



Management's Discussion and Analysis

ISOENERGY LTD.

For the Period Ended

December 31, 2016

Dated: March 7, 2017

ISOENERGY LTD.

For the period from incorporation to December 31, 2016

GENERAL

This management's discussion and analysis ("**MD&A**") is management's interpretation of the results and financial condition of IsoEnergy Ltd. ("**Iso**" or the "**Company**") for the period from incorporation to December 31, 2016 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 period ended December 31, 2016 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 INFORMATION

All scientific and technical information herein has been reviewed and approved by Mr. Steve Blower, P.Geo., Vice President – Exploration for Iso. Mr. Blower is a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. For additional information regarding the Company's Radio project and Thorburn Lake project, including its quality assurance and quality control procedures, please see the technical report entitled "Technical Report for the Radio Project, Northern Saskatchewan" dated effective August 19, 2016 and entitled "Technical Report for the Thorburn Lake Project, Northern Saskatchewan" dated effective September 26, 2016, respectively, in each case, on the Company's profile at www.sedar.com.

BACKGROUND

Iso is the product of an amalgamation completed on October 12, 2016 between a company also called "IsoEnergy Ltd" ("**Old Iso**") and 1089338 B.C. Ltd. (then a wholly-owned subsidiary of NexGen Energy Ltd.), pursuant to section 269 of the British Columbia *Business Corporations Act* (the "**Old Iso Merger**"). Old Iso was incorporated on February 2, 2016 under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") as a wholly-owned subsidiary of NexGen Energy Ltd. ("**NexGen**") to hold 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. NexGen's common shares are listed and posted for trading on the Toronto Stock Exchange. As of the date hereof, NexGen holds 71.7% of the outstanding Iso common shares.

Pursuant to the Old Iso Merger, each outstanding common share of Old Iso was exchanged for one common share of the amalgamated entity, namely Iso or the Company, which has the same business and capital structure as Old Iso. Pursuant to the Old Iso Merger, NexGen was issued one common share of the amalgamated entity in exchange for its one common share of 1089338 B.C. Ltd.

Prior to the Iso Merger, and pursuant to a transfer agreement between Old Iso and NexGen, Old Iso acquired all of NexGen's interest in the Radio Project (including by way of assignment, the Radio Option Agreement (as defined below)), the Thorburn Lake Project and the Madison, 2Z and Carlson Creek properties, all early stage exploration properties located in the Athabasca Basin, Saskatchewan, effective June 17, 2016, (collectively, the "**Transferred Property Interests**"). As consideration for the Transferred Property Interests, Old Iso issued 29 million common shares to NexGen at a price of \$1.00 per common share.

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In addition, on June 30, 2016 Old Iso acquired the North Thorburn property in exchange for one million common shares at a price of \$1.00 per common share and a cash payment of \$100,000.

In the period from incorporation to approximately August 15, 2016, pending completion of the brokered and non-brokered private placements, NexGen financed Old Iso's operational expenses. As of August 15, 2016, approximately \$458,400 was owing by Old Iso to NexGen in that regard. On August 16, 2016, NexGen converted \$450,000 of the amount owing by Old Iso to NexGen into 450,000 common shares at a price of \$1.00 per share.

On October 13, 2016, Airesurf Network Holdings Inc. ("**Airesurf**") and 2532314 Ontario Ltd., a wholly-owned subsidiary of the Company incorporated for the purpose of this transaction, amalgamated under the Ontario *Business Corporations Act* to form IsoOre Ltd., a wholly-owned subsidiary of the Company (the "**Airesurf Transaction**").

Both the Airesurf Transaction and the Old Iso Merger were part of a series of transactions completed in connection with the Company's application to list its common shares on the TSX Venture Exchange (the "**TSXV**").

On October 19, 2016, Iso was listed on the TSX Venture Exchange as a Tier 2 Mining Issuer.

Radio Option Agreement

Pursuant to an option agreement, most recently amended February 21, 2014, upon incurring \$10,000,000 of expenditures on the Radio Project by May 31, 2017, the Company has the right to earn a 70% right, title and interest in the Radio property (the "**Radio Option Agreement**"). As of December 31, 2016, the Company has incurred approximately \$1,343,743 of expenditures on the Radio Project.

Upon Iso earning a 70% interest in the Radio Project, Iso and the Radio optionors will be deemed to have formed a joint venture with Iso 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 a 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.

