ISOENERGY LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2022 and 2021

Dated: May 3, 2022

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 three months ended March 31, 2022 and includes events up to the date of this MD&A. This discussion should be read in conjunction with the unaudited financial statements for the three months ended March 31, 2022 and 2021 and the notes thereto (together, the "**Interim Financial Statements**") and other corporate filings, including the annual financial statements for the years ended December 31, 2021 and 2020 (the "**Annual Financial Statements**"), 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. Andy Carmichael, P.Geo., IsoEnergy's Vice-President, Exploration. Mr. Carmichael is a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects ("***NI 43-101***")*. Mr. Carmichael 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, 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.

Historical drilling results at Geiger, Hawk and Ranger discussed herein are derived from historical reports and have not been independently verified by IsoEnergy. The historical work and reports were completed in accordance with contemporary industry standards and are considered sufficiently reliable for qualitative evaluation.

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 TSX Venture Exchange ("**TSXV**"). NexGen's common shares are listed and posted for trading on the Toronto Stock Exchange, New York Stock Exchange and the Australian Stock exchange. As of the date hereof, NexGen holds 50.1% 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(1)
	Thorburn Lake	2,802	2016	Spun-out from NexGen	1% NSR and 10% CI(2)
	2Z	354	2016	Spun-out from NexGen	2% NSR(1)
	Carlson Creek	759	2016/20	Spun-out from NexGen/Staked	1% NSR and 10% CI(2)
	Madison	1,347	2016	Spun-out from NexGen	2% NSR(1)
	North Thorburn	1,708	2016	Purchased	None
	Geiger	13,861	2017/18/20	Purchased	NPI applies to some claims(3)
	East Rim	30,594	2017/20/21	Staked	None
	Full Moon	11,107	2017/20	Staked	None
	Whitewater	7,833	2018	Staked	None
	Larocque East	16,782	2018-2021	Purchased/Staked	(4)
	Whitewater East	1,147	2018	Staked	None
	Edge	6,515	2019/20	Staked	None
	Collins Bay Extension	9,337	2019/20	Staked	None
	Cable	44,425	2020	Staked	None
	Evergreen	33,516	2020	Staked	None
	Hawk	5,961	2020	Staked	None
	Eagle	5,887	2020	Staked	None
	Horizon	15,748	2020	Staked	None
	Larocque West	509	2020	Staked	None
	Ranger	15,619	2020	Staked	None
	Spruce	4,836	2020	Staked	None
	Trident	16,169	2020/21	Staked	None
	Sparrow	374	2020	Staked	None
	subtotal	247,996			
Nunavut	Mountain Lake(5)	6,853	2016	Staked	None
		254,849			

(1) 2% Net Smelter Royalty ("**NSR**") on minerals other than diamonds, plus a 2% Gross Overriding Royalty on diamond.
(2) 1% NSR plus a 10% Carried Interest ("**CI**"). The CI can be converted to an additional 1% NSR at the Holder's option.
(3) Sliding scale Net Profits Interest ("**NPI**") ranging between 0% and 20% applies to a 7.5% interest in certain claims.
(4) 2% NSR on MC00013747 and MC00013560; can be reduced to 1% for $1,000,000.
(5) Subject to the Mountain Lake Option Agreement, see "Discussion of Operations – Corporate Activities in 2021".

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

Figure 1 – Property Location Map

OVERALL PERFORMANCE

General

In the three months ended March 31, 2022, the Company carried out a winter exploration program on its Larocque East, Geiger, Ranger and Hawk properties in the Athabasca Basin, consisting of 12,147 metres of drilling and several geophysical surveys. See “Discussion of Operations” for future plans.

As an exploration stage company, IsoEnergy does not have revenues and is expected to generate operating losses. As at March 31, 2022, the Company had cash of $10,655,266, an accumulated deficit of $43,822,635 and working capital of $17,598,490.

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.

As with other companies involved with mineral exploration, the Company is subject to cost inflation on exploration drilling activities and the Company may experience difficulty and / or delays in securing goods (including spare parts) and services from time-to-time.

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 2022

Stock options

In the three months ended March 31, 2022, the Company issued 847,500 common shares on the exercise of stock options for proceeds of $467,960.

Corporate Activities in 2021

In the year ended December 31, 2021, the Company was focused primarily on exploration activities at the Larocque East, Geiger, and Collins Bay Extension properties in the Eastern Athabasca as discussed below. Small scale exploration programs were conducted at 2Z, Sparrow, and Larocque West. Additionally, property extensions were acquired at the Trident, East Rim, and Larocque East properties. In 2021, a total of 6,680 hectares of mineral tenure in the Eastern Athabasca has been added to the Company’s exploration property portfolio through staking and purchase.

92 Energy Agreement

On April 14, 2021, IsoEnergy closed a transaction based on a Heads of Agreement with 92 Energy Pty Ltd ("**92 Energy**") for 92 Energy to acquire a 100% interest in IsoEnergy's Clover, Gemini, and Tower uranium properties in Saskatchewan, Canada (the "**Properties**") in consideration for the issuance of 10,755,000 fully paid ordinary shares of 92 Energy or 16.25% of the issued and outstanding shares of 92 Energy. The 92 Energy Shares were issued at a price of A$0.20 per share and were in escrow for 12 months following the completion of 92 Energy's initial public offering on the Australian Stock Exchange (the "**IPO**"). Additional consideration to IsoEnergy for the Properties included milestone cash payments of A$100,000 within 60 days of the IPO (received June 14, 2021), and an additional A$100,000 within 6 months of the IPO (received October 8, 2021). IsoEnergy retained a 2% NSR on the Properties and is entitled to nominate a member of 92 Energy's Board of Directors, provided IsoEnergy maintains a minimum ownership position of 5%. IsoEnergy's ownership position is currently 14.1%. 92 Energy met a contractual requirement to spend an aggregate of A$1,000,000 on exploration expenditures on the Properties prior to May 1, 2022.

Mountain Lake Option Agreement

On August 10, 2021, IsoEnergy completed an agreement with Consolidated Uranium Inc. (previously International Consolidated Uranium Inc.) ("**Consolidated Uranium**"), which trades on the TSXV, to grant Consolidated Uranium the option to acquire a 100% interest in the Company's Mountain Lake uranium property in Nunavut, Canada (the "**Mountain Lake Option Agreement**").

The Mountain Lake property consists of 6,853 hectares and was staked by IsoEnergy in 2016. The property contains an historical inferred mineral resource estimate of 8.2 million pounds U_3O_8 with an average grade of 0.23% U_3O_8 contained in 1.6 million tonnes of mineralization. Uranium mineralization is hosted within sandstone and dips shallowly from the top of the bedrock down to approximately 180 metres below surface. See "Technical Disclosure" above.

