Isoray, Inc. and Subsidiaries Consolidated Balance Sheets (unaudited) (In thousands, except shares)

ASSETS View of the second		September 30, 2019		June 30, 2019	
Cash and cash equivalents\$ $4,575$ \$ $5,226$ $1,521$ Accounts receivable, net 501 530 Inventory 501 530 Prepaid expenses and other current assets 209 305 Total current assets $6,806$ $7,315$ Property and equipment, net $1,669$ $1,609$ Right of use asset $1,172$ $-$ Restricted cash 181 181 Inventory, no-current 145 155 Other assets, net of accumulated amortization 151 162 Total assets $$10,124$9,422LLABILITIES AND SHAREHOLDERS' EQUITY225-Current liabilities:225-Accrued payroll and accrued expenses984Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities:1,6661,121Lease liability948-Accrued vacation555621Total current liabilities1,6661,121Long-term liabilities1,6661,121Long-term liabilities2,50003,1691,742Comminents and contingencies5,500000 shares authorized:6,76,7Shareholders' equity:Preferred stock, 5,001 par value; 7,000,000 shares authorized;6,76,7Comminents and contingencies5,5000000 shares authorized;6,2557,680Communates alloid-i$	ASSETS				
Accounts receivable, net Inventory1,521 S001,154 S00Prepaid expenses and other current assets209305Total current assets6,8067,315Property and equipment, net 					
Inventory501530Prepaid expenses and other current assets 209 305 Total current assets 209 305 Total current assets $6,806$ $7,315$ Property and equipment, net $1,669$ $1,609$ Right of use asset $1,172$ -Restricted cash 145 155 Other assets, net of accumulated amortization 151 162 Total assetsS $10,124$ S $9,422$ LIABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities:Accound payable and accrued expensesLase liability 225 -3 Accrued payroll and accrued expenses 25 133 Accrued payroll and related taxes 194 89 Accrued payroll and related taxes 194 89 Accrued vacation 155 142 Total current liabilities $1,666$ $1,121$ Long-term liabilities: 255 621 Total current liabilities $3,169$ 1.742 Commitments and contingencies $5,55$ 621 Total liabilities $3,065$ shares suborized: $-$ Shareholders' equity: $6,75,57,680$ $653,308$ Prefored stock, 50.01 par value; 7,000,000 shares authorized: $6,53,308$ $(84,492)$ Commitments and contingencies $(85,308)$ $(84,492)$ Total shareholders' equity $6,955$ $7,680$	•	\$	-	\$	-
Prepaid expenses and other current assets 209 305 Total current assets 6,806 7,315 Property and equipment, net 1,669 1,609 Right of use asset 1,172 - Restricted cash 181 181 Inventory, non-current 151 162 Other assets \$ 10,124 \$ 9,422 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounds payable and accrued expenses \$ 984 \$ 683 Lease liability 225 - Accrued protocol expense 25 133 Accrued protocol expense 25 123 Accrued protocol expense 25 142 Total current liabilities 1,666 1,121 Cong-term liabilities 1,666 1,121 Cong-term liabilities 3,169 1.742 Commitments and contingencies 3 - Shareholders' equity: Preferred stock, S,001 par value; 7,000,000 shares stuthorized: - Series B: S,0000,000 shares allocated; 59,065 shares issued and outstanding - - Co					-
Total current assets6.8067.315Property and equipment, net Restricted cash1.6691.609Right of use asset1.172-Restricted cash1.811.81Inventory, non-current145155Other assets, net of accumulated amortization151162Total assets\$ 10.124\$ 9.422LABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities: Accounds payable and accrued expensesAccound protocol expense\$ 225Accrued radioactive waste disposal83Accrued payroll and related taxes194Accrued payroll and related taxes194Accrued payroll and related taxes1.6661.121Long-term liabilities: Lease liability948Acstruct m liabilities: Lease liability948Acstruct rent liabilities3.169I.742Commitments and contingenciesShareholders' equity: Preferred stock, S.001 par value; 7,000,000 shares authorized: Softer's 8.5,0000 shares issued and outstanding Common stock, S.001 par value; 7,000,000 shares authorized; Gright of 2,388,047 shares issued and outstanding Common stock, S.001 par value; 7,000,000 shares authorized; Gright of 2,388,047 shares issued and outstanding Common stock S.001 par value; 7,000,000 shares authorized; Gright of 2,388,047 shares issued and outstanding Common stock S.001 par value; 7,000,000 shares authorized; Gright of 2,388,047 shares issued and outstanding Common stock S.001 par value; 7,000,000 shares authorized; Gright of 2,388,047 shares issued and outstanding Common stock S.001 par value; 7,000,000 shares authorized; <br< td=""><td>-</td><td></td><td>501</td><td></td><td>530</td></br<>	-		501		530
Property and equipment, net1,6691,609Right of use asset1,172-Restricted cash181181Inventory, non-current145155Other assets, net of accumulated amortization151162Total assets\$ 10,124\$ 9,422LIABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities:Accounts payable and accrued expenses\$ 984\$ 683Lease liability225-Accrued protocol expense225-Accrued radioactive waste disposal8374Accrued nationactive waste disposal8374Accrued vacation155142Total current liabilities:1,6661,121Long-term liabilities1,6661,121Long-term liabilities1,6661,121Long-term liabilities3,1691,742Commitments and contingencies5621Shareholders' equity:6767Preferred stock, 5001 par value; 7,000,000 shares authorized:67Strick B: 5,000,000 shares authorized:6767of 7,388,047 shares situed and outstanding6767Commitments and contingencies92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Prepaid expenses and other current assets		209		305