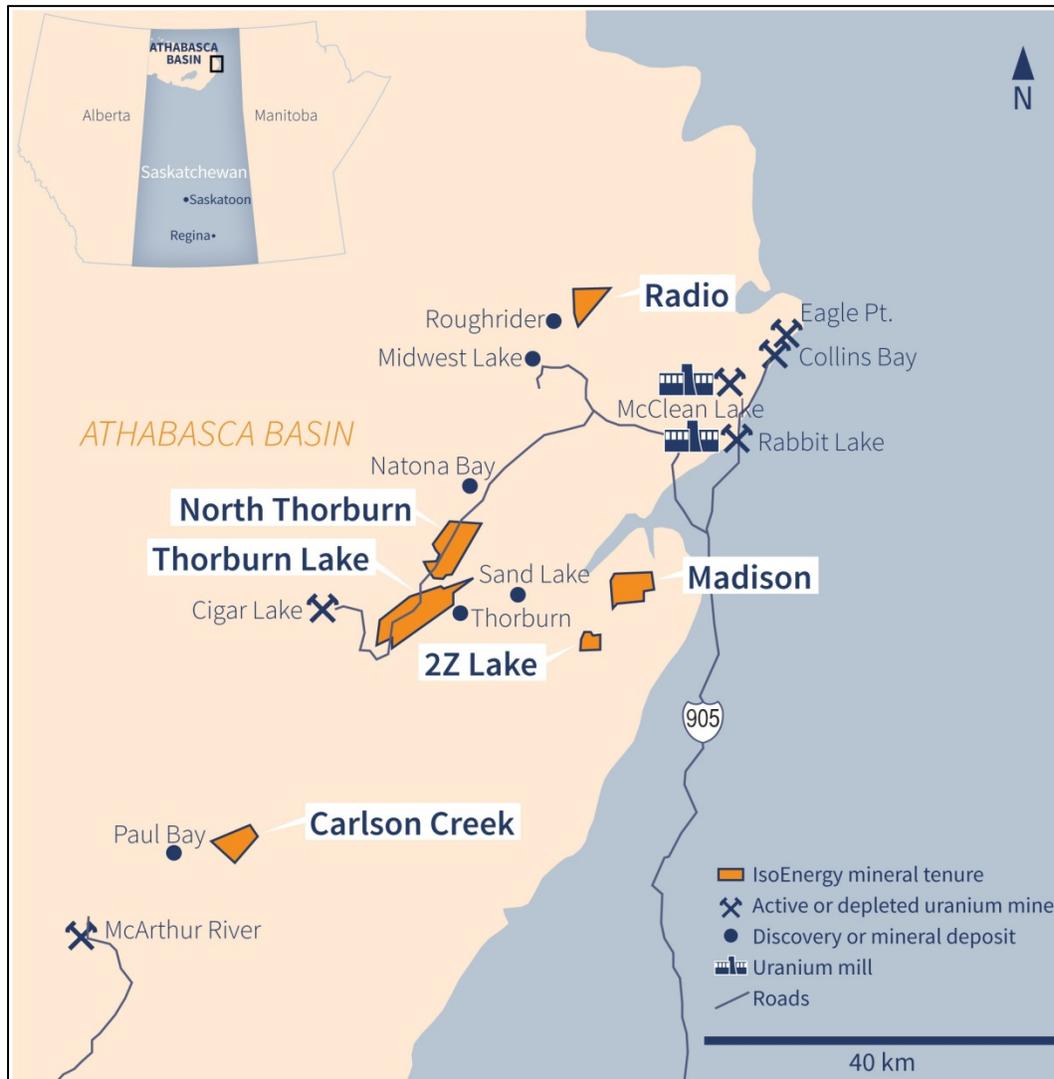
The Radio Option Agreement provides that the Radio optionors shall retain a 2% net smelter royalty and a 2% gross overriding royalty on production from the property, calculated in accordance with the Radio Option Agreement. The gross overriding royalty applies only to gems and gemstones.

OVERALL PERFORMANCE

The principal business activity of Iso is the acquisition and exploration of uranium mineral properties, principally in the Athabasca Basin of Saskatchewan.

Iso's principal assets are: (i) a right to earn a 70% interest in the Radio Project; (ii) a 100% interest in the Thorburn Lake Project (subject to a 1% net smelter return royalty and a 10% carried interest which can be reduced to 1% at the holder's option upon completion of a bankable feasibility study); and (iii) a 100% interest, in each of the Madison, 2Z, Carlson Creek and North Thorburn properties. Figure 1 below sets forth the location of the Company's properties.

