FORM 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED MARCH 31, 2016

The following Management Discussion and Analysis ("MD&A") has been prepared by management of International Samuel Exploration Corp. (the "Company") as of May 30, 2016, and should be read in conjunction with the unaudited interim consolidated financial statements and related notes of the Company for the nine month period ended March 31, 2016, and the audited annual consolidated financial statements of the Company together with the related notes thereto for the year ended June 30, 2015. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this MD&A that are forward-looking statements (see "Forward Looking Statements") are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk and Uncertainties". Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not assume the obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking information and statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions as at the date of this MD&A. The words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets", "may", "will" and similar expressions identify forward-looking statements. Information concerning the interpretation of drill results may also be considered a forward-looking statement; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information. Readers are cautioned not to place undue reliance on these statements as they are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, such forward-looking statements. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

OVERVIEW

The Company was incorporated on June 14, 1985 under the laws of British Columbia, Canada. The Company is primarily engaged in the acquisition, exploration, and development of mineral properties. The common shares of the Company are listed for trading on the TSX Venture Exchange (TSX-V) under the symbol "ISS".

The significant events for the nine months ended March 31, 2016 are as follows:

- On July 20, 2015, 563,999 stock options expired unexercised.

- On October 23, 2015, the Company announced that it has entered into a Memorandum of Understanding ("MOU") pursuant to which it plans to acquire exclusive rights for the greater China market to a cleaning technology known as the AGT PolarChem Cleaning System. As at March 31, 2016, the Company has paid a total of US$250,000 ($351,593 CDN) as a goodwill deposit as per terms of the agreement.

- On December 14, 2015, the Company received TSX Venture Exchange approval for the consolidation of its capital. The issued and outstanding shares were consolidated on a basis of one post-consolidation share for each ten pre-consolidation shares.

- On February 19, 2016, the Company completed the final tranche of a non-brokered private placement comprised of a total of 15,000,000 units at a purchase price of $0.05 per unit for gross proceeds of $750,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of $0.10 per share for 2 years from the closing date. Each Warrant is subject to accelerated expiry provisions such that if at any time after the date of Closing of the private placement, the Company's common shares trade on the TSX Venture Exchange at or above a weighted average trading price of $0.25 per share for 10 consecutive trading days, the Company may give notice to the holders that each Warrant will expire 30 days from the date of providing such notice.

- The Company paid a finder's fee of $13,660 cash and issued 273,200 finder warrants with each finder warrant entitling the holder to acquire one additional common share of the Company at an exercise price of $0.10 per share for 1 year from the closing date.

In compliance with Canadian securities laws, all of the securities issued in connection with this closing are subject to a four-month hold period.

MINERAL EXPLORATION ACTIVITIES

NIV Property, British Columbia

The Company acquired a 100% interest in certain mineral claims located in the Omineca Mining Division of British Columbia in consideration for the cash payment of $10,000, the issuance of 300,000 common shares (issued with a fair value of $26,875) and the completion of $50,000 in exploration expenditures over a three-year period.

The Company has decided not to proceed with further exploration of the properties and accordingly wrote off capitalized costs of $407,582, effective for the year ended June 30, 2015.

On December 15, 2015, the Company returned the claims to the vendor for cash consideration of $2,000.

Omega Property, British Columbia

The Company acquired a 100% interest in certain other mineral claims located in the Omineca Mining Division in consideration for the payment of $30,000, the issuance of 430,000 common shares (issued with a fair value of $40,400) and the completion of $100,000 in exploration expenditures over a three-year period.

The Company has decided not to proceed with further exploration of the properties and accordingly wrote off capitalized costs of $414,949, effective for the year ended June 30, 2015.

On December 15, 2015, the Company returned the claims to the vendor for cash consideration of $2,000.

Qualified Person

The technical contents in this document have been reviewed by Derrick Strickland, P.Geo., a qualified person as defined by National Instrument (NI) 43-101.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited financial information for the Company's eight most recent quarters ending with the last quarter for the nine months ending on March 31, 2016.