Right of use asset $1,172$ -Restricted cash181181Inventory, non-current145155Other assets, net of accumulated amortization151162Total assets\$ 10,124\$ 9,422LIABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities:Accounts payable and accrued expenses\$ 984\$ 683Lasse fiability225-Accrued protocol expense25133Accrued protocol expense25133Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities:1,6661,121Long-term liabilities:948-Lease Inability948-Total current liabilities:3,1691,742Commitments and contingencies5621Shareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized:-Series 5, 5,000,000 shares allocated; 59,065 shares issued and outstanding-Commitments and contingencies6767Shareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized:-Sories 5, 5,000,000 shares issued and outstanding-Commitments and contingencies6767Additional paid-in capital92,19692,105Accrued deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Total current assets		6,806		7,315
Restricted cash181181Inventory, non-current145155Other assets, net of accumulated amortization151162Total assets\$ 10,124\$ 9,422LLABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities: Accounts payable and accrued expenses\$ 984\$ 683Lease liability225-Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities: Lease liability948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, S.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding (67, 388,047 shares issued and outstanding (7, 388,047 shares issued and outstanding (7, 388,047 shares issued and outstanding (7, 388,047 shares issued and outstanding (85,308)6767Accurulated deficit(85,308)(84,492)-Total shareholders' equity6,9557,680	Property and equipment, net		1,669		1,609
Inventory, non-current145155Other assets, net of accumulated amoritzation151162Total assets\$ 10,124\$ 9,422LLABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities: Accounts payable and accrued expenses\$ 984\$ 683Lease liability225-Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued vacation155142Total current liabilities:1.6661,121Long-term liabilities:1.6661,121Long-term liabilities:3,1691.742Commitments and contingencies3,1691.742Shareholders' equity: $-$ -Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; Corman at contingencies6767Additional paid-in capital Accured and outstanding Commutated deficit92,10692,105Accurulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Right of use asset		1,172		-
Other assets, net of accumulated amortization 151 162 Total assets \$ 10,124 \$ 9,422 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable and accrued expenses \$ 984 \$ 683 Lease liability 225 - Accrued protocol expense 25 133 Accrued payroll and related taxes 194 89 Accrued payroll and related taxes 194 89 Accrued vacation 155 142 Total current liabilities: 1,666 1,121 Long-term liabilities 3,169 1,742 Commitments and contingencies 3,169 1,742 Shareholders' equity: - - Preferred stock, \$,001 par value; 7,000,000 shares authorized; 67 67 67,388,047 shares issued and outstanding 67 67 67 64/ditional paid-in capital 92,196 92,105 92,105 Accurued deficit (85,308) (84,492) 7.680 Total shareholders' equity 6,955 7.680	Restricted cash		181		181
Total assets§10,124§9,422LIABILITIES AND SHAREHOLDERS' EQUITYCurrent liabilities: Accounts payable and accrued expenses\$984\$683Lease liability225Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities: Lease liability948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: 67,388,047 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; (67,388,047 shares issued and outstanding (67Additional paid-in capital Accurulated deficit92,19692,105(84,492)Total shareholders' equity6,9557,680	Inventory, non-current		145		155
LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable and accrued expenses \$ 984 \$ 683 Lease liability 225 - Accrued protocol expense 25 133 Accrued protocol expense 25 133 Accrued payroll and related taxes 194 89 Accrued vacation 155 142 Total current liabilities: 1,666 1,121 Long-term liabilities: 1 266 1,21 Long-term liabilities: 1 266 1,21 Cong-term liabilities: 1 266 1,21 Lease liability 948 - 255 621 Total liabilities 3,169 1,742 2 Commitments and contingencies 555 621 55 621 Shareholders' equity: 7,000,000 shares authorized: - - - - Common stock, \$.001 par value; 7,000,000 shares authorized; 67 67 67 67 67 67 67 67 67 67 67 67 67 67 <td< td=""><td>Other assets, net of accumulated amortization</td><td></td><td>151</td><td></td><td>162</td></td<>	Other assets, net of accumulated amortization		151		162
Current liabilities: Accounts payable and accrued expenses\$984\$683 683Lease liability225-Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities: Lease liability948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 20,0000,000 shares authorized; 67,388,047 shares issued and outstanding Common stock, \$.001 par value; 20,000,000 shares authorized; (67,388,047 shares issued and outstanding Common stock, \$.001 par value; 20,000,000 shares authorized; (7,388,047 shares issued and outstanding (7,388,047 shares issued and outstanding Common stock, \$.001 par value; 20,000,000 shares authorized; (7,388,047 shares issued and outstanding (85,308)6767Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Total assets	\$	10,124	\$	9,422
Accounts payable and accrued expenses\$984\$683Lease liability225-Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities:948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5.000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; $67,388,047$ shares issued and outstanding $42,106$ Additional paid-in capital Accumulated deficit92,196 (85,308)92,105 (85,308)(84,492) (85,308)Total shareholders' equity6,9557,680	LIABILITIES AND SHAREHOLDERS' EQUITY				
Lease liability225Accrued protocol expense25Accrued radioactive waste disposal83Accrued radioactive waste disposal83Accrued payroll and related taxes194B9Accrued vacationAccrued vacation155Ital155Ital1666Ital1666Ital1121Long-term liabilities:948Lease liability948Asset retirement obligation555Gommitments and contingencies3,169Shareholders' equity:947Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding67Graditional paid-in capital Accumulated deficit92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Current liabilities:				