Figure 1 – Property Location Map



The Company's financial statements have been prepared using International Financial Reporting Standards ("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. Based on the nature of the Company's activities, both presentation and functional currency is Canadian dollars.

As an exploration stage company, the Company does not have revenues and is expected to generate operating losses. As at December 31, 2016, the Company had cash of \$6,491,460, an accumulated deficit of \$2,545,304 and working capital (defined as current assets less accounts payable and accrued liabilities) of \$6,416,503. Under the Radio Option Agreement, the Company is required to spend \$10 million prior to May 31, 2017 to earn a 70% interest. Therefore, 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 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.

During the period since inception to December 31, 2016, the Company received gross proceeds of \$10,692,550 related to the issue of common shares (see the "Liquidity and Capital Resources" section below).

Industry and Economic Factors that May Affect the Business

Economic and industry risk factors that may affect Iso's business, including those that could affect liquidity and capital resources, are described below under the heading "Risk Factors". In particular, the Company does not anticipate generating revenue in the near future. As a result, the Company continues to be dependent on third party financing to continue exploration activities on the Company's properties, maintain capacity and satisfy contractual obligations. 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 results and the other factors described below under "Risk Factors".

SELECTED FINANCIAL INFORMATION

Management is responsible for the Annual Financial Statements. Although the Company's Audit Committee reviews the Annual Financial Statements and MD&A and makes recommendations to the Company's Board of Directors, (the "**Board**"). It is the Board that has final approval of the Annual Financial Statements and MD&A.

The Annual Financial Statements have been prepared in accordance with IFRS and the interpretations of the IFRS Interpretations Committee as issued by the International Accounting Standards Board ("**IASB**"). The Company's significant accounting policies are presented in Note 4 of the Annual Financial Statements and were consistently followed throughout the fiscal year.

Based on the nature of the Company's activities, both presentation and functional currency is the Canadian dollar.

The following financial data is derived from the Annual Financial Statements:

	For the three months ended December 31, 2016	For the period from February 2, 2016 to December 31, 2016
Revenue	Nil	Nil
Loss	\$ (1,889,543)	\$ (2,545,304)
Basic loss per share	\$ (0.05)	\$ (0.12)
Diluted loss per share	\$ (0.05)	\$ (0.12)
Exploration and evaluation assets	\$ 32,991,814	\$ 32,991,814
Total assets	\$ 39,791,620	\$ 39,791,620
Total current liabilities	\$ 468,309	\$ 468,309
Total non-current liabilities	\$ -	\$ -
Working capital ⁽¹⁾	\$ 6,416,503	\$ 6,416,503
Shareholders' equity	\$ 39,186,723	\$ 39,186,723
Cash dividend declared per share	Nil	Nil

(1) Working capital is defined as current assets less accounts payable and accrued liabilities

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	For the three months ended December 31, 2016	For the period from February 2 to December 31, 2016
Share-based compensation	\$ 829,913	\$ 829,913
Administrative salaries, contract and director fees	179,911	457,806
Investor relations	171,412	171,412
Office and administrative	33,937	80,527
Employee relocation expense	340	72,998
Professional fees	(150,500)	124,617
Travel	19,010	64,710
Public company costs	70,596	80,596
Exploration costs	21,870	21,870
Airesurf acquisition and listing application	565,079	565,079
Release of flow-through share premium liability	(142,053)	(214,252)
Loss from operations	(1,599,515)	(2,255,276)
Deferred income tax expense	(290,028)	(290,028)
Loss and comprehensive loss for the period	\$ (1,889,543)	\$ (2,545,304)

During the three months ended December 31, 2016 and the period from inception to December 31, 2016 the Company had a loss of \$1,889,543 and \$2,545,304, respectively. The loss in the fourth quarter was significantly higher than the previous quarters due primarily to share-based compensation, the Airesurf Transaction and listing costs, both discussed below.

During the fourth quarter of 2016, the Company granted 3,775,000 stock options resulting in a share-based compensation expense being charged to the Company's statement of loss and comprehensive loss of \$829,913 in the three month period ended December 31, 2016, and a \$256,420 charge to exploration and evaluation assets. These are non-cash charges calculated using the Black-Scholes graded vesting method. Stock options granted to directors and employees vest as to 1/3 immediately and the balance over two years with the corresponding share-based compensation expense being recognized over this period. Stock options granted to investor relations consultants vest over one year. 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.