Under the terms of the Mountain Lake Option Agreement, Consolidated Uranium obtained the option to acquire a 100% interest in the Mountain Lake uranium property for consideration comprised of 900,000 Consolidated Uranium common shares and $20,000 cash, received on August 11, 2021 and August 7, 2020, respectively. The option is exercisable at Consolidated Uranium's election on or before August 3, 2023 for additional consideration of $1,000,000, payable in cash or shares of Consolidated Uranium (provided certain conditions are met) at the discretion of Consolidated Uranium. If Consolidated Uranium elects to acquire the Mountain Lake property, IsoEnergy will be entitled to receive the following contingency payments in cash or shares of Consolidated Uranium, at the discretion of Consolidated Uranium:

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

The spot price contingent payments will expire 10 years following the date the option is exercised. At the date of this MD&A, the option has not been exercised by Consolidated Uranium.

On February 22, 2022, Consolidated Uranium completed a transaction pursuant to which it transferred its Moran Lake Project and associated liabilities to Labrador Uranium Inc. ("**Labrador Uranium**"), which trades on the Canadian Securities Exchange, in exchange for 16,000,000 common shares of Labrador Uranium. Consolidated Uranium subsequently distributed the 16,000,000 common shares of Labrador Uranium to its shareholders and the Company received 193,300 Labrador Uranium common shares, which it now holds in addition to the 900,000 Consolidated Uranium common shares.

Stock option and warrants

In the year ended December 31, 2021, the Company issued 11,381,576 common shares on the exercise of stock options and warrants for proceeds of $8,160,203.

Exploration and Evaluation Spending

Three months ended March 31, 2022

During the three months ended March 31, 2022, the Company incurred $3,938,445 of exploration spending primarily on Larocque East, Geiger, Ranger and Hawk, as set out below. See "Outlook" below for future drilling plans.

	Larocque East	Other	Total
Drilling	$ 2,596,628	$ (9,964)	$ 2,586,664
Camp costs	289,529	-	289,529
Geological & geophysical	9,403	285,408	294,811
Labour & wages	157,108	34,342	191,450
Geochemistry & Assays	116,229	(8,373)	107,856
Travel and other	61,617	14,741	76,358
Cash expenditures	3,230,514	316,154	3,546,668
Share-based compensation	317,887	69,486	387,373
Depreciation	4,404	-	4,404
Total expenditures	**$ 3,552,805**	**$ 385,640**	**$ 3,938,445**

<u>Larocque East Project</u>

Winter 2022 – Diamond Drilling

Diamond drilling totalling 12,147 metres in 30 drill holes was completed at Larocque East during the winter 2022 season. Five drill holes totalling 2,138 metres were completed in the Hurricane area primarily to follow-up mineralization intersected by drill hole LE21-101 (0.6% U_3O_8 over 4.5m from 324.5m to 329.0m including 3.1% U_3O_8 over 0.5m from 327.5m to 328.0m; refer to February 3, 2022, news release titled "*IsoEnergy Reports Final Chemical Assays From 2021 Drilling at Hurricane Zone*"). As the LE21-101 mineralization was open to the west for 150 metres and wide open to the east, follow-up comprised a series of systematic step outs to test for a significant zone of mineralization. Reaching the unconformity 75 metres west of LE21-101, LE22-115A intersected 2.0 metres of radioactivity >500 CPS (from 335.0m to 337.0m which includes 0.5m >5,000 CPS from 335.5m to 336.0m). No significant radioactivity was intersected in the four remaining 2022 Hurricane-area drill holes. The majority of geochemical results are pending and will influence future drilling plans at Hurricane. Hurricane drilling results are presented in Figure 2.

The remaining 25 winter 2022 drill holes were completed to test the fertile Larocque Lake conductive trend which extends for approximately 8km east of the Hurricane zone (Figure 3). Exploration drilling followed-up anomalous results in previous drilling and tested high-priority geophysical targets generated from IsoEnergy's recent resistivity surveys (refer to April 22, 2022, news release titled "*IsoEnergy Provides Winter Exploration Update*").

Twelve drill holes were completed in Area A (Figure 3). Anomalous alteration and structure were intersected along the southeastern margin of the Area A. Significant results include drill hole LE22-116 which intersected radioactivity >500 CPS from 282.0 to 282.5 metres immediately above the unconformity. Like mineralization at Hurricane, radioactivity in LE22-116 is associated with strong secondary hematite and sandstone-hosted sulphide alteration. A wide zone of weak bleaching was intersected in the basement, but no significant structures were intersected in the sandstone or basement by LE22-116. Northeast of LE22-116, LE22-119 intersected metre-scale zones of massive clay with strong hydrothermal hematite and weakly elevated radioactivity in the basal sandstone. LE22-138 intersected two significant zones of moderate basement alteration with the upper zone extending from the unconformity at 277.2 metres to 292 metres and the second zone extending from 300 metres to 311 metres.

Eight drill holes evaluated a 1.2 kilometre long area interpreted to have geological and geophysical characteristics analogous to Hurricane. Drilling tested zones of low sandstone resistivity coincident with basement electromagnetic conductors (Figure 3, Area B). Completed as a series of two-hole fences, drilling defined a zone of significant sandstone structure and alteration rooted in variably-altered basement structures. Follow-up will be guided by pending geochemical results.

Four drill holes evaluated the southern limb of the Larocque Lake conductive at wide spacing (Figure 3, Area C). As in Area B, zones of significant sandstone structure and alteration zones rooted in basement structures were intersected and follow-up is dependent on geochemical results.

One drill hole tested the northernmost conductor along the Larocque Lake trend with which intersected weak sandstone structure and failed to locate the targeted conductor.

