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Zacks Small-Cap Research

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Izotropic Corp (IZOZF-OTC)

IZOZF: Africa Entity Already Showing Progress

Izotropic is a medical device company with a potentially groundbreaking for device for detecting breast cancer. We value IZOZF at $0.82 per share on a discounted cash flow analysis basis.

Current Price (02/25/26)	$0.18
Valuation	**$0.82**

OUTLOOK

Izotropic is a medical device company that has developed an innovative machine that will allow for women to have more accurate and comfortable screenings for breast cancer.

The company announced it has come to an agreement to establish Izotropic Africa. This entity will provide access to an area that has over 200,000 cases of breast cancer annually and a mortality rate of over 50% due to delayed diagnosis and limited access to advanced care. Additionally, the company announced that partnership discussions with a Moroccan entity have ensued.

SUMMARY DATA

52-Week High	**$0.35**
52-Week Low	**$0.14**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**31,024**
Shares Outstanding (mil)	**69**
Market Capitalization ($mil)	**$12**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**N/A**
P/E using 2026 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**High**
Type of Stock	**Small**
Industry	**Medical Devices**

ZACKS ESTIMATES

Revenue
(in millions of $US)

	Q1 (Jul)	Q2 (Oct)	Q3 (Jan)	Q4 (Apr)	Year (Apr)
2024	NA	NA	NA	NA	0 A
2025	0 A	0 A	0 E	0 E	0 E
2026	0 E	0 E	2 E	3 E	5 E
2027	2 E	2 E	3 E	3 E	10 E

Earnings per Share

	Q1 (Jul)	Q2 (Oct)	Q3 (Jan)	Q4 (Apr)	Year (Apr)
2024	NA	NA	NA	NA	-0.04 A
2025	0.00 A	-0.01 A	-0.01 E	-0.01 E	-0.03 E
2026	-0.01 E	0.00 E	0.02 E	0.02 E	0.03 E
2027	0.01 E	0.01 E	0.02 E	0.04 E	0.08 E

Update

Izotropic is an emerging medical device company aiming to transform breast imaging with its innovative IzoView Breast CT system. At its core, Izotropic's mission is straightforward but ambitious: to make breast cancer detection faster, clearer, and more comfortable for patients—particularly for the large number of women whose dense breast tissue makes traditional mammograms less effective. The company holds exclusive global rights to its technology from the University of California, Davis, where the underlying breast CT platform was developed over many years of academic research. With that foundation, Izotropic is now working to bring this technology to market through a dedicated imaging system that could redefine how clinicians see and diagnose breast cancer.

Izotropic represents a rare opportunity in an area that combines cutting-edge imaging innovation with a substantial unmet clinical need. The global market for breast imaging is growing steadily, and nearly half of women fall into the "dense breast" category, a demographic that standard mammography often struggles to serve. IzoView directly targets this challenge by producing true three-dimensional CT images of the breast without the painful compression required by traditional scans. This technology offers clearer visualization of tissue structure and lesions, which can potentially improve both detection rates and diagnostic confidence.

As mentioned, company management recognizes that breast cancer and issues with standard breast imaging access and quality exist across the world and has recently announced an agreement to establish an entity known as Izotropic Africa with an entity referred to as "a business group (BG)". According to the company, the new entity intends to license, market, distribute, and evaluate manufacturing and/or assembly of IzoView Breast CT and certain follow-on products in all of Africa and the Gulf Cooperation Council: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

This area has an urgent need for advanced breast cancer screening with estimates suggesting over 200,000 cases of breast cancer annually and mortality rates exceeding 50% due to delayed diagnoses and the limited access to advanced care many of the citizens have. Additionally, the company reports that the addressable market for advanced imaging devices is expected to exceed $500 million by 2030.

The details of the agreement are that BG will hold a 60% interest and Izotopic will hold a 40% interest—subject to the final structure being agreed to by both parties by April 30, 2026. Other terms of the agreement indicated BG has committed to developing and executing an annual business plan focused on the sales, marketing, and distribution of IzoView and any follow-on products in Africa and the Gulf Cooperation Council. BG has also committed to securing a major hospital site in Morocco in Q1, 2026 for installation of an IzoView Breast CT Imaging System to serve as a research data collection and clinical study and approval location forming the foundation for regulatory engagement and market entry within the region, initiating approval processes with government health ministries in the designated territories, and assessing the feasibility of establishing manufacturing and/or assembly capabilities in Morocco to serve Africa and the Gulf area.