Administrative salaries, contract and directors' fees were \$457,806 for the period from inception to December 31, 2016 and \$179,911 for the fourth quarter ended December 31, 2016 and relate to costs incurred by employees and contractors to manage the head office in Vancouver as well as directors' fees. Additional salaries and contract costs are included in exploration and evaluation assets.

Investor relations expenses were \$171,412 for the period from inception to December 31, 2016 and relate primarily to a promotional campaign to introduce the Company, which became a reporting issuer on October 13, 2016, to the investment community.

Office and administrative expenses were \$80,527 for the period from inception to December 31, 2016 and \$33,937 for the quarter ended December 31, 2016 and consist primarily of rent and communication costs. The employee relocation expense was a one-time cost incurred in relocating the President and Chief Executive Officer of the Company from Melbourne, Australia to Vancouver, British Columbia, where Iso's head office is located.

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Professional fees consist of legal and accounting fees. Prior to the completion of the Airesurf Transaction, professional fees consisted of legal fees incurred in connection with the Company's application to list its common shares on the TSXV and the completion of the Airesurf Transaction. Many of these costs were incurred prior to completion of the Airesurf Transaction. Following completion of the Airesurf Transaction, these costs were reclassified from professional fees to Airesurf acquisition and listing expenses to better reflect the one-time nature of the costs.

Travel expenses relate to general corporate travel in connection with capital raising activities and general corporate travel.

Public company costs consist of costs associated with being a public company such as listing fees, transfer agent costs, press releases and shareholder communication.

Exploration costs consist of costs incurred to establish rights to the Mountain Lake uranium deposit in the Hornby Bay Basin, Nunavut for which, at the time the costs were incurred, the Company did not yet have legal registered rights to explore the property. The rights were acquired in February 2017, and any further costs incurred will be capitalized. The property consists of five claims totaling 5,625 hectares and was acquired by staking. Mountain Lake is located 100 kilometres southwest of the coastal community of Kugluktuk.

Pursuant to the Airesurf Transaction, as described under "Background" above, on October 13, 2016, Iso issued 302,881 common shares to former shareholders of Airesurf at an effective price of \$1.00 per share. The purchase price has been allocated to the assets acquired and the liabilities assumed based on their fair value on the closing date of the Airesurf Transaction. The excess of the purchase price over the net assets acquired was included in the statement of loss and comprehensive loss for the period:

Purchase price:	
Fair value of shares issued	\$ 302,881
Transaction costs	210,141
	<u>\$ 513,022</u>
Purchase price allocation:	
Cash	\$ 1,057
Accounts payable	(53,114)
	<u>\$ (52,057)</u>
Net purchase price expensed	<u>\$ 565,079</u>

Many of the transaction costs were incurred pre-closing and classified as professional costs in the third quarter. These costs have been reclassified in the fourth quarter from professional fees to Airesurf acquisition and listing costs to better reflect the one-time nature of the costs.

Release of flow-through share premium liability is related to the fulfillment of the commitment to spend the required exploration expenditures under flow-through share arrangement. On issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any investors pay for the flow-through feature, which is recognized as a liability; and ii) share capital. The flow-through share premium is recorded as a flow-through share premium liability. The liability is subsequently reduced when the required exploration expenditures are incurred, and accordingly, a recovery of flow-through premium is recorded as income. Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors under Canadian income tax legislation. Upon eligible expenses being incurred, the Company recognizes a deferred tax liability for the amount of the tax reduction renounced to the shareholders, as a

tax provision. To the extent that eligible deferred income tax assets are available, the Company will reduce the deferred income tax liability and record a deferred income tax recovery. Proceeds received from the issuance of flow-through shares must be expended on Canadian resource property exploration within a period of two years. Failure to expend such funds as required under the Canadian income tax legislation will result in a Part XII.6 tax to the Company on flow-through proceeds renounced under the "Look-back" Rule. When applicable, this tax is expensed as a financial expense.

During the period ended December 31, 2016, the Company raised \$4,328,100 through the issuance of flow-through shares. Pursuant to Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31, 2017. A \$393,464 flow-through share premium liability was recorded during the period ended December 31, 2016. As of December 31, 2016, the Company incurred \$2,356,776 of the required eligible exploration expenditures and as such the liability has been reduced by \$214,252 to \$179,212.