Figure 2 – Hurricane Zone Drill Hole Location Map

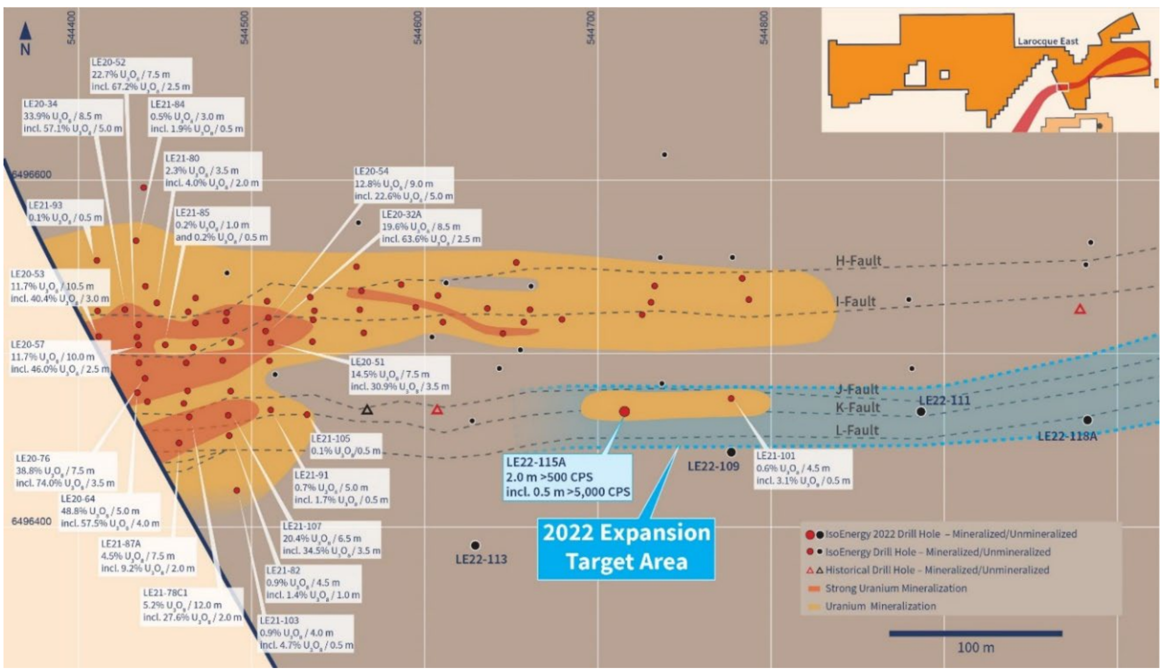
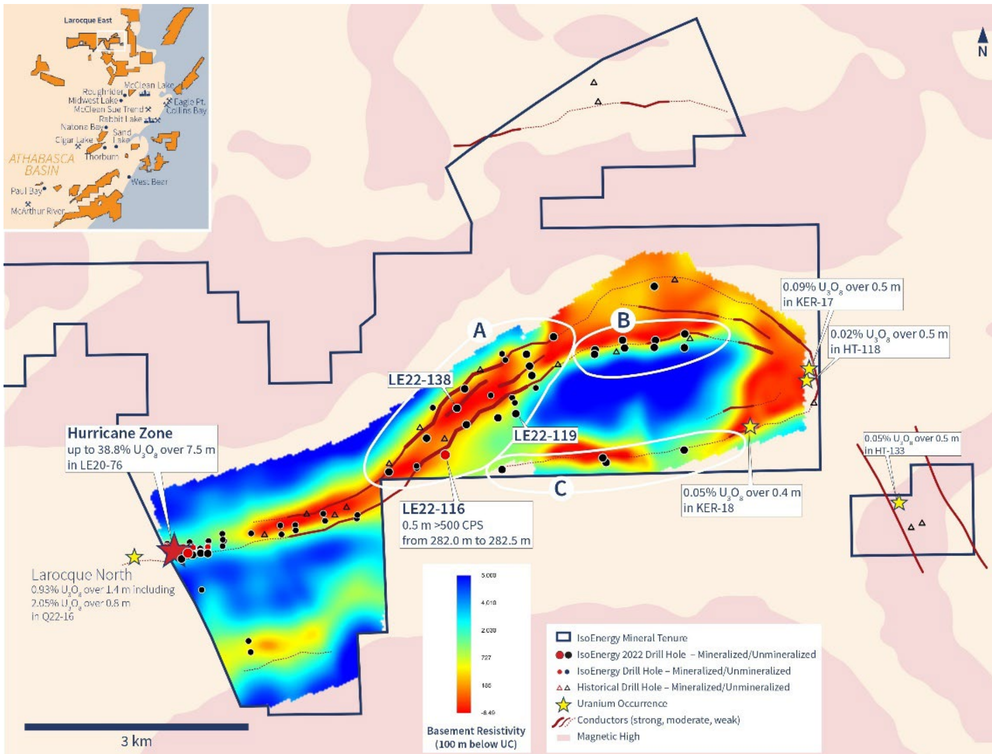


Figure 3 – Larocque East Exploration Drilling Results



__Geiger Project__

Winter 2022 - Geophysics

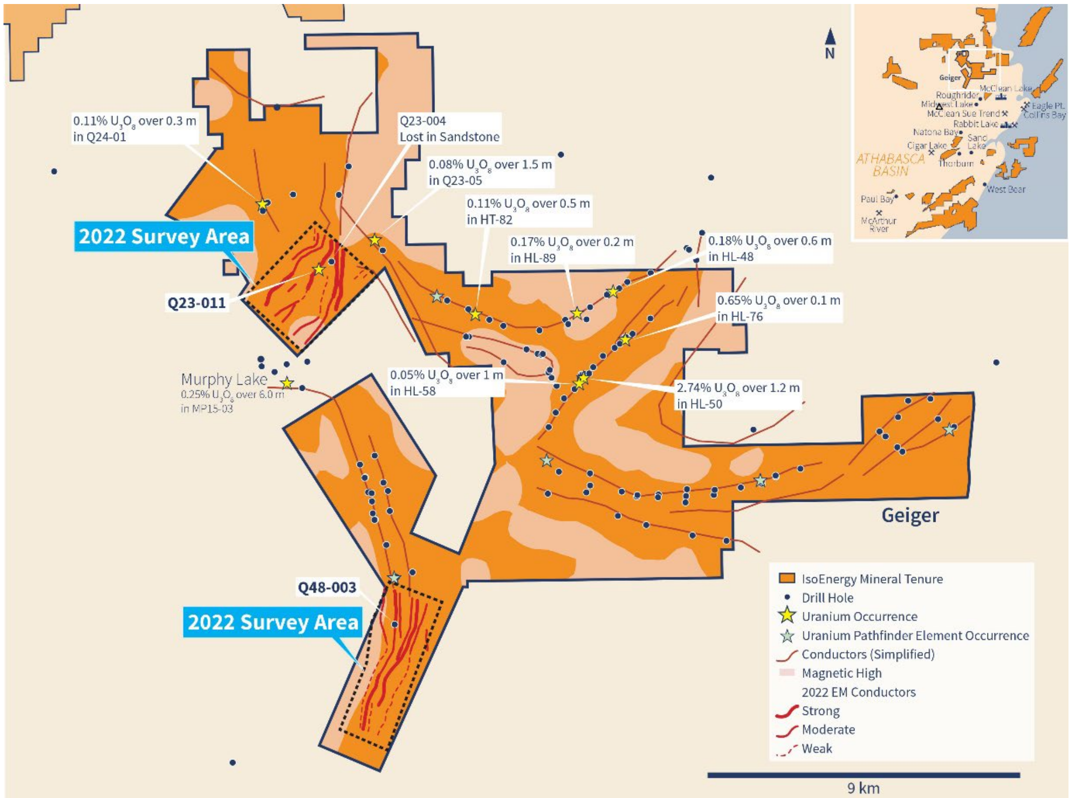
Fixed Loop Transient Electromagnetic (FLTEM) surveying was completed at the Geiger project from mid-December 2021 until late January 2022. A total of 10 FLTEM data profiles were collected in the Q23 and Q48 areas to upgrade historical airborne electromagnetic (EM) conductors in advance of drill testing in 2022 through 2023. Figure 4 shows the survey areas.

The Q23 survey area covers a zone of low magnetic susceptibility hosting multiple northeast-trending historical EM conductors with a vertical depth to the unconformity of approximately 275 metres. The 2.5 kilometre-long survey area has been tested by only two historical drill holes, Q23-004 and Q23-011. Q23-004 intersected favourable alteration, structure, and anomalous uranium content in the sandstone but was lost prior to reaching the unconformity. 400 metres to the southwest Q23-011 intersected zones of anomalous uranium content in the sandstone and a narrow zone of anomalous radioactivity 10 metres below the unconformity attributed to fault-hosted uranium mineralization. The four FLTEM profiles completed in the Q23 area mapped over 15 kilometre strike length of basement conductors, of which 13 kilometres are considered moderately to strongly conductive.

The Q48 area is a zone of low magnetic susceptibility hosting multiple north-northeast- to north-trending electromagnetic conductors lying along 8km along strike from the Murphy Lake uranium occurrence (0.25% U_3O_8 over 6.0m in drill hole MP-15-03). The vertical distance to the unconformity is approximately 250 metres. The 4.0 kilometre long survey area has been tested by a single drill hole, Q48-003, which intersected a major zone of alteration and structure in the sandstone with coincident anomalous uranium geochemistry. The six FLTEM profiles completed in the Q48 area mapped over 20 kilometre strike length of basement conductors, of which 14 kilometres are considered moderately to strongly conductive.

The EM conductors identified at Geiger in winter 2022 are considered prospective for uranium mineralization. An initial follow-up drilling program is planned for the second half of 2022.

Figure 4 – Geiger Survey Results

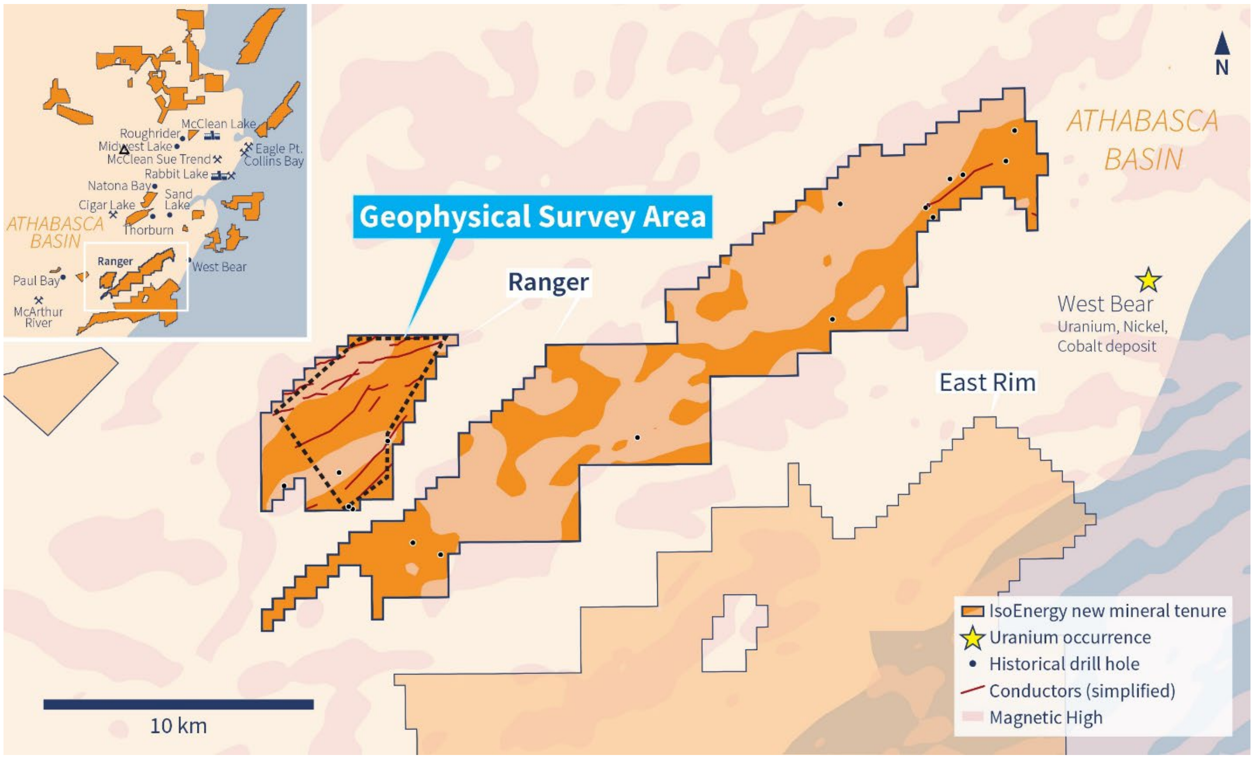


Ranger Project

Winter 2022 - Geophysics

Ten lines of FLTEM ground geophysical surveying are planned to advance the underexplored Ranger project to a drill-ready state. Historical work within the western Ranger claim group has identified numerous sub-parallel, east-northeast- to northeast-trending conductors with a combined strike length of approximately 20 kilometres. The approximately 4.5km x 6.0km survey area has been tested by only five historical drill holes, all of which are in the southeastern portion of the survey area and indicate the depth to the unconformity is between 230 metres and 300 metres. Figure 5 shows the planned survey area. The Ranger FLTEM survey was completed between mid-February and early April. QAQC of the survey data is underway in advance of interpretation.

Figure 5 – Ranger Survey Area



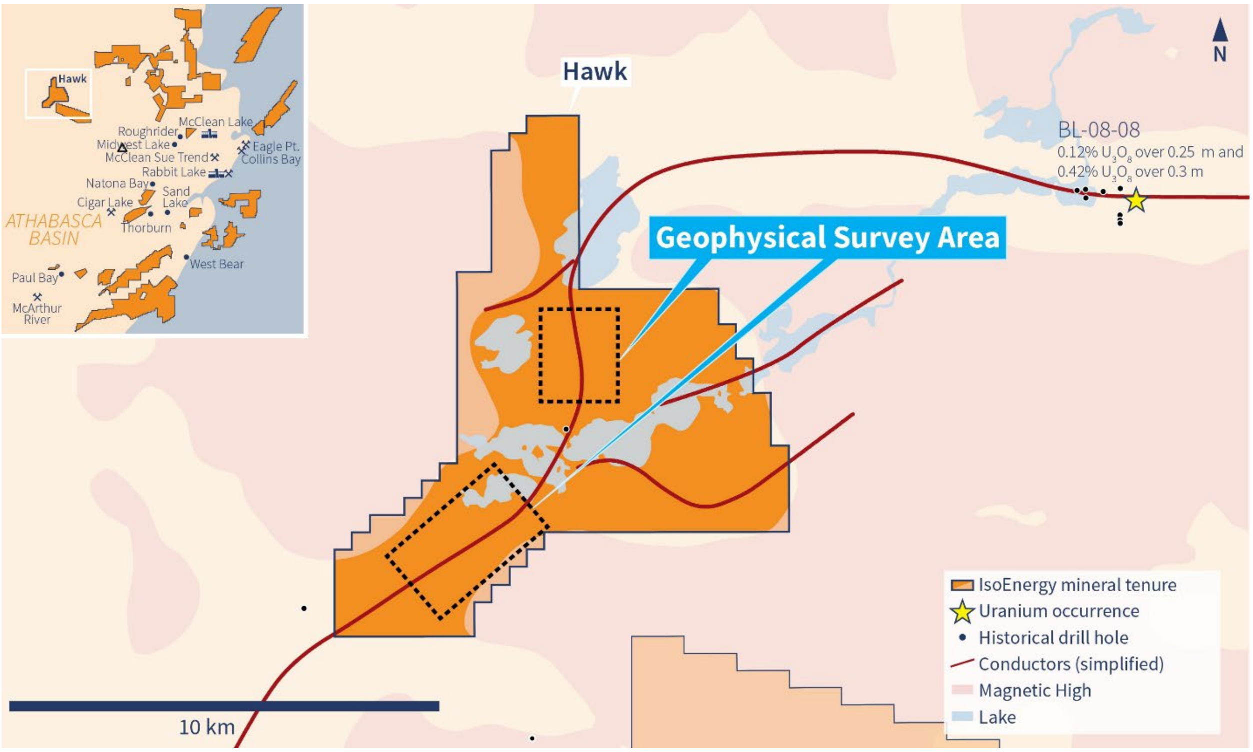
Hawk Project

Winter 2022 - Geophysics

Hawk is an early-stage project which covers 10 kilometres of a prospective, low magnetic susceptibility corridor hosting EM conductors interpreted to reflect graphitic metasediments. The single existing drill hole on the project failed to intersect the targeted conductor, indicating that the entire corridor remains untested within the project. The vertical depth to the unconformity is expected to be between 600 metres and 750 metres. Winter 2022 geophysical work will consist of six lines of widely spaced FLTEM surveying to generate targets for first-pass reconnaissance drilling. Figure 6 shows the planned survey area.

Survey work was conducted between mid-March and Mid-April, 2022. QAQC of the survey data is underway in advance of interpretation.

Figure 6 – Hawk Survey area



Year ended December 31, 2021

During the year ended December 31, 2021, the Company incurred $7,341,264 of exploration spending primarily on Larocque East and Geiger as set out below. The Company elected not to carry out a winter drilling program in 2021 due to concerns over COVID-19.

	Geiger	Larocque East	Other	Total
Drilling	$ 898,527	$2,165,264	$ 11,575	$3,075,366
Geological and geophysical	201,484	428,913	144,844	775,241
Labour and wages	121,495	610,102	82,931	814,528
Geochemistry and assays	91,383	210,106	31,361	332,850
Camp costs	2,350	537,791	-	540,141
Travel and other	39,180	140,680	45,248	225,108
Cash expenditures	1,354,419	4,092,856	315,959	5,763,234
Share-based compensation	232,809	1,169,076	158,912	1,560,797
Depreciation	-	17,233	-	17,233
Total expenditures	$1,587,228	$5,279,165	$474,871	$7,341,264

Geiger

Spring 2021 – Historical Drill Core Review

A program of historical drill core relogging and resampling was completed in mid-June to verify historical drilling logs and procure modern, multielement geochemical data to assist in the prioritization of areas within the project for follow-up drilling in the second half of 2021.

Summer 2021 – Diamond Drilling

A program of core drilling was carried out at the Geiger project in July and August 2021. Twelve drill holes totaling 4,428 metres were completed to follow up on anomalous results intersected by historical drill holes including anomalous geochemistry, strong sandstone alteration hosting elevated radioactivity, and graphitic basement rocks with significant structures. The depth to the unconformity in the target area is shallow, ranging between 140 metres and 220 metres.

The most noteworthy result of the summer 2021 diamond drilling is the discovery of a zone of significant sandstone alteration associated with the 3B electromagnetic conductor. The 3B conductor was identified by IsoEnergy in July during a reinterpretation of historical airborne geophysical survey data. While testing the 3A conductor to the north, drill hole GG21-21 intersected significant sandstone alteration and structure interpreted to be related to the 3B conductor to the south. GG21-27 targeted the 3B conductor and followed-up the sandstone alteration and structure intersected by GG21-21. GG21-27 intersected an interval of graphitic basement hosting structures 155 metres below the unconformity which correlates to the center of the interval of strongest alteration and structure in GG21-21. The alteration zone locally contains a strongly illitic signature, a feature consistent with alteration zones proximal to uranium deposits in the Athabasca basin. Uranium and uranium pathfinder element concentrations within the alteration zone are low. Importantly, the 3B conductor associated with this sandstone alteration and graphitic basement has been tested only indirectly by the two 2021 drill holes and is completely untested along its remaining 4.5 kilometres of strike length.

Larocque East

Spring 2021 – Geophysics

A program of DC-Resistivity ground geophysical surveying was completed at Larocque East from June 16 to July 13, 2021. Originally intended for the late winter to early spring breakup period, the survey was postponed due to COVID-19 concerns. The 54 line-kilometre survey comprised 19 survey lines spaced 200 metres apart covering the eastern half of the Larocque Lake conductor system on the Larocque East project. A similar DC-Resistivity survey completed at Larocque East in 2019 successfully tracked the Larocque Lake conductor system from the Hurricane zone eastward to the western end of the 2021 survey area and mapped numerous zones of relatively lower sandstone resistivity which may be indicative of enhanced sandstone alteration. The 2021 resistivity survey mapped basement resistivity lows coincident with historical electromagnetic conductors throughout the survey area, as well as coincident and standalone zones of decreased resistivity in the overlying sandstone potentially caused by hydrothermal alteration zones. Drilling completed in Q1 2022 followed-up these results.

Summer 2021 – Drilling

In early September through early November IsoEnergy completed a program of core drilling at the Larocque East project totaling 12,780 metres in 30 completed drill holes and seven drill holes abandoned before reaching their target depth (refer to February 3, 2022, news release titled "*IsoEnergy Reports Final Chemical Assays From 2021 Drilling at Hurricane Zone*"). Twelve drill holes were planned to expand the footprint of the Hurricane zone and included drilling at both the western and the eastern sides of the zone. Four infill drill holes were planned between existing drill fences to provide information on the continuity of the higher-grade portions of the zone. Fourteen exploration drill holes were planned in two target areas.

The main target area was a three-kilometre-long section of the Larocque Lake trend where DC-resistivity signatures similar to that of Hurricane are present and historical drilling has intersected alteration, structures, graphitic basement, and anomalous geochemistry. The second target area included trends of decreased resistivity in the sandstone and basement and is located southeast of and subparallel to the Hurricane zone stratigraphy

Drilling results at the Hurricane zone include intersections of significant radioactivity in several drill holes outside the previously defined mineralized footprint (i.e., LE21-78C1, LE21-82, LE21-84, LE21-87A, LE21-91, LE21-93, LE21-101, LE21-103, LE21-105 and LE21-107). While exploration drill holes intersected zones of significant alteration and structure in the sandstone and basement leading to the development of follow-up targets for further testing, no significant radioactivity was intersected.

The final geochemical results were received in late January 2022. The strongest result of the 2021 drilling at Hurricane was drill hole LE21-107, which intersected 6.5 metres averaging 20.4% U_3O_8 including a 3.5 metre subinterval averaging 34.5% U_3O_8. LE21-107, LE21-78C1 (5.2% U_3O_8 over 12.0m) and LE21-87A (4.5% U_3O_8 over 7.5m) defined a new zone of significant mineralization on the south side of Hurricane.

