

## ASSAY RESULTS

# First Assays from Summer Drilling at Hurricane Reinforce Prior Scint Results

**OUR TAKE:** This morning, ISO delivered initial assays following up on previously released scintillometer results from its 2021 drill program at the Hurricane zone of its Larocque East uranium project. Today's results from the initial 4 holes of the program correspond to the Company's scintillometer results reported in September (see [Report dated Sept. 22, 2021](#)). Our review of the original scintillometer results for these holes was quite positive as they expanded the deposit along three key sections. Following September's initial results, ISO released its final scintillometer results of the program on November 16<sup>th</sup> (see [Flash dated Nov. 16, 2021](#)), for which assays are still pending. With the scintillometer results back in September, we liked the implications enough to raise our target to \$7.00 (from \$3.00) and increase our maiden resource estimate range by 10 Mlb to 55-75Mlb. Today's more quantitative assays come as confirmation of the earlier scintillometer results reinforcing our initial conclusions and growth thesis for the Hurricane deposit. Pending assays (expecting in coming weeks) include ISO's final holes of the program, which further expanded the 4485E and 4460E sections and showed significant 'blue-sky' potential to the east. Overall, the 2021 exploration program was successful in significantly increasing the width of the Hurricane zone on key sections and highlighting the growing resource potential on the property. Including the November results (assays pending), the **Hurricane Zone mineralized envelope was expanded to 575m x 125m x 12m** (max dimensions) and we look forward to more quantitative assays for further interpretation. **We see the Larocque East project as the best new high grade uranium discovery globally that is still pre-resource, and has the potential to deliver high-grade thick intersections that we expect to catalyze the stock over the coming winter drill season ahead of a maiden MRE on Hurricane later in 2022.**

## KEY HIGHLIGHTS

- ◆ **4460e Section (Figures 2 & 3, Table 1):**
  - **Hole LE21-78C1 (expanded the 4460E section 8 meters to the south):** intersected 12.0m averaging 5.2% U<sub>3</sub>O<sub>8</sub> (radioactivity registering >500cps on the scintillometer) from 248.5m depth, including 2.0m averaging 27.6% U<sub>3</sub>O<sub>8</sub> (registering >30,000cps) from 257.5m.
  - Later scintillometer results reported in November expanded this section a further 17 metres to the south (Hole LE21-87A) for a total of 25m (assays pending).
- ◆ **4435e Section (Figures 2 & 4, Table 1):**
  - **Hole LE21-80** (drilled 19 metres east-northeast of the northern most hole on this section): intersected 3.5m averaging 2.3% U<sub>3</sub>O<sub>8</sub> (radioactivity registering >500cps on the scintillometer) from 326.0m depth, including 2.0m averaging 4.0% U<sub>3</sub>O<sub>8</sub> (registering >5,000 cps) from 326.0m. This section has been closed off to the north with later drilling (as reported in November, assays pending).
  - **Hole LE21-84 (expanded the 4435E section 28 meters to the north):** intersected 3.0m averaging 0.5% U<sub>3</sub>O<sub>8</sub> (radioactivity registering >500cps on the scintillometer) from 326.5m depth, including 0.5m averaging 1.9% U<sub>3</sub>O<sub>8</sub> (registering >5,000 cps) from 328.0m.
- ◆ **4485e Section (Figures 2 & 5, Table 1):**
  - **Hole LE21-82 (expanded the 4485E section 26 metres to the south):** intersected 4.5m averaging 0.9% U<sub>3</sub>O<sub>8</sub> (radioactivity registering >500cps on the scintillometer) from 328.5m, including 1.0m averaging 1.4% U<sub>3</sub>O<sub>8</sub> (registering >5,000 cps) from 331.0m.
  - Later scintillometer results reported in November expanded this section a further 31 metres to the south (Hole LE21-103) for a total southerly expansion of 57m in summer drilling (assays pending).

## RECOMMENDED ACTION

**We recommend owning ISO for exposure to a new, high-grade uranium discovery ahead of the maiden resource estimate...**

- ◆ **Making a High-Grade Uranium Discovery as Fundamental Stars Align.** ISO is trading at ~US\$3.53-\$4.43 EV/lb U<sub>3</sub>O<sub>8</sub> based on Haywood's conceptual initial resource target range of 55-75 Mlb plus credits. We continue to see ISO as the most exciting new discovery in the uranium sector that is still pre-resource. We are highly encouraged by the progress the Company has made to date in expanding the Hurricane deposit. The Company is well funded with ~\$14.9M in the bank and anticipates continuing to follow up on the Zone's expansion potential in its upcoming winter drill program, ahead of a maiden resource on the project later in 2022. The prospect of a coincident positive movement of uranium price and ISO's growing discovery set-up to drive the shares higher in a vastly improving demand/supply backdrop for uranium.

### KEY STATISTICS AND METRICS

52-Week High/Low	\$6.61/\$1.30
YTD Performance	130%
Dividend Yield	NA
Shares O/S	101.9M
Market Capitalization	\$438.0M
Cash	\$14.9M
Debt	\$22.4M
Enterprise Value	\$445.5M
Daily Volume (3 mos.)	347,460
Currency	C\$ unless noted

### HAYWOOD ESTIMATES (CAD)

	2019A	2020A	2021E
Revenue (\$M)	0	0	0
Net Income (\$M)	(2.2)	(9.5)	(11.2)

### VALUATION

**Our \$7.00 per share price target** is based on a US\$6.25 EV/lb U<sub>3</sub>O<sub>8</sub> multiple applied to the upper boundary (75 Mlb U<sub>3</sub>O<sub>8</sub>) of our target maiden resource range for Hurricane, plus an additional 23.5 Mlb U<sub>3</sub>O<sub>8</sub> credit for resource potential across ISO's portfolio of other assets.

Undeveloped Athabasca Basin resource peers trade in a range of US\$1.40 - US\$8.70/lb U<sub>3</sub>O<sub>8</sub>.

Table 1 – Summer 2021 Drilling Program Results

Hole ID	From (m)	To (m)	Length (m)	Radioactivity <sup>1,2</sup> (CPS)	Chemical Assays		Location
					U <sub>3</sub> O <sub>8</sub> (%)	Ni (%)	
LE21-78 <sup>4</sup>	Abandoned before target						Section 4460E
LE21-78C1 <sup>3,4</sup>	248.5	260.5	12.0	>500	5.2	1.1	Section 4460E
incl.	253.0	254.0	1.0	>5,000	1.5	2.3	
and incl.	254.5	255.0	0.5	>5,000	1.7	0.3	
and incl.	257.5	259.5	2.0	>30,000	27.6	3.6	
and incl.	260.0	260.5	0.5	>5,000	1.9	0.1	
and	266.0	266.5	0.5	>5,000	1.9	0.7	
LE21-80 <sup>4</sup>	325.0	325.5	0.5	>500	0.1	0.0	Section 4435E
and	326.0	329.5	3.5	>500	2.3	0.1	
incl.	326.0	328.0	2.0	>5,000	4.0	0.2	
incl.	326.5	327.0	0.5	>30,000	9.0	0.4	
LE21-82 <sup>4</sup>	326.5	327.0	0.5	>500	0.2	0.1	Section 4485E
and	328.5	333.0	4.5	>500	0.9	7.2	
incl.	331.0	332.0	1.0	>5,000	1.4	16.2	
LE21-84 <sup>4</sup>	326.5	329.5	3.0	>500	0.5	0.6	Section 4435E
incl.	328.0	328.5	0.5	>5,000	1.9	0.2	
LE21-85 <sup>4</sup>	321.5	322.5	1.0	>500	Pending		Section 4460E
and	327.0	327.5	0.5	>500	Pending		
LE21-87 <sup>4</sup>	Abandoned before target						Section 4460E
LE21-87A <sup>4</sup>	331.0	338.5	7.5	>500	Pending		Section 4460E
incl.	331.5	332.0	0.5	>5,000	Pending		
and incl.	333.5	338.0	4.5	>5,000	Pending		
incl.	334.0	335.0	1.0	>20,000	Pending		
and incl.	336.0	338.0	2.0	>20,000	Pending		
LE21-89 <sup>4</sup>	No significant mineralization						Section 4885E
LE21-91 <sup>4</sup>	336.0	341.0	5.0	>500	Pending		Section 4510E
incl.	337.5	338.0	0.5	>5,000	Pending		
and incl.	338.5	339.0	0.5	>5,000	Pending		
LE21-93 <sup>4</sup>	316.0	316.5	0.5	>500	Pending		Section 4410E
LE21-95 <sup>4</sup>	Abandoned before target						Section 4885E
LE21-95A <sup>4</sup>	No significant mineralization						Section 4885E
LE21-97 <sup>4</sup>	Abandoned before target						Section 4435E
LE21-97A <sup>4</sup>	No significant mineralization						Section 4435E
LE21-100 <sup>4</sup>	No significant mineralization						Section 4635E
LE21-101 <sup>4</sup>	324.5	329.0	4.5	>500	Pending		Section 4785E
incl.	327.5	328.0	0.5	>5,000	Pending		
LE21-103 <sup>4</sup>	330.0	330.5	0.5	>500	Pending		Section 4485E
and	331.0	331.5	0.5	>500	Pending		
and	334.5	338.5	4.0	>500	Pending		
incl.	337.5	338.0	0.5	>5,000	Pending		
LE21-105 <sup>4</sup>	339.5	340.0	0.5	>500	Pending		Section 4535E
LE21-107 <sup>4</sup>	325.5	332.0	6.5	>500	Pending		Section 4485E
incl.	326.0	326.5	0.5	>10,000	Pending		
and incl.	327.5	331.0	3.5	>30,000	Pending		

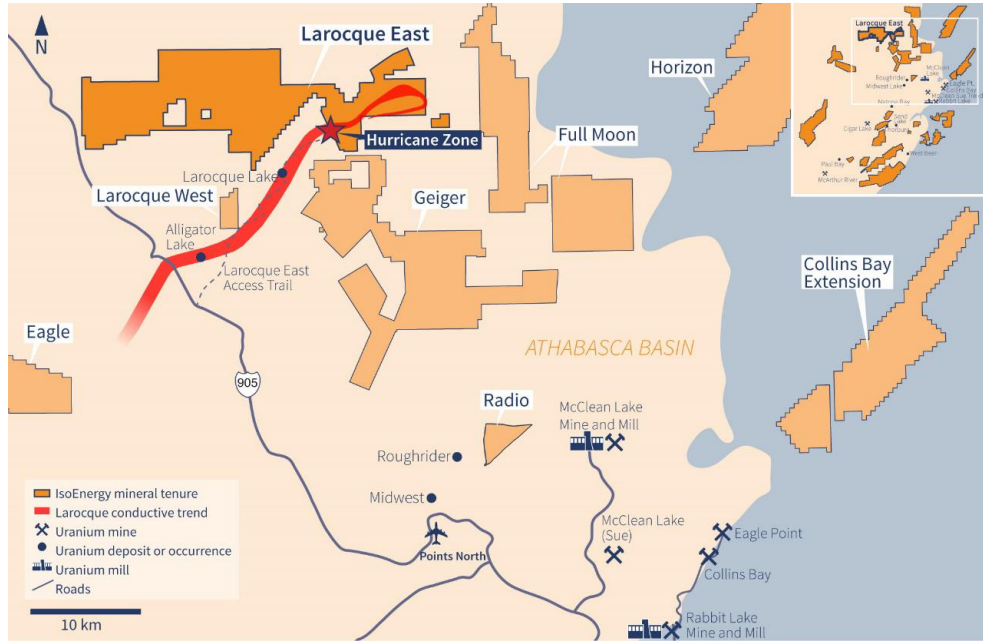
## Notes:

1. Radioactivity is total gamma from drill core measured with an RS-125 hand-held spectrometer.
2. Measurements of total gamma cps on drill core are an indication of uranium content but may not correlate with uranium chemical assays.
3. LE21-78C1 is a wedged off-cut LE21-78 at 70m
4. Radioactivity previously disclosed

Source: IsoEnergy

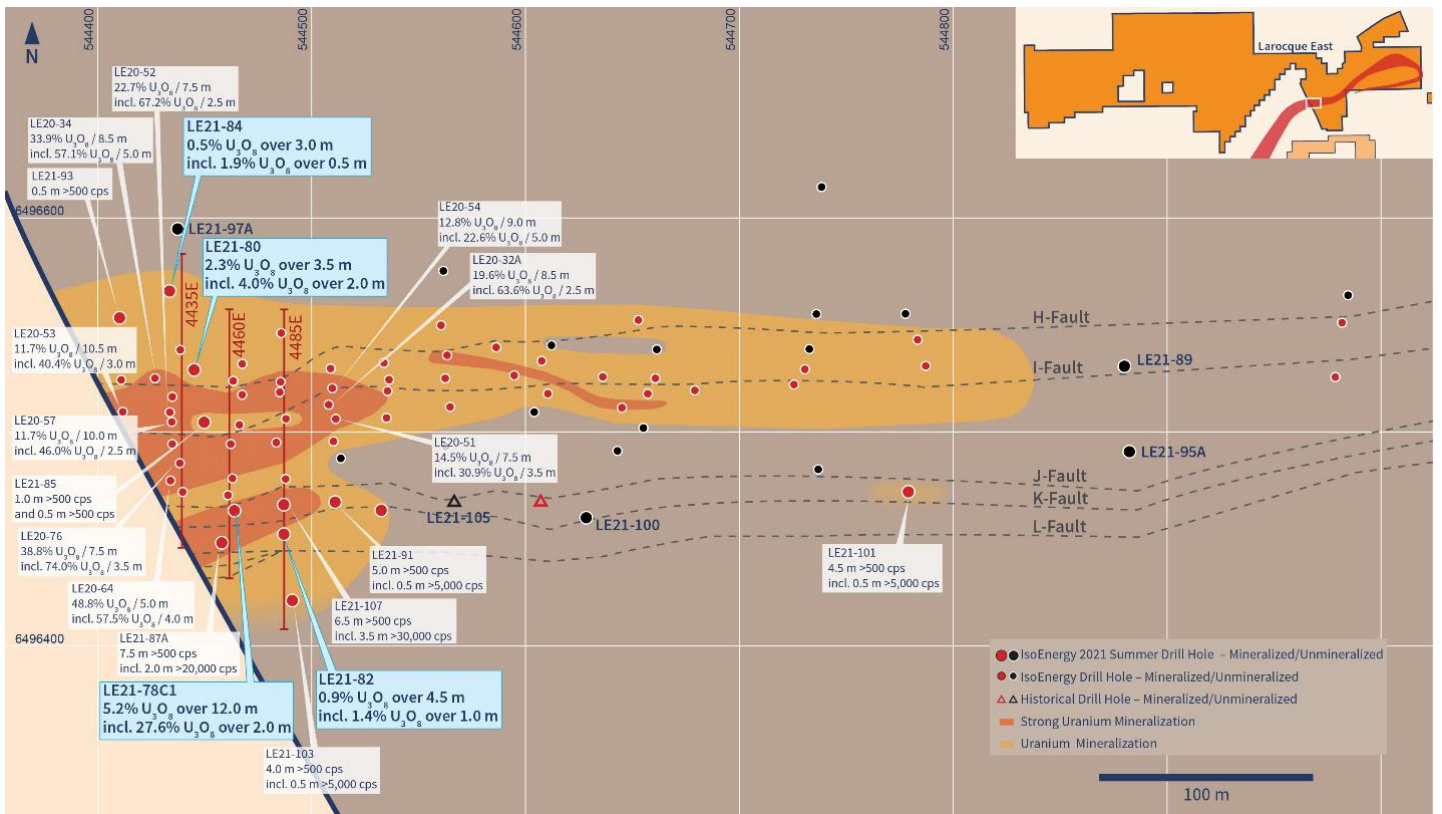


Figure 1 – Larocque East Property Map



Source: IsoEnergy

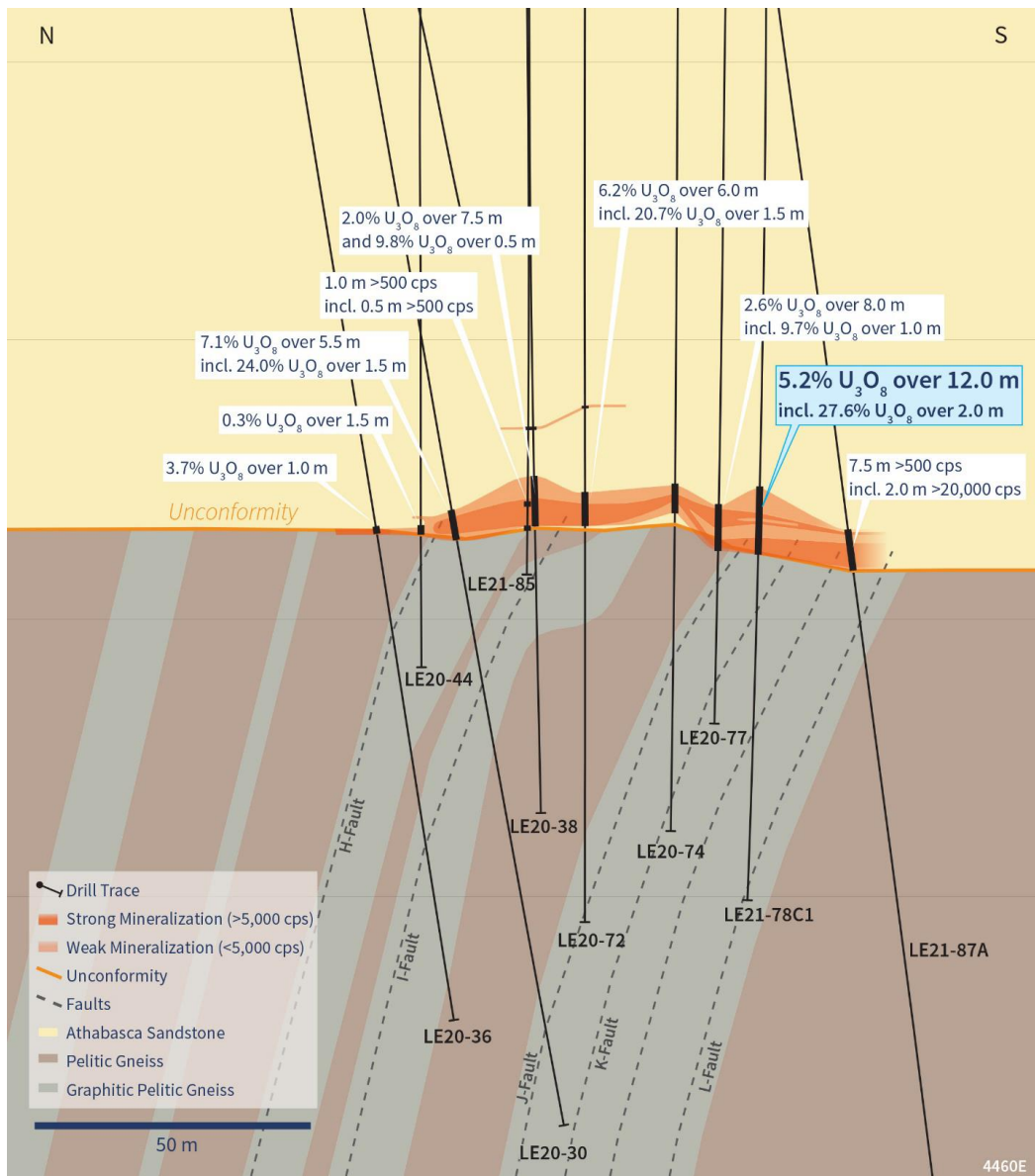
Figure 2 – Western Hurricane Zone Drill Hole Location Map



Source: IsoEnergy



Figure 3 – Section 4460E

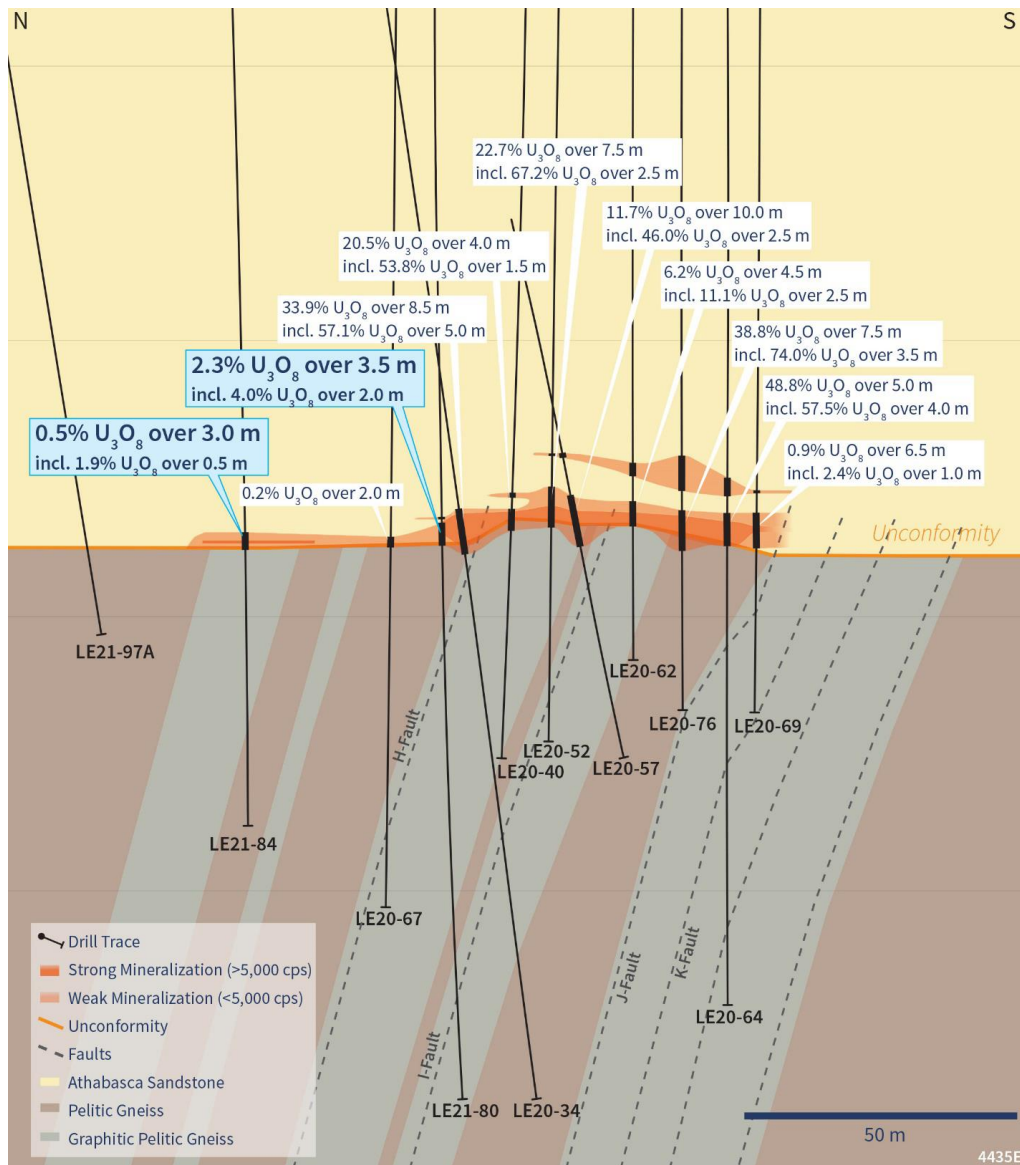


Source: IsoEnergy





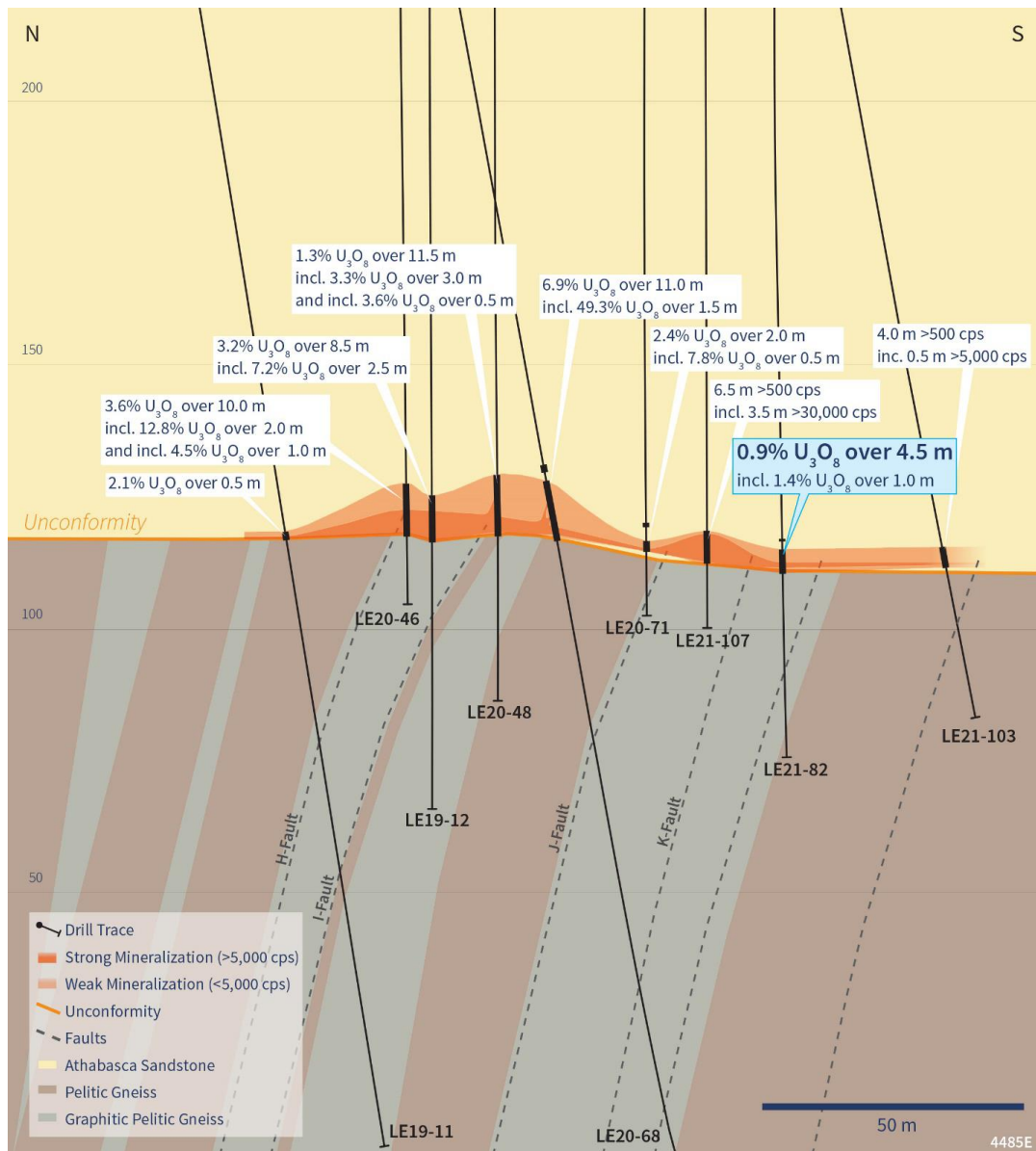
Figure 4 – Section 4435E



Source: IsoEnergy



Figure 5 – Section 4485E



Source: IsoEnergy



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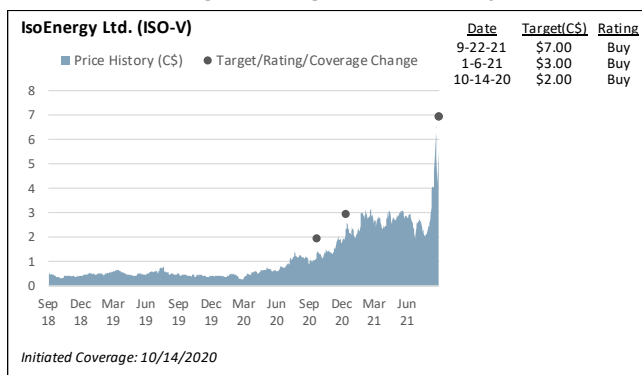
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	%	#	IB Clients (TTM)
<b>Buy</b>	81.6%	80	88.2%
<b>Hold</b>	6.1%	6	5.9%
<b>Sell</b>	0.0%	0	0.0%
<b>Tender</b>	2.0%	2	2.9%
<b>UR (Buy)</b>	0.0%	0	0.0%
<b>UR (Hold)</b>	0.0%	0	0.0%
<b>UR (Sell)</b>	0.0%	0	0.0%
<b>Dropped (TTM)</b>	10.2%	10	2.9%

### Price Chart, Rating and Target Price History (as of December 1, 2021)



B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review  
Source: Capital IQ and Haywood Securities

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