The Company has recorded a deferred tax expense of \$290,028 which reflects a deferred tax recovery on losses recognized in the period offset by the renunciation of the flow-through shares. A reconciliation of income taxes based statutory rates and reported taxes is as follows:

	2016
Loss from operations	(2,255,276)
Statutory rate	27%
Expected income tax recovery	(608,925)
Permanent differences	
Share-based compensation	224,077
Release of flow-through share premium liability	(57,848)
Airesurf acquisitions (before transaction costs)	95,833
Other	561
Flow-through share renunciation	636,330
Total	290,028

DISCUSSION OF OPERATIONS

Exploration and Evaluation Spending

During the period from incorporation (February 2, 2016) to December 31, 2016, Iso incurred an aggregate of \$2,891,814 on deferred exploration on its properties as follows:

	Radio	Thorburn Lake	North Thorburn	Other	Total
Drilling	\$ 862,468	\$ 334,694	\$ -	\$ -	\$ 1,197,162
Geological and geophysical	5,178	429,839	284,160	-	719,177
Geochemistry and assays	106,232	44,959	-	-	151,191
Labour and wages	189,377	167,803	14,327	4,417	375,924
Camp costs	86,496	32,964	-	-	119,460
Travel and other	30,004	16,607	3,333	290	50,234
Cash expenditures	1,279,755	1,026,866	301,820	4,707	2,613,148
Share-based compensation	171,801	84,619	-	-	256,420
Depreciation	14,905	7,341	-	-	22,246
Total expenditures	\$ 1,466,461	\$ 1,118,826	\$ 301,820	\$ 4,707	\$ 2,891,814

During the period between incorporation to December 31, 2016, Iso actively explored three of its six properties, Radio, Thorburn Lake, and North Thorburn. A description of these exploration activities is set forth below.

Radio

At the Radio Project, a program of core drilling was started on September 19, 2016. The program consisted of 13 drill holes totalling 4,946 metres and was completed on October 14, 2016. The program evaluated three metasedimentary corridors for the presence of features indicative of nearby uranium mineralization. Results from several drill holes in the southern corridor were positive, as they encountered a large volume of basement clay alteration associated with graphitic fault zones. Samples of the graphitic fault zones are elevated in common uranium pathfinder elements such as molybdenum (up to 184 ppm), nickel (up to 274 ppm), cobalt (up to 45 ppm) and vanadium (up to 270 ppm). Systematic sampling through the alteration zones for shortwave infrared (SWIR) reflectance analysis indicates that the clay alteration zone is illitic, similar to the clay alteration zone that surrounds the nearby Roughrider deposit. The Company believes that further exploration in this area is warranted.

Thorburn Lake

Work at Thorburn Lake property consisted of a direct current resistivity (“**DC-Res**”) survey that began on August 31, 2016 and was completed on October 12, 2016. Approximately 84 line-kilometres of surveying was completed on grid lines spaced 200 metres apart. The survey was designed to locate areas of basement conductivity that may be related to graphitic structures, and other areas of low resistivity that might indicate clay alteration zones in the sandstone or basement. The Company believes the results are encouraging, as graphitic structures observed in drilling in 2008 and 2011 are coincident with conductive features in the survey results. Also, other local areas of low resistivity are observed in the data that may indicate the presence of clay alteration zones.

A program of core drilling at Thorburn Lake began on October 14, 2016 and was completed on November 6, 2016. A total of 2,587 metres was drilled in six drill holes. Several targets were evaluated in an area characterized by widespread elevated uranium geochemistry and local weak uranium mineralization drilled in 2011 by a previous operator. The best assay result from the 2011 drilling was 0.43% U₃O₈ over 0.6 metres in drill hole TBN-11-05A associated with pitchblende filled fractures in basement pelitic gneiss, immediately beneath the sub-Athabasca unconformity. Elevated radioactivity at the sub-Athabasca unconformity was observed in five of the six recently completed drill holes. The highlight was TBN16-19 where radioactivity up to 1,900 counts per second (30-40 times background) was measured with a hand-held SRAT SPP2 scintillometer in an interval straddling the unconformity. Geochemical results from the radioactive interval in TBN16-19 returned 0.10% U₃O₈ over 0.5 metres.

North Thorburn

A program of ground gravity geophysical surveying was completed at the North Thorburn property in June, 2016. During the survey, gravity was measured at 380 new stations spaced 50 metres apart along 200 metre spaced grid lines.

