



## IsoEnergy to Option Mountain Lake Uranium Property to NxGold

**Vancouver, BC, July 16, 2020** – IsoEnergy Ltd. (“**IsoEnergy**” or the “**Company**”) (TSXV: **ISO**; OTCQX: **ISENF**) is pleased to announce that it has entered into an agreement with NxGold Ltd. (TSXV: **NXN**) (“**NxGold**”) to grant NxGold the option to acquire a 100% interest in IsoEnergy’s Mountain Lake uranium property in Nunavut, Canada (“**Option Agreement**”).

### Highlights:

- NxGold obtains a two-year option to acquire a 100% interest in the Mountain Lake uranium property.
- As consideration for the option grant, IsoEnergy will receive 900,000 common shares of NxGold and \$20,000 in cash.
- NxGold may exercise the option and acquire the Mountain Lake property for a price of \$1 million, payable in cash or shares.
- The purchase of the Mountain Lake property is also subject to contingent payments of up to \$1.8 million, payable in cash or shares.

Craig Parry, IsoEnergy’s President and CEO commented: “The Mountain Lake property and deposit was staked by IsoEnergy in 2017 as a direct result of our team leveraging their knowledge and experience in the uranium sector to identify and acquire undervalued uranium assets. This option agreement with NxGold demonstrates that our strategy of low-cost acquisitions during a depressed uranium market with the goal of future divestment has begun to pay dividends. We welcome the opportunity to work with a great company like NxGold and be a part of their future success. This is a great outcome for all shareholders.”

### Terms of the Option Agreement

Under the terms of the Option Agreement, NxGold has the option to acquire a 100% interest in the Mountain Lake uranium property in consideration for the issuance of 900,000 common shares and payment of \$20,000 cash to IsoEnergy. The option is exercisable at NxGold’s election on or before the second anniversary of the effective date, for additional consideration of \$1,000,000, payable in cash or shares of NxGold. If NxGold elects to acquire the Mountain Lake property, IsoEnergy will be entitled to receive the following contingency payments in cash or shares of NxGold:

- If the uranium spot price reaches USD\$50, IsoEnergy will receive \$410,000
- If the uranium spot price reaches USD\$75, IsoEnergy will receive \$615,000
- If the uranium spot price reaches USD\$100, IsoEnergy will receive \$820,000

The spot price contingent payments will expire 10 years following the date the option is exercised.

IsoEnergy shall also have a one-time right to force NxGold to exercise the option and acquire the Mountain Lake property, exercisable on either the 6-month or 12-month anniversary of the date of the Option Agreement. If IsoEnergy forces the exercise of the option NxGold will be required to issue that number of common shares to IsoEnergy in satisfaction of the \$1,000,000 purchase such that IsoEnergy will hold, together with the shares it already owns, no greater than 9.9% of the outstanding number of NxGold common shares.

The transaction contemplated by the Option Agreement is subject to NxGold obtaining the requisite TSX Venture Exchange approval. Under TSX Venture Exchange policies, IsoEnergy and NxGold are considered non-arm’s length

parties as the companies have certain common directors. As a consequence, common directors Messrs. Leigh Curyer and Trevor Thiele abstained from voting.

The Mountain Lake property consists of 5,625 hectares and was staked by IsoEnergy in 2016. The property contains an historical inferred mineral resource estimate of 8.2 million pounds  $U_3O_8$  with an average grade of 0.23%  $U_3O_8$  contained in 1.6 million tonnes of mineralization. Uranium mineralization is hosted within sandstone and dips shallowly from the top of the bedrock down to approximately 180 metres below surface.

### **Historical Mineral Resource**

The Mountain Lake property contains a historical inferred mineral resource estimate of 8.2 million pounds  $U_3O_8$  with an average grade of 0.23%  $U_3O_8$  contained in 1.6 million tonnes of mineralization. The estimate was reported in the technical report entitled "Mountain Lake Property, Nunavut" prepared for Triex Minerals Corp. and Pitchstone Exploration Ltd. and dated February 15, 2005. This resource is a historical estimate and a qualified person has not done sufficient work to classify the historical estimate as current mineral resources. As a result, the historical estimate is not being treated as a current mineral resource. However, the Company believes that the historical estimate is relevant and reliable, as it was prepared by a Qualified Person (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects) with significant experience on the project, using methods that were standard in the industry. In order to upgrade or verify the historical estimate as current mineral resources, the Company anticipates that it will need to incorporate the drilling data collected by Triex and Pitchstone in 2006-2008. The historical resource uses the "inferred mineral resource" category set out in section 1.2 of National Instrument 43-101. There are no more recent estimates available to the Company.

The historical estimate was prepared with the polygonal method using only intervals greater than 0.1%  $U_3O_8$  with a vertical thickness of at least 1.0 metre. Polygon sides were determined by drawing lines perpendicular to, and one half the distance to each adjacent drill hole. Estimated uranium was then obtained by multiplying the polygon areas by their thickness, a specific gravity of 2.5, and the grade of the drill hole interval. The mineral resource was classified as inferred.

### **Qualified Person Statement**

The scientific and technical information contained in this news release was prepared by Andy Carmichael, P.Geo., IsoEnergy's Senior Geologist, who is a "Qualified Person" (as defined in NI 43-101 – *Standards of Disclosure for Mineral Projects*). Mr. Carmichael has verified the data disclosed.

### **About IsoEnergy**

IsoEnergy is a well-funded uranium exploration and development company with a portfolio of prospective projects in the eastern Athabasca Basin in Saskatchewan, Canada. The Company recently discovered the high-grade Hurricane Zone of uranium mineralization on its 100% owned Larocque East property in the Eastern Athabasca Basin. IsoEnergy is led by a Board and Management team with a track record of success in uranium exploration, development and operations. The Company was founded and is supported by the team at its major shareholder, NexGen Energy Ltd.

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### **Forward-Looking Information**

*The information contained herein contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to the activities, events or developments that the Company expects or anticipates will or may occur in the future, including, without limitation, planned exploration activities. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.*

*Such forward-looking 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 and on reasonable terms, that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.*

*Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no known mineral reserves or resources, the limited operating history of the Company, the influence of a large shareholder, alternative sources of energy and uranium prices, aboriginal title and consultation issues, reliance on key management and other personnel, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, availability of third party contractors, availability of equipment and supplies, failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.*

*Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws*