



IsoEnergy Ltd.
(ISO-V)
SECTOR: MINING

STOCK PRICE \$0.39
NO RATING
NO TARGET

DRILL RESULTS

First Assays from Winter Drilling Reveal Best Intercept yet at Hurricane

OUR TAKE: ISO released assays from its first hole drilled this winter (LE20-30) at its 100%-owned Larocque East project. Initial scintillometer results were reported February 4th for this hole. **Results of LE20-30 represent the best intercept to-date on the project confirmed by assays, but we expect successive holes, where we have already seen scint results (assays pending), will likely outstrip LE20-30's assays. This means more positive news flow coming from ISO.** Last Thursday in the [Q1/2020 Haywood Junior Exploration Report](#) we highlighted the very positive (and freshly reported) initial scintillometer results for two newer drill holes of the winter program (LE20-34 and LE20-32A). Both holes have the potential to put up better assays than the positive results from LE20-30 (compared below).

KEY HIGHLIGHTS

- ◆ **First assay from winter drilling comes up hot.** The assays for the first hole of the winter program intersected significant mineralization, highlighted below, and represents the best intersection to-date at the project, **but that is likely about to change** (see Figure 1).
 - **Hole LE20-30 (assays):** intersected 5.5 metres grading 7.1% U₃O₈, 0.9% nickel and 0.3% cobalt, from 329.5 metres depth, and included 1.5 metres grading 24.0% U₃O₈.
 - **Hole LE20-30 (scintillometer, Feb. 4th):** cut 5.5 metres registering >500 cps radioactivity and included 1.5 metres registering >20,000 cps.
- ◆ **Assays pending on two more holes with potential to best today's results.** Last week, upon review of the new scintillometer results from holes LE20-34 and LE20-32A we said "new holes of the winter program were just released this week and carried the strongest radioactivity drilled on the property to-date in semi-massive to massive pitchblende intervals." **We expect assays from both holes to best LE20-30 assays based on the off-scale radioactivity recorded in the included intervals, which are equal to, or greater in length, than LE20-30, and of materially higher scint count. We expect assay results from the two holes noted above to be released ASAP. Below are the scintillometer results for comparison (Figure 1).**
 - **Hole LE20-34 cut 8.5 m measuring >500 cps on the scintillometer, including 2.0 m of off-scale radioactivity (>65,000 cps)**
 - **Hole LE20-32A cut 8.5 m measuring >500 cps on the scintillometer, including 1.5 m of off-scale radioactivity (>65,000 cps)**
- ◆ **Background on Hurricane.** Since discovery in summer 2018, the Hurricane zone has been the subject of two major drill campaigns, including 29 holes in 2019 with an impressive exploration hit rate, where 20 of 29 holes intersected mineralization. Hurricane has grown to a mineralized footprint of 500 m x 40 m x 10 m thick. The Larocque East property was acquired from Cameco in May 2018. The discovery hole was drilled in July 2018 and included a subinterval of 1.0m grading 6.45% U₃O₈ (within 8.5m grading 1.26% U₃O₈). The Hurricane zone lies 35 km from Orano's McClean Lake mill and occurs at a relatively shallow depth of ~320m below surface. Known uranium mineralization is interpreted to occur "on a major basement tapping fault system that has caused a ridge in the sub-Athabasca unconformity".

BOTTOM LINE: ISO is among a very short list of uranium exploration plays delivering interesting results with the potential to evolve the Hurricane Zone into a significant new deposit. The 2-rig, 20-hole winter drill program is fully funded and we expect it to generate a steady flow of news over the next few months as ISO carries out the campaign. ISO's strong technical team is driving an exploration strategy built on interpretation of geophysical data that is bearing fruit and rapidly uncovering the project's potential. The winter drill program will likely cost in the \$2.2-\$2.4 million range, and with \$7.0 million in the treasury ISO should be funded to the end of 2020, depending on how aggressive the Company gets this summer.

Technical Analysis: The stock has seen a bullish momentum shift after finding support in the \$0.35 zone and is showing signs of accumulation (Figure 2).

KEY STATISTICS AND METRICS

52-Week High/Low	\$0.77/\$0.35	Net Debt	\$0
YTD Performance	21.3%	Enterprise Value	\$37.1M
Dividend Yield	NA	Daily Volume (3 mos.)	79,013
Shares O/S	91M	Currency	C\$ unless noted
Market Capitalization	\$44.1M	Website	www.isoenergy.ca
Cash	\$7.0M	President/CEO	Craig Parry

