering related alteration effects are rarely observed more than 100 metres below the unconformity.

The target on the property is unconformity-associated uranium mineralization as pods, veins, and semi-massive replacements, consisting primarily of uraninite close to basal unconformities, in particular those between Proterozoic conglomerate sandstone basins and metamorphosed basement rocks.

The deposits are not large volumetrically, often only a few hundred metres long (up to 2,000 m), and a few metres to 40 m thick and/or wide. Sandstone and/or unconformity hosted deposits (egress type) tend to be physically larger than ingress type basement hosted deposits.

The faulting associated with mineralization propagates upward and fluid movement into the sandstone results in extensive alteration envelopes above mineralization. Alteration consists of variable chlorite, tourmaline, hematite, illite, silicification, and desilicification. The alteration zone and trace amounts of uranium can extend more than 400 m vertically from the unconformity.

**Exploration**

IsoEnergy has not conducted any exploration work on the property except that it has commenced a ground geophysical survey (DC-resistivity). The program consists of 80.6 line-kilometres of pole-pole and pole-dipole surveying on 200 m spaced grid lines of which 26.5 line kilometres have been completed. Some areas of low resistivity are evident in the raw data collected so far. The resistivity lows along the southeast boundary are suggestive of multiple horizons of graphitic pelitic gneiss. The other resistivity lows along the magnetic lineaments in the center of the property could be indicating the presence of clay alteration zones along major structures.

**Drilling**

Titan carried out diamond drilling from April to May 2008 to test conductive targets. Four holes totalling 1,568 m were completed during the program. All four holes were successfully drilled past the unconformity between the

Athabasca sandstone and basement rocks. Down hole gamma probe surveys were completed for all four holes. This program identified uranium enrichment at the Athabasca Group-basement unconformity.

From September 2, 2011 through to October 26, 2011, Titan completed an additional ten-hole diamond drill program, totalling 4,248 m. The first 2011 hole was abandoned after sand fill caused equipment loss, but following this, all ten holes were successfully drilled and recovered past the basement unconformity into the underlying Wollaston Domain rocks. Downhole gamma surveys and core sample assays were successfully completed for all ten holes. In holes that featured significant uranium anomalies, it was common to find thick (up to 40 m to 50m) graphitic intervals, containing up to 10% graphite, some of which are high strain zones, as well as trace disseminated pyrite in both graphitic and non-graphitic lithologic units. Of particular note, drill hole TBN-11-05a encountered 0.43% $U_3O_8$ over 0.6 metres at the unconformity.

**Sampling, Analysis and Data Verification**

Sampling procedures for drill core, varied depending on location of the unconformity in each of the drill holes. The sandstone units were composite sampled over 10 m intervals starting from the beginning of the hole and continuing to within 1 m of the basement unconformity. Composite samples consist of equal sized chips taken at the same end of each row in the core boxes over a 10-m interval.

From a few metres above to a few metres beneath the unconformity, the core was split using a manual core splitter. One-half of the core was returned to the core box as a representative of the material being sampled. The remaining half of the core was collected at short intervals of around 1 m and the material placed in numbered plastic bags.

Sample tags with the sample number and depth recorded were placed in the bags before they were sealed and shipped to SRC in Saskatoon for analysis. A second set of sample tags with corresponding numbers was stapled in the core box at the start of each sample interval.

More extensive basement sampling with 0.5 m to 1.0 m intervals was conducted in the basement where intense alteration or graphite was observed.

All samples were shipped to SRC in Saskatoon, Saskatchewan for analysis. Shipment receipts were provided by SRC and provided to NexGen for entry into the database. SRC is independent to IsoEnergy and holds and ISO/IEC 17025 2005 accreditation. The samples were then dried, crushed, and pulverized as part of their standard multi-element exploration package for uranium.

Typically, SRC reports multi element concentrations following two different digestions—partial and total. Partial digestions do not liberate metals from the more refractory minerals, and detection limits are generally lower. Partial uranium values therefore usually report only oxide uranium from hydrothermal sources, while total uranium values can include primary uranium contained for example in heavy minerals from basal conglomerates.

Multi-element analyses were performed with ICP-OES and ICP-MS. Partial uranium was determined by fluorimetry. Boron was fused in a pressed pellet and then analyzed by ICP-OES.

At SRC, quality control measures included:

- including, in an average set of 40 samples, at least 2 standards and 1 replicate pulp analysis.
- monitoring the limits for the QC parameters and flagging all samples that do not meet requirements for repeat preparation and analysis.
- deferring report results until all QC controls are passed.

Data verification was conducted for those drill holes in respect of which significant uranium anomalies were present to confirm the anomalous uranium mineralization. The data verification procedures included a review of drill logs, downhole gamma logs, core photos and sample analyses and supplemented by core review on site visit.

**Exploration, Development and Production**

The Thorburn Lake Project has seen uranium exploration since the late 1960s. Previous drilling intersected significant uranium anomalies. Additionally, significant alteration was encountered in several other diamond drill holes. A program of DC-resistivity geophysical surveying and diamond drilling is recommended.

IsoEnergy proposes to complete a Phase 1 exploration program consisting of: (i) a 2,500 m diamond drilling program (six drill holes), to evaluate the potential for higher-grade mineralization along-strike and down-dip of the previous drilling; (ii) a program of DC-resistivity geophysical surveying (~80 line-km) on the remaining southwest half of the property to locate conductors, structures, and alteration zones in several target areas; and (iii) a 4,200 m drill program focused on targets identified by the DC resistivity survey. A Phase 2 drilling program of 8,350 metres (20 drill holes) is recommended, subject to the results of the Phase 1 program.

## FINANCINGS

All financings completed by IsoEnergy since incorporation to the date hereof are described above under "*Description of the Business – History*". As a result of the non-brokered private placement which closed in four tranches on June 21, June 30, August 4, 2016 and October 12, 2016, and the brokered private placement which closed on August 5, 2016, IsoEnergy raised gross proceeds of $8,364,470 and net proceeds of approximately $7,950,000. These net proceeds are the only funds available to IsoEnergy for its operations. IsoEnergy's working capital as at October 13, 2016 was approximately $6,316,000. IsoEnergy intends to use its available funds for the following purposes:

| Anticipated Use of Funds | Amount | Anticipated Timing |
|---|---|---|
| Thorburn North Property – DC Resistivity Study (60 line) | $ 276,000 | Underway |
| Thorburn Lake Project – DC Resistivity Study | $ 51,000 | Underway |
| Thorburn Lake Project – Drilling (6 holes) | $ 606,000 | Underway |
| Radio Project – Phase 1 | $ 1,100,000 | Underway |
| Thorburn North Property – 2,400 m Drilling (6 holes) | $ 617,000 | January to March 2017 |
| Thorburn Lake – 4,200 m Drilling and DC Resistivity Study | $ 1,500,000 | January to March 2017 |
| General & administrative expenses for the following 12 months[(1)] | $ 1,215,000 | N/A |
| Unallocated Working Capital | $ 951,000 | N/A |
| Total | $ 6,316,000 | |

Notes:

(1) Includes $150,000 for professional and regulatory fees in respect of the Amalgamation, including application to list the Common Shares on the Exchange.

IsoEnergy's business objectives in using its available funds, as stated above, is to seek to identify uranium mineralization on its principal properties, which currently comprise the Radio Project and Thorburn Lake Project, and further understand the geology of these properties for the purposes of future exploration activities.

Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for IsoEnergy to achieve its objectives. IsoEnergy may require additional funds in order to fulfill all of IsoEnergy's expenditure requirements and to meet its objectives, in which case, IsoEnergy expects to either issue additional Common Shares or incur indebtedness. In addition, if IsoEnergy determines that it is in its best interests to exercise its right to earn a 70% interest in the Radio Project, IsoEnergy will also require additional financing by way of equity or debt financing to complete the balance of the expenditures required under the Radio Option Agreement. There is no assurance that additional funding required by IsoEnergy will be available if required.

## DIVIDENDS

IsoEnergy is not limited in any way in its ability to pay dividends however IsoEnergy has not declared any dividends or any other distribution since incorporation. It is not contemplated that any dividends will be paid by IsoEnergy in the immediate or foreseeable future. Payment of dividends in the future will be made at the discretion of the IsoEnergy Board based upon, among other things, cash flow, results of operations and financial condition of IsoEnergy and such other considerations as IsoEnergy considers relevant.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis relates to the financial condition and results of operations of IsoEnergy as at June 30, 2016 and should be read in conjunction with the audited financial statements and related notes for the period from incorporation on February 2, 2016 to June 30, 2016 (the "**Financial Statements**").

The Financial Statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IASB**"). Based on the nature of IsoEnergy's activities, both presentation and functional currency is Canadian dollars.

### Overall Performance

As stated above, IsoEnergy was incorporated as a wholly-owned subsidiary of NexGen for the purpose of acquiring, from NexGen, a portfolio of early stage mineral exploration properties located in the Athabasca Basin, Saskatchewan, including NexGen's interest in the Radio Project (by way of an assignment of the Radio Option Agreement), the Thorburn Lake Project and each of the Madison, 2Z and Carlson Creek properties, in consideration for 29 million Common Shares at a price of $1.00 per share.

During the period from February 2, 2016 (incorporation) to June 30, 2016, IsoEnergy completed Tranche 1 and Tranche 2 of a non-brokered private placement, issuing 2,033,000 Common Shares at a price of $1.00 per share for gross proceeds of $2,033,000. In addition to the properties acquired from NexGen on June 17, 2016, IsoEnergy acquired a 100% interest in the Thorburn North Property in exchange for a cash payment of $100,000 and 1,000,000 Common Shares at a price of $1.00 per share.

IsoEnergy recorded a loss of $226,265 during period commencing from incorporation to June 30, 2016 and spent $128,197 on deferred exploration costs.

### Selected Financial Information

The following financial data for the period commencing February 2, 2016 (incorporation) to June 30, 2016 is derived from the Financial Statements and should be read in conjunction with the Financial Statements. There is no comparative financial data, since IsoEnergy was incorporated on February 2, 2016.

| | **Period Ended June 30, 2016 (Audited)** |
|---|---|
| Total revenue | Nil |
| Loss from operations | $(226,265) |
| Loss per share – basic (cents per share) | $(0.08) |
| Loss per share – diluted (cents per share) | $(0.08) |
| Exploration and evaluation assets | $30,228,197 |
| Total assets | $32,297,248 |
| Total current liabilities | $493,812 |
| Total non-current financial liabilities | Nil |
| Cash dividends declared (cents per share) | Nil |

### Results of Operations

IsoEnergy recorded a loss of $226,265 during period commencing from incorporation (February 2, 2016) to June 30, 2016 which was comprised of general and administrative costs as set forth below:

| | **Period Ended June 30, 2016** |
|---|---|
| Salaries and benefits | $88,244 |
| Office and administrative | $27,705 |
| Employee relocation expense | $64,080 |
| Professional fees | $13,906 |
| Travel | $32,330 |
| Loss for the period | $(226,265) |

The employee relocation expense was a one-time cost related to relocating the President and Chief Executive Officer from Melbourne, Australia to Vancouver, British Columbia, where IsoEnergy's head office is located.

Office and administrative expenses are primarily comprised of rent and communication costs. Professional fees consist of legal fees. Travel expenses relate to general corporate travel in connection with marketing of the non-brokered private placement and brokered private placement and travel to sites in preparation of the commencement of exploration activities.

During the period from incorporation (February 2, 2016) to June 30, 2016, IsoEnergy spent $128,197 on deferred exploration on its properties as follows:

| | Period Ended June 30, 2016 | | | |
|---|---|---|---|---|
| | Radio | Thorburn Lake | Thorburn North | Total |
| Drilling | $425 | $1,001 | Nil | $1,426 |
| Equipment rental | $1,335 | Nil | Nil | $1,335 |
| Geological and geophysical | Nil | Nil | $43,096 | $43,096 |
| Labour and wages | $40,076 | $40,076 | Nil | $80,152 |
| Travel | Nil | Nil | $2,188 | $2,188 |
| | $41,836 | $41,077 | $45,284 | $128,197 |

**Summary of Quarterly Results**

No quarterly results for the eight most recently completed quarters has been included as IsoEnergy was only incorporated on February 2, 2016.

**Liquidity and Capital Resources**

On or prior to June 30, 2016, IsoEnergy completed Tranche 1 and Tranche 2 of a non-brokered private placement pursuant to which IsoEnergy issued an aggregate of 2,033,000 Common Shares at a price of $1.00 per Common Share for gross proceeds of $2,033,000. In connection therewith, IsoEnergy issued 8,580 Common Shares at a deemed value of $8,580 and paid $3,300 in cash, in each case, as finder's fees. Of the net proceeds, $234,700 was received directly by IsoEnergy and $1,795,000 was received by (and held by) NexGen on behalf of IsoEnergy. During the period ended June 30, 2016, a further $435,963 was received by NexGen on behalf of IsoEnergy in payment of Common Shares issued after June 30, 2016, which amount was characterized as a current liability in the Financial Statements, pending issue of the Common Shares.

IsoEnergy has no revenue-producing operations. In the period ended June 30, 2016, IsoEnergy had an accumulated loss of $226,265. As at June 30, 2016, IsoEnergy had a working capital balance of $1,569,787, including cash of $234,700 and a net receivable from NexGen of $1,821,299.

Subsequent to June 30, 2016, IsoEnergy settled aggregate current liabilities of $845,127 through the issue of Common Shares at a price of $1.00 per share. Subsequent to June 30, 2016, IsoEnergy also completed Tranche 3 of the non-brokered private placement, the brokered private placement and a non-brokered private placement raising gross proceeds of $6,348,520. Working capital is held almost entirely in cash, significantly reducing any liquidity risk of financial instruments held by IsoEnergy.

As a result of the completion of the non-brokered and the brokered financings referred to above and settlement of current liabilities, IsoEnergy's working capital as at October 13, 2016 was approximately $6,316,000 which amount is considered adequate to meet its requirements for the ensuing 12 months based on current budgeted expenditures for operations and exploration of its mineral property interests.

IsoEnergy does not have any commitments for capital expenditures. However, pursuant to the Radio Option Agreement in order to exercise its option to acquire a 70% interest in the Radio Project, IsoEnergy must incur $10 million of expenditures thereon by May 31, 2017. To date, $1,682,000 of expenditures have been incurred or are currently proposed. Additional expenditures will depend on exploration results from the planned exploration program.