Spring 2021 – Land Acquisition

In June 2021 IsoEnergy expanded the Larocque East project by purchasing two mineral claims totaling 902 hectares from Eagle Plains Resources Ltd. ("**EPL**"). Mineral claim MC00013560 is located 540 metres southeast of the southeastern corner of Larocque East and covers a section of the Anvil Lake trend, a north-northwest trending package of basement rocks which includes graphitic pelitic gneisses. Mineral claim MC00013747 is located within the far western portion of Larocque East and covers a 7.5-kilometre-long section of the Bell Lake trend, an east-west oriented package of basement rocks which includes graphitic pelitic gneisses. Both trends host weak uranium mineralization intersected by historical drill holes. IsoEnergy paid EPL $25,000 in cash in exchange for a 100% interest in the two mineral claims. Compensation also includes a 2% NSR royalty on the two claims payable to EPL, of which 1% may be bought back by IsoEnergy for $1.0 million.

Winter 2021 – Drilling

Drilling at Larocque East planned for the winter of 2021 was not completed due to concerns about COVID-19. The planned 10,000 metre, 24 drill hole program was designed to expand the footprint of the Hurricane zone, to further test the high-grade core of the Hurricane zone, and to explore the Larocque East project well to the east of the Hurricane zone.

<u>Collins Bay Extension</u>

Fall 2021 - Geophysics

An airborne Versatile Time-Domain Electromagnetic (VTEM-Plus) and spectrometer survey was begun at the Collins Bay Extension project in late September. The 567 line-kilometre survey covered the southwestern portion of the Collins Bay Extension and was intended to map extensions of the Tent-Seal and Collins Bay conductive trends associated with mineralization at the Eagle Point, Rabbit Lake, and Collins Bay deposits. The survey was completed in early October 2021 and interpretation of the results is ongoing.

<u>Other Properties – Soil Geochemistry Surveys</u>

Soil geochemistry surveys were completed at three uranium properties in the Eastern Athabasca. A total of 1,085 samples were collected from the 2Z (466), Larocque West (407) and Sparrow (212) properties. Analytical results were received in the fourth quarter of 2021 and interpretation is ongoing.

Other Properties – Land Acquisition

During the year ended December 31, 2021, property extensions were acquired by land staking at East Rim (5,483 hectares) and Trident (295 hectares).

Outlook

The Company intends to actively explore all of its projects as and when resources permit. The nature and extent of further exploration on any of the Company's properties however will depend on the results of completed and ongoing 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, Radio, Hawk, Ranger, and Collins Bay Extension properties.

Several exploration activities are planned in the future but are not currently scheduled. Work on the Evergreen, Spruce, East Rim, Full Moon and Edge projects is expected to initially include a variety of airborne surveys to broadly evaluate the projects and identify target areas. 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 by surveys in 2016 and 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 Interim 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 Interim Financial Statements and MD&A and make recommendations to the Company's Board. It is the Board which has final approval of the Interim Financial Statements and MD&A.

The Interim 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 Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting and should be read in conjunction with the Annual Financial Statements, which 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.

Results of Operations

During the three months ended March 31, 2022, the Company capitalized $3,938,445 of exploration and evaluation costs to exploration and evaluation assets. The exploration and evaluation activities carried out during this period are described in the Discussion of Operations section above.

The following financial data is derived from the Interim Financial Statements and should be read in conjunction with the Interim Financial Statements.

	March 31, 2022	March 31, 2021
General and administrative costs		
Share-based compensation	**$ 1,620,388**	$ 255,336
Administrative salaries, contract and director fees	**455,014**	1,165,013
Investor relations	**104,626**	96,120
Office and administrative	**28,076**	39,446
Professional fees	**76,051**	36,617
Travel	**8,681**	-
Public company costs	**75,843**	53,218
Depreciation expense	**-**	14,699
Total general and administrative costs	**(2,368,679)**	(1,660,449)
Interest income	**10,031**	20,111
Interest on lease liability	**-**	(2,615)
Interest on convertible debentures	**(161,441)**	(161,466)
Fair value loss on convertible debentures	**(7,178,291)**	(2,598,114)
Foreign exchange loss	**(27,112)**	(25,361)
Other income	**-**	9,087
Loss from operations	**(9,725,492)**	(4,418,807)
Deferred income tax recovery	**249,811**	319,065
Loss	**$ (9,475,681)**	$ (4,099,742)

During the three months ended March 31, 2022, the Company recorded a loss of $9,475,681, compared to a loss of $4,099,742 in the three months ended March 31, 2021. The increased loss was predominantly the result of an increase in the fair value loss on the US$6 million principal of convertible debentures (the "**Debentures**") and an increase in share-based compensation during the three months ended March 31, 2022, as further described below.

General and administrative costs

Share-based compensation was $1,620,388 in the three months ended March 31, 2022, compared to $255,336 in the three months ended March 31, 2021. The share-based compensation expense is a non-cash charge based on the Black-Scholes value of stock options, calculated using the graded vesting method. 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 the Black-Scholes value of the options granted, the number of options granted in recent periods and whether options have fully vested or have been cancelled in a period. In the three months ended March 31, 2022 there were 400,000 options granted at a Black-Scholes value of $3.48 per option compared to 250,000 options granted at a Black-Scholes value of $1.47 per option in the three months ended March 31, 2021. The charge to earnings was higher in the three months ended March 31, 2022 due to a higher market price of the Company's common shares, a higher number of options issued leading up to and including the current period and accelerated vesting of certain options during the period.

Administrative salaries, contracts and directors' fees at $455,014 for the three months ended March 31, 2022, were lower than the three months ended March 31, 2021 which were $1,165,013. On February 28, 2022, the former Chief Financial Officer of the Company resigned and was paid $175,997 and on February 15, 2021, the former Chief Executive Officer resigned and was paid $897,254, in accordance with the terms of their respective employment contracts. These severance payments accounted for the majority of the difference between the two periods, with the residual amounts being $279,017 for the three months ended March 31, 2022 and $267,759 for the three months ended March 31, 2021.

Investor relations expenses were $104,626 for the three months ended March 31, 2022, compared to $96,120 in the three months ended March 31, 2021 and related primarily to costs incurred in communicating with existing and potential shareholders and marketing. The costs were higher in the three months ended March 31, 2022 due to increased participation in uranium industry organizations and subscription to uranium market publications and data services, partially offset by a reduction in marketing related expenditures.

Office and administrative expenses were $28,076 for the three months ended March 31, 2022 compared to $39,446 in the three months ended March 31, 2021, and consisted of office operating costs and other general administrative costs. Other general administrative expenses included communication, professional membership dues, donations, bank charges and staff training.

Professional fees were $76,051 for the three months ended March 31, 2022, compared to $36,617 for the three months ended March 31, 2021. Professional fees normally consist of legal fees related to the Company's business activities, as well as accounting and tax fees related to regulatory filings. Professional fees were higher in the three months ended March 31, 2022 mainly due to recruitment fees incurred.

Travel expenses were $8,681 for the three months ended March 31, 2022, compared to $nil in the three months ended March 31, 2021. Travel expenses relate to business development and general corporate activities and amounts vary depending on projects and activities being undertaken. Travel has recently resumed after a period of subdued activity due to the COVID-19 pandemic.

Public company costs were $75,843 for the three months ended March 31, 2022, compared to $53,218 in the three months ended March 31, 2021, and consisted primarily of costs associated with the Company's continuous disclosure obligations, listing fees, transfer agent costs, press releases and other shareholder communications. Costs were higher in the three months ended March 31, 2022 as a result of increased listing fees due to the Company's higher market capitalization compared to the previous period.