Lastly, the parties have agreed upon an estimated first-year start-up budget, pursuant to which Izotropic's 40% share is estimated at USD $120K. Izotropic has agreed to advance 25% (USD $30K) for the first three-month period against its portion of those estimated costs. All financial contributions and operational commitments of Izotropic beyond the initial capital advance remain subject to execution of the formal agreement and securing of financing.

This entity in Africa is already showing progress in the region, with the company announcing that Izotropic Africa has entered into partnership discussions with the Mohammed VI Foundation for Science

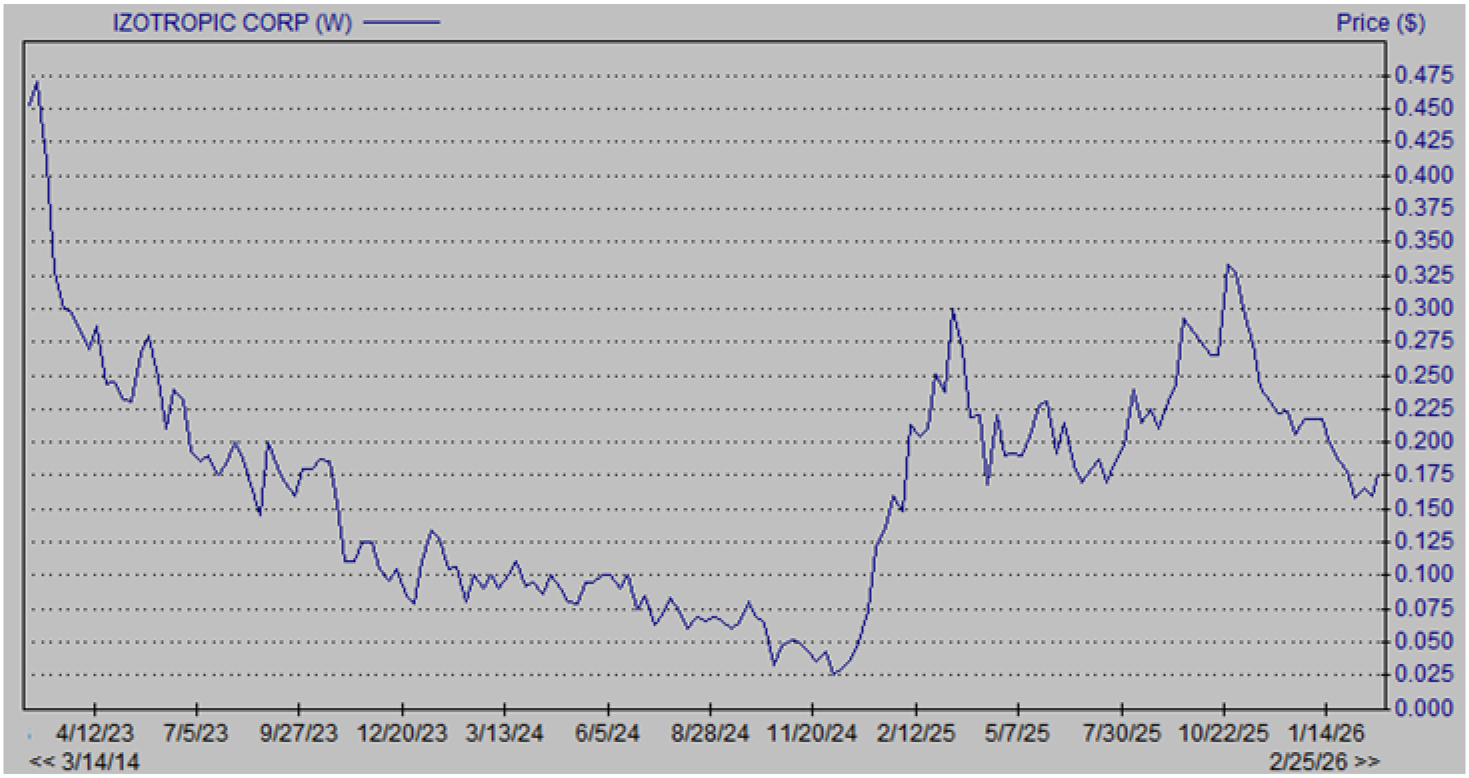
& Health (FM6SS). According to the company, The FM6SS operates as a public utility institution under the patronage of King Mohammed VI, supporting healthcare reform, research advancement, innovation, and institutional partnerships within Morocco. Management notes that as part of these discussions, an IzoView device valued at $500K would be placed at a leading hospital in Morocco at no cost as a clinical research site to support local clinical evaluation and regulatory approvals. The discussions also include the evaluation of opportunities for localized manufacturing and assembly initiatives in Morocco, with the kingdom's geographic position at the intersection of Europe, Africa, and the Middle East providing access to regional markets with established logistics channels. This is another step in growing the scope of the IzoView technology and toward opening up vast new markets for the game-changing device.