As previously stated, IsoEnergy is dependent on external financing, including equity issuances and debt financing, to fund its activities beyond those proposed and set forth above under "*Financings*". Management of IsoEnergy will determine whether to accept any offer to finance weighing such things as the financing terms, the results of exploration, share price at the time and current market conditions, among others. Circumstances that could impair

IsoEnergy's ability to raise additional funds include general economic conditions, the price of uranium and the other factors set forth below under "*Risk Factors*".

On an ongoing basis, and particularly in light of current market conditions for mineral exploration, management evaluates and adjusts its planned level of activities, including planned, exploration and committed administrative costs, to maintain adequate levels of working capital.

**Off-Balance Sheet Arrangements**

IsoEnergy has not participated in any off-balance sheet or income statement arrangements.

**Related Party Transactions**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of IsoEnergy, as a whole. IsoEnergy has determined that key management personnel consist of executive and non-executive members of IsoEnergy's Board and its corporate officers.

Remuneration attributed to key management personnel was $75,000 for the period from incorporation to June 30, 2016, all of which was expensed and included in salaries and benefits on the statement of loss and comprehensive loss for such period. In addition, $64,080 was paid to relocate the President and Chief Executive Officer to Vancouver, where the corporate office is. As of June 30, 2016, no directors' fees were paid and no stock options were issued to related parties.

As stated above, during the period ended June 30, 2016, IsoEnergy issued 29 million Common Shares to NexGen, in payment for the Acquired Properties. In addition, as of June 30, 2016, IsoEnergy had a payable of $409,164 to NexGen for amounts paid by NexGen on behalf of IsoEnergy (for operational expenses) pending completion of the non-brokered and brokered financings.

During the period from incorporation to June 30, 2016, cash of $1,795,000 was received by (and held by) NexGen on behalf of IsoEnergy pursuant to subscriptions for Common Shares issued in Tranche 1 and/or Tranche 2 of the non-brokered private placement and $435,963 was received by (and held by) NexGen in respect of Common Shares issued subsequent to June 30, 2016. As a result, at June 30, 2016, the net intercompany receivable from NexGen was $1,821,799 (calculated as the amount held by NexGen on behalf of IsoEnergy less the amount payable ($409,164)). Subsequent to June 30, 2016, $450,000 of the amount owing by IsoEnergy to NexGen (representing $409,164 and certain amounts incurred since June 30, 2016) was converted into Common Shares at a price of $1.00 per Common Share.

**Changes in Accounting Policies**

IsoEnergy has not adopted any accounting policies and does not expect to adopt any accounting policies subsequent to June 30, 2016 except as stated below:

- IFRS 9 is a new standard that replaced IAS 39 for classification and measurement of financial instruments, effective for annual periods beginning on or after January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

- IFRS 16 is a new standard that will replace IAS 17 for the accounting and measurement of leases with a term of more than 12 months, effective for annual periods beginning on or after January 1, 2019. IsoEnergy does not expect the standard to have a material impact on its financial statements.

**Financial Instruments**

As at June 30, 2016, IsoEnergy's financial instruments consisted of cash, accounts receivable, accounts payable and accrued liabilities, a liability to issue Common Shares and a receivable due from NexGen.

The fair values of IsoEnergy's financial instruments approximate their carrying value, due to their short-term maturities or liquidity. IsoEnergy's loans and receivables are initially recorded at fair value and subsequently at amortized cost with accrued interest is recorded as an accounts receivable.

As at June 30, 2016, IsoEnergy's risk exposure and the impact on IsoEnergy's financial instruments are summarized below:

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. As at June 30, 2016, IsoEnergy did not hold any cash directly in a bank account however it did hold unpresented cheques. As a result, only the receivable balance due from NexGen has any credit risk. Given the relative size of the receivable and NexGen's cash reserves, IsoEnergy has assessed the credit risk to be low.

*Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. IsoEnergy attempts to manage liquidity risk by maintaining sufficient cash balances and to ensure that there is sufficient capital to meet short-term obligations. As at June 30, 2016, IsoEnergy had a working capital balance of $1,569,787, including cash of $234,700 (by way of unpresented cheques). Subsequent to June 30, 2016, liabilities of $845,127 were settled through the issuance of Common Shares.

*Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

*Interest Rate Risk*

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. At June 30, 2016, IsoEnergy did not have a bank account, cash was held by NexGen on its behalf in a non-interest bearing bank account and IsoEnergy does not have any interest bearing debt.

*Foreign Currency Risk*

The functional currency of IsoEnergy is the Canadian dollar. As of June 30, 2016, IsoEnergy had no financial assets and liabilities that were subject to currency translation risk. IsoEnergy will maintain a Canadian dollar bank account in Canada.

*Price Risk*

IsoEnergy is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on IsoEnergy's earnings due to movements in individual equity prices or general movements in the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future declines in commodity prices may impact the valuation of long-lived assets. IsoEnergy closely monitors the commodity price of uranium, individual equity movements, and the performance of the stock market generally to determine the appropriate course of action to be taken by IsoEnergy.

**Risks and Uncertainties**

The operations of IsoEnergy are speculative due to the high-risk nature of its business, which is the acquisition and exploration of mining properties. For a full description of the risk factors that could materially affect IsoEnergy's future operating results and could cause actual events to differ materially from those described in forward–looking information see "*Risk Factors*" below.

## DISCLOSURE OF OUTSTANDING SECURITY DATA

The authorized share capital of IsoEnergy consists of an unlimited number of Common Shares, of which, as of the date hereof, there are 38,944,113 Common Shares issued and outstanding.

## DESCRIPTION OF SECURITIES TO BE LISTED

The Exchange has conditionally approved the listing of the Common Shares. Listing is subject to IsoEnergy fulfilling all of the requirements of the Exchange. IsoEnergy will be classified as a Tier 2 "Mining Issuer" as prescribed by applicable Exchange policies.

The holders of Common Shares are entitled to receive notice of, to attend and vote at all meetings of Shareholders and are entitled to one vote, in person or by proxy, for each Common Share held. Upon the liquidation, dissolution or winding up of IsoEnergy, the holders of the Common Shares shall be entitled to receive, after the payment of all debts owing to creditors, all of the remaining property and assets of IsoEnergy. Holders of Common Shares are entitled to receive such dividends as may be declared from time to time by the IsoEnergy Board. The Common Shares do not have attached thereto any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities and any other material restrictions or any provisions requiring a securityholder to contribute additional capital.

## CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of IsoEnergy as at June 30, 2016, immediately before and after giving effect to the Amalgamation, and the consolidated capitalization of IsoEnergy as at the date of this Listing Application. The table should be read in conjunction with the audited financial statements of IsoEnergy attached as Appendix "C", as well as with other disclosure contained in this Listing Application. See also "*Description of Securities to be Listed*" and "*Prior Sales*".

| Description of Securities | As at June 30, 2016 Before Giving Effect to the Amalgamation (audited) | As at June 30, 2016 After Giving Effect to the Amalgamation (unaudited) | As at October 13, 2016 (unaudited)[(1)] |
|---|---|---|---|
| Common Shares..... | 32,041,581 | 32,344,462 | 38,944,113 |
| Options ..... | Nil | Nil | Nil |
| Long-Term Debt ..... | Nil | Nil | Nil |
| Shareholders' Equity..... | $31,803,436 | $31,551,079 | $37,459,121 |

Notes:

(1) Includes: (i) 32,041,581 Common Shares issued on or prior to June 30, 2016; (ii) 302,881 Common Shares issued pursuant to the Amalgamation; (iii) 2,106,000 Common Shares issued pursuant to Tranche 3 of the non-brokered private placement which closed on August 4, 2016; (iv) 3,910,700 Common Shares issued pursuant to the brokered private placement which closed on August 5, 2016; (v) 450,000 Common Shares issued to NexGen on August 16, 2016 upon conversion of $450,000 of the NXE Payable; (vi) 132,950 Common Shares issued pursuant to a non-brokered private placement which closed on October 12, 2016; and (vii) 1 Common Share issued to NexGen upon completion of the IsoEnergy Merger. See "*Description of Business – History*".

## STOCK OPTION PLAN

IsoEnergy adopted a stock option plan dated August 22, 2016 (the "**Option Plan**") to promote the profitability and growth of IsoEnergy by facilitating the efforts of IsoEnergy to attract and retain key individuals. As at the date hereof, IsoEnergy has not granted any options under the Option Plan.

The Option Plan provides an incentive for and encourages ownership of the Common Shares by IsoEnergy's key individuals so that they may increase their stake in IsoEnergy and benefit from increases in the value of the Common Shares. Directors, officers, employees and consultants are eligible to be granted options under the Option Plan.

The Option Plan is a "rolling" stock option plan which sets the number of options available for grant by IsoEnergy at an amount equal to up to a maximum of 10% of IsoEnergy's issued and outstanding Common Shares from time to time, less any Common Shares reserved for issuance under other share compensation arrangements. To the extent the Common Shares are listed on the Exchange, under Exchange policies, the Option Plan must be approved by Shareholders on an annual basis.

Pursuant to the Option Plan: (i) the maximum number of Common Shares reserved for issuance under the Option Plan and any other share compensation arrangement in any 12 month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant; (ii) the maximum number of Common Shares reserved for issuance under the Option Plan and any other share

compensation arrangement in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant; and (iii) the maximum number of Common Shares reserved for issuance under the Option Plan and any other share compensation arrangement in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant.

In addition, unless IsoEnergy has received disinterested shareholder approval to do so: (i) the aggregate number of Common Shares reserved for issuance to Insiders under the Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and (ii) the aggregate number of IsoEnergy Common Shares reserved for issuance to Insiders in any 12 month period under the Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding IsoEnergy Common Shares at the time of the grant.

Subject to minimum exercise price of $0.05 per IsoEnergy Common Share, the exercise price per IsoEnergy Common Share for an option shall be not less than the "Discounted Market Price" as calculated pursuant to the Exchange policies, or such other minimum price as may be required by the Exchange. If options are granted within 90 days of a distribution by IsoEnergy by prospectus, the exercise price per IsoEnergy Common Share for such options shall not be less than the greater of the minimum exercise price calculated pursuant to the above and the price per IsoEnergy Common Share paid by the public investors for IsoEnergy Common Shares acquired pursuant to such distribution.

Every option granted under the stock option plan shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

Subject to the Option Plan and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an option shall vest and become exercisable. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than one-quarter (1/4) of such options vesting in any three month period.

According to the Option Plan, if a director, officer, employee or consultant (each, a "**Participant**") is terminated for cause, then each option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the expiry date and the date which is 30 days after such termination for cause. If a Participant is prevented, by order or similar decision of the British Columbia Securities Commission or other regulatory authority having jurisdiction over IsoEnergy or its affairs, from holding an option, then each option held by such Participant shall terminate and shall therefore cease to be exercisable upon the making of such order or similar decision. If a Participant dies prior to otherwise ceasing to be an eligible person, each option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the expiry date and the date which is twelve months after the date of the Participant's death. If a Participant ceases to be an eligible person other than in the circumstances set out in the Option Plan, each option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the expiry date and the date which is 90 days after such terminating event, always provided that the Board may allow for each option held by such Participant to terminate and cease to be exercisable on such later date following the Participant ceasing to be an eligible person as the Board in its discretion may determine.

For greater certainty, if a Participant dies, each option held by such Participant shall be exercisable by the legal representative of such Participant until such option terminates and therefore ceases to be exercisable pursuant to the terms of the Option Plan.

If any portion of an option is not vested at the time a Participant ceases, for any reason whatsoever, to be an eligible person, such unvested portion of the option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion, thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the option. For greater certainty, and without limitation, the foregoing will apply regardless of whether the Participant ceases to be an eligible person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an option to vest.

Under the Option Plan, subject to the approval of the Board, a Participant may elect to exercise an option, in whole or in part, without payment of the aggregate exercise price due on such exercise (any such exercise, a "**Cashless Exercise**") by providing written notice of such election to IsoEnergy. Upon receipt by IsoEnergy of such notice from a Participant, IsoEnergy shall calculate and issue to such Participant that number of IsoEnergy Common Shares as is determined by application of the following formula, after deduction of any withholding obligations:

X = [Y(A-B)]/A

Where:

X = the number of Common Shares to be issued to the Participant upon such Cashless Exercise
Y = the number of Common Shares underlying the option being exercised
A = the Market Price (as defined in the Option Plan) as of the date of receipt by IsoEnergy of notice, if greater than the exercise price
B = the exercise price of the option being exercised

## PRIOR SALES

Since the date of incorporation, securities of IsoEnergy have been issued as described below:

| Date Issued | Type of Security | Number of Securities | Issue Price per Security | Consideration |
|---|---|---|---|---|
| February 2, 2016 | Common Shares | 1 | $1.00 | Cash |
| June 17, 2016 | Common Shares | 29,000,000(1) | $1.00 | Other |
| June 21, 2016 | Common Shares | 55,000(2) | $1.00 | Cash |
| June 30, 2016 | Common Shares | 1,000,000(3) | $1.00 | Other |
| June 30, 2016 | Common Shares | 1,978,000(4) | $1.00 | Cash |
| June 30, 2016 | Common Shares | 8,580(5) | $1.00 | Other |
| August 4, 2016 | Common Shares | 2,106,000(6) | $1.00 | Cash |
| August 5, 2016 | Common Shares | 2,092,500(7) | $1.00 | Cash |
| August 5, 2016 | Common Shares | 1,818,200(8) | $1.10 | Cash |
| August 16, 2016 | Common Shares | 450,000(9) | $1.00 | Other |
| October 12, 2016 | Common Shares | 132,951(10) | $1.00 | Cash |
| October 13, , 2016 | Common Shares | 302,881(11) | $1.00 | Other |

Notes:
(1) Issued to NexGen pursuant to the Transfer Agreement. See "*Description of Business – History*".
(2) Issued pursuant to a non-brokered private placement which closed on June 21, 2016. See "*Description of Business – History*".
(3) Issued to 877384 Alberta Ltd. in connection with the acquisition by IsoEnergy of the Thorburn North Property. See "*Description of Business – History*".
(4) Issued pursuant to a non-brokered private placement which closed on June 30, 2016. See "*Description of Business – History*".
(5) Issued to Haywood Securities Inc. as a finder's fee in connection with the non-brokered private placement which closed on June 30, 2016. See "*Description of Business – History*".
(6) Issued pursuant to a non-brokered private placement which closed on August 4, 2016. See "*Description of Business – History*".
(7) Issued pursuant to a brokered private placement which closed on August 5, 2016. See "*Description of Business – History*".
(8) Issued pursuant to a brokered private placement of flow-through Common Shares which closed on August 5, 2016. See "*Description of Business – History*".
(9) Issued to NexGen upon conversion of $450,000 of the NXE Payable. See "*Description of Business – History*".
(10) Issued 132,950 Common Shares pursuant to a non-brokered private placement which closed on October 12, 2016 and issued one (1) Common Share to NexGen upon completion of the IsoEnergy Merger. See "*Description of Business – History*".
(11) Issued to Airesurf Shareholders pursuant to the Amalgamation. See "*Description of Business – History*".

