ISOENERGY LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2019 and 2018

Dated: February 28, 2020

GENERAL

This management's discussion and analysis ("**MD&A**") is management's interpretation of the results and financial condition of IsoEnergy Ltd. ("**IsoEnergy**" or the "**Company**") for the year ended December 31, 2019 and includes events up to the date of this MD&A. This discussion should be read in conjunction with the audited financial statements for the years ended December 31, 2019 and 2018 and the notes thereto (together, the "**Annual Financial Statements**") and other corporate filings, all of which are available under the Company's profile on SEDAR at www.sedar.com. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. This MD&A contains forward-looking information. Please see "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

Technical Disclosure

All scientific and technical information in this MD&A has been reviewed and approved by Mr. Steve Blower, P.Geo., Vice President – Exploration for IsoEnergy. Mr. Blower is a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects ("***NI 43-101***")*. Mr. Blower has verified the sampling, analytical, and test data underlying the information or opinions contained herein by reviewing original data certificates or reviewing the data collection protocols.

For additional information regarding the Company's Radio, Thorburn Lake and Larocque East projects, including its quality assurance and quality control procedures, please see the technical reports entitled "Technical Report for the Radio Project, Northern Saskatchewan" dated effective August 19, 2016,"Technical Report for the Thorburn Lake Project, Northern Saskatchewan" dated effective September 26, 2016, and "Technical Report for the Larocque East Project, Northern Saskatchewan" dated effective May 15, 2019, respectively, in each case, on the Company's profile at www.sedar.com.

The historical mineral resource estimate at the Mountain Lake project referred to below, was reported in the technical report entitled "Mountain Lake Property, Nunavut" 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 a current mineral resource estimate. 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 NI 43-101) with significant experience with the project, using methods that were standard in the industry.

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.

In order to upgrade or verify the historical estimate as a current mineral resource estimate, the Company anticipates that it will need to incorporate the drilling data collected by Triex Minerals Corp. and Pitchstone Exploration Ltd. between 2006 and 2008. There are no more recent estimates available to the Company.

BACKGROUND

Overview

IsoEnergy was incorporated on February 2, 2016 under the *Business Corporations Act* (British Columbia) as a wholly-owned subsidiary of NexGen Energy Ltd. ("**NexGen**") to acquire certain exploration assets of NexGen. NexGen is a Canadian based uranium exploration company focused on the advancement of its Rook 1 Project in the Athabasca Basin, Saskatchewan. On October 19, 2016, IsoEnergy was listed on the TSXV as a Tier 2 Mining Issuer. NexGen's common shares are listed and posted for trading on the Toronto Stock Exchange and NYSE American LLC. As of the date hereof, NexGen holds 52.03% of the outstanding IsoEnergy common shares.

The principal business activity of IsoEnergy is the acquisition and exploration of uranium mineral properties, principally in the Athabasca Basin of Saskatchewan. IsoEnergy's uranium mineral properties are summarized in Table 1 below.

Table 1 – Summary of Uranium Mineral Properties

Area	Project	Hectares	Date Acquired	Acquisition Type	Encumbrances
Saskatchewan	Radio	805	2016	Spun-out from NexGen	2% NSR*
	Thorburn Lake	2,802	2016	Spun-out from NexGen	1% NSR and 10% CI**
	2Z	354	2016	Spun-out from NexGen	2% NSR*
	Carlson Creek	1,927	2016/20	Spun-out from NexGen/Staked	1% NSR and 10% CI**
	Madison	1,347	2016	Spun-out from NexGen	2% NSR*
	North Thorburn	1,708	2016	Purchased	None
	Geiger	12,593	2017/8	Purchased	NPI applies to some claims***
	East Rim	6,703	2017	Staked	None
	Full Moon	11,107	2017/20	Staked	None
	Whitewater	27,529	2018	Staked	None
	Larocque East	8,005	2018/9	Purchased/Staked	None
	Whitewater East	1,147	2018	Staked	None
	Edge	4,218	2019	Staked	None
	Collins Bay Extension	9,336	2019	Staked	None
	Evergreen	32,400	2020	Staked	None
	subtotal	121,981			
Nunavut	Mountain Lake	5,625	2016	Staked	None
		127,606			

* 2% Net Smelter Royalty ("**NSR**") on minerals other than diamonds, plus a 2% Gross Overriding Royalty on diamonds

** 1% NSR plus a 10% Carried Interest ("**CI**"). The CI can be converted to an additional 1% NSR at the Holder's option.

*** Sliding scale Net Profits Interest ("**NPI**") ranging between 0% and 20% applies to a 7.5% interest in certain claims.

Figure 1 shows the location of the Company's properties in Saskatchewan.

Figure 1 – Property Location Map

OVERALL PERFORMANCE

General

In the year ended December 31, 2019, the Company carried out exploration work on the Larocque East, Full Moon and East Rim properties in the Athabasca Basin as described below under "Discussion of Operations".

As an exploration stage company, IsoEnergy does not have revenues and is expected to generate operating losses. As at December 31, 2019, the Company had cash of $6,587,075, an accumulated deficit of $9,022,887 and working capital (defined as current assets less accounts payable and accrued liabilities and current portion of lease liability) of $6,373,779.