Depreciation expense was $Nil in the three months ended March 31, 2022, compared to $14,699 in the three months ended March 31, 2021, as an office lease, which gave rise to a depreciable right-of-use asset, was assigned to a third party on July 1, 2021.

Other items

The Company recorded interest income of $10,031 in the three months ended March 31, 2022, compared to $20,111 in the three months ended March 31, 2021, which represents interest earned on cash balances. The amounts were lower in the three months ended March 31, 2022 due to lower average cash balances, as well as lower interest rates.

Due to the assignment of an office lease to a third party on July 1, 2022, interest expense on the lease liability was $Nil for the three months ended March 31, 2022 compared to $2,615 in the three months ended March 31, 2021.

Interest expense on Debentures was $161,441 in the three months ended March 31, 2022, compared to $161,466 in the three months ended March 31, 2021, and relates to the interest owing on the Debentures which were issued on August 18, 2020. The Debentures bear interest of 8.5% per annum and is payable on June 30 and December 31.

The fair value of the Debentures on March 31, 2022 was $32,263,752 compared to $25,101,132 at December 31, 2021. This resulted in a fair value loss on Debentures of $7,162,620 in the three months ended March 31, 2022, consisting in a fair value loss of $7,178,291 included in the statement of loss, slightly offset by a fair value gain attributable to the change in credit risk of $15,671 included in other comprehensive income (loss). During the three months ended March 31, 2021, the fair value loss on Debentures was $2,708,872, of which $2,598,114 was included in the statement of loss and $110,758 was included in other comprehensive income (loss). The Company's Debentures are classified as measured at fair value through profit and loss. In accordance with IFRS 9 – Financial Instruments, the part of a fair value change due to an entity's own credit risk is presented in other comprehensive income (loss). The fair value of the Debentures changed in the current period due primarily to the increase in the share price from $3.74 to $4.90 and other market inputs as set out below. As of March 31, 2022, the time to maturity of the Debentures was 3.4 years.

The following assumptions were used to estimate the fair value of the Debentures:

	31-Mar-22	**31-Dec-21**
Expected stock price volatility	50%	50%
Expected life (years)	3.4	3.6
Risk free interest rate	2.83%	1.78%
Expected dividend yield	0.00%	0.00%
Credit spread	22.31%	21.86%
Underlying share price of the Company	$4.90	$3.74
Conversion price	$0.88	$0.88
Exchange rate (C$:US$)	1.2505	1.2637

Foreign exchange losses were $27,112 in the three months ended March 31, 2022, compared to $25,361 in the three months ended March 31, 2021, and mainly relates to exchange movements on United States dollars held by the Company. The Company received US dollars on the issue of the Debentures on August 18, 2020. The majority was converted to Canadian dollars but enough was held in US dollars to cover future interest as well as other US dollar payments. The foreign exchange loss was due to the stronger Canadian dollar compared to the US dollar.

IsoEnergy recognized rental income of $9,087 in the three months ended March 31, 2021. No rental income was received since July 1, 2021 when the office lease was assigned to a third party.

The Company records a deferred tax recovery or expense which is comprised of a recovery on losses recognized in the period and, when applicable, 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 ended March 31, 2022, this resulted in a recovery of $249,811, compared to a recovery of $319,065 in the three months ended March 31, 2021. The difference is due to lower administrative costs during the three months ended March 31, 2022, partially offset by the deferred income tax expense due to the renunciation of flow through-share expenses that occurred in the three months ended March 31, 2021. In the three months ended March 31, 2022 the Company did not renounce any flow-through share expenditures, compared to $383,634 renounced in the three months ended March 31, 2021 which impacted deferred income tax expense by $103,581. Administrative costs (excluding share-based compensation, which is not tax deductible) were lower in the three months ended March 31, 2022 primarily due to a one-time settlement payment made to the former CEO in February 2021.

Deferred income tax recovery for the three months ended March 31 comprises:

		2022		**2021**
Deferred income tax recovery related to operations	**$**	**(249,811)**	$	(422,646)
Flow-through renunciation		**-**		103,581
Deferred income tax recovery	**$**	**(249,811)**	$	(319,065)

Financial Position

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

	March 31, 2022	**December 31, 2021**
Exploration and evaluation assets	**$ 64,894,035**	$ 60,955,590
Total assets	**84,429,563**	84,190,522
Total current liabilities	**1,874,893**	640,971
Total non-current liabilities	**34,424,032**	27,635,882
Working capital (1)	**17,598,490**	22,527,412
Cash dividends declared per share	**Nil**	Nil

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

In the three months ended March 31, 2022 the Company capitalized $3,938,445 of exploration and evaluation costs as further described "Discussion of Operations" above. Non-current liabilities increased during the period due to an increase in the fair value of the Debentures as discussed in "Results of Operations" above. Working capital decreased during the quarter mainly due to the continued utilization of cash on hand to advance the Company's exploration portfolio and for corporate expenditure, combined with a reduction of the fair value of the marketable securities during the three months ended March 31, 2022.

SUMMARY OF QUARTERLY RESULTS

The following information is derived from the Company's Interim and Annual financial statements prepared in accordance with IFRS. The information below should be read in conjunction with the Company's Interim and 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.

	Mar. 31, 2022	**Dec. 31, 2021**	**Sept. 30, 2021**	**Jun. 30, 2021**	**Mar. 31, 2021**	**Dec. 31, 2020**	**Sep. 30, 2020**	**Jun. 30, 2020**
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (loss)	($9,475,681)	($5,718,495)	($4,190,912)	($1,771,545)	($4,099,742)	($8,487,768)	$351,334	($472,175)
Net income (loss) per share: Basic	($.0.09)	($0.05)	($0.04)	($0.02)	(0.04)	($0.03)	Nil	($0.01)
Diluted	($.0.09)	($0.05)	($0.04)	($0.02)	($0.04)	($0.03)	($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. In the third quarter of 2020, the Company issued the Debentures which are accounted for as measured at fair value through profit and loss, which has resulted in losses from the revaluation of the Debentures in the last six quarters.

LIQUIDITY

IsoEnergy has no revenue-producing operations, earns only minimal interest income on cash, and is expected to have recurring operating losses. As at March 31, 2022, the Company had an accumulated deficit of $43,822,635.

During the three months ended March 31, 2022, the Company utilized cash on hand to invest $2,492,289 (net of accounts payable) in exploration and evaluation assets and for $912,621 of expenditure on its corporate activities, including movements in working capital. During the period, the Company received $467,960 from the exercise of stock options.

As at the date of this MD&A, the Company has approximately $8.8 million in cash, $8.9 million in freely tradable marketable securities and $17.7 million in working capital.

The Company has sufficient cash and marketable securities on hand to continue its currently planned exploration activities at its properties, including the Larocque East Project, while maintaining current corporate capacity, which includes wages, consulting fees, professional fees, costs associated with the Company's head office and fees and expenditures required to maintain all of its tenements.

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

Management will determine whether to accept any offer to finance, weighing such factors 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 reduce its exploration and corporate activity levels.