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

None of the Common Shares are currently held in escrow or subject to any contractual restriction on transfer. However, in accordance with Exchange Policy 5.4 – *Escrow, Vendor Consideration and Resale* Restrictions, the

29,450,002 Common Shares held by NexGen (the "**Escrow Shares**"), will be placed in escrow pursuant to the Escrow Agreement as a condition of any acceptance of the listing of Common Shares, as detailed in the following table:

| Designation of Class | Number of Securities held in Escrow or subject to contractual restriction on transfer | Percentage of Class[(1)] |
|---|---|---|
| Common | 29,450,002 | 75.6% |
| **Total:** | **29,450,002** | **75.6%** |

Notes:
(1) Basic (non fully-diluted).

In accordance with Exchange Policy 5.4, the Escrow Shares will be "value securities" and will be released from escrow as follows:

| Percentage to be Released | Release Date |
|---|---|
| 10% | At the time of the Final Exchange Bulletin |
| 15% | 6 months from the Final Exchange Bulletin |
| 15% | 12 months from the Final Exchange Bulletin |
| 15% | 18 months from the Final Exchange Bulletin |
| 15% | 24 months from the Final Exchange Bulletin |
| 15% | 30 months from the Final Exchange Bulletin |
| 15% | 36 months from the Final Exchange Bulletin |

## PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and senior officers of IsoEnergy as of the date hereof, there are no Shareholders (other than securities depositories) that will beneficially own, or exercise control or direction over, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of IsoEnergy, other than as set out below:

| Registered and Beneficial Owner Name | Common Shares[(1)] | Percentage of Issued and Outstanding Common Shares[(2)] |
|---|---|---|
| NexGen Energy Ltd.<br>(Vancouver, British Columbia) | 29,450,002 | 75.6%[(1)] |

Notes:
(1) 75.6% on a fully-diluted basis.

## DIRECTORS AND EXECUTIVE OFFICERS

The names of the directors and officers of IsoEnergy, their respective province or state and country of residence, positions and offices with IsoEnergy, periods served as a director of IsoEnergy, the number and percentage of voting securities of IsoEnergy beneficially owned by them, directly or indirectly, or over which control or direction is exercised, and their principal occupations during the past five years are as follows:

| Name and Province or State and Country of Residence | Principal Occupation[1] | Position with IsoEnergy | Director Since | Number of Voting Securities Owned or Over Which Control or Direction is Exercised[1] |
|---|---|---|---|---|
| **Craig Parry**<br>Victoria, Australia | CEO of IsoEnergy Ltd. (April, 2016 to present); CEO of Tigers Realm Coal (2012 to 2015); Director and Head of Business Development of Tigers Realm Minerals (2008 to 2012); GM Business Development at G Resources and CST (2009 to 2011); Principal Geologist, New Business of Oxiana Ltd (2008); Principal Geologist at Rio Tinto (1999 to 2008). | President and CEO and Director | April 1, 2016 | 25,000<br>(0.06%) |
| **Leigh Curyer**<br>British Columbia, Canada | CEO and Director of NexGen (2011 to present), Partner, head of Corporate Development of Accord Nuclear Resources Management (2008 to 2011) | Chairman of the Board and Director | February 2, 2016 | 25,000<br>(0.06%) |
| **Chris McFadden**[2][3]<br>Brighton, Australia | Manager, Business Development, Newcrest Mining Limited August 2015 to present), Head of Commercial, Strategy and Corporate Development Tigers Realm Coal Limited (2013 to July 2015), General Manager, Business Development of Tigers Realm Minerals Pty Ltd. (resource company) (2010 to 2013) | Director | April 1, 2016 | 25,000<br>(0.06%) |
| **Trevor Thiele**[2]<br>Tennyson, Australia | Director of NexGen (April 2011 to present), CFO of ABB Grain Ltd., Rural Services Division (2006 to 2009) and CFO/Company Secretary of Bionomics Limited (2009 to 2011) | Director | April 1, 2016 | Nil |
| **Richard Patricio**[2][3]<br>Ontario, Canada | Chief Executive Officer, Mega Uranium Ltd. (March 2015 to present), Chief Executive Officer, Pinetree Capital Ltd. (February 2015 to April 2016); Vice-President, Legal and Corporate Affairs, Pinetree Capital Ltd. (investment firm) (2005 to April 2016) | Director | April 1, 2016 | 150,000[4]<br>(0.38%) |
| **Garrett Ainsworth**<br>British Columbia, Canada | Vice-President Exploration & Development of NexGen (June 2014 to present); Vice-President Exploration of Alpha Exploration (2013 to 2014); Vice-President Exploration of Alpha Minerals (2012 to 2013); Project Manager of the Patterson Lake South (PLS) Project (2007 to 2013) | Director | April 1, 2016 | 20,000<br>(0.05%) |

| Name and Province or State and Country of Residence | Principal Occupation[(1)] | Position with IsoEnergy | Director Since | Number of Voting Securities Owned or Over Which Control or Direction is Exercised[(1)] |
|---|---|---|---|---|
| **Janine Richardson** British Columbia, Canada | CFO of Hillsborough Resources Limited (February 2010 to present), Financial Reporting Specialist for Rio Alto Mining Ltd. (2011 to 2015), Self-employed mining finance professional (2006 to present), Director of Group Accounting at Placer Dome Inc. (1991 to 2006), Manager at Ernest & Young (1985 to 1991) | Interim Chief Financial Officer | n/a | Nil |
| **Steve Blower** British Columbia, Canada | Consultant to NexGen (2015 to June 30, 2016), VP Exploration at Denison Mines (2012 to 2015), President and CEO at Pitchstone Exploration Ltd. (2006 to 2012) | Vice-President, Exploration | n/a | 20,000 (0.05%) |
| **Joanna Cameron** British Columbia, Canada | Partner at Cassels Brock and Blackwell LLP (2012 to 2015), partner at Lawson Lundell LLP (2006 to 2012) and Vice President Legal, General Counsel and Corporate Secretary of NexGen (2015 to present) | Corporate Secretary | n/a | Nil |

Notes:
(1) The information as to place of residence, principal occupation and number of Common Shares beneficially owned or over which a proposed director or officer of IsoEnergy exercises control or direction, is not within the knowledge of the management of IsoEnergy and has been furnished by the respective proposed directors and officers of IsoEnergy.
(2) Member of the Audit Committee of IsoEnergy.
(3) Member of the Compensation and Governance Committee of IsoEnergy.
(4) Held through Totus Inc., a company controlled by Mr. Patricio.

265,000 Common Shares are beneficially owned, or controlled or directed, directly or indirectly, by the directors and officers of IsoEnergy as a group, representing approximately 0.7% of the Common Shares issued and outstanding.

*Craig Parry (age 43), President and Chief Executive Officer*

As of April 1, 2016, Mr Parry was appointed as President and CEO of IsoEnergy. Mr. Parry works full time for IsoEnergy, as an employee, and devotes his full time and attention to the business and affairs of IsoEnergy. Mr. Parry has not entered into a non-competition or non-disclosure agreement with IsoEnergy. Mr. Parry is also a director of NexGen.

Mr. Parry is a founding member of the Tigers Realm Group and was appointed to the Boards of Tigers Realm Minerals, Tigers Realm Metals and NexGen in 2011. Mr. Parry was appointed to the role of CEO of Tigers Realm Coal in 2012 and acted in that capacity until 2015.

Mr. Parry is an exploration and business development geologist and has been responsible for the business development activities of the Tigers Realm Group since inception in 2008. Prior to joining Tigers Realm, Mr. Parry was the Business Development Manager for G-Resources Limited responsible for mergers and acquisitions and Principal Geologist – New Business at Oxiana Limited responsible for strategy and business development initiatives in bulk and energy commodities. At Rio Tinto he led exploration programs for iron ore, copper, diamonds, coal and bauxite in Australia, Asia and South America and was Principal Geologist for the Kintyre Uranium project pre-feasibility study. Mr Parry holds an Honours Degree in Geology and is a Member of the AusIMM.

*Leigh R. Curyer (age 45), Chairman of the Board and Director*

Mr. Curyer is President and Chief Executive Officer of NexGen. Mr. Curyer has over 19 years' experience in the resources and corporate sector. Mr. Curyer was previously the Chief Financial Officer and head of corporate development of Southern Cross Exploration N.L. (now Uranium One Inc.). In addition, from 2008 to 2011, Mr. Curyer was Head of Corporate Development for Accord Nuclear Resource Management assessing uranium projects worldwide for First Reserve Company, a global energy-focused private equity and infrastructure investment firm.

Mr. Curyer's uranium project assessment experience has been focused on assets located in Canada, Australia, USA, Africa, Central Asia and Europe, incorporating operating mines, advanced development projects and exploration prospects. Mr. Curyer is a member of the Institute of Chartered Accountants Australia.

*Christopher W. McFadden (age 47), Director*

Mr. McFadden is a lawyer with 21 years' experience in exploration and mining and is currently Manager, Business Development at Newcrest Mining Limited. Mr. McFadden is the Chairman of the board of directors of NexGen. Mr McFadden was previously the Head of Commercial, Strategy and Corporate Development for Tigers Realm Coal Limited, which is listed on the ASX. Additionally, Mr. McFadden was General Manager, Business Development of Tigers Realm Minerals Pty Ltd. Prior to commencing with the Tigers Realm Group of companies in 2010 he was a Commercial General Manager with Rio Tinto's exploration division with responsibility for gaining entry into new projects either by negotiation with government or joint venture partners or through acquisition.

Mr. McFadden has extensive international experience in managing large and complex transactions and has a broad knowledge of all aspects of project evaluation and negotiating project entry in challenging and varied environments. Mr. McFadden holds a combined law/commerce degree from Melbourne University and an MBA from Monash University.

*Richard Patricio (age 42), Director*

In March 2015 Mr. Patricio was appointed Chief Executive Officer and President of Mega Uranium Ltd., having been its Executive Vice-President since 2005. Until April 2016, Mr. Patricio was Chief Executive Officer of Pinetree Capital Ltd. Mr. Patricio joined Pinetree in November 2005 as Vice-President, Corporate and Legal Affairs. Mr. Patricio is also a director of NexGen.

Previously, Mr. Patricio worked as General Counsel for a senior TSX-listed manufacturing company. Prior to that, Mr. Patricio practiced law at Osler LLP in Toronto where he focused on mergers and acquisitions, securities law and general corporate law matters.

Mr. Patricio has built a number of mining companies with global operations and holds senior officer and director positions with several publicly listed companies in Canada, Australia, London and New York. Mr. Patricio received his law degree from Osgoode Hall and was called to the Ontario bar in 2000.

*Trevor J. Thiele (age 59), Director*

Mr. Thiele has over 30 years' experience in senior finance roles in medium to large Australian ASX listed companies. Mr. Thiele has been Chief Financial Officer of companies involved in the Agribusiness sector (Elders and ABB Grain Ltd, Rural Services Division) and the Biotechnology sector (Bionomics Limited). In these roles Mr. Thiele combined his technical accounting and financial skills with commercial expertise thereby substantially contributing to the growth of each of these businesses. During this time, Mr. Thiele was actively involved in IPO's, capital raisings, corporate restructures, mergers and acquisitions, refinancing and joint ventures.

Mr. Thiele is currently non-executive director of a number of non-listed Australian entities, including acting as Chairman of two of these entities and is a director of NexGen.

Mr. Thiele holds a Bachelor of Arts in Accountancy from the University of South Australia and he is a member of the Institute of Chartered Accountants in Australia.

*Garrett Ainsworth (age 37), Director*

Mr. Ainsworth is a professional geologist and the Vice-President Exploration and Development for NexGen. Mr. Ainsworth has a Diploma of Technology in Mining and Bachelor of Technology in Environmental Engineering with honours from BCIT, as well as a Bachelor of Science in Geology with honours from Birkbeck, University of London.

Mr. Ainsworth was instrumental in the successful progress of the Patterson Lake South (PLS) project, where he was the Project Manager for the Alpha-Fission Joint Venture from 2007 to 2013. During his tenure as Project Manager of PLS, Mr. Ainsworth oversaw the staking of new claims, the discovery of the boulder field, the initial high-grade uranium drill hole discovery (R00E zone), and the discovery of the high grade, near surface, uranium zones R390E and R780E during the winter 2013 drill program.

Mr. Ainsworth was the Vice-President Exploration of Alpha Minerals Inc. from 2012 to 2013 and the Vice-President Exploration of Alpha Exploration Inc. from 2013 to 2014.

In 2013, Mr. Ainsworth was the AMEBC recipient of the Colin Spence Award (For Excellence in Global Mineral Exploration) in recognition of his efforts which led to the discovery of the high-grade uranium mineralized system at the Patterson Lake South project in the Athabasca Basin, Saskatchewan.

Apart from being involved with numerous uranium projects in the Athabasca Basin, Saskatchewan, Mr. Ainsworth also obtained experience as a field geologist on gold projects in British Columbia, Nevada, and Mexico; and a diamond project in West Africa. Mr. Ainsworth worked as an environmental consultant on a variety of industrial and mining projects from 2002 to 2007.

*Janine Richardson (age 54), Interim Chief Financial Officer*

Ms. Richardson is a Chartered Professional Accountant, Chartered Accountant and has worked in the mining industry for over 30 years. Ms. Richardson graduated from McMaster University with a Bachelors in Economics and has a Diploma in Accounting from Wilfrid Laurier University. Ms. Richardson works part time for IsoEnergy, as a consultant, and devotes approximately 40 hours per month to the business and affairs of IsoEnergy. Ms. Richardson has not entered into a non-competition or non-disclosure agreement with IsoEnergy.