Additionally, a 50 line-kilometre DC-Res geophysical survey was completed on November 15, 2016. As with the DC-Res survey described above at Thorburn Lake, the objective was to locate areas of basement conductivity that may be related to graphitic structures, and other areas of low resistivity that might indicate clay alteration zones in the sandstone or basement. Three zones of low resistivity are evident in the results, all of which are located in the northeast part of the survey area. Each of the zones coincides with interpreted structures from previous geophysical surveys and thus each represents multiple drill targets.

The survey results will be integrated with other datasets to finalize drill targets. No previous drilling has been completed on the property.

Overall, the Company's strategy of focusing exploration on the Thorburn Lake and Radio properties with a combination of DC-Resistivity geophysics and core drilling was largely realized and/or is still being completed. Planned geophysical surveys in 2016 at Thorburn Lake and North Thorburn were completed. As well, initial drilling programs at Radio and Thorburn Lake were successful in identifying uranium mineralization or indications of uranium mineralization and are being followed up with more drilling in 2017.

The Company plans to continue to explore each of the Radio, Thorburn Lake and North Thorburn properties by completing the balance of the activities set forth below. The nature and extent of further exploration will depend on the results of these planned exploration activities and the Company's financial resources.

Comparison of Previous Use of Proceeds

On October 13, 2016, Iso filed a Form 2B – Listing Application for the listing of common shares of Iso. The Form 2B provided that the funds available at that time would be used as set out below.

	Expenditures to September 30, 2016	Anticipated use of funds per October 13, 2016 Form 2B	Estimated total program costs as of October 13, 2016	Actual/Revised Forecast	Comments
Thorburn North Property – DC Resistivity Study (60 line-km)	\$ 59,689	\$ 276,000	\$ 335,689	\$301,820 (Actual)	Completed Nov 2016
Thorburn Lake Project – DC Resistivity Study	\$ 359,341	\$ 51,000	\$ 410,341	\$429,839 (Actual)	Completed Oct 2016
Thorburn Lake Project – Drilling (6 holes)	\$ 13,397	\$ 606,000	\$ 619,397	\$597,027 (Actual)	Completed Nov 2016
Radio Project – Phase 1	\$ 556,525	\$ 1,100,000	\$ 1,656,525	\$1,279,755 (Actual)	Completed Oct 2016
Thorburn North Property – 2,400 m Drilling (6 holes)	\$ -	\$ 617,000	\$ 617,000	\$617,000 (Forecast)	Scheduled for Summer 2017
Thorburn Lake – 4,200 m Drilling and DC Resistivity Study	\$ -	\$ 1,500,000	\$ 1,500,000	\$813,000 (Forecast)	Drilling Begins Feb 2017, DC-Res deferred to 2018
Radio – Phase 2 – 4,100 m Drilling (10 holes)	N/A	N/A	N/A	\$781,000 (Forecast)	Currently Underway

SUMMARY OF QUARTERLY RESULTS

The information should be read in conjunction with the Company's Annual Financial Statements as well as the unconsolidated interim financial statements for the period ended September 30, 2016 and the unconsolidated audited financial statements for the period ended June 30, 2016.

	June 30, 2016	September 30, 2016	December 31, 2016
Revenue	Nil	Nil	Nil
Loss	\$ (226,265)	\$ (429,496)	\$ (1,889,543)
Basic loss per share	\$ (0.05)	\$ (0.01)	\$ (0.05)
Diluted loss per share	\$ (0.05)	\$ (0.01)	\$ (0.05)

Iso does not derive any revenue from its operations. Its primary focus is the acquisition, exploration and evaluation of resource properties.

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 due to the nature and timing of exploration activities.

FOURTH QUARTER RESULTS

For a discussion of the Company's financial condition, financial performance and cash flow for the quarter ended December 31, 2016, please refer to "Selected Financial Information", above.

LIQUIDITY AND CAPITAL RESOURCES

Iso has no revenue-producing operations, earns only minimal interest income on cash, and is expected to have recurring operating losses. As at December 31, 2016, the Company had an accumulated deficit of \$2,545,304.