The Annual Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The ability of the Company to continue as a going concern is dependent on its ability to obtain financing and achieve future profitable operations.

Industry and Economic Factors that May Affect the Business

The business of mining for minerals involves a high degree of risk. IsoEnergy is an exploration company and is subject to risks and challenges similar to companies in a comparable stage and industry. These risks include, but are not limited to, the challenges of securing adequate capital, exploration, development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary permitting; as well as global economic and uranium price volatility; all of which are uncertain.

The underlying value of the Company's 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 could require material write-downs of the carrying value of the Company's exploration and evaluation assets.

In particular, the Company does not generate revenue. As a result, IsoEnergy continues to be dependent on third party financing to continue exploration activities on the Company's properties. Accordingly, the Company's future performance will be most affected by its access to financing, whether debt, equity or other means. Access to such financing, in turn, is affected by general economic conditions, the price of uranium, exploration risks and the other factors described in the section entitled "Risk Factors" included below.

DISCUSSION OF OPERATIONS

Corporate Activities in 2019

In the year ended December 31, 2019 the Company was focused primarily on exploration activities at the Hurricane Zone on the Larocque East property in the Eastern Athabasca as discussed below.

In 2019, two new uranium exploration properties were staked in the eastern Athabasca basin of northern Saskatchewan. An 8,577-hectare property named Collins Bay Extension was staked along trend seven km to the northeast of the Eagle Point – Collins Bay – Rabbit Lake uranium mine and mill complex. Also, a 4,218-hectare property named Edge was staked nine kilometre northeast of the Company's Larocque East property to cover a large area of low magnetic susceptibility that is likely caused by the presence of prospective metasedimentary rocks in the basement.

On December 3, 2019, the Company issued 7,778,000 flow-through shares (the "**FT Shares**") at a price of $0.45 per FT Share for aggregate gross proceeds of $3,500,100.

On December 9, 2019 the Company issued 8,056,858 units at a price of $0.40 per Unit for aggregate gross proceeds of $3,222,743 (the "**Unit**"). Each Unit consisted of one non-flow through common share and one-half of a share purchase warrant (the "**Warrant**") with each Warrant entitling the holder to purchase an additional common share for a period of two years at an exercise price of $0.60.

Share issuance costs for the December 2019 financings were $322,802, net of $95,556 of tax. Share issuance costs includes $64,449 related to 466,680 brokers' warrants which were valued using the Black-Scholes model with a corresponding amount added to the warrant reserve account in Equity. The brokers' warrants entitle the holder to purchase an additional common share for a period of two years at an exercise price of $0.45.

Corporate Activities in 2018

In the year ended December 31, 2018 the Company was focused primarily on exploration activities at its Geiger and Larocque East properties in the Eastern Athabasca basin, discussed below under Exploration and Evaluation Spending.

On January 16, 2018 the Company staked the 25,966-hectare Whitewater property along the north rim of the Athabasca basin.

On March 29, 2018, the Company acquired a 100% interest in 33 mineral claims in the Dawn Lake property constituting the 6,800-hectare Dawn Lake North Block in the Eastern Athabasca Basin of Saskatchewan, in exchange for $200,000 in cash and 3,330,000 common shares. Dawn Lake North is contiguous with IsoEnergy's the Geiger property and is located 10 kilometres northwest of IsoEnergy's Radio property and 15 kilometres northwest of Orano Canada's McClean Lake uranium mine and mill. It is treated as an expansion of the Geiger property and the combined set of claims are referred to as Geiger. The total area of the expanded Geiger property is 12,593 hectares.

On April 19, 2018, the Company closed a flow-through and non-flow-through non-brokered private placement. The Company issued 1,675,000 flow-through units (the "**FT Units**") at $0.54 per FT Unit and 3,125,520 non-flow-through units (the "2018 **Units**") at $0.40 per Unit raising aggregate gross proceeds of $2,154,708. Each FT Unit consisted of one flow-through common share and one-half of a share purchase warrant (each whole warrant, a "**2018 Warrant**"), with each 2018 Warrant entitling the holder to purchase an additional common share for a period of three years at an exercise price of $0.60. Each 2018 Unit consisted of one non-flow-through common share and one-half of a 2018 Warrant.

On May 3, 2018, the Company entered into an agreement to acquire a 100% interest in 6 mineral claims constituting the 3,200-hectare Larocque East uranium exploration property in the Eastern Athabasca Basin of Saskatchewan, in exchange for $20,000 in cash and 1,000,000 common shares (the "**Transaction**"). The Transaction closed May 9, 2018.

Additional staking was carried out to extend the Whitewater property on May 14, 2018. The total area of the Whitewater property is now 27,529 hectares. On the same day a new property called Whitewater East (1,147 hectares) was also acquired through staking.

On December 20, 2018, the Company issued 9,173,200 flow-through shares of the Company (the "**2018 FT Shares**") at a price of $0.44 per 2018 FT Share for aggregate gross proceeds of approximately $4,036,208 and 3,999,600 non flow-through common shares at a price of $0.38 per common share for gross proceeds of approximately $1,519,848. Share issuance costs were $396,772, net of $104,618 of tax. Share issuance costs included 553,548 brokers' warrants which were valued using the Black-Scholes model.

Exploration and Evaluation Spending

During the year ended December 31, 2019, IsoEnergy established a camp at the Larocque East property, completed a winter drilling program and then completed a summer drilling program. During the year ended December 31, 2019 the Company incurred the following exploration and evaluation expenditures:

	Larocque East	Other properties	Total
Drilling	$ 1,913,216	$ 8,687	$ 1,921,903
Geological and geophysical	371,552	228,701	600,253
Labour and wages	772,946	52,914	825,860
Geochemistry and assays	244,195	-	244,195
Camp costs	657,620	7,520	665,140
Travel and other	128,876	-	128,876
Cash expenditures	$ 4,088,405	$ 297,822	$ 4,386,227
Share-based compensation	94,012	4,462	98,474
Depreciation	9,222	-	9,222
Total expenditures	$ 4,191,639	$ 302,284	$ 4,493,923

During the year ended December 31, 2018, IsoEnergy completed a winter drill program at the Geiger property and then completed a summer drill program at the Geiger property, which included one drill hole on the newly acquired Larocque East property. Additionally, a program of airborne radiometric/magnetic geophysical surveying was completed at the Whitewater property. The Company incurred the following exploration and evaluation expenditures:

	Geiger	Larocque East	Whitewater	Other	Total
Drilling	$ 970,350	$112,199	$ -	$ 21,412	$1,103,961
Geological and geophysical	1,475	14,640	132,994	2,898	152,007
Labour and wages	305,717	308,065	39,643	40,184	693,609
Geochemistry and assays	92,035	12,181	-	-	104,216
Camp costs	126,829	15,241	-	-	142,070
Travel and other	42,314	15,992	10,907	2,995	72,208
Cash expenditures	1,538,720	478,318	183,544	67,489	2,268,071
Stock-based compensation	110,348	111,195	14,309	-	235,852
Depreciation	11,295	6,322	-	-	17,617
Total expenditures	$1,660,363	$595,835	$ 197,853	$ 67,489	$2,521,540

A description of exploration activities during the years ended December 31, 2019 and December 31, 2018 by property is set forth below.

<u>Larocque East</u>

Summer 2019 - Drilling

IsoEnergy completed a 17 hole, 7,600 metre program of core drilling at the Hurricane Zone in Larocque East to follow up on the positive results from the Winter 2019 drilling program.

Several of the drill holes intersected high-grade uranium mineralization including LE19-14B, LE19-16A, LE19-18, LE19-18C1, LE19-23, LE19-28 and LE19-29. The program successfully expanded the Hurricane zone to 500 metre long, 40 metre wide and up to 10m thick. The zone is still open in both strike directions and on most cross sections. Further, drill hole LE19-26 was completed as an under-cutting step-out hole 200 metre east of the zone. It intersected significant sandstone alteration and elevated uranium geochemistry on the western edge of a large DC-resistivity anomaly that extends for several kilometres to the east of the current footprint of the Hurricane zone.

Spring 2019 - DC-Resistivity Geophysical Surveying

A program of DC-Resistivity ground geophysical surveying was completed during the period April to June, 2019. Approximately 54 line-km of surveying was completed on 20 survey lines spaced 200 metre apart covering the western half of the Larocque conductor system on the Larocque East property. The survey successfully tracked the Larocque conductor system east of the Hurricane zone and highlighted several areas with apparent sandstone breaches that may be indicative of enhanced sandstone alteration.

Winter 2019 - Drilling

During the period January to March 2019, IsoEnergy completed a 5,046 metre, 12-hole drilling campaign on the Larocque East property. The program was designed to evaluate the potential for expansion of the Hurricane Zone mineralization discovered in the summer of 2018. The program was successful, as 11 of the 12 drill holes intersected significant uranium mineralization. Results included several high-grade intersections, including 3.5 metres @ 10.4% U_3O_8 in drill hole LE19-02, 4.0 metres @ 3.8% U_3O_8 in drill hole LE19-06, 4.5 metres @ 4.2% U_3O_8 in drill hole LE19-09 and 8.5 metres @ 3.2% U_3O_8 in drill hole LE19-12. The zone now extends at least 150 metres long and 38 metres wide and is up to 8.5 metres thick.

Summer 2018 - Drilling

IsoEnergy completed a summer helicopter supported drilling program which included one 550 metre core drill hole at Larocque East in July, 2018. One drill hole (the final drill hole of the summer program), LE18-01A, was completed near the western boundary of the Larocque East property and was significantly mineralized. This new discovery was named the Hurricane Zone. Mineralization within a broad 8.5-metre-long interval of elevated radioactivity straddles the sub-Athabasca unconformity and consists of fracture controlled and disseminated pitchblende with hematite and clay from 338.5-347.0 metres. An off-scale subinterval from 345.0-346.0 metres that includes semi-massive pitchblende averages 6.45% U_3O_8 over 1.0 metre. The highest assay was 0.5 metres of 8.20% U_3O_8 from 345.0-345.5 metres.

Geiger

Summer 2018 - Drilling

In addition to the Larocque East drill hole discussed above, the program included drilling program at the Geiger property in July, 2018. The program consisted of 2,366 metres of core drilling in seven drill holes at Geiger. At the Geiger property there were two main target areas in the general vicinity of the mineralization observed in winter 2018 drill holes GG18-08 and GG18-09, discussed below under *Geiger – Winter 2018*. None of the Geiger property summer 2018 drill holes were significantly mineralized.

Winter 2018 - Drilling

During the period January to March, 2018, IsoEnergy completed a program of core drilling at the Geiger property. Drilling totalled 3,411 metres in nine drill holes. A narrow zone of elevated radioactivity was intersected in drill hole GG18-08 and a thicker zone of weakly elevated radioactivity was intersected in drill hole GG18-09.

East Rim and Full Moon Airborne Geophysical Surveying – Summer 2019

Two Versatile Time Domain Electromagnetic (VTEM-Plus) airborne geophysical surveys were carried out during the quarter ended September 30, 2019, one each at the East Rim and Full Moon properties. The surveying totaled 1,291 line-kilometres; 547 line-kilometres at Full Moon and 744 line-kilometres at East Rim.

Outlook

The Company intends to actively explore all of its projects as and when funds permit. The nature and extent of further exploration on any of the Company's properties however will depend on the results of completed exploration activities, an assessment of its recently acquired properties and the Company's financial resources.

As of the date hereof, the Company's exploration priorities are the Larocque East, Geiger, Thorburn Lake and Radio properties.

A program of core drilling at the Hurricane Zone on the Larocque East property is planned for the winter 2020 drilling season. The program will have two main objectives – infill large gaps (up to 250-metre-long) in the current drilling pattern and extend mineralization to the east beyond the current zone outline. Twenty drill holes totaling 8,500 metres are planned and the program will be completed with two drill rigs. Drilling began in January and will be completed by March.

Several other exploration activities are planned in the future but are not currently scheduled due to the Company's current focus on the Hurricane Zone drilling at Larocque East. These activities include additional exploration drilling on several target areas at the Geiger property. Future work on the Thorburn Lake property will include follow-up drilling in the area of TBN17-23 and 27, drill evaluations of other geophysical anomalies generated in 2016 and geophysical anomalies generated by the survey recently completed in 2017. At Radio, additional drilling is required to continue to evaluate high priority geophysical targets on the property.

SELECTED FINANCIAL INFORMATION

Management is responsible for the Annual Financial Statements referred to in this MD&A. The Audit Committee of the Company's Board of Directors has been delegated the responsibility to review the Annual Financial Statements and MD&A and make recommendations to the Company's Board. It is the Board which has final approval of the Annual Financial Statements and MD&A.

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

The Company's Annual Financial Statements have been prepared using IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on its ability to obtain financing and achieve future profitable operations, which represents a material uncertainty.

Results of Operations

During the year ended December 31, 2019, the Company spent and capitalized $4,493,923 of exploration costs to exploration and evaluation assets compared to $2,521,540 in the year ended December 31, 2018. The costs of these activities are capitalized to exploration and evaluation assets and are described in the Discussion of Operations section above.

The following financial data is derived from the Annual Financial Statements and should be read in conjunction with IsoEnergy's Annual Financial Statements.

	2019	2018
General and administrative costs		
Share-based compensation	**$ 238,849**	$ 418,347
Administrative salaries, contract and director fees	**698,646**	732,123
Investor relations	**568,553**	445,402
Office and administrative	**142,080**	143,542
Professional and consultant fees	**180,084**	163,154
Travel	**188,734**	151,447
Public company costs	**80,183**	107,312
Depreciation expense	**60,692**	6,765
Total general and administrative costs	**(2,157,821)**	(2,168,092)
Interest income	**56,512**	26,513
Interest on lease liability	**(11,862)**	-
Rental income	**30,305**	-
Impairment of exploration and evaluation asset	**(14,354)**	-
Loss from operations	**(2,097,220)**	(2,141,579)
Deferred income tax recovery (expense)	**(65,045)**	309,298
Loss and comprehensive loss	**$ (2,162,265)**	$ (1,832,281)

During the three months and year ended December 31, 2019, the Company recorded a loss of $539,873 and $2,162,265, respectively compared to $525,160 and $1,832,281, respectively in the three months and year ended December 31, 2018. The increase in the loss in these periods was due to a negative movement in the deferred tax recovery (expense) and investor relations costs, partially offset by lower stock-based compensation.

Effective January 1, 2019, the Company adopted IFRS 16 – Leases ("**IFRS 16**") as discussed in "Changes in Accounting Policies" below. As the liability relating to the office rent is now recorded on the balance sheet, with an offsetting right-of-use asset, the impact on the statement of loss is to reduce rent expense and increase depreciation and interest expense. The recorded liability is discounted resulting in interest on the lease liability. In addition, IsoEnergy sub-leases a portion of its office space. Prior to the adoption of IFRS 16, as the leaseholder, it netted the rent received against rent expense. With the adoption of IFRS 16 it is recorded as rental income.

General and administrative costs

Share-based compensation charged to the statement of loss and comprehensive loss was $49,067 and $238,849 in the three months and year ended December 31, 2019, respectively, compared to $142,588 and $418,347 in the three months and year ended December 31, 2018, respectively. In the year ended

December 31, 2018, 615,000 options were forfeited or cancelled resulting in a reversal of $96,202 of charges recorded in prior periods. The stock-based compensation expense is a non-cash charge calculated using the graded vesting method of the Black-Scholes values. Stock options granted to directors, consultants and employees vest over two years with the corresponding share-based compensation expense being recognized over this period. Variances in share-based compensation expense are expected from period to period depending on many factors, including whether options are granted in a period and whether options have fully vested or have been cancelled in a period. In the year ended December 31, 2019 there were 100,000 options granted compared to 2,860,000 options granted in the year ended December 31, 2018.

Administrative salaries and directors' fees at $253,575 and $698,646 for the three months and year ended December 31, 2019, respectively were lower than the year ended December 31, 2018 which were $253,092 and $732,123, respectively. The annual amounts were lower due to a reduction in the number of directors and employees early in the second quarter of 2018 and a decrease in allocation of salaries between administrative salaries and exploration and evaluation salaries due to activity.

Investor relations expenses were $152,498 and $568,553 for the three months and year ended December 31, 2019, respectively compared to $91,993 and $445,402 in the three months and year ended December 31, 2018, respectively and related primarily to costs incurred in communicating with existing and potential shareholders. The costs were generally higher in the year ended December 31, 2019 due to increased investor relations activity in an improving uranium market and positive drilling results reported by the Company. The level of expenditure varies on timing of conferences and investor meetings.

Office and administrative expenses were $31,242 and $142,080 for the three months and year ended December 31, 2019, respectively, compared to $35,863 and $143,542 in the year ended December 31, 2018, respectively, and consisted of office operating costs, Part XII.6 tax, and other general administrative costs. Other general administrative expenses included communication, professional membership dues, bank charges and staff training. The Part XII.6 tax in the three months and year ended December 31, 2019 was $24,970 and $3,659, respectively compared to $837 and $923 in the three months and year ended December 31, 2018, respectively and relates to a tax on flow through funds raised in the prior year but not yet spent. This increase was offset by a reduction in the rent expense due to the adoption of IFRS 16, from $11,902 and $55,864 in the three months and year ended December 31, 2018, respectively, to $6,000 and $27,471 in the three months and year ended December 31, 2019, respectively.

Professional fees were $51,731 and $180,084 for the three months and year ended December 31, 2019, respectively compared to $36,501 and $163,154 for the three months and year ended December 31, 2018, respectively. Professional fees consisted of legal fees related to the Company's business development activities, as well as accounting and tax fees related to regulatory filings. The amounts vary depending on the business development activities.

Travel expenses were $68,912 and $188,734 for the three months and year ended December 31, 2019, respectively, compared to $69,793 and $151,447 in the three months and year ended December 31, 2018, respectively. Travel expenses relate to business development and general corporate activities and amounts vary depending on projects and activities being undertaken.

Public company costs were $14,905 and $80,183 for the three months and year ended December 31, 2019, respectively, compared to $23,767 and $107,312 in the three months and year ended December 31, 2018, respectively, and consisted primarily of costs associated with the Company's continuous disclosure obligations, listing fees, transfer agent costs, press releases and other shareholder communications. The listing fees were higher in the first quarter of 2018 due to the initial fees associated with allowing IsoEnergy's shares to trade through the Depository Trust Company in the United States which improves liquidity for investors in the United States.

Depreciation expense was $15,173 and $60,692 in the three months and year ended December 31, 2019, respectively compared to $3,695 and $6,765 in the three months and year ended December 31, 2018, respectively. The increase is due to the adoption of IFRS 16 which results in a right-of-use asset which is depreciated. The right-of-use asset is an office lease and was valued at $259,512 on adoption of IFRS 16 and is being depreciated over the life of the lease.

Other items

The Company recorded interest income of $10,419 and $56,512 in the three months and year ended December 31, 2019, respectively compared to $5,263 and $26,513 in the three months and year ended December 31, 2018, respectively which represents interest earned on cash balances. The amounts were higher in the year ended December 31, 2019 due to higher cash balances held.

Interest on lease liability was $2,499 and $11,862 for the three months and year ended December 31, 2019, respectively, compared to nil in the year ended December 31, 2018 and relates to the lease liability which was created on the adoption of IFRS 16.

IsoEnergy recognized rental income of $7,576 and $30,305 in the three months and year ended December 31, 2019 compared to nil in the three months and year ended December 31, 2018. The Company leases office space; prior to the adoption of IFRS 16, this was netted against rent expense.