Since 2010, Ms. Richardson has been the Chief Financial Officer of Hillsborough Resourced Limited, a privately owned coal producer (currently with suspended operations). Between 2006 and present, Ms. Richardson has provided financial consulting services to various mining companies, primarily in gold, including Primero Mining Corp., Yukon- Nevada Gold Corp., Goldgroup Mining Inc., primarily in financial reporting, including conversions to IFRS, transaction accounting, functional currency issues and general reporting. Ms. Richardson was also the financial reporting specialist for Rio Alto Mining Ltd. between 2011 and 2015. From 1991 to 2006 Ms. Richardson was Director of Group Accounting at Placer Dome Inc. which operated 17 mines globally. Ms. Richardson was responsible for reporting on the global operations, and integrating new acquisitions into the group. From 1985 to 1991 Ms. Richardson was a manager in the mining audit group of Ernst & Young LLP, Toronto.

*Steve Blower (age 49), Vice-President, Exploration*

As of July 1, 2016, Mr Blower was appointed as Vice President-Exploration of IsoEnergy. Mr. Blower works full time for IsoEnergy, as an employee, and devotes his full time and attention to the business and affairs of IsoEnergy. Mr. Blower has not entered into a non-competition or non-disclosure agreement with IsoEnergy.

Mr. Blower is a Professional Geoscientist, registered in good standing with the Association of Professional Engineers and Geoscientists of British Columbia. His education includes an M.Sc. in geological sciences from Queen's University in 1993 and a B.Sc. in geological sciences from the University of British Columbia in 1988.

Mr. Blower has over 20 years of experience in the mining and mineral exploration industry, including mineral exploration for various commodities, mine geology and mineral resource estimation. Mr. Blower has been involved in uranium exploration in the Athabasca Basin and in Africa for the past ten years.

Before joining IsoEnergy full time in July 2016, Mr. Blower acted as a consultant to NexGen (2015 to July 2016) and prior to that Mr. Blower held the position of VP Exploration at Denison Mines Corp. from 2012 to 2015. While

at Denison, Mr. Blower led the team that added 75 Mlbs of $U_3O_8$ to Denison's mineral resources at the Wheeler River property through the expansion of the Phoenix deposit and the discovery of the basement hosted Gryphon deposit. Prior to Denison, Mr. Blower was President, CEO and a Director of Pitchstone Exploration Ltd., an Athabasca Basin focussed uranium exploration company that was sold to Fission Energy Corp. in 2012.

*Joanna Cameron (age 47), Corporate Secretary*

Ms. Cameron is Corporate Secretary of IsoEnergy and has 18 years experience as a lawyer. Prior to joining IsoEnergy, Ms. Cameron was a partner at Cassels, Brock and Blackwell LLP providing corporate, governance and securities and corporate advice to clients, particularly those in the mining sector. Ms. Cameron was also previously a partner at Lawson Lundell LLP and BHT LLP. Since September 2015, Ms. Cameron has been the Vice President Legal, General Counsel and Corporate Secretary of NexGen. Ms. Cameron obtained her Bachelor of Laws from the University of Saskatchewan and a Bachelor of Arts, Honours (Economics and History) from Queen's University.

Ms. Cameron was named in the Canadian Legal Lexpert Directory (Mining) for 2015, achieved the Martindale-Hubbell, BV Distinguished rating, named in Best Lawyers in Canada (2013 to 2016) and was a finalist in the Lexpert "Top 40 Under 40" (2009).

**Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

To the knowledge of IsoEnergy, no director, executive officer or Promoter of IsoEnergy is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including IsoEnergy) that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of IsoEnergy, no director, executive officer or Promoter of IsoEnergy, or Shareholder holding a sufficient number of securities of IsoEnergy to affect materially the control of IsoEnergy, (i) is, or within ten years prior to the date hereof has been, a director or executive officer of any company (including IsoEnergy) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (ii) has, within ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or Shareholder.

To the knowledge of IsoEnergy, no director, executive officer or Promoter of IsoEnergy, or a Shareholder holding a sufficient number of securities of IsoEnergy to affect materially the control of IsoEnergy, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

**Conflicts of Interest**

To the best of IsoEnergy's knowledge, and other than as disclosed herein , there are no known existing or potential material conflicts of interest between IsoEnergy and any director or officer of IsoEnergy, except that certain of the directors and officers serve as directors and officers of other public companies, including NexGen, an affiliate of IsoEnergy, and therefore it is possible that a conflict may arise between their duties as a director or officer of IsoEnergy and their duties as a director or officer of such other companies. See "*Risk Factors — Conflicts of Interest*".

**Other Resulting Issuer Experience**

The following table sets out the proposed directors and officers of IsoEnergy that are, or have been, within the last five years, directors, officers or Promoters of other issuers that are or were reporting issuers:

| Name | Name and Jurisdiction of Reporting Issuer | Trading Market | Position | From | To |
|---|---|---|---|---|---|
| **Craig Parry** | NexGen Energy Ltd. (British Columbia) | TSX | Director | May 2014 | Present |
| **Leigh Curyer** | NexGen Energy Ltd. (British Columbia) | TSX | President, CEO and Director | April 2013 | Present |
| | Lancaster Capital Corp. (British Columbia) | TSXV | CEO and Director | October 2015 | Present |
| **Richard Patricio** | Latin American Minerals Inc. (Canada) | TSXV | Director | July 2016 | Present |
| | Pinetree Capital Ltd. (Ontario) | TSX | CEO | February 2015 | April 2010 |
| | NexGen Energy Ltd. (British Columbia) | TSX | Director | October 2013 | Present |
| | Mega Precious Metals Inc. (Ontario) | TSXV | Director | October 2005 | June 2015 |
| | Mega Uranium Ltd. (Ontario) | TSX | CEO | March 2015 | Present |
| | Energy Fuels Inc. (Ontario) | TSX | Director | February 2012 | June 2015 |
| | Caledonia Mining Corporation Plc (Jersey, Channel Islands) | TSX | Director | May 2012 | August 2015 |
| | Macarthur Minerals Limited (Australia) | TSXV | Director | September 2012 | April 2015 |
| | Santa Maria Petroleum Inc. (Ontario) | NEX | Director | May 2005 | July 2011 |
| | X-Terra Resources Corporation (Canada) | TSXV | Director | July 2008 | May 2012 |
| | DXI Energy Inc. (formerly Dejour Enterprises Ltd.) (British Columbia) | TSX | Director | September 2008 | September 2012 |
| | Titan Uranium Inc. (Canada) | N/A | Director | July 2009 | February 2012 |
| | Mooncor Oil & Gas Corp. (Ontario) | TSXV | Director | July 2011 | September 2012 |
| | Toro Energy Limited (Ontario) | ASX | Director | November 2013 | Present |
| | Terreno Resources Corp. (British Columbia) | TSXV | Interim President, CEO and Director | August 2010 | Present |
| | United Hunter Oil & Gas Corp. (formerly Vesta Capital Corp.) (Ontario) | TSXV | Director | July 2009 | April 2010 |
| | ThreeD Capital Inc. (formerly Brownstone Energy Inc.) (Canada) | CSE | VP, Corp. & Legal Affairs | April 2006 | March 2015 |
| | U3O8 Corp. (Ontario) | CSE | Director | December 2010 | July 2015 |
| | Plateau Uranium Inc. (Ontario) | TSXV | Director | April 2014 | March 2016 |
| **Christopher McFadden** | Extract Resources Limited (Australia) | ASX/TSX | Director | July 2009 | April 9, 2010 |
| | NexGen Energy Ltd.(British Columbia) | TSX | Director | October 2013 | Present |
| | Waratah Resources Limited (Australia) | ASX | Director | November 2014 | October 2015 |
| **Trevor Thiele** | NexGen Energy Ltd. (British Columbia) | TSX | Director | October 2013 | Present |
| **Garrett Ainsworth** | NexGen Energy Ltd. (British Columbia) | TSX | VP Exploration | June 2014 | Present |
| | Lancaster Capital Corp. (British Columbia) | TSXV | Director | October 2015 | Present |
| **Steve Blower** | Denison Mines Corp. (Ontario) | TSX | VP Exploration | September 2012 | October 2015 |
| | Pitchstone Exploration Ltd. (British Columbia) | TSXV | President, CEO and Director | September 2006 | July 2012 |
| **Janine Richardson** | None | n/a | n/a | n/a | n/a |
| **Joanna Cameron** | NexGen Energy Ltd. (British Columbia) | TSX | General Counsel and Corporate Secretary | September 2015 | Present |

## EXECUTIVE COMPENSATION

The only three executive officers of IsoEnergy are Craig Parry, President and Chief Executive Officer, Janine Richardson, Interim Chief Financial Officer, and Steven Blower, Vice-President Exploration (collectively, the "**Named Executive Officers**").

The following table sets forth the compensation paid to the Named Executive Officers and the directors of IsoEnergy from incorporation to September 30 2016:

| Name and principal position | Year | Salary, consulting fee, retainer or commission ($) | Bonus ($) | Committee or meeting fees ($) | Value of perquisites ($) | Value of all other compensation ($) | Total compensation ($) |
|---|---|---|---|---|---|---|---|
| Craig Parry[(1)] Chief Executive Officer and Director | 2016 | $150,000 | - | - | - | $72,658[(5)(7)] | $222,658[(7)] |
| Janine Richardson[(2)] Chief Financial Officer | 2016 | $17,025 | - | - | - | - | $17,025 |
| Steve Blower[(3)] Vice President – Exploration | 2016 | $86,5000[(6)] | - | - | - | - | $86,500 |
| Leigh Curyer[(4)] Chairman | 2016 | $15,000 | - | - | - | - | $15,000 |
| Richard Patricio[(4)] Director | 2016 | $10,000 | - | - | - | - | $10,000 |
| Trevor Thiele[(4)] Director | 2016 | $12,500 | - | - | - | - | $12,500 |
| Chris McFadden[(4)] Director | 2016 | $10,000 | - | - | - | - | $10,000 |
| Garrett Ainsworth[(4)] Director | 2016 | $10,000 | - | - | - | - | $10,000 |

Notes:

(1) Mr. Parry commenced employment as President and CEO as of April 1, 2016. Based on an annual salary of $300,000. Mr. Parry is also entitled to a bonus of 75% of that annual salary, which bonus has not been paid or declared.

(2) Ms. Richardson was appointed as interim Chief Financial Officer on August 15, 2016. She will be paid $150 per hour and it is anticipated that Ms. Richardson will work approximately 40 hours per month.

(3) Mr. Blower commenced employment as Vice-President Exploration on July 1, 2016. Based on an annual salary of $210,000. Mr. Blower is also entitled to a bonus of 50% of that annual salary, which bonus has not been paid or declared.

(4) No amounts have been paid to the directors in respect of the period between incorporation and August 15, 2016. Director fees have been set at $40,000 per annum and an additional $20,000 for acting as Chairman of the IsoEnergy Board, an additional $10,000 for acting as Chairman of the Audit Committee and an additional $5,000 for acting as Chairman of the Compensation Committee. These amounts will be paid quarterly commencing July 1, 2016.

(5) Representing payment of Mr. Parry's relocation expenses from Australia.

(6) Includes $34,000 (excluding GST) for consulting fees paid to Mr. Blower by NexGen pursuant to a consulting agreement with Mr. Blower and for services rendered to IsoEnergy (and in respect of which IsoEnergy reimbursed NexGen).

(7) Pursuant to his employment agreement, Mr. Parry is also entitled to a $20,000 lump sum payment. Payment of this amount has been waived by Mr. Parry.

### Stock Options and Other Compensation Securities

As stated above, IsoEnergy has adopted the Option Plan but has not granted any securities thereunder. See "*Stock Option Plan*." IsoEnergy plans on granting options to its directors, executive officers and consultants upon the Common Shares commencing trading on the Exchange. The quantum of those option grants will be determined at the time of grant based on a number of factors, including initial exploration activities, the listing process and market conditions generally.

**Employment and Consulting Agreements**

Each of Messrs. Parry and Blower is party to an employment agreement with IsoEnergy (each, an "**Executive Employment Agreement**").

The Executive Employment Agreements establish base compensation comprised of base salary and eligibility for a performance-based cash incentives. Named Executive Officers are also eligible to participate in IsoEnergy's Option Plan, at the discretion of the IsoEnergy Board. The Executive Employment Agreements are effective until such time as they are terminated in accordance with their terms.

The Executive Employment Agreements also provide for termination payments in the event that: (i) the Named Executive Officer's employment is terminated without cause (including constructive dismissal); or (ii) within 12 months of a "change of control", the Named Executive Officer is terminated without cause or resigns.

In each case, the terminated Named Executive Officer is entitled to a termination payment equal to the product obtained by multiplying: (i) the sum of (a) his annual base salary; and (b) his highest bonus (including both special and annual performance bonuses) paid or payable in the preceding three years, in each case, calculated on a monthly basis, by (ii) a period of between 12 and 36 months, with longer periods being applicable only in the case of a change of control (the "**Severance Period**"). The Named Executive Officer is also entitled to the continuation of benefits during the Severance Period, or in the event IsoEnergy is unable to continue such benefits, payment in lieu equal to the cost of such benefits to IsoEnergy.

Pursuant to the Executive Employment Agreements, the Severance Period is reduced to between three months and six months, until such time as IsoEnergy completes one or more financings raising aggregate gross proceeds of $10 million, of which approximately $8.3 million has been raised.

In addition, the terminated Named Executive Officer is entitled to a payment equal to the sum of: (i) all earned but unpaid salary, earned but unpaid bonus, outstanding but untaken vacation pay, and outstanding expenses; and (ii) the terminated Named Executive Officer's highest bonus over the preceding three years, prorated to the date of termination (the "**Final Wages**").

All outstanding options held by the terminated Named Executive Officer will also vest immediately and continue to be exercisable until the earlier of the expiry of their term or such period imposed by an applicable regulatory body.

Ms. Richardson was engaged as a contractor, providing services as IsoEnergy's Interim Chief Financial Officer. The consulting agreement is subject to termination by IsoEnergy upon 5 days notice upon a breach of the agreement (and failure to cure within that period) or by either IsoEnergy or Ms. Richardson, for any reason, upon 30 days written notice to the other.

**Oversight and Description of Director and NEO Compensation**

The IsoEnergy Board established the Compensation Committee on August 11, 2016. Accordingly, Mr. Parry's compensation was determined by the board of directors of NexGen. Mr. Blower's compensation and Ms. Richardson's compensation was determined by Mr. Parry after consultation with members of the IsoEnergy Board.

The IsoEnergy Board is responsible for overseeing IsoEnergy's compensation program. The IsoEnergy Board has however delegated certain oversight responsibilities in this regard to the Compensation Committee but retains final authority over IsoEnergy's compensation program and process.