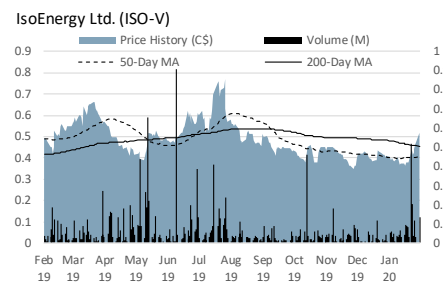
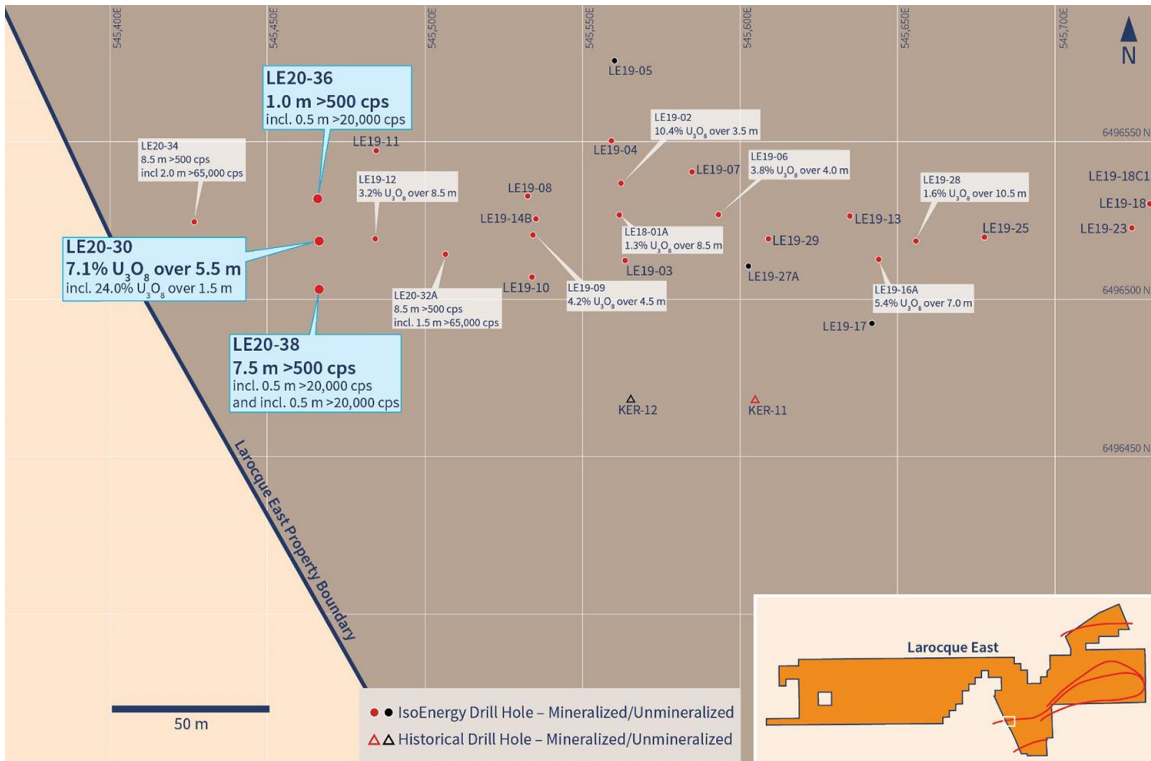
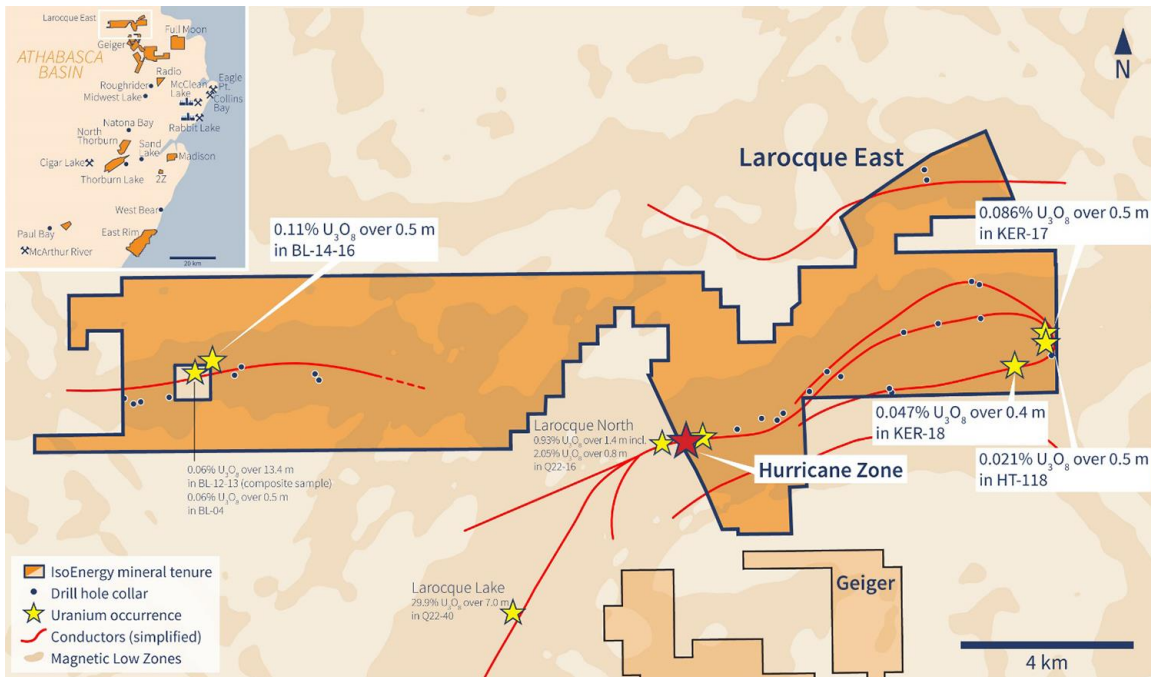


Figure 1: Location of Larocque East Project and Drill Holes at Hurricane Zone (significant results highlighted in blue)



Source: IsoEnergy



Figure 2: Technical Analysis



Source: Stockcharts.com



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Hold	14.3%	15	3.1%
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Tender	1.0%	1	0.0%
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UR (Hold)	0.0%	0	0.0%
UR (Sell)	0.0%	0	0.0%
Dropped (TTM)	6.7%	7	3.1%

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