The Company raises some of its funds through the issuance of flow-through shares. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31 of the year after the shares are issued. The premium received for each flow-through share, which is the price received for the flow-through share in excess of the market price of an ordinary share, is recorded as a flow-through share premium liability. The liability is subsequently reduced when the required exploration expenditures are made, and accordingly, a recovery of flow-through premium is then recorded as a deferred tax benefit. As of December 31, 2019, the Company is obligated to spend $3,412,807 on eligible exploration expenditures by the end of 2020.

The Company records a deferred tax recovery or expense which is comprised of a recovery on losses recognized in the period and the release of flow-through share premium liability which is offset by the renunciation of flow-through share expenditures to shareholders. In the three months and year ended December 31, 2019, this resulted in an expense (recovery) of $(96,088) and $65,045, respectively, compared to a recovery of $126,869 and $309,298 in the three months and year ended December 31, 2018, respectively, due primarily to the higher flow-through share renunciation in 2019. In the three months and year ended December 31, 2019 the Company renounced flow-through share expenditures of $347,957 and $4,123,501, respectively, compared to $15,132 and $1,838,752 in the year ended December 31, 2018, respectively.

	For the three months ended December 31		For the year ended December 31	
	2019	**2018**	**2019**	**2018**
Deferred income taxes related to operations	**$ (149,359)**	**$ (130,093)**	**$ (492,898)**	**$ (462,010)**
Flow-through renunciation	**94,756**	**3,224**	**1,114,153**	**496,463**
Release of flow-through share premium liability	**(41,485)**	**-**	**(556,210)**	**(343,751)**
Deferred income tax expense(recovery)	**$ (96,088)**	**$ (126,869)**	**$ 65,045**	**$ (309,298)**

Financial Position

The following financial data is derived from the Annual Financial Statements and should be read in conjunction with IsoEnergy 's Annual Financial Statements.

	December 31, 2019	December 31, 2018	December 31, 2017
Exploration and evaluation assets	$ 47,966,888	$ 43,473,242	$ 39,065,805
Total assets	$ 55,004,153	$ 50,070,779	$ 42,515,778
Total current liabilities	$ 649,602	$ 816,756	$ 247,061
Total non-current liabilities	$ 867,552	$ 199,366	$ 280,740
Working capital[(1)]	$ 6,373,779	$ 6,293,701	$ 3,254,131
Cash dividends declared per share	Nil	Nil	Nil

(1) Working capital is defined as current assets less accounts payable and accrued liabilities and the current portion of the lease liability. The working capital at December 31, 2019 is after deducting the current lease liability of $66,745 related to the adoption of IFRS 16 which was not on the balance sheet in periods prior to adoption of IFRS 16 on January 1, 2019.

During the year ended December 31, 2019, exploration and evaluation assets increased by $4,493,646 (2018 - $4,407,437) due to expenditures and property acquisitions, offset by a small impairment in 2019. See "Discussion of Operations" above.

SUMMARY OF QUARTERLY RESULTS

The following information is derived from the Company's financial statements prepared in accordance with IFRS applicable to interim financial reporting including IAS 34. For all quarterly periods other than those ended December 31, the information below should be read in conjunction with the Company's Annual financial statements for each of the past seven quarters.

Consistent with the preparation and presentation of the Annual Financial Statements, these unaudited quarterly results are presented in Canadian dollars.

	Dec. 31, 2019	Sept. 30, 2019	June 30, 2019	March 31, 2019	Dec. 31, 2018	Sept. 30, 2018	June 30, 2018	March 31, 2018
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss	($539,873)	($619,010)	($450,514)	($552,868)	($525,160)	($518,694)	($255,136)	($533,291)
Basic and diluted loss per share	($0.01)	($0.01)	($0.01)	($0.01)	($0.01)	($0.01)	($0.01)	($0.01)

IsoEnergy does not derive any revenue from its operations. Its primary focus is the acquisition, exploration and evaluation of mineral properties. As a result, the loss per period has fluctuated depending on the Company's activity level and periodic variances in certain items. Quarterly periods are therefore not comparable.

LIQUIDITY AND CAPITAL RESOURCES

IsoEnergy has no revenue-producing operations, earns only minimal interest income on cash, and is expected to have recurring operating losses. As at December 31, 2019, the Company had an accumulated deficit of $9,022,887.

The Company has raised funds through the issuance of flow-through shares. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31 of the year after the year in which the shares were issued. As of December 31, 2019, the Company is obligated to spend $3,412,807 on eligible exploration expenditures by the end of 2020.

As at the date of this MD&A, the Company has approximately $5.3 million in cash and $4.4 million in working capital.

The ability of the Company to continue as a going concern is dependent on its ability to obtain financing and achieve future profitable operations.

The Company's properties are in good standing with the applicable governmental authority until between April, 2020 and August, 2042 and the Company does not have any contractually imposed expenditure requirements.

Management will determine whether to accept any offer to finance weighing such things as the financing terms, the results of exploration, the Company's share price at the time and current market conditions, among others. Circumstances that could impair the Company's ability to raise additional funds include general economic conditions, the price of uranium and the other factors set forth under "Risk Factors" below and above under "Industry and Economic Factors that May Affect the Business". A failure to obtain financing as and when required could require the Company to further reduce its exploration and corporate activity levels.

The Company has not paid any dividends and management does not expect that this will change in the near future.

Working capital is held almost entirely in cash, significantly reducing any liquidity risk of financial instruments held by IsoEnergy.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at December 31, 2019 or as at the date hereof.

TRANSACTIONS WITH RELATED PARTIES

Except as noted below, the only transactions between the Company and related parties are transactions between the Company and its key management personnel. 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.

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.

Remuneration attributed to key management personnel is summarized as follows:

Year ended December 31, 2019	Short term compensation	Share-based compensation	Total
Expensed in the statement of loss and comprehensive loss	$ 635,860	$ 178,552	$ 814,412
Capitalized to exploration and evaluation assets	520,490	59,257	579,747
	$ 1,156,350	$ 237,809	$ 1,394,159

Year ended December 31, 2018	Short term compensation	Share-based compensation	Total
Expensed in the statement of loss and comprehensive loss	$ 653,306	$ 452,725	$ 1,106,031
Capitalized to exploration and evaluation assets	482,347	166,384	648,731
	$ 1,135,653	$ 619,109	$ 1,754,762

As of December 31, 2019, $34,500 (December 31, 2018 – nil) was included in accounts payable and accrued liabilities owing to directors and officers for compensation.

During the year ended December 31, 2019, the Company leased equipment from NexGen for nil (2018 – $6,267).

On December 9, 2019, NexGen acquired 7,371,858 Units of the Company. On April 19, 2018 NexGen acquired 3,075,520 common shares. On December 20, 2018, NexGen acquired 3,947,000 common shares.

The Company charges office lease and administrative expenditures to NxGold, a company with officers and directors in common. During the year ended December 31, 2019, office lease and administrative expenditures charged to NxGold amounted to $106,644 (2018 – $60,623). At December 31, 2019, NxGold owes IsoEnergy $8,844 (December 31, 2018 – nil).

OUTSTANDING SHARE DATA

The authorized capital of IsoEnergy consists of an unlimited number of common shares. As of February 28, 2020, there were 84,267,500 common shares outstanding and 8,155,000 stock options outstanding, each entitling the holder to purchase one common share of IsoEnergy at the prices set forth below.

Stock options outstanding at February 28, 2019 together with the expiry date and exercise price thereof are set forth below:

Number of options	Exercise price per option	Number of options exercisable	Exercise price per option	Expiry date
3,100,000	$ 1.00	3,100,000	$ 1.00	October 25, 2021
100,000	$ 1.00	100,000	$ 1.00	October 24, 2021
250,000	$ 1.00	250,000	$ 1.00	January 4, 2022
50,000	$ 1.00	50,000	$ 1.00	May 25, 2022
400,000	$ 0.57	400,000	$ 0.57	January 8, 2023
1,120,000	$ 0.36	759,994	$ 0.36	July 30, 2023
1,300,000	$ 0.42	883,331	$ 0.42	December 28, 2023
100,000	$ 0.50	50,000	$ 0.50	June 5, 2024
1,735,000	$0.385	561,665	$0.385	January 24, 2025
8,155,000	$ 0.66	6,154,990	$ 0.75	

Warrants outstanding at February 28, 2020 together with the expiry date and exercise price thereof are set forth below:

Number of warrants	Exercise price per share	Expiry Date
4,028,429	$ 0.60	December 3, 2021
466,680	$ 0.45	December 3, 2021
2,400,260	$ 0.60	April 19, 2021
484,774	$ 0.38	December 20, 2020
7,380,143	$ 0.58	

CRITICAL ACCOUNTING ESTIMATES

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 revenues and 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 in the circumstances. Uncertainty about these judgments, estimates and assumptions could result in a material adjustment to the carrying amount of the asset or liability affected in future periods.

Information about significant areas of estimation uncertainty considered by management in preparing the Annual Financial Statements is as follows:

i. Impairment

At the end of each financial reporting period the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss or reversal of previous impairment. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. With respect to exploration and evaluation assets, the Company is required to make estimates and judgments about the future events and circumstances and whether the carrying amount of intangible exploration assets exceeds its recoverable amount. Recoverability depends on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or its ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

ii. Share-based payments

The Company uses the Black-Scholes option pricing model to determine the fair value of options in order to calculate share-based payment expenses. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payment expenses.

CHANGES IN ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 4 to the Annual Financial Statements and have been consistently followed in preparation of the Annual Financial Statements except as noted below.

New standards adopted:

The Company has applied IFRS16 - *Leases* using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 *Leases* and IFRIC 4 *Determining whether an arrangement contains a lease.*

For the purpose of applying the modified retrospective approach to its office lease, the Company elected to measure the right-of-use asset at an amount equal to the lease liability at the date of initial application. At January 1, 2019, the Company recognized a right-of-use asset and lease liability of $259,512 in respect of its office lease.

Policy applicable from January 1, 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of the property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method.