The Compensation Committee will make recommendations relating to the compensation of executive officers and director compensation to the IsoEnergy Board. Based on these recommendations, the IsoEnergy Board will make decisions concerning the nature and scope of the compensation to be paid to IsoEnergy's executive officers and directors. The Compensation Committee will base its recommendations to the IsoEnergy Board on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention needs.

Compensation of IsoEnergy's current executive officers consists of a base salary, annual incentive compensation in the form of a discretionary performance bonus and a longer term incentive in the form of eligibility for stock

options, all of which is intended to be competitive in the aggregate while delivering an appropriate balance between annual compensation (base salary and cash bonuses) and long-term compensation (stock options).

Base salaries are based on a number of factors and designed to best position IsoEnergy to compete for and retain executives critical to IsoEnergy's long-term success. Performance bonuses (in the form of cash bonuses) are directly tied to corporate and individual performance. Long-term incentive awards consist of stock options and are designed to align the interests of executive officers with the longer term interests of Shareholders.

In establishing base salaries, the Compensation Committee will consider factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives and positive exploration and development results, stock price, and compensation compared to other employment opportunities for executives. In determining base salary, the Compensation Committee will also review available market data for other comparable Canadian uranium exploration companies. Given the stage of IsoEnergy's development a peer group has not yet been identified.

Also, due to the stage of IsoEnergy's development and limited corporate history, pre-determined, measurable corporate and/or individual performance objectives have not been set for either Messr. Parry or Blower. It is anticipated that the timing of IsoEnergy's listing on the Exchange and results of its initial exploration program will significantly affect the annual performance bonuses paid to Messr. Blower and Parry.

Stock options will be granted on a discretionary basis, based on the IsoEnergy Board and the Compensation Committee's assessments of responsibilities and achievements, recognizing that at the earlier stage of development, stock option awards can help preserve cash resources. Generally, the number of options granted to any executive officer will be a function of the level of authority and responsibility of the executive officer, the contribution of the executive officer to the business and affairs of IsoEnergy, the number of options IsoEnergy has already granted to the executive officer, and such other factors as the Compensation Committee may consider relevant.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

As at the date of hereof, no executive officer, director, employee or former executive officer, director or employee of IsoEnergy or any of its subsidiaries is indebted to IsoEnergy, or any of its subsidiaries. No person who is or who was at any time during the most recently completed financial year a director or executive officer of IsoEnergy, any proposed nominee for election as a director of IsoEnergy, or any associate of any such director, executive officer, or proposed nominee is or was at any time since the beginning of the most recently completed financial year indebted to IsoEnergy or any of its subsidiaries. Neither IsoEnergy nor any of its subsidiaries has provided a guarantee, support agreement, letter of credit or other similar arrangement for any indebtedness of any of these individuals to any other entity.

## AUDIT COMMITTEES AND CORPORATE GOVERNANCE

### Audit Committee

The Audit Committee has the responsibility of, among other things: recommending IsoEnergy's independent auditor to the IsoEnergy Board, determining the extent of involvement of the independent auditor in reviewing unaudited quarter financial results, evaluating the qualifications, performance and independence of the independent auditor; reviewing and recommending approval of the board of directors of IsoEnergy's 's annual and quarter financial results and management's discussion and analysis and overseeing the establishment of "whistle-blower" and related procedures. A copy of the Audit Committee Charter is attached hereto as Appendix "B".

The Audit Committee is currently comprised of Messrs. Thiele (Chair), McFadden and Patricio. All of the members of the Audit Committee are independent and financially literate, in each case, as defined under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). A general description of the education and experience of each Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member is contained in their respective biographies set out above under "*Directors and Executive Officers*".

At no time since incorporation have any recommendations by the Audit Committee respecting the appointment and/or compensation of IsoEnergy's external auditors not been adopted by the IsoEnergy Board.

At no time since the incorporation of IsoEnergy has IsoEnergy relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110. IsoEnergy is relying on the exemption in Section 6.1 of NI 52-110 (*Venture Issuers*).

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to IsoEnergy by the external auditor.

To date, IsoEnergy has paid the following fees to its external auditors:

| | |
|---|---|
| Audit Fees[(1)] | $13,750 |
| Audit Related Fees[(2)] | $15,000 |
| Tax Fes | Nil |
| All Other Fees | Nil |

Notes:
(1) Audit Fees incurred in connection with the audit of IsoEnergy's financial statements appended hereto.
(2) Fees for services that are reasonably related to the performance of the audit or review of IsoEnergy's financial statements and not included under Audit Fees.

**Corporate Governance**

The following is a discussion of each of IsoEnergy's corporate governance practices for which disclosure is required by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the "**Disclosure Instrument**"). Unless otherwise indicated, the IsoEnergy Board believes that its corporate governance practices are consistent with those recommended by National Policy 58-201 – *Corporate Governance Guidelines*.

For the purposes of the Disclosure Instrument, a director is independent if he or she has no direct or indirect material relationship with IsoEnergy. A "material relationship" is one which could, in the view of the IsoEnergy Board, reasonably be expected to interfere with his or her ability to exercise independent judgment. Certain specified relationships will, in all circumstances, be considered, for the purposes of the Disclosure Instrument, to be material relationships.

As of the date hereof, the IsoEnergy Board consists of six (6) individuals, three (3) of whom are independent. The current independent directors are: Christopher McFadden, Richard Patricio and Trevor Thiele. None of Messrs of Parry, Curyer or Ainsworth is independent on the basis they are either an executive officer of IsoEnergy, in the case of Mr. Parry, or of NexGen, an affiliate of IsoEnergy, in the case of Messrs. Curyer and Ainsworth.

For a list of the reporting issuers or reporting issuer equivalent(s) on which any of the directors of IsoEnergy are also directors see above under "*Directors and Executive Officers*".

As of the date hereof, all of the directors of IsoEnergy are also directors or executive officers of NexGen, an affiliate of IsoEnergy. As a result, to date orientation of members of the IsoEnergy has not been required. Given the current size of IsoEnergy, its corporate history and its stage of development, and as each new director will have a different skill set and professional background, future specific orientation and training activities will be tailored to the particular needs and experience of each director and consist primarily of meetings with members of the executive management team.

The IsoEnergy Board will provide continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to meet their obligations as directors. All of the directors are actively involved in their respective areas of expertise and have full access to management. Directors are periodically provided with the opportunity to visit IsoEnergy's properties to become familiar with IsoEnergy's operations. Presentations by management and IsoEnergy's advisors will also organized, as needed, to provide ongoing director education.

As part of its responsibility for the stewardship of IsoEnergy, the IsoEnergy Board seeks to foster a culture of ethical conduct by requiring IsoEnergy to carry out its business in accordance with high business and moral standards and applicable legal and financial requirements. The IsoEnergy Board has formalized this in its Code of Business Ethics.

IsoEnergy has not yet had to consider appointing new members to the IsoEnergy Board. However, IsoEnergy's Compensation Committee and Governance Committee (the "**Compensation Committee**") is responsible for

assisting the IsoEnergy Board in respect of the nomination of directors and identifying new candidates for appointment to the IsoEnergy Board.

The Compensation Committee will establish criteria for IsoEnergy Board membership and composition, and make recommendations to the IsoEnergy Board thereon. The Compensation Committee will also make recommendations for the assignment of IsoEnergy Board members to IsoEnergy Board committees and oversee a process for director succession. In that regard, the Compensation Committee is also responsible for assessing the competencies and skills of existing directors and those required for nominees to the IsoEnergy Board, with a view to ensuring that the IsoEnergy Board is consistently comprised of directors with the necessary skills and experience to facilitate effective decision-making. The Compensation Committee may retain external consultants or advisors to conduct searches for appropriate potential director candidates if necessary.

For details regarding IsoEnergy's approach to the compensation of executive officers, including the CEO and the role of the Compensation Committee, see "*Executive Compensation*", above.

IsoEnergy does not have any standing committees other than the Audit Committee and Compensation Committee.

IsoEnergy has not yet completed a full financial year and as a result, an assessment of the performance of the IsoEnergy Board, its committees and individual directors has not been necessary. The Compensation Committee however will establish a formal process for assessing the effectiveness of the IsoEnergy Board as a whole, its committees and individual directors.

## AGENT, SPONSOR OR ADVISOR

Not applicable.

## RISK FACTORS

The operations of IsoEnergy are speculative due to the high-risk nature of its business which is the exploration of mining properties. The discovery, development and acquisition of mineral properties are in many respects unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on IsoEnergy's capital requirements.

These are not the only risks and uncertainties that IsoEnergy faces. Additional risks and uncertainties not presently known to IsoEnergy or that IsoEnergy currently considers immaterial may also impair its business operations. These risk factors could materially affect IsoEnergy's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to IsoEnergy.

### Negative Operating Cash Flow and Dependence on Third Party Financing

IsoEnergy has no source of operating cash flow and there can be no assurance that IsoEnergy will ever achieve profitability. Accordingly, IsoEnergy is dependent on third party financing to continue exploration activities on its properties, maintain capacity and satisfy contractual obligations, beyond that provided for under "*Financings*". The amount and timing of expenditures will depend on a number of factors, including in material part the progress of ongoing exploration, the results of consultants' analyses and recommendations, the entering into of any strategic partnerships and the acquisition of additional property interests. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of IsoEnergy's properties or require IsoEnergy to sell one or more of its properties.

### Uncertainty of Additional Financing

As stated above, IsoEnergy is dependent on third party financing, whether through debt, equity, or other means. Although IsoEnergy has been successful in raising funds to date, there is no assurance that IsoEnergy will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to IsoEnergy. Volatile uranium markets, a claim against IsoEnergy, a significant event disrupting IsoEnergy's business, or other factors may make it difficult or impossible to obtain financing through debt, equity, or other means on favourable terms, or at all.

**Forfeiture of Radio Option Agreement**

To acquire a 70% interest in the Radio Project, IsoEnergy must incur a minimum of $10,000,000 in exploration expenditures on the Radio Project between January 1, 2014 and May 31, 2017. As at the date hereof, IsoEnergy has only incurred or proposed to incur $1,682,000 of its available funds to exploration activities at the Radio Project (see "*Financings*"). In addition, although a Phase 2 exploration program is proposed to be completed, it is contingent upon positive results from Phase 1, and any subsequent phases will be contingent upon the results from prior phases. There is no assurance that any exploration program will be successful. Even if some or all of the planned exploration programs are successful, IsoEnergy will be required to obtain additional financing to satisfy the remaining expenditure requirements under the Radio Option Agreement. Specifically, IsoEnergy does not currently have sufficient working capital to undertake any exploration work beyond Phase 1, even should Phase 1 prove successful. There is no assurance that IsoEnergy will be successful in obtaining the required financing or that such financing will be available on terms acceptable to IsoEnergy. Failure to satisfy the expenditure requirement under the Radio Option Agreement (or to pay cash in lieu thereof to the Radio Optionors) may result in the termination of IsoEnergy's interest in the Radio Project, without the return of any amounts expended by IsoEnergy on the Radio Project or any Common Shares issued to NexGen as consideration for the assignment of the Radio Option Agreement to IsoEnergy.

**Limited Operating History**

IsoEnergy is subject to many risks common to enterprises with a limited operating history, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and absence of revenues. There is no assurance that IsoEnergy will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. All of IsoEnergy's properties are in the exploration stage. There can be no assurance that IsoEnergy will be able to develop any of its projects profitably or that any of its activities will generate positive cash flow.

**No Known Mineral Resources or Reserves**

There are no known bodies of commercial minerals on IsoEnergy's mineral exploration properties. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that IsoEnergy will be successful in its search for mineral resources and mineral reserves.

**Influence of Large Shareholder**

NexGen holds approximately 76% of the issued and outstanding Common Shares. As a result, NexGen will have majority control of IsoEnergy and will be in a position to exercise significant influence over all matters submitted to Shareholders for approval, including the election and removal of directors, determination of significant corporate actions, amendments to IsoEnergy's articles and the approval of any business combinations, mergers or takeover attempts, in a manner that could conflict with the interests of other Shareholders. As a result of NexGen having majority control of IsoEnergy, the market value of the Common Shares may be less than would otherwise prevail absent such significant shareholder to reflect the potentially reduced liquidity of the Common Shares.

In addition, the concentration of IsoEnergy's issued and outstanding Common Shares in the hands of one shareholder may discourage an unsolicited bid for the Common Shares, and this may adversely impact the value and trading price of the Common Shares. Further, if NexGen sells a substantial amount of the Common Shares in the public market, the market price of the Common Shares could fall. The perception among the public that these sales will occur could also produce the same effect.

**Alternate Sources of Energy and Uranium Prices**

Nuclear energy competes with other sources of energy like oil, natural gas, coal and hydro-electricity. These sources are somewhat interchangeable with nuclear energy, particularly over the longer term. If lower prices of oil, natural gas, coal and hydro-electricity are sustained over time, it may result in lower demand for uranium concentrates and uranium conversion services, which, among other things, could lead to lower uranium prices. Growth of the uranium and nuclear power industry will also depend on continuing and growing public support for nuclear technology to generate electricity. Unique political, technological and environmental factors affect the nuclear industry, exposing it to the risk of public opinion, which could have a negative effect on the demand for

nuclear power and increase the regulation of the nuclear power industry. An accident at a nuclear reactor anywhere in the world could affect acceptance of nuclear energy and the future prospects for nuclear generation. All of the above factors could have a material and adverse effect on our ability to obtain the required financing in the future or to obtain such financing on terms acceptable to IsoEnergy, resulting in material and adverse effects on our exploration and development programs, cash flow and financial condition.

**Aboriginal Title and Consultation Issues**

First Nations and Métis claims to aboriginal title, as well as related consultation issues, may impact IsoEnergy's ability to conduct exploration, development and mining activities at its mineral properties in Saskatchewan. Pursuant to historical treaties, First Nations bands in northern Saskatchewan ceded title to most traditional lands, but continue to assert title to the minerals within those lands. Managing relations with First Nations bands is a matter of paramount importance to IsoEnergy. However, there can be no assurance that aboriginal title claims and related consultation issues will not arise on or with respect to IsoEnergy's mineral properties. IsoEnergy's properties are located in Northern Saskatchewan in areas which are covered by treaty and not subject to current Aboriginal title claims.

**Exploration Risks**

Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The risks and uncertainties inherent in exploration activities include but are not limited to: general economic, market and business conditions, the regulatory process and actions, failure to obtain necessary permits and approvals, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. Discovery of mineral deposits is also dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that IsoEnergy's mineral exploration activities will result in any discoveries of any bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that it will be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, most of which factors are beyond the control of IsoEnergy and may result in IsoEnergy not receiving adequate return on investment capital.