Lease liability225-Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities:948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity:-Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstandingCommitments of capital92,19692,10592,10592,105Accumulated deficit(85,308)(84,492)(84,492)-Total shareholders' equity6,9557,680	Accounts payable and accrued expenses	\$	984	\$	683
Accrued protocol expense25133Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities:948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingencies3,1691,742Shareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding $67,388,047$ shares issued and outstanding6767Additional paid-in capital92,19692,10544,492)Total shareholders' equity $6,955$ 7,680			225		-
Accrued radioactive waste disposal8374Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities:948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingencies3,1691,742Shareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital Accumulated deficit92,19692,10592,105Total shareholders' equity6,9557,680	-		25		133
Accrued payroll and related taxes19489Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities:948-Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingencies3,1691,742Shareholders' equity:Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding 92,1966767Additional paid-in capital Accumulated deficit92,19692,105(85,308)(84,492)Total shareholders' equity6,9557,680			83		74
Accrued vacation155142Total current liabilities1,6661,121Long-term liabilities: Lease liability948-Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingencies31,742Shareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding 4dditional paid-in capital Accumulated deficit6767Total shareholders' equity6,9557,680	-		194		89
Long-term liabilities: Lease liability948 948 555Asset retirement obligation555Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstandingCommon stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstandingCommon stock, \$.001 par value; 200,000,000 shares authorized; (67,388,047 shares issued and outstanding Additional paid-in capital Accumulated deficitCotal shareholders' equityCotal shareholders' equity			155		142
Lease liability948Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding-Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital Accumulated deficit92,19692,105Total shareholders' equity6,9557,680	Total current liabilities		1,666		1,121
Lease liability948Asset retirement obligation555621Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding-Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital Accumulated deficit92,19692,105Total shareholders' equity6,9557,680	Long-term lightlities				
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Total liabilities3,1691,742Commitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding-Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital Accumulated deficit92,19692,105Total shareholders' equity6,9557,680	•				621
Total multimesCommitments and contingenciesShareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstandingCommon stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital Accumulated deficit92,19692,105Total shareholders' equity6,9557,680	Asset retrement obligation				021
Shareholders' equity: Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding-Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Total liabilities		3,169		1,742
Preferred stock, \$.001 par value; 7,000,000 shares authorized: Series B: 5,000,000 shares allocated; 59,065 shares issued and outstandingCommon stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Commitments and contingencies				
Series B: 5,000,000 shares allocated; 59,065 shares issued and outstanding-Common stock, \$.001 par value; 200,000,000 shares authorized; 67,388,047 shares issued and outstanding6767Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680					
67,388,047 shares issued and outstanding6767Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680			-		-
67,388,047 shares issued and outstanding6767Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680	Common stock, \$.001 par value; 200,000,000 shares authorized;				
Additional paid-in capital92,19692,105Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680			67		67
Accumulated deficit(85,308)(84,492)Total shareholders' equity6,9557,680			92,196		92,105
Total liabilities and shareholders' equity \$ 10,124 \$ 9,422	Total shareholders' equity		6,955		7,680
	Total liabilities and shareholders' equity	\$	10,124	\$	9,422

Isoray, Inc. and Subsidiaries Consolidated Statements of Operations (Unaudited) (Dollars and shares in thousands, except for per-share amounts)

	Quarter ended September 30,		
	2019	2018	
Sales, net Cost of sales	\$ 2,315 1,079	\$ 1,562 1,038	
Gross profit	1,236	524	
Operating expenses: Research and development			
Propriety research and development	233	394	
Collaboration arrangement, net of reimbursement	-	26	
Total research and development	233	420	
Sales and marketing	815	649	
General and administrative	1,097	973	
Change in estimate of asset retirement obligation	(73)		
Total operating expenses	2,072	2,042	
Operating loss	(836)	(1,518)	
Non-operating income:			
Interest income, net	20	10	
Change in fair value of warrant derivative liability	-	-	
Other income	-	-	
Non-operating income, net	20	10	
Net loss	(816)	(1,508)	
Preferred stock dividends	(3)	(1,500)	
Treforiou stock dividends	(3)	(3)	
Net loss applicable to common shareholders	(819)	(1,511)	
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)	
Weighted average shares used in computing net loss per share: Basic and diluted	67,388	66,147	
Dasic and difuted	07,300	00,147	