In the period from incorporation to December 31, 2016, the Company completed the following private placements:

Date issued:	Shares issued	Price per share	Gross proceed	Cash finders' fee	Other cash share issuance costs	Net proceeds
June 30, 2016	2,033,000	\$ 1.00	\$2,033,000	\$ (3,300)	\$ -	\$2,029,700
August 5, 2016	2,092,500	\$ 1.00	2,092,500	(95,550)	(64,185)	1,932,765
August 5, 2016	1,818,200	\$ 1.10	2,000,020	(120,001)	(61,348)	1,818,671
August 4, 2016	2,106,000	\$ 1.00	2,106,000	-	(45,885)	2,060,115
October 11, 2016	132,950	\$ 1.00	132,950	(7,356)	-	125,594
November 2, 2016	2,116,436	\$ 1.10	2,328,080	(139,685)	(22,405)	2,165,990
	<u>10,299,086</u>		<u>\$10,692,550</u>	<u>\$ (365,892)</u>	<u>\$ (193,823)</u>	<u>\$10,132,835</u>

As at the date of this MD&A, the Company has approximately \$5,631,000. The Company's working capital balance as at the date of this MD&A is approximately \$4.7 million. As a result, as at the date hereof the Company has sufficient funds to complete the plans to continue exploration activities at its Radio, Thorburn Lake and Thorburn North projects and finance its general and administrative costs for the next 12 months. Excess available funds will be allocated to exploration programs based upon the results of completed programs.

As previously stated however, under the Radio Option Agreement, the Company is required to spend \$10 million prior to May 31, 2017 to earn a 70% interest. Therefore, 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.

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.

As previously stated, the Company is dependent on external financing, including equity issuances and debt financing, to fund its activities. 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 below under "Risk Factors". 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 Iso.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at December 31, 2016.

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, corporate officers and related companies.

Remuneration attributed to key management personnel for the period from February 2, 2016 to December 31, 2016 can be summarized as follows:

	Short term compensation	Share-based compensation	Total
Expensed in the statement of loss and comprehensive loss	\$ 325,045	\$ 717,974	\$ 1,043,019
Capitalized to exploration and evaluation assets	268,913	234,441	503,354
	\$ 593,958	\$ 952,415	\$ 1,546,373

In the period from incorporation to December 31, 2016, \$72,998 was also paid by the Company to or on behalf of its President and Chief Executive Officer to relocate to Vancouver, where the corporate office is based. This amount was included in relocation expenses on the Company's statement of loss and comprehensive loss.

As of December 31, 2016, \$70,012 (included in accounts payable and accrued liabilities) was owing to directors and officers for compensation.

In addition (i) during the period from incorporation to December 31, 2016, Old Iso issued 29,000,000 common shares to NexGen as consideration for the Transferred Property Interests; and (ii) on August 16, 2016, Old Iso issued 450,000 shares to NexGen to settle \$450,000 due to NexGen for costs paid by NexGen on Old Iso's behalf.

OUTSTANDING SHARE DATA

The authorized capital of Iso consists of an unlimited number of common shares. As of March 7, 2017, there were 41,060,549 common shares outstanding and 4,025,000 stock options outstanding, each entitling the holder to purchase one common share of Iso at the prices set forth below.

Stock options outstanding at March 7, 2017 are as follows:

Number of options	Exercise price per option	Number of options exercisable	Exercise price per option	Expiry date
3,675,000	\$ 1.00	1,225,000	\$ 1.00	October 25, 2021
100,000	\$ 1.00	25,000	\$ 1.00	October 24, 2021
250,000	\$ 1.00	83,333	\$ 1.00	January 4, 2022
4,025,000	\$ 1.00	1,333,000	\$ 1.00	

PROPOSED TRANSACTIONS

As is typical in the mineral exploration and development industry, the Company continually reviews potential merger, acquisition and investment transactions and opportunities that could enhance shareholder value. At present however, no transactions have been approved by the Board or in respect of which such approval is probable.

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 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 regarding 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. Refer to Note 9 of the Annual Financial Statements for further details.

Where equity instruments are issued to settle amounts due or for goods or services received by the entity as consideration which cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of amount settled or goods or services received. The only significant share based payment transactions occurring during the period ended December 31, 2016 was the acquisition of the Acquired Property Interests and the Thorburn North property and the completion of the Airesurf Transaction, by Old Iso. Old Iso was a private company, and therefore, the determination of the value of these share-based payments is considered a significant accounting estimate, as there was no active market for the issued shares. The value of these transactions was measured with reference to the price per share paid by external third party investors at approximately the same time.