**Reliance upon Key Management and Other Personnel**

IsoEnergy relies on the specialized skills of management (including, among others, its President and Chief Executive Officer and VP Exploration) and consultants in the areas of mineral exploration, geology and business negotiations and management. The loss of any of these individuals could have an adverse affect on IsoEnergy. IsoEnergy does not currently maintain key-man life insurance on any of its key employees. As IsoEnergy's business activity grows, it will require additional key financial, administrative and qualified technical personnel. Although IsoEnergy believes that it will be successful in attracting, retaining and training qualified personnel, there can be no assurance of such success. If it is not successful in attracting, retaining and training qualified personnel, the efficiency of IsoEnergy's business could be affected, which could have an adverse impact on its future cash flows, earnings, results of operation and financial condition.

**Title to Properties**

IsoEnergy has diligently investigated all title matters concerning the ownership of all mineral claims and plans to do so for all new claims and rights to be acquired. While to the best of its knowledge, title to IsoEnergy's mineral properties are in good standing, this should not be construed as a guarantee of title. IsoEnergy's mineral properties may be affected by undetected defects in title, such as the reduction in size of the mineral titles and other third party claims affecting IsoEnergy's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mineral titles. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that IsoEnergy does not have title to any of its mineral properties could cause IsoEnergy to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

**Uninsurable Risks**

Exploration, development and production of mineral properties are subject to certain risks, and in particular, unexpected or unusually geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and IsoEnergy may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have an adverse impact on IsoEnergy's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of IsoEnergy.

**Conflicts of Interest**

Directors of IsoEnergy are or may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such other companies may participate in ventures in which IsoEnergy may participate, the directors of IsoEnergy may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. IsoEnergy and its directors will attempt to minimize such conflicts.

**Permits and Licences**

IsoEnergy's operations will require licences and permits from various governmental and non-governmental authorities. IsoEnergy has obtained, or will obtain, all necessary licences and permits required to carry on with activities which it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licences and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that IsoEnergy will be able to obtain all necessary licences and permits required to carry out planned exploration, development and mining operations at any of its projects.

**Environmental and Other Regulatory Requirements**

Environmental and other regulatory requirements affect the current and future operations of IsoEnergy, including exploration and development activities, require permits from various federal and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. IsoEnergy believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. Companies engaged in the development and operation of mines and related facilities often experience increased costs, along with delays in production and other schedules, as a result of the need to comply with applicable laws, regulations and permits.

Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of IsoEnergy's mineral properties. There can be no assurance that IsoEnergy will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at IsoEnergy's mineral properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on IsoEnergy and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in development of new mining properties.

**Political Regulatory Risks**

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. Any such changes may affect both IsoEnergy's ability to undertake exploration and development activities in respect of

present and future properties in the manner currently contemplated, and its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

**Competition**

The mineral exploration business is a competitive business. IsoEnergy competes with numerous other companies and individuals who may have greater financial resources in the search for and the acquisition of personnel, funding and attractive mineral properties. As a result of this competition, IsoEnergy may be unable to obtain additional capital or other types of financing on acceptable terms or at all, acquire properties of interest or retain qualified personnel.

**Volatility of Share Price**

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of IsoEnergy in creating revenues, cash flows or earnings.

## PROMOTERS

The only person or company that is, or has been within the two years immediately preceding the date hereof, a Promoter of IsoEnergy is NexGen. As of the date hereof, NexGen beneficially owns, controls and directs, directly or indirectly, 29,450,002 Common Shares, representing approximately 75.6% of the issued and outstanding Common Shares.

As stated above, IsoEnergy was incorporated as a wholly-owned subsidiary of NexGen for the purpose of acquiring, from NexGen, a portfolio of early stage mineral exploration properties. NexGen is a Canadian based uranium exploration company focused on the advancement of its Rook 1 Project in the Athabasca Basin, Saskatchewan. NexGen's common shares are listed and posted for trading on the TSX.

Accordingly, effective June 17, 2016 and pursuant to the Transfer Agreement, IsoEnergy acquired all of NexGen's interest in the Acquired Properties, on a tax deferred basis. As consideration for the Acquired Properties, IsoEnergy issued 29 million Common Shares to NexGen at a deemed price of $1.00 per Common Share. Pursuant to the Transfer Agreement, each of IsoEnergy and NexGen agreed to elect that, for tax purposes, the transfer price of the Acquired Properties be equal to the book value thereof.

The purchase price of the Acquired Properties was based on a number of factors including the aggregate book value of the Acquired Properties of approximately $22.7 million and was determined by the board of directors of each of IsoEnergy and NexGen.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management knows of no legal proceedings to which IsoEnergy is or was a party or that any of its property is or was the subject of since incorporation. Management knows of no legal proceedings which are contemplated. There have been no penalties or sanctions imposed against IsoEnergy by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since incorporation to the date hereof.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than with respect to the transfer of the Acquired Properties from NexGen to IsoEnergy pursuant to the Transfer Agreement (see "*Description of Business – History*), IsoEnergy is unaware of any material interest, direct or indirect, of (i) any director or executive of IsoEnergy or (ii) any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares or (iii) any associate or affiliate of such persons, in any transaction since incorporation to the date hereof that has materially affected or is reasonably expected to materially affect IsoEnergy or a subsidiary of IsoEnergy.

## INVESTOR RELATIONS ARRANGEMENTS

No written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations activities for IsoEnergy.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

IsoEnergy's auditor is Ernst & Young LLP at Pacific Centre, 700 West Georgia Street, PO Box 10101 Vancouver British Columbia V7Y 1C7. IsoEnergy's registrar and transfer agent will be Computershare Investor Services Inc. at its office in Vancouver, British Columbia.

## MATERIAL CONTRACTS

IsoEnergy has not entered into any material contracts, other than contracts entered into in the ordinary course of business, within the last two years except:

1. Radio Option Agreement. See "*Description of Business – Radio Option Agreement*".

2. Assignment agreement dated February 21, 2012 between Tigers Realm Minerals Pty Ltd. (as assignor) and NexGen (as assignee) relating to the assignment of the Radio Option Agreement.

3. Transfer Agreement. See "*Description of Business – History*".

4. Agency agreement dated August 5, 2016 between IsoEnergy and Dundee Securities Ltd. relating to the brokered private placement which closed on August 5, 2016. See "*Description of Business – History*".

5. Amalgamation Agreement dated as of August 30, 2016 among Airesurf, IsoEnergy and 2532314 Ontario Ltd. See "*Description of Business – History*".

Copies of the foregoing agreements are available under IsoEnergy's profile on SEDAR at www.sedar.com.

## EXPERTS

Each of the Radio Technical Report and the Thorburn Lake Technical Report was prepared for IsoEnergy by Tim Maunula, a "qualified person" as defined under NI 43-101. As at the date of such reports and this Listing Application, Mr. Maunula beneficially owns, directly and indirectly, less than 1% of the outstanding securities of IsoEnergy and its affiliates.

Ernst & Young LLP prepared the audit report for IsoEnergy dated September 1, 2016, relating to the financial statements of IsoEnergy for the period from incorporation to June 30, 2016, attached as Appendix "C" to this Listing Application. Ernst & Young LLP has confirmed that it is independent with respect to IsoEnergy within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any application legislation or regulation.

## OTHER MATERIAL FACTS

There are no material facts not disclosed above that are necessary for this Listing Application to contain full, true and plain disclosure of all material facts.

## EXEMPTIONS

IsoEnergy has not received any discretionary exemptions from any securities regulator or securities regulatory authority within the 12 month period preceding the date of this Listing Application.

## SIGNIFICANT ACQUISITIONS

Not applicable.

## FINANCIAL STATEMENT DISCLOSURE

Attached as Appendix "C" are the audited financial statements of IsoEnergy for the period from incorporation on February 2, 2016 to June 30, 2016, comprised of a statement of financial position as at June 30, 2016, statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation to June 30, 2016. The financial statements of IsoEnergy were prepared in accordance with IFRS.

## CERTIFICATE

**Certificate of the Applicant**

October 13, 2016

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Application and of any material fact not otherwise required to be disclosed under an item of this Application.

(Signed) CRAIG PARRY
President and Chief Executive Officer

(Signed) JANINE RICHARDSON
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

(Signed) LEIGH CURYER
Director

(Signed) CHRIS MCFADDEN
Director

**ACKNOWLEDGEMENT**

The Applicant hereby represents and warrants that it has obtained all consents required under applicable law for the collection, use and disclosure by the Exchange of the Personal Information contained in or submitted pursuant to this Application for the purposes described in Appendix "A" to this Application.

**ISOENERGY LTD.**

Per: *"Craig Parry"*
Name: Craig Parry
Title: President and Chief Executive Officer

**APPENDIX "A"**
**FORM 2B PERSONAL INFORMATION COLLECTION POLICY**

**Collection, Use and Disclosure**

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including TSX Venture Exchange and Toronto Stock Exchange, (collectively referred to as the "**Exchange**") collect the information contained in or submitted pursuant to Form 2B (which may include personal, confidential, non-public or other information) and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Applicant,
- to consider the eligibility of the Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Applicant, or its associates or affiliates, including information as to such individuals' involvement with any other reporting issuers,
- to detect and prevent fraud, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the capital markets in Canada.

Personal Information the Exchange collects may also be disclosed:

(a) to securities regulators and regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, and each of their subsidiaries, affiliates, regulators and authorized agents, for the purposes described above, and these agencies and organizations may use the information in their own investigations;

(b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange for the purposes described above; and

(c) as otherwise permitted or required by law.

The Exchange may from time to time use third parties to process information or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers for the purposes described above.

**Questions**

If you have any questions or enquiries regarding the policy outlined above or about our privacy practices, please send a written request to: Chief Privacy Officer, TMX Group, The Exchange Tower, 130 King Street West, Toronto, Ontario, M5X 1J2.

**APPENDIX "B"**
**AUDIT COMMITTEE CHARTER**

**ISOENERGY LTD.**
**(the "Company")**

## PURPOSE

The primary function of the Audit Committee of the Company is to assist the Board of Directors (the "**Board**") fulfill its oversight responsibilities relating to accounting and financial reporting process and internal controls.

## COMPOSITION, PROCEDURES AND ORGANIZATION

(a) The Board shall appoint the members and the Chair of the Committee each year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

(b) The Committee shall consist of at least three members of the Board provided that: (i) if at the relevant time the Company is a "venture issuer" a majority of whom shall not be officers, employees, or control persons of the Company or any of its associates or affiliates, as defined under the rules of the TSX Venture Exchange; and (ii) otherwise, each of whom shall be "independent" as determined in accordance with and required by applicable securities laws, rules, regulations and guidelines ("**applicable securities laws**").

(c) All Committee members shall be "financially literate" within the meaning and to the extent required by applicable securities laws.

(d) If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

(e) The Committee may choose any person, who need not be a member to act as secretary at any meeting of the Committee.

(f) The Committee shall meet at least four times annually on such dates and at such locations as may be determined by the Chair of the Committee or any two Directors.

(g) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. The Committee may also act by unanimous written consent of its members.

(h) If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains in office.

(i) Notice of the time and place of every meeting of the Committee shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully convened.

(j) The Chair of the Committee shall set the agenda for meetings of the Committee. At the invitation of the Chair, one or more officers or employees of the Company may, and if required by the Committee shall, attend a meeting of the Committee. The external auditors shall receive notice of and have the right to attend all meetings of the Committee.

(k) The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee deems appropriate.

(l) The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other terms for the engagement of such persons.

(m) In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Company, to the Company's legal counsel and to such other information respecting the Company as it considers necessary or advisable in order to perform its duties and responsibilities.

(n) The Committee shall periodically review this Charter, and submit any recommended changes thereto for approval by the Board.

**ROLES AND RESPONSIBILITIES**

The Committee has the following overall duties and responsibilities:

(a) assist the Board in the discharge of its responsibilities relating to the quality and integrity of the Company's accounting principles, reporting practices and internal controls;

(b) assist the Board in the discharge of its responsibilities relating to the Company's disclosure obligations under applicable securities laws, including approval of the Company's annual and quarterly consolidated financial statements together with management's discussion and analysis thereon;

(c) establish and maintain a direct line of communication with the Company's external auditors and periodically assess their performance;

(d) ensure that management has designed, implemented and is maintaining an effective system of internal controls; and

(e) report regularly to the Board on the fulfillment of its duties and responsibilities.

**PUBLIC FILINGS, POLICIES AND PROCEDURES**

The Committee has the following duties and responsibilities in respect of public filings, policies and procedures:

(a) reviewing and, if appropriate, recommending that the Board approve:

(i) all annual audited financial statements together with the report of the external auditors thereon and management's discussion and analysis thereon;

(ii) all unaudited financial statements and management's discussion and analysis thereon;

(iii) all annual and interim profit and loss press releases;

(iv) each annual information form (if applicable);

(v) all prospectuses; and

(vi) all financial information in other public documents, requiring approval by the Board;

in all cases, prior to their public disclosure or being filed with the appropriate regulatory authority;

(b) ensuring adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures;

(c) discussing the impact of any significant issues regarding accounting principles, practices and judgements of management with management and the external auditors, as and when appropriate;

(d) reviewing with management and, if appropriate, the external auditor:

(i) significant variances in actual financial results from budgeted or projected results;

(ii) any actual or proposed regulatory changes or other changes in accounting, or financial reporting practices or policies;

(iii) any significant or unusual events or transactions and, where applicable, alternative methods used to account for significant or unusual transactions;

(iv) any actual or potential breaches of debt covenants;

(v) whether the Company has followed appropriate accounting standards and made appropriate estimates and judgments;

(vi) the presentation and impact of significant risks and uncertainties;

(vii) the accuracy, completeness and clarity of disclosure of the Company's financial statements;

(viii) any tax assessments, changes in tax legislation or any other tax matters that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the financial statements;

(ix) any litigation, claim or other contingency that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the Company's financial statements;

(x) whether all material information is presented in the management's discussion and analysis;

(xi) material communications between the external auditor and management, such as any management letter or schedule of unadjusted differences;

(xii) with the external auditor only, any fraud, illegal acts, deficiencies in internal control or other similar issues; and

(xiii) general accounting trends and issues of auditing policy, standards and practices which affect or may affect the Company; and

(e) review with management and the external auditors any correspondence with securities regulators or other regulatory or government agencies which raise material issues regarding the Company's financial reporting or accounting policies.