	For the Three Months Ending							
	Fiscal 2016			Fiscal 2015				Fiscal 2014
	Mar.31, 2016	**Dec.31, 2015**	**Sept. 30, 2015**	**Jun. 30, 2015**	**Mar.31, 2015**	**Dec. 31, 2014**	**Sept. 30, 2014**	**Jun. 30, 2014**
	($)	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**
Accounting framework	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Total revenues	-	-	-	-	-	-	-	-
Income (loss) from continuing operations	52,903	(75,693)	(27,134)	(955,107)	(37,735)	(60,047)	(49,047)	(1,285,438)
Net income (loss)	52,903	(75,693)	(27,134)	(955,107)	(37,735)	(60,047)	(49,047)	(1,285,438)
Income (loss) from continuing operations per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.03)	(0.00)	(0.00)	(0.00)	(0.04)
Net income (loss) per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.03)	(0.00)	(0.00)	(0.00)	(0.04)

LIQUIDITY AND CAPITAL RESOURCES

During the nine months ended March 31, 2016, the cash balance increased by $69,292 (2015 - decreased by $20,779). The Company spent $658,266 (2015 - $19,339) in operating activities and ($2) (2015 - $1,440) in investing activities on mineral property expenditures. The Company received net proceeds of $727,556 (2015 - $Nil) from financing activities during the third quarter of fiscal 2016.

As at March 31, 2016, the Company had cash of $70,703 compared to $1,411 as at June 30, 2015. The Company had a working capital deficiency of $264,733 as at March 31, 2016 compared to a working capital deficiency of $538,157 as at June 30, 2015.

Management estimates that the general operating costs, excluding share-based payment expense, for the next 12 months will be approximately $120,000. The Company has no commitments remaining under the mineral property option agreements. The Company intends to obtain additional equity financings some time in 2016. Management is currently in project investigation as per the MOU signed with American Greener Technologies on October 23, 2015. The MOU remains subject to regulatory consent.

Going Concern

The Company is in an investigative stage. At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to discover economically viable projects. There is significant doubt surrounding the ability of the Company to continue as a going concern.

As at March 31, 2016, the Company had a cash balance of $70,703 (June 30, 2015 - $1,411) compared with trade payables owing to non-related parties of $83,796 (June 30, 2015 - $124,119), and an accumulated deficit of $17,185,083 (June 30, 2015 - $17,135,158). During the nine months ended March 31, 2016, the Company raised $750,000 (Year ended June 30, 2015 - $Nil) in financing, generated negative operating cash flows of $658,266 (Year ended June 30, 2015 - $37,133). Further, the Company has deferred payments of administration, management and other fees to related parties and is incurring taxes and penalties for failure to spend and renounce expenditures under flow-through share agreements entered into.

These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The ability of the Company to continue as a going concern is dependent on the continued financial support of related parties, obtaining financing, and considering other unrelated business opportunities. In recognition of these circumstances, the Company is continuing to investigate possible sources of financing as well as alternatives, including partnerships, to continue with evaluation of its mineral properties.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Included in trade and other payables is $170,692 (June 30, 2015 - $302,645) owed to companies controlled by key management for services rendered to the Company; this amount owing is unsecured, non-interest bearing, and has no specific terms of repayment.

Included in trade and other payables is $Nil (June 30, 2015 - $53,495) owed to companies with common directors for accounting and administration fees rendered to the Company; this amount owing is unsecured, non-interest bearing, and has no specific terms of repayment.

Key management includes directors (executive and non-executive) and senior officers of the Company. The compensation paid or payable to key management personnel during the nine months ended March 31 is as follows:

	2016	2015
Management fees	$ 44,250	$ 81,000
Total	$ 44,250	$ 81,000

During the nine months ended March 31, 2016 the following amounts were paid to related parties. All comparative amounts are for the nine months ended March 31, 2015.

a) Management wages and director fees of $44,250 (2015 - $81,000) were paid or accrued to directors or officers of the Company or to companies controlled by directors or officers of the Company.

b) Administration fees of $Nil (2015 - $16,200) were paid to Companies controlled by directors or officers of the Company or to companies controlled by directors or officers of the Company.

SUMMARY OF OUTSTANDING SHARE DATA

The Company has authorized an unlimited number of common shares with no par value.

On December 14, 2015, the Company received TSX Venture Exchange approval for the consolidation of its capital. The consolidation of share capital has been reflected in the financial statements for the nine months ending March 31, 2016 and the issued and outstanding shares have been retrospectively restated to take into account the share consolidation.

On May 30, 2016, the Company has 18,302,298 common shares, 151,510 options 15,000,000 share purchase warrants and 273,200 finder warrants issued and outstanding.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgment in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) the determination that the Company will continue as a going concern for the next year. This involves judgment regarding the nature, timing and extent of future funding available for exploration projects and working capital requirements; and

(ii) the determination of the effects of events or changes in circumstances on the recoverable amounts of exploration and evaluation assets.

FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash as loans and receivables and measured at amortized cost; and trade and other payables as other financial liabilities and measured at amortized cost. The carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

Level 1 – quoted prices (unadjusted) 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 or indirectly; and
Level 3 – inputs for the asset or liability that are not based on observable market data.

The carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, interest rate risk, and currency risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's cash is exposed to credit risk. . The Company's credit risk with respect to its cash is minimal as balances are held with high-credit quality financial institutions and amounts are generally within the institutions' deposit insurance limits.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's trade and other payable have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

At present, the Company's operations do not generate cash flow. The Company's primary source of funding has been the issuance of equity securities through private placements and the exercise of stock options and warrants. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

The Company is exposed to interest rate risk in relation to cash and cash equivalents held at financial institutions. The interest rate risks on cash are not considered significant due to their short-term nature and maturity.

Currency Risk

As a result of the Company's entering into an MOU with American Greener Technologies Inc. future commitments may be exposed to currency fluctuations as the payment terms of the MOU are in US dollars. Historically, the Company has raised funds primarily in Canadian dollars. Management has not yet entered into any derivative contracts to manage foreign exchange risk at this time.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Recent accounting pronouncements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2013, including IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities, and IFRS 13 Fair Value Measurement. The Company has adopted these policies and they do not have a significant effect on the consolidated financial statements.

Future accounting changes

IFRS 9 Financial Instruments

The International Accounting Standards Board ("IASB") has completed the final phase of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. The standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

The version of IFRS 9 issued in 2014 supersedes all previous versions and is expected to be mandatorily effective for periods beginning on or after 1 January 2018, subject to endorsement by Canadian standard setters.

The Company has not adopted previous versions of IFRS 9 and is currently assessing the impact of the final IFRS 9 on its financial statements.

IAS 36 Recoverable Amount Disclosures for Non-Financial Assets (Amendment to IAS 36)

In May 2013, the IASB published a revised version of this standard to reverse the unintended requirement in IFRS 13 'Fair Value Measurements' to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite-lived intangible assets have been allocated. Under the amendments, recoverable amount is required to be disclosed only when an impairment loss has been recognized or reversed. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Company has early adopted the amendments to this standard. There was no impact on these consolidated financial statements as a result of the adoption of this standard.

RISK AND UNCERTAINTIES

Operating Hazards and Risks

Mineral exploration involves many risks. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the conduct of exploration programs.

Environmental Factors

The Company currently conducts exploration activities in the Canadian Provinces of British Columbia and Manitoba. Such activities are subject to various laws, rules and regulations governing the protection of the environment. In Canada, extensive environmental legislation has been enacted by federal and provincial governments. Such legislation imposes rigorous standards on the mining industry to reduce or eliminate the effects of wastes generated by extraction and processing operations and subsequently deposited on the ground or emitted into the air or water.

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The cost of compliance with changes in governmental regulations has the potential to preclude entirely the economic development of a property.

The Company is able to conduct its exploration within the provisions of the applicable environmental legislation without undue constraint on its ability to carry on efficient operations. The estimated annual cost of environmental compliance for all properties held by the Company in the exploration stage is minimal and pertains primarily to carrying out diamond drilling, trenching or stripping. Environmental hazards may exist on the Companies properties, which hazards are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties.

Governmental Regulation

Exploration activities on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations. Changes in such regulation could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted.

The Company is at the exploration stage on all of its properties. Exploration on the Company's properties requires responsible best exploration practices to comply with company policy, government regulations, maintenance of claims and tenure. The Company is required to be registered to do business and have a valid prospecting license (required to prospect or explore for minerals on Crown Mineral Land or to stake a claim) in any Canadian province in which it is carrying out work.

Mineral exploration primarily falls under provincial jurisdiction. However, the Company is also required to follow the regulations pertaining to the mineral exploration industry that fall under federal jurisdiction, such as the Fish and Wildlife Act.
If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters.

DISCLOSURE CONTROLS

In connection with Exemption Orders issued by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificates under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in NI 52-109.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com.

APPROVAL

The Board of Directors of International Samuel Exploration Corp. has approved the contents of this management discussion and analysis on May 30, 2016. A copy of this MD&A together with the Company's unaudited interim financial report for the nine month period ended March 31, 2016 and the Company's audited consolidated financial statements for the year ended June 30, 2015 will be provided to anyone who requests it.