For investors, Izotropic represents a higher-risk, high-potential opportunity that has a management that is clearly aggressively expanding its market opportunity. In our view, the company's valuation remains modest relative to the scale of the problem it is addressing and the potential impact of its technology. We believe this agreement is another sign that IZOZF is poised to moved higher as its superior technology begins to be distributed throughout the world—and investors with a higher risk tolerance should consider investing before the train leaves the station.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Izotropic Income Statement and Balance Sheet							
(In thousands of US Dollars-Conversion rate: 1 Canadian dollar=0.72 US dollars)							
	2024A	**1Q2025A**	**2Q2025A**	**3Q2025E**	**4Q2025E**	**2026E**	**2027E**
Revenue	0	0	0	0	0	5,000	10,000
Cost of Goods Sold	0	0	0	0	0	1,000	2,000
Profit margin	0	0	0	0	0	4,000	8,000
Operating Expenses							
Consulting Fees	181	22	39	37	35	140	154
Depreciation	35	8	3	3	3	14	15
Filing and regulatory fees	47	4	31	34	37	150	157
Research and development	490	105	186	205	226	903	948
Other operating expenses	842	85	90	99	109	436	457
Gross profit	(1,596)	(223)	(349)	(378)	(411)	2,358	6,269
Interest	202	43	43	44	46	183	189
Loan extension fees	0	36	36	6	0	0	0
Other expenses	463	4	1	2	2	2	2
Income/(Loss)	(2,260)	(306)	(430)	(430)	(458)	2,172	6,078
Net Inc./(Loss) Before Tax	(2,260)	(306)	(430)	(430)	(458)	2,172	6,078
Income Tax Benefit/(Expense)	0	0	0	0	0	0	0
Foreign Currency Translation	84	55	(122)	0	0	0	0
Net Income/(Loss)	(2,344)	(306)	(552)	(430)	(458)	2,172	6,078
Net Income/(Loss) per share	$ (0.04)	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.01)	$ 0.03	$ 0.08
Diluted Common Shares Outstanding	58,684	61,618	64,699	67,934	71,331	74,897	78,642
Current Assets							
Cash and cash equivalents	197	48	165	176	189	202	216
Prepaid Expenses and deposits	82	90	146	90	90	90	90
Other	5	6	7	5	5	5	5
Total Current Assets	284	145	318	271	284	297	311
Property, Plant and Equip.	14	6	3	6	6	6	6
Other long-term assets	0	0	0	0	0	0	0
Total other assets	14	6	3	6	6	6	6
Total Assets	298	150	321	277	290	303	317
Current Liabilities							
Accounts Payable and accrued liabilities	1,806	1,868	2,146	2,360	2,596	2,856	3,141
Promissory notes	1,979	2,058	2,138	2,351	2,587	2,845	3,130
Lease liabilities	11	3	5	6	6	7	7
Total current liabilities	3,797	3,930	4,288	4,717	5,189	5,708	6,279
Lease liability	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0
Total long-term liabilities	0	0	0	0	0	0	0
Total Liabilities	3,797	3,930	4,288	4,717	5,189	5,708	6,279
Stockholders' equity/(deficit)	(3,498)	(3,779)	(3,967)	(4,440)	(4,899)	(5,405)	(5,962)
Total Liabilities and Stockholders' Equity	298	150	321	277	290	303	317

HISTORICAL STOCK PRICE



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