**FINANCIAL MANAGEMENT**

The Committee has the following duties and responsibilities with respect to financial management:

(a) reviewing and if appropriate, recommend for Board approval, all annual capital and operating budgets (and amendments thereto); and

(b) at regularly scheduled meetings of the Committee: (i) reviewing the Company's financial position as disclosed in the income statement, balance sheet and statement of cash flows; (ii) review the Company's

forecast against the approved budget; and (iii) reviewing the Company's cash position, liquidity and capital requirements.

**INTERNAL CONTROLS, RISK MANAGEMENT AND COMPLIANCE**

The Committee has the following duties and responsibilities with respect to the internal controls, risk management and compliance:

(a) reviewing the adequacy, appropriateness and effectiveness of the Company's policies and business practices which impact on the integrity, financial and otherwise, of the Company, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) reviewing compliance with the Company's Code of Business Ethics;

(c) reviewing any issues between management and the external auditors that could affect the Company's financial reporting or internal controls;

(d) periodically reviewing the Company's compliance with recommendations made by the external auditors;

(e) reviewing annually, the adequacy and quality of the Company's financial and accounting resources;

(f) reviewing annually with the external auditor, any significant matters regarding the Company's internal controls and procedures over financial reporting, including any significant deficiencies or material weaknesses in their design or operation;

(g) receiving and reviewing reports from management assessing the Company's risk management and assess and identify major risk exposure and mitigation strategies against the guidelines and policies that management implemented to govern the monitoring, controlling and reporting of such risks;

(h) establishing procedures for:

  (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, or auditing matters; and

  (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and

(i) reviewing and approving all related party transactions.

**EXTERNAL AUDITOR**

The Committee has the following duties and responsibilities as they relate to the external auditor:

(a) consider and make recommendations to the Board, for approval by the Company's shareholders, the appointment, re-appointment and removal of the Company's external auditor;

(b) oversee the selection process for a new auditor and, upon resignation of the external auditor, investigate the circumstances surrounding such resignation and determine whether further action is required;

(c) oversee the relationship between management and the external auditor; review and negotiate and recommend to the Board, for approval, the terms of engagement of the external auditor, including remuneration and scope of services;

(d) oversee the work of any external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(e) assess annually, the independence and objectivity of the external auditor, considering relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of, and fees for, any non-audit services;

(f) meet with the external auditors on a regular basis in the absence of management in order to review accounting practices, internal controls, any difficulties encountered by the external auditors in performing the audit and any other matters it deems appropriate; and

(g) pre-approve all non-audit services to be provided to the Company by the its external auditors (and remuneration therefor). The Committee may satisfy the pre-approval requirement in this subsection (g) if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the fees paid by the Company (and its subsidiaries) to its external auditors during the fiscal year in which the services are provided;

(ii) the Company (or its subsidiary) did not recognize the services as non-audit services at the time of engagement; and

(iii) the services are promptly brought to the attention of the Committee and are approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members the authority to pre-approve non-audit services provided that the pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the full Committee at its first scheduled meeting following such pre-approval.

**COMMITTEE CHAIR**

Where a vacancy occurs at any time in the position of the Committee Chair, it shall be filled by the Board. The Board may remove and replace the Committee Chair at any time.

The Chair of the Committee shall lead and oversee the Committee to ensure it fulfills its mandate as set out in its terms of reference. In particular, the Chair shall:

(a) ensure the Committee functions independently of management, including organizing in-camera sessions and other meetings without management;

(b) provide advice and counsel to the President and Chief Executive Officer and other senior members of management in respect of matters within the scope of the Committee's mandate;

(c) preside as chair of each meeting of the Committee; and

(d) communicate with all members of the Committee to co-ordinate their participation, ensure their accountability and otherwise generally provide for the effectiveness of the Committee.

**APPENDIX "C"**
**AUDITED FINANCIAL STATEMENTS OF ISOENERGY LTD.**
**FROM INCORPORATION TO JUNE 30, 2016**


Audited Financial Statements of

# ISOENERGY LTD.

For the Period Ended

June 30, 2016

# Independent auditors' report

To the Shareholders of
**IsoEnergy Ltd.**

We have audited the accompanying financial statements of **IsoEnergy Ltd.**, which comprise the statement of financial position as at June 30, 2016, and the statements of loss and comprehensive loss, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of **IsoEnergy Ltd.** as at June 30, 2016, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

**Amended financial statements**

Without modifying our opinion, we draw attention to note 5 to the financial statements, which explains that the financial statements for the period ended June 30, 2016 have been amended from those on which we originally reported on August 24, 2016.

Ernst & Young LLP

Vancouver, Canada
September 1, 2016

Chartered Professional Accountants

**ISOENERGY LTD.**
**STATEMENT OF FINANCIAL POSITION**
(Expressed in Canadian Dollars)
As at

| | Note | June 30, 2016 |
|---|---|---|
| **ASSETS** | | |
| **Current** | | |
| Cash | | $ 234,700 |
| Due from NexGen | 9 | 1,821,799 |
| Account receivable | | 1,375 |
| Prepaid expenses | | 5,725 |
| | | 2,063,599 |
| Deposit | 7 | 5,452 |
| Exploration and evaluation assets | 5,6 | 30,228,197 |
| | | 30,233,649 |
| **TOTAL ASSETS** | | $ 32,297,248 |
| **LIABILITIES** | | |
| **Current** | | |
| Accounts payable and accrued liabilities | | $ 57,849 |
| Liability to issue shares | 15 | 435,963 |
| | | 493,812 |
| **TOTAL LIABILITIES** | | 493,812 |
| **EQUITY** | | |
| Share capital | 8 | 32,029,701 |
| Deficit | | (226,265) |
| **TOTAL EQUITY** | | 31,803,436 |
| **TOTAL LIABILITIES AND EQUITY** | | $ 32,297,248 |

**Nature of operations (Note 2)**
**Commitments (Notes 6 and 7)**
**Subsequent events (Note 15)**

The accompanying notes are an integral part of the financial statements
These financial statements were authorized for issue by the Board of Directors on September 1, 2016

| | |
|---|---|
| "Craig Parry" | "Trevor Thiele" |
| **Craig Parry, CEO, Director** | **Trevor Thiele, Director** |

**ISOENERGY LTD.**
**STATEMENT OF LOSS AND COMPREHENSIVE LOSS**
(Expressed in Canadian Dollars)
For the period ended

| | Note | June 30, 2016 |
|---|---|---|
| Salaries and benefits | 9 | $ 88,244 |
| Office and administrative | | 27,705 |
| Employee relocation expense | 9 | 64,080 |
| Professional fees | | 13,906 |
| Travel | | 32,330 |
| **Net loss before income tax** | | **(226,265)** |
| **Income tax expense** | **14** | **-** |
| **Loss and comprehensive loss for the period** | | **$ (226,265)** |
| **Loss per common share – basic and diluted** | | **$ (0.08)** |
| **Weighted average number of common shares outstanding – basic and diluted** | | **2,724,833** |

The accompanying notes are an integral part of the financial statements

**ISOENERGY LTD.**
**STATEMENT OF CHANGES IN EQUITY**
(Expressed in Canadian Dollars)

| | Note | Number of Common Shares | Share Capital | Deficit | Total |
|---|---|---|---|---|---|
| **Balance as at February 2, 2016** | | **1** | **$ 1** | **$ -** | **$ 1** |
| Issuance of shares for exploration and evaluation assets | **5,6** | 30,000,000 | 30,000,000 | - | 30,000,000 |
| Issuance of shares for cash from private placement | **8(d)** | 2,033,000 | 2,033,000 | - | 2,033,000 |
| Issuance of shares for private placement finder's fee | **8(d)** | 8,580 | 8,580 | - | 8,580 |
| Share issuance costs | | | (11,880) | - | (11,880) |
| Loss for the period | | - | - | (226,265) | (226,265) |
| **Balance as at June 30, 2016** | | **32,041,581** | **$ 32,029,701** | **$ (226,265)** | **$ 31,803,436** |

The accompanying notes are an integral part of the financial statements

**ISOENERGY LTD.**
**STATEMENT OF CASH FLOWS**
(Expressed in Canadian Dollars)
For the period ended

| | June 30, 2016 |
|---|---|
| **Cash flows from (used in) operating activities** | |
| Loss for the period | $ (226,265) |
| Changes in non-cash working capital | |
| Account receivable | (1,375) |
| Prepaid expenses | (5,725) |
| Deposit | (5,452) |
| Accounts payable and accrued liabilities | 12,500 |
| | **(226,317)** |
| **Cash flows from (used in) investing activities** | |
| Acquisition of property | (100,000) |
| Additions to property | (82,847) |
| | **$ (182,847)** |
| **Cash flows (used in) financing activities** | |
| Funds held by NexGen | (1,821,799) |
| Liability to issue shares | 435,963 |
| Shares issued | 2,033,000 |
| Share issuance costs | (3,300) |
| | **$ 643,864** |
| **Change in cash** | **$ 234,700** |
| Cash, beginning of period | - |
| **Cash, end of period** | **$ 234,700** |

The accompanying notes are an integral part of the financial statements

## 1. REPORTING ENTITY

IsoEnergy Ltd. ("Iso" or the "Company") is an exploration stage entity engaged in the acquisition, exploration and evaluation of uranium properties in Canada. The Company was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on February 2, 2016. The Company's registered records office is located on the 25th Floor, 700 West Georgia Street, Vancouver, BC, V7Y 1B3.

Iso was incorporated on February 2, 2016 to potentially hold certain exploration assets of its parent company, NexGen Energy Ltd. ("NexGen"). During the period ended June 30, 2016, certain exploration and evaluation assets were transferred from NexGen to Iso. Subsequent to the transfer, Iso common shares were issued to third parties pursuant to external financings, with NexGen retaining 90.5% of Iso's outstanding common shares as of June 30, 2016.

## 2. NATURE OF OPERATIONS

As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at June 30, 2016, the Company had a deficit of $226,265 and working capital of $1,569,787 and a further $5.9 million was raised subsequent to year end (refer to Note 15(a)). Under the Radio Option Agreement (refer to Note 5 and 6), the Company is required to spend $10 million prior to May 31, 2017 in order to earn a 70% interest. Therefore, in order to meet this requirement, the Company will need to raise additional funds or seek an amendment to the agreement. There is no guarantee the Company will be successful in doing so.

The business of mining for minerals involves a high degree of risk. Iso is an exploration company and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration; development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary environmental permitting; challenges in future profitable production or, alternatively Iso's ability to dispose of its exploration and evaluation assets on an advantageous basis; as well as global economic and uranium price volatility; all of which are uncertain.

The underlying value of the exploration and evaluation assets is dependent upon the existence and economic recovery of mineral reserves and is subject to, but not limited to, the risks and challenges identified above. Changes in future conditions or failure to raise additional funds could require material write-downs of the carrying value of exploration and evaluation assets.

## 3. BASIS OF PRESENTATION

### Statement of Compliance

These financial statements for the period commencing on February 2, 2016, being the date of incorporation, and ending June 30, 2016 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

### Basis of Presentation

These financial statements have been prepared on a historical cost basis and using the accrual basis of accounting, except for cash flow information. All monetary references expressed in these notes are references to Canadian dollar amounts ("$"). These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

### Critical accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Estimates and assumptions are continuously 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. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

## 4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company as set out below have been consistently followed in the preparation of these financial statements.

### (a) Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

*Translation of transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange in effect at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

### (b) Cash

The Company did not have a bank account as at June 30, 2016. The cash consists of unpresented cheques received, not banked.

### (c) Exploration and Evaluation Assets

Once the legal rights to explore a property have been obtained, exploration and evaluation costs are capitalized as exploration and evaluation assets on an area of interest basis pending determination of the technical feasibility and the commercial viability of the project. Capitalized costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a claim is relinquished or a project is abandoned, the related costs are recognized in profit or loss immediately.

Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned, the acquisition and deferred exploration costs will be written off to operations.

Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. A property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining assets and development assets within property, plant and equipment.

### (d) Impairment

An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

## 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment.

### (e) Decommissioning and Restoration Provisions

Decommissioning and restoration provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and discount rates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows discounted for the market discount rate.

Over time the discounted liability is increased for the changes in the present value based on the current market discount rates and liability risks. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Changes in reclamation estimates are accounted for prospectively as a change in the corresponding capitalized cost.

The Company did not have any decommissioning and restoration provisions for the period presented.

### (f) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

### (g) Financial Instruments

The Company classifies its financial assets into one of the following categories as follows:

*Fair value through profit or loss ("FVTPL")* - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. Cash is included in this category of financial assets.

*Loans and receivables* - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment. Account receivable is included in this category of financial assets.

## 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

*Held-to-maturity investments* - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

*Available-for-sale* - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

*Financial liabilities*

The Company classifies its financial liabilities into one of two categories as follows:

*Fair value through profit or loss (FVTPL)* - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

*Other financial liabilities* - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category of financial liabilities.

### (h) Loss per Share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of common shares outstanding during the year.

### (i) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

## 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Future accounting pronouncements:**

The following standards have not been adopted by the Company and are being evaluated to determine their impact:

**(a)** IFRS 9 - *Financial Instruments:* New standard that replaced IAS 39 for classification and measurement of financial instruments, effective for annual periods beginning on or after January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

**(b)** IFRS 16 – *Leases:* In January 2016, the IASB issued IFRS 16 – Leases which brings most leases on-balance sheet for lessees by eliminating the distinction between operating and finance leases. Lessor accounting remains largely unchanged and the distinction between operating and finance leases is retained. Under IFRS 16, a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly, and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. Lessees are permitted to make an accounting policy election, by class of underlying asset, to apply a method like IAS 17's operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less and on a lease-by-lease basis, to apply a method similar to current operating lease accounting to leases for which the underlying asset is of low value. IFRS 16 supersedes IAS 17 – Leases and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has also been applied. The Company is currently evaluating the impact of the adoption of IFRS 16 on the Company's financial statements along with the timing of adoption.

## 5. SIGNIFICANT ASSET ACQUISITION

Subsequent to the approval of these financial statements by the Board of Directors on August 23, 2016 and the issuance of the independent auditor's report on August 24, 2016, the Company determined, in consultation with staff of the TSX Venture Exchange, that additional disclosure pertaining to the historical costs incurred by NexGen on the Transferred Property Interests would provide meaningful information to a reader of these financial statements. Accordingly, Note 5 – *Significant Asset Acquisition* was added to the financial statements.