The Company's properties are in good standing with the applicable governmental authority until between June 2022 and June, 2043 and the Company does not have any contractually imposed expenditure requirements.

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

Working capital is held mainly in cash and freely tradeable marketable securities, both of which are highly liquid.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at March 31, 2022 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 consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

NexGen is a related party due to its ownership in the Company and the overlapping members of the Board of Directors between NexGen and the Company.

Remuneration attributed to key management personnel is summarized as follows:

Three months ended March 31, 2022	**Short term compensation**	**Share-based compensation**	**Total**
Expensed in the statement of loss and comprehensive loss	$ 154,193	$ 1,534,152	$ 1,688,345
Capitalized to exploration and evaluation assets	50,672	124,641	175,313
	$ 204,865	**$ 1,658,793**	**$ 1,863,658**

Three months ended March 31, 2021	**Short term compensation**	**Share-based compensation**	**Total**
Expensed in the statement of loss and comprehensive loss	$ 205,803	$ 249,730	$ 455,533
Capitalized to exploration and evaluation assets	71,078	9,099	80,177
	$ 276,881	$ 258,829	$ 535,710

As of March 31, 2022, $2,101 and $nil, (December 31, 2022 – $nil and $nil) was included in accounts payable and accrued liabilities owing to NexGen and directors and officers for compensation, respectively.

During the three months ended March 31, 2022, the Company paid NexGen, $5,272 (March 31, 2021 - $Nil) for use of NexGen's office space.

On February 28, 2022, the former Chief Financial Officer resigned and was paid $175,997 in accordance with the terms of her employment contract. This is excluded from the table above for the three months ended March 31, 2022.

On December 6, 2021, NexGen acquired 3,685,929 common shares on the exercise of 3,685,929 warrants with an exercise price of $0.60. In April 2021, NexGen acquired 1,537,760 common shares on the exercise of 1,537,760 warrants with an exercise price of $0.60.

On February 15, 2021, the former Chief Executive Officer resigned and was paid $897,254 in accordance with the terms of his employment contract. This is excluded from the table above for the three months ended March 31, 2021.

OUTSTANDING SHARE DATA

The authorized capital of IsoEnergy consists of an unlimited number of common shares. As of May 3, 2022, there were 106,806,270 common shares and 7,634,167 stock options outstanding, each stock option entitling the holder to purchase one common share of IsoEnergy at the prices set forth below.

In August 2020, the Company issued the Debentures with an 8.5% coupon and a 5-year term, which are convertible at $0.88 per share.

There are not warrants outstanding at the date of this MD&A.

Stock options outstanding at May 3, 2022, together and exercise price thereof are set forth below:

Number of options	Exercise price per option	Number of options exercisable	Exercise price per option	Vesting	Weighted average remaining contractual life (years)
160,000	$0.57	160,000	$0.57		0.8
510,000	$0.36	510,000	$0.36		1.3
730,000	$0.42	730,000	$0.42		1.7
967,500	$0.39	967,500	$0.39	(i)	2.8
415,000	$1.19	276,667	$1.19	(i)	3.4
250,000	$2.44	166,667	$2.44	(i)	3.9
1,525,000	$2.81	541,667	$2.81	(i)	4.2
2,676,667	$3.99	930,000	$3.99	(i)	4.7
400,000	$4.96	133,333	$4.96	(i)	4.9
7,634,167	**$2.49**	**4,415,834**	**$1.72**		**3.6**

(i) Vest 1/3 on grant and 1/3 one third each year thereafter

CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Interim 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 outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Interim Financial Statements were prepared in accordance with IFRS and its interpretations adopted by the IASB and follow the same accounting policies and methods as described in note 2 to the Company's Annual Financial Statements, without any changes or adoption of new standards.

CAPITAL MANAGEMENT AND RESOURCES

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 of Directors 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 funding alternatives, including equity, debt and other means and is dependent on third party financing. 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, marketable securities, amounts receivable, accounts payable and accrued liabilities and convertible debentures.

Fair Value Measurement

The Company classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair values of the Company's cash and cash equivalents amounts receivable and accounts payable and accrued liabilities approximate their carrying value, due to their short-term maturities or liquidity.

The Debentures are re-measured at fair value at each reporting date with any change in fair value recognized in profit or loss, except the change in fair value that is attributable to change in credit risk is presented in other comprehensive income (loss). The Debentures are classified as Level 2.

The marketable securities are re-measured at fair value at each reporting date with any change in fair value recognized in other comprehensive income (loss). The marketable securities are Level 1.

Financial instrument risk exposure

As at March 31, 2022, 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 March 31, 2022, 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 accounts 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 March 31, 2022, the Company had a working capital balance of $17,598,490, including cash of $10,655,266.

(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 March 31, 2022. The interest on the Debentures is fixed and not subject to market fluctuations.

(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 impact the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include US dollar denominated cash, US dollar accounts payable and accrued liabilities, the Debentures and Australian dollar denominated marketable securities. The Company maintains Canadian and US dollar bank accounts in Canada.

The Company is exposed to foreign exchange risk on its US dollar denominated Debentures. At maturity the US$6 million principal amount of the Debentures is due in full, and prior to then at a premium upon the occurrence of certain events, including a change of control. The Company holds sufficient US dollars to make all cash interest payments due under the Debentures until maturity but not to pay the principal amount. Accordingly, the Company is subject to risks associated with fluctuations in the Canadian/US dollar exchange rate that may make the Debentures more costly to repay.

A 5% change in the US dollar exchange rate can result in a net increase or decrease in the Company's US dollar-based cash and debt of $1,528,020 that would flow through the statement of loss.

The Company is also exposed to foreign exchange risk on its Australian dollar denominated investment in 92 Energy. Accordingly, the Company is subject to risks associated with fluctuations in the Canadian/Australian dollar exchange rate that may decrease the value of its investment in 92 Energy.

A 5% change is the Australian dollar can increase or decrease the value of the Company's investment in 92 Energy by $289,541 that would flow through Other Comprehensive Income (Loss).

(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. The Company holds marketable securities which are subject to equity price risk.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mineral properties. For a comprehensive list of the risks and uncertainties facing the Company, please see "Risk Factors" in the Company's MD&A for the year ended December 31, 2021 and the "Industry and Economic Factors that May Affect the Business" included above the "Overall Performance" section of this MD&A. 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.

COVID-19

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the impact from COVID-19. The Company continues to enforce certain operating procedures to respond to COVID-19 and during the three months ended March 31, 2022, the Company's business and exploration activities have not been significantly impacted by COVID-19. Notwithstanding the success of vaccination programs in Canada and the continued lifting of COVID-19 restrictions by local and provincial governments, it is possible that in the future there will be renewed outbreaks of COVID-19 with negative impacts on our business and exploration activities and the pandemic and associated disruptions may result in unfavourable capital market conditions and trigger actions such as reduced exploration activities. The Company anticipates this could have an adverse impact on our business, results of operations, financial position and cash flows in 2022.

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 Interim Financial Statements, 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 Suite 200 – 475 2nd Avenue S, Saskatoon, SK S7K 1P4.