CHANGES IN ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 4 to the Annual Financial Statements.

Future Accounting Pronouncements:

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

- **IFRS 9 - *Financial Instruments*:** New standard that replaced IAS 39 for the 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 on the Company's financial statements has not yet been determined.
- **IFRS 16 – *Leases*:** In January 2016, the IASB issued IFRS 16 – Leases. IFRS 16 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.

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 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. 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.

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 classified as loans and receivables and 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, 2016, the Company's financial instrument risk exposure and its 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 December 31, 2016 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 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 December 31, 2016 the Company had a working capital balance of \$6,416,503, including cash of \$6,491,460.

(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, 2016.

(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 December 31, 2016, 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 Iso are speculative due to the high-risk nature of its business which is the exploration of mineral 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 Iso's capital requirements.

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

Negative Operating Cash Flow and Dependence on Third Party Financing

Iso has no source of operating cash flow and there can be no assurance that Iso will ever achieve profitability. Accordingly, Iso is dependent on third party financing to continue exploration activities on its properties, maintain capacity and satisfy contractual obligations. 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 Iso's properties or require Iso to sell one or more of its properties.

Uncertainty of Additional Financing

As stated above, Iso is dependent on third party financing, whether through debt, equity, or other means. Although Iso has been successful in raising funds to date, there is no assurance that Iso will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to Iso. Volatile uranium markets, a claim against Iso, a significant event disrupting Iso'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, Iso 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, Iso only proposes to incur \$780,000 of its available funds to exploration activities at the Radio Project, bringing the total expenditures on the Radio Project during the relevant period to approximately \$2,124,000. Any subsequent exploration will be contingent upon the results of previous and planned exploration. There is no assurance that any exploration program will be successful. Even if some or all of the planned exploration programs are successful, Iso will be required to obtain additional financing to satisfy the remaining expenditure requirements under the Radio Option Agreement. There is no assurance that Iso will be successful in obtaining the required financing or that such financing will be available on terms acceptable to Iso. 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 Iso's interest in the Radio Project, without the return of any amounts expended by Iso on the Radio Project or any common shares issued to NexGen as consideration for the assignment of the Radio Option Agreement to Iso.

Limited Operating History

Iso is subject to many risks common to enterprises with a limited operating history, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources and absence of revenues. There is no assurance that Iso 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 Iso's properties are in the exploration stage. There can be no assurance that Iso 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 Iso'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 Iso will be successful in its search for mineral resources and mineral reserves.

Influence of Large Shareholder

NexGen holds approximately 71.7% of the issued and outstanding common shares. As a result, NexGen will have majority control of Iso 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 Iso'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 Iso, the market value of the Company's 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 Iso'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 Company's 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 Iso, 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 Iso'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 Iso. However, there can be no assurance that aboriginal title claims and related consultation issues will not arise on or with respect to Iso's mineral properties. Iso'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 Iso'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 Iso and may result in Iso not receiving adequate return on investment capital.

Reliance upon Key Management and Other Personnel

Iso 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 Iso. Iso does not currently maintain key-man life insurance on any of its key employees. As Iso's business activity grows, it will require additional key financial, administrative and qualified technical personnel. Although Iso 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 Iso'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

Iso 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 Iso's mineral properties are in good standing, this should not be construed as a guarantee of title. Iso'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 Iso'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 Iso does not have title to any of its mineral properties could cause Iso 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 Iso 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 Iso'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 Iso.

Conflicts of Interest

Directors of Iso 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 Iso may participate, the directors of Iso may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Iso and its directors will attempt to minimize such conflicts.

Permits and Licences

Iso's operations will require licences and permits from various governmental and non-governmental authorities. Iso 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 Iso 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 Iso, 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. Iso 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 Iso's mineral properties. There can be no assurance that Iso will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at Iso'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 Iso 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 Iso'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. Iso 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, Iso 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 Iso in creating revenues, cash flows or earnings.

No Dividends Paid to Date

No dividends on the Common Shares have been paid by Iso to date. Iso anticipates that, for the foreseeable future, it will retain future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including Iso's financial condition and current and anticipated cash needs.

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 Iso's general and administrative expenses and exploration and evaluation expenses is provided in the Company's statement of loss and comprehensive loss contained in its Annual Financial Statements for the period ended December 31, 2016, which is available on Iso'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 Iso’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 Iso 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 Iso’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 Iso 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 Iso; 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 Iso 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 Iso 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.