On June 16, 2016, Iso entered into an agreement with NexGen to have certain of its exploration assets transferred to Iso including the following mineral properties: Radio Property, Thorburn Lake property, 2Z Lake property, Madison Lake property and the Carlson Creek property (collectively, the "Transferred Property Interests"). The Company issued 29,000,000 common shares, valued at $29,000,000, in exchange for the Transferred Property Interests. The following table summarizes the historical acquisition and exploration expenditures by NexGen from January 1, 2014 to June 16, 2016 on the Transferred Property Interests (no expenditures or acquisition costs were incurred on Carlson Creek):

(Expressed in Canadian Dollars)

## 5. SIGNIFICANT ASSET ACQUISITION (continued)

| | Radio | Thorburn Lake | Madison Lake | 2Z | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| **Acquisition costs:** | | | | | |
| Balance, January 1, 2014 | 17,078,839 | 7,148 | - | - | 17,085,988 |
| 2014 | 3,054,914 | - | 75,010 | 68,531 | 3,198,454 |
| 2015 | - | - | - | - | - |
| Period ended June 16, 2016 | - | - | 26,932 | 26,932 | 53,864 |
| Balance, June 16, 2016 | 20,133,753 | 7,148 | 101,942 | 95,463 | 20,338,306 |
| **Deferred exploration costs:** | | | | | |
| Balance, January 1, 2014 | 2,293,824 | 37,341 | - | - | 2,331,164 |
| Additions 2014: | | | | | |
| Drilling | - | 423 | 2,462 | 2,212 | 5,097 |
| Geological and geophysical | - | - | 44,030 | 28,318 | 72,348 |
| Deficiency deposit | - | - | 20,205 | - | 20,205 |
| Additions 2015: | | | | | |
| Drilling | - | 5,776 | 2,090 | 2,498 | 10,364 |
| Deficiency deposit | - | - | (20,205) | (4,248) | (24,453) |
| Drilling (January 1 - June 16, 2016) | - | 5,262 | - | - | 5,262 |
| | - | 11,461 | 48,583 | 28,780 | 88,823 |
| Balance, June 16, 2016 | 2,293,824 | 48,801 | 48,583 | 28,780 | 2,419,987 |
| **Total costs** | **22,427,577** | **55,950** | **150,524** | **124,243** | **22,758,293** |

Pursuant to an option agreement, most recently amended January 15, 2014, the Company has the right to earn a 70% right, title and interest in the Radio Property (the "Radio Option Agreement"). The Company is required to spend $10,000,000 between January 1, 2014 and May 31, 2017. In December 2011, Tigers Realm Minerals Pty Ltd ("Tigers Realm", a shareholder of NexGen) entered into an option agreement (the "Radio Option Agreement") with three arm's length individuals (collectively, the "Optionors") pursuant to which Tigers Realm was granted the exclusive right and option (the "Option") to earn an undivided 70% interest in the Radio Property in exchange for a combination of cash, shares and an obligation to incur certain exploration expenditures. On February 21, 2012, Tigers Realm assigned all of its interest in the Radio Option Agreement to NexGen in exchange for the issue of 21,999,997 common shares of NexGen. The Radio Option Agreement was subsequently amended by agreements dated June 5, 2012, November 23, 2012, April 12, 2013, June 25, 2013, and June 28, 2013. Apart from the obligation to incur $15,000,000 of expenditures over a two-year period ended March 31, 2015, as of December 31, 2014, NexGen had satisfied all of its obligations under the Radio Option Agreement including the issuance of 5,714,286 common shares valued at $3,028,572 and 5,714,286 common share purchase warrants at an exercise price of $0.50 valued at $Nil during the year ended December 31, 2014.

By agreement dated February 21, 2014, the Radio Option Agreement was further amended to delete the expenditure requirement described above and instead require that NexGen incur expenditures of $10,000,000 between January 1, 2014 and May 31, 2017, in exchange for 5,714,286 units (issued), each unit comprising one common share and one common share purchase warrant, where each warrant is exercisable at a price of $0.50 into one common share until May 31, 2017. As at the time of transfer of the properties to Iso, NexGen has not spent any expenditures toward this obligation.

(Expressed in Canadian Dollars)

## 6. EXPLORATION AND EVALUATION ASSETS

The following is a summary of the acquisition costs and expenditures on the exploration and evaluation assets:

| | Note | $ |
|---|---|---|
| ***Acquisition costs:*** | | |
| Balance, February 2, 2016 | | - |
| Additions | a, b | 30,100,000 |
| Balance, June 30, 2016 | | 30,100,000 |
| | | |
| ***Deferred exploration costs:*** | | |
| Balance, February 2, 2016 | | - |
| Additions: | | |
| Drilling | | 2,761 |
| Geological and geophysical | | 43,096 |
| Labour and wages | | 80,152 |
| Travel | | 2,188 |
| Balance, June 30, 2016 | | 128,197 |
| | | |
| **Total costs, June 30, 2016** | | **30,228,197** |

All licenses are subject to minimum expenditure commitments and annual reviews. Annual review dates for each license are staggered over the year. The most imminent annual review date is September 16, 2016 for the Thorburn North project.

**(a)** On June 16, 2016, Iso entered into an agreement with NexGen to have certain of its exploration assets transferred to Iso. These assets include the following mineral properties: Radio Property, Thorburn Lake property, 2Z Lake property, Madison Lake property and the Carlson Creek property (collectively, the "Transferred Property Interests"). The Company issued 29,000,000 common shares, valued at $29,000,000, in exchange for the Transferred Property Interests. (see Note 5).

**Radio Property**

The Radio Property is located in Northern Saskatchewan and was acquired from NexGen on June 16, 2016. Pursuant to an option agreement, most recently amended January 15, 2014, the Company has the right to earn a 70% right, title and interest in the Radio Property (the "Radio Option Agreement"). The Company is required to spend $10,000,000 between January 1, 2014 and May 31, 2017.

The Radio Property is subject to a 2% net smelter royalty (excluding diamonds) and a 2% gross overriding royalty (diamonds only), as applicable, with respect to the production from the property. In addition, upon Iso exercising its option to acquire a 70% interest in the Radio Property, a joint venture agreement will be entered into between Iso and the Optionors containing those terms prescribed by the Radio Option Agreement. As of June 30, 2016, no expenditures have been incurred towards the Company's expenditure obligation under the Radio Option Agreement.

**(b) Thorburn North Property**

On June 30, 2016, Iso acquired a 100% interest in the Thorburn North property, mineral claim S-111628, in exchange for a cash payment of $100,000 and $1,000,000 worth of Common Shares. Pursuant to that agreement to acquire Thorburn North, in the event that Iso completes a financing at a price that is less than $1

(Expressed in Canadian Dollars)

per share (the

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

"Reduced Price") prior to the earlier of: a) an initial public offering or reverse takeover; and b) December 31, 2017, additional Common Shares are issuable to the Vendors until the Vendors have been issued (in the aggregate) $1,000,000 worth of Common Shares at the Reduced Price. No shares have been issued for less than $1 per share and on August 18, 2016, Iso applied to list its shares on the TSXV. On June 30, 2016, the Company issued 1 million shares pursuant to this agreement.

## 7. COMMITMENTS

Office leases:

The Company has total office lease commitments at its Vancouver office as follows:

| | |
|---|---|
| 2016 | $ 16,356 |
| 2017 | $ 65,424 |
| 2018 | $ 65,424 |
| 2019 | $ 49,068 |

In connection with the Company's Vancouver office lease, the Company has paid a deposit of $5,452 with the landlord which will be applied to the final month's rent when the office lease term expires.

## 8. SHARE CAPITAL

**Authorized Capital** - Unlimited number of common shares with no par value.

**Issued**

For the period ended June 30, 2016:

**(a)** Upon incorporation of the Company on February 2, 2016, one common share at a value of $1 was issued to NexGen, the parent entity of Iso.

**(b)** On June 16, 2016, the Company issued 29,000,000 common shares to NexGen on the transfer of certain exploration and evaluation assets (Note 6).

**(c)** On June 30, 2016, the Company issued 1,000,000 common shares on the acquisition of Thorburn North mineral property (Note 6(b)).

**(d)** On June 30, 2016, the Company completed tranche 1 and tranche 2 of non-brokered private placements where it issued 2,033,000 common shares at a price of $1 per common share for gross proceeds of $2,033,000 and issued 8,580 common shares valued at $8,580 and paid $3,300 in cash as finder's fees.

## 9. RELATED PARTY TRANSACTIONS

**(a)** Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers.

(Expressed in Canadian Dollars)

## 9. RELATED PARTY TRANSACTIONS (continued)

Remuneration attributed to key management personnel can be summarized as follows:

| | For the period ended June 30, 2016 |
|---|---|
| Short-term compensation[(1)] | $ 75,000 |

[(1)] Short-term compensation to key management personnel for the current period amounted to $75,000, of which all was expensed and included in salaries and benefits on the statement of loss and comprehensive loss.

In addition, $64,080 of relocation expenses were paid by the Company to relocate key management personnel to Vancouver, where the corporate office is. As of June 30, 2016, no directors' fees were paid and no stock options were issued to related parties.

**(b)** During the period ended June 30, 2016, the Company issued 29,000,000 common shares to its parent company, NexGen, on the transfer of certain exploration and evaluation assets (Note 5). As of June 30, 2016, the Company had a payable of $409,164 as NexGen loaned funds to Iso prior to the Company receiving cash on completion of its external financings. This loan is interest free and repayable on demand.

**(c)** The amount due from NexGen is $1,821,799. During the period from inception to June 30, 2016, cash of $1,795,000 received on share issues (see Note 8) and $435,963 for shares issued subsequent to June 30, 2016 (see Note 15(a)) was held by NexGen on behalf of Iso. In addition, there was $409,164 of costs incurred by Iso which NexGen paid for. Subsequent to June 30, 2016, $409,164 was settled by issuing shares to NexGen (Note 15(b)).

## 10. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the business.

In the management of capital, the Company considers all components of equity and is dependent on third party financing, whether through debt, equity, or other means. Although the Company has been successful in raising funds to date, there is no assurance that the Company will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to the Company.

The properties in which the Company currently has an interest are in the exploration stage. As such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it determines that there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.

## 11. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, account receivable, accounts payable and accrued liabilities, liability to issue shares and a receivable due from NexGen.

The fair values of the Company's financial instruments approximate their carrying value, due to their short-term maturities or ability of prompt liquidation. The Company's cash are classified as loans and receivables and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in accounts receivable.

## 11. FINANCIAL INSTRUMENTS (continued)

### Financial instrument risk exposure

As at June 30, 2016, the Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### (a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. As at June 30, 2016 there is no cash held in a bank account as the cash balance represents unpresented cheques. Credit risk only applies to the receivable balance due from NexGen. NexGen has sufficient liquidity and therefore the Company has assessed the credit risk to be low.

### (b) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital to meet short-term obligations. As at June 30, 2016 the Company had a working capital balance of $1,569,787, including cash of $234,700. Subsequent to June 30, 2016, liabilities of $845,127 were settled through the issue of shares.

### (c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. At June 30, 2016, the company did not have a bank account and cash was held by NexGen on its behalf in a bank account that does not currently earn interest and does not have any interest bearing debt.

#### (ii) Foreign Currency Risk

The functional currency of the Company is the Canadian dollar. The Company is affected by currency transaction risk and currency translation risk. Consequently, fluctuations of the Canadian dollar in relation to other currencies may impact the fair value of financial assets, liabilities and operating results. As of June 30, 2016, the Company had no financial assets and liabilities that were subject to currency translation risk. The Company will maintain a Canadian dollar bank account in Canada.

#### (iii) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Future declines in commodity
prices may impact the valuation of long-lived assets. The Company closely monitors commodity prices of uranium, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

## 12. SEGMENT INFORMATION

The Company operates in one reportable segment, being the acquisition, exploration and development of uranium properties. All of the Company's non-current assets are located in Canada.

## 13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There was no cash paid for income taxes or interest in the period ended June 30, 2016. The significant non-cash transactions during the period ended June 30, 2016 included:

**(a)** Iso issued 30,000,000 of its common shares for the acquisition of mineral properties recorded at the estimated fair value of the common shares of $30,000,000 (Note 5 and 6).

**(b)** Iso issued 8,580 of its common shares as a finder's fee recorded at the estimated fair value of the common shares of $8,580 (Note 8(d)).

## 14. INCOME TAXES

As at June 30, 2016, the Company's tax losses approximate the reported loss for the period of $226,265. These losses can be carried forward for a period of 20 years. The losses have not been recognized as a tax asset at June 30, 2016.

The transferred tax base of the exploration and evaluation assets relating to the Transferred Property Interests at the time of acquisition from NexGen was $22,774,115, being the net book value in NexGen's financial statements immediately prior to the transfer, compared to the consideration paid by the Company of $29,000,000 (refer the Note 5 and 6). The difference has not been recognized as a deferred tax liability pursuant to the "initial recognition exemption" under IFRS 12: Income Taxes.

## 15. SUBSEQUENT EVENTS

**(a)** On August 5, 2016, the Company completed a brokered private placement of 1,818,200 flow-through common shares at $1.10 and 2,092,500 common shares at $1 for gross proceeds of $4,092,520 and paid $215,551 in finder's fees. The Company also completed a non-brokered private placement of 2,106,000 common shares at $1 for gross proceeds of $2,106,000 and paid $49,185 in finder's fees. Of these proceeds, $435,963 was received prior to June 30, 2016 and has been recorded on the balance sheet as a liability at June 30, 2016. This liability was settled subsequent to year end via the above mentioned share issuances.

**(b)** On August 16, 2016, Iso issued 450,000 shares to NexGen to settle $450,000 of Iso costs paid by NexGen. Of these costs, $409,164 was outstanding at June 30, 2016 (see Note 9(c)).

**(c)** On August 18, 2016 the Company applied to list its shares on the TSXV.

**(d)** On August 30, 2016 Iso, 2532314 Ontario Ltd., a company incorporated under the laws of the Province of Ontario and a subsidiary of Iso ("Iso SubCo") and Airesurf Networks Holdings Inc., a company incorporated under the laws of the Province of Ontario ("AireSurf") entered into an amalgamation agreement (the "Amalgamation Agreement"). Pursuant to the Amalgamation Agreement, Iso SubCo and AireSurf will amalgamate to form one corporation and all of the outstanding Airesurf common shares will be exchanged for Iso common shares on the basis of 0.020833 Iso common shares for each AireSurf common shares. The proposed amalgamation is subject to a number of conditions including approval by the Airesurf shareholders.