The Company presents the right-of-use asset related to its office lease in property and equipment.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Subleased office space

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of the sub-lease by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

CAPITAL MANAGEMENT

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of assets. The Board does not impose 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 types of equity and is dependent on third party financing, whether through debt, equity, or other means. 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.

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.

Management reviews its capital management approach on an ongoing 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.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities.

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

Financial instrument risk exposure

As at December 31, 2019, the Company's financial instrument risk exposure and impact thereof on the Company's financial instruments is 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 December 31, 2019, the Company has cash on deposit with a large Canadian bank. Credit risk is concentrated as a significant amount of the Company's cash and cash equivalents is held at one financial institution. Management believes the risk of loss to be remote. The Company's amounts receivable consists of input tax credits receivable from the Government of Canada and interest accrued on cash equivalents. Accordingly, the Company does not believe it is subject to significant credit risk.

(b) **Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet its obligations under financial instruments. The Company manages 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 December 31, 2019, the Company had a working capital balance of $6,373,779, including cash of $6,587,075.

(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 from a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on the estimated fair value of the Company's cash and cash equivalent balances as of December 31, 2019.

(ii) **Foreign Currency Risk**

The functional currency of the Company is the Canadian dollar. Currency transaction risk and currency translation risk is the risk that fluctuations of the Canadian dollar in relation to other currencies may impact the fair value of financial assets, liabilities and operating results. As of December 31, 2019, the Company had no financial assets and liabilities that were subject to currency translation risk. The Company maintains 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 of movements in individual equity prices or general movements in the level of the stock market on the Company's financial performance. Commodity price risk is defined as the potential adverse impact of commodity price movements and volatilities on financial performance and economic value. Future declines in commodity prices may impact the valuation of long-lived assets. The Company closely monitors the commodity prices of uranium, individual equity movements, and the stock market.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. The primary risk factors affecting the Company are set forth below. For a comprehensive list of the risks and uncertainties facing the Company, please see "Risk Factors" in the

Company's most recent annual information form and above under "Industry and Economic Factors that May Affect the Business".

Negative Operating Cash Flow and Dependence on Third Party Financing

The Company has no source of operating cash flow and there can be no assurance that the Company will ever achieve profitability. Accordingly, the Company is dependent on third party financing to continue exploration activities on the Company's properties, maintain capacity and satisfy contractual obligations. Accordingly, the amount and timing of expenditures depends on the Company's cash reserves and access to third party financing. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's properties or require the Company to sell one or more of its properties (or an interest therein).

Uncertainty of Additional Financing

As stated above, the Company 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 Company's access to third party financing depends on a number factors including the price of uranium, the results of ongoing exploration, a claim against the Company, a significant event disrupting the Company's business or the uranium industry generally, or other factors may make it difficult or impossible to obtain financing through debt, equity, or other means on favourable terms, or at all. As previously stated, failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's properties or require the Company to sell one or more of its properties (or an interest therein).

The Price of Uranium Price and Alternate Sources of Energy

The price of uranium is at historically low levels and the price of the Company's securities is highly sensitive to fluctuations in the price of uranium. Historically, the fluctuations in these prices have been, and are expected to continue to be, affected by numerous factors beyond the Company's control. Such factors include, among others: demand for nuclear power; political and economic conditions in uranium producing and consuming countries; public and political response to a nuclear accident; improvements in nuclear reactor efficiencies; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess inventories by governments and industry participants; and production levels and production costs in key uranium producing countries.

In addition, 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 the Company's ability to obtain the required financing in the future or to obtain such financing on terms acceptable to the Company, resulting in material and adverse effects on its exploration and development programs, cash flow and financial condition.

Loss of Entire Investment

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Mineral Exploration is Speculative

The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities, as major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities. Whether income will result from projects undergoing exploration programs depends on the successful establishment of mining operations. Factors including, but not limited to, government regulations (such as those governing prices, taxes, royalties, land tenure, land use and environmental protection), costs, actual mineralization, size and grade of mineral deposits, consistency and reliability of ore grades and commodity prices may affect successful project development. Few properties that are explored are ultimately developed into producing mines.

Additional Exploration Risks

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 several 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 the Company'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 several factors, most of which are beyond the control of the Company and may result in the Company not receiving adequate return on investment capital.

No Known Mineral Resources or Reserves

There are no known bodies of commercial minerals on the Company'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 the Company will be successful in its search for mineral resources and mineral reserves.

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

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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning IsoEnergy 's general and administrative expenses and exploration and evaluation expenses and assets is set forth above under "*Results of Operations*" and in the Company's statement of loss and comprehensive loss contained in its Annual Financial Statements for the three months and year ended December 31, 2019 and 2018, which is available on IsoEnergy 's website or on its profile at www.sedar.com.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A 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 MD&A 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; sources, and proposed uses, of funds; capital and operating cost estimates, including 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 MD&A, 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; 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 in the "Risk Factors" above.

Although IsoEnergy has 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.*

APPROVAL

The Audit Committee and the Board of IsoEnergy have approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the Company's profile SEDAR website at www.sedar.com or by contacting the corporate office, located at 970-1055 West Hasting Street Vancouver, BC, V6E 2E9.