



(formerly known as Flow Energy Ltd.)

**Management Discussion and Analysis
For the year ended November 30, 2008**

The following is a discussion and analysis of the operations, results, and financial position of the Company for the year ended November 30, 2008, and should be read in conjunction with the audited financial statements for the year ended November 30, 2007, together with the audited financial statements and the related notes attached thereto for the year ended November 30, 2007, all of which were prepared in accordance with Canadian generally accepted accounting principals.

The effective date of this report is March 30, 2009.

Forward Looking Statements

Statements in this report that are not historical facts are forward looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Forward looking statements are based on the estimates and opinions of management of the Company at the time the statements were made. Readers are cautioned not to put undue reliance on forward looking statements.

Nature of Business and Overall Performance

History

The Company was incorporated on July 4, 2006 under the *Business Corporations Act* of British Columbia under the name "Flow Energy Ltd."

On January 29, 2007 the Company completed its initial public offering of 2,000,000 common shares at \$0.10 per share for gross proceeds of \$200,000. Northern Securities Inc. acted as agent in respect of the offering and received a cash commission of \$20,000 as well as 200,000 common shares at \$0.10 per share, exercisable until July 31, 2009. The Company was listed on the TSX Venture Exchange (the "Exchange") as a Capital Pool Company on January 31, 2007.

On March 7, 2008, the Company entered into a Share Purchase Agreement with Petrol One Corp. and Zimtu Capital Corp. (now known as 755032 BC Ltd.). Under the terms of the Agreement, the Company acquired all of the issued common shares of Zimtu Capital Corp. in consideration for the issuance of 50,000,000 special warrants of the Company, at a deemed price of \$0.12 per Special Warrant. Zimtu Capital Corp. was a private investment company that had assets consisting of a portfolio of equity investments, cash and equipment, totaling approximately \$6.0 million.

On July 31, 2008, the Company completed its Qualifying Transaction, as that term is defined under section 2.4 of the Exchange policies. The Company acquired all of the issued and outstanding common shares of the private company, completed a private placement of

10,292,658 units for proceeds to the Company of \$1,235,119 and changed its name to Zimtu Capital Corp.

Subsequent to the completion of the Qualifying Transaction, the Company changed its year end from August 31 to November 30, so that it is the same as its wholly owned subsidiary, 755032 BC Ltd.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades as a Tier 2 Investment Issuer on the Exchange under the symbol 'ZC'. The Company also trades on the Frankfurt Stock Exchange under the symbol 'ZCT1'.

Investments

As an Investment Issuer, the Company has a specific focus on giving its shareholders the opportunity to indirectly invest in a diversified series of early-stage resource investments, which would not otherwise be available to them. The Company aims to take advantage of the favourable investment opportunities that arise between the private and public phases of a given investment in the natural resources sector.

The principal investment objectives of the Company are to seek and identify high return investment opportunities in the resource sector through either direct investments in project interests or indirect investments via equity shareholdings; to preserve its capital and limit the downside risk of its capital; to achieve a reasonable rate of capital appreciation; to minimize the risk associated with investments in securities by offering assistance to the target investment through management's list of industry contacts; and to seek liquidity in its investments.

In pursuit of greater returns and to achieve investment objectives while mitigating risk, the Company, when appropriate, shall focus on natural resource industries, concentrating on early stage exploration and development companies. The Company will obtain detailed knowledge of the relevant business that the investment shall be made in, as well as knowledge about the investee company. The Company will endeavour to work closely with the investee company's management and boards and in some cases, assist in sourcing experienced and qualified persons to add to the board and/or management of the investee companies. The Company will maintain a flexible position with respect to the form of investment taken. The Company may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments. Investments will be made in either private or public companies or directly into project title. As a result, the Company may own 100% of the opportunity in the initial stages.

Composition of Investment Portfolio - The nature and timing of the Company's investments will depend, in part, on available capital at any particular time and the investment opportunities identified and available to the Company. Subject to the availability of capital, the Company intends to create a diversified portfolio of investments. The composition of its investment portfolio will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk.

Investment Committee - The Company has an investment committee to monitor its investment portfolio on an ongoing basis. The investment committee's mandate is to review the status of each investment as well as the status of potential investments at least once a month or on an as needed basis. Nominees for the investment committee are recommended by the Board of Directors.

Trading Committee - The Company has a trading committee consisting of all members of the Board of Directors and may also include any consultants with relevant experience to the

opportunity. On a weekly basis, the trading committee meets to discuss and evaluate the investments of the Company.

As at the year ended November 30, 2008, the Company had the following investments in its portfolio:

Holdings as at November 30, 2008					
Stock	Volume	Cost Base		Market Base	
		\$	\$/Share	\$	\$/Share
Arctic Star Diamond	2,950,000	190,499	0.06	73,750	0.025
Amarillo Gold Corp	16,000	12,260	0.77	6,720	0.420
Austin Developments	24,000	4,517	0.19	480	0.020
Commerce Resources	2,401,178	1,312,954	0.55	432,212	0.180
Cougar Minerals	141,931	5,951	0.04	2,839	0.020
Doubloon Exploration	1,580,002	27,902	0.02	27,902	Cost
Evolving Gold	469	127	0.27	108	0.230
Gold Mountain	1	1	-	1	Cost
Hybrid Fuels	230,000	50,051	0.22	11,500	0.050
Jantar Resources	1,040,000	111,388	0.11	36,400	0.035
Kingsman Resources	499,000	104,467	0.21	44,910	0.090
Petrol One	60,821	41,565	0.68	15,205	0.250
Solex Resources	130,411	83,463	0.64	5,216	0.040
Tribune Minerals	61,000	18,710	0.31	1,830	0.030
Vital Resources	418,666	21,874	0.05	2,093	0.005
Western Potash	3,178,821	244,020	0.08	572,188	0.180
T-Bills	400,859	400,859	1.00	400,859	1.000
		2,630,608		1,634,213	

Options/Warrants		Exercise Price	Intrinsic Value	Market Value \$/Share
Commerce Resources	1,000,000	-	0.65	-
Commerce Resources	1,000,000	-	0.67	-
Kingsman Resources	250,000	-	0.32	-
Balance, November 30, 2008			2,630,608	1,634,213

The Company classifies these investments as held-for-trading, except for the investments in Doubloon Exploration Corp. and Gold Mountain, which are classified as available-for-sale.

The Company holds a total of 17,117,500 common shares of Triple Dragon Resources Inc. ("Triple Dragon"). This represents 70.08% of the total issued and outstanding share capital of Triple Dragon. Triple Dragon's results of operations have been consolidated into the financial statements of the Company. The market value of the Company's shareholdings in Triple Dragon as at the date hereof is \$2,995,563.

Triple Dragon is a mineral exploration company focused on the Murray Property in south-central Northwest Territories. Triple Dragon's shares are listed on the Canadian National Stock Exchange under the symbol "TDN".

The common shares of Triple Dragon were acquired for investment purposes and the Company may from time to time acquire or dispose of some or all of the securities that it holds of Triple Dragon or continue to hold its share position.

Management and Administrative Services Revenue

The Company provides management and administrative services to other private and public companies. The Company currently has contracts in place with Commerce Resources Corp. and Triple Dragon, both of which companies have directors in common with the Company. Under the terms of the contracts, these services may include corporate record maintenance, continuous disclosure and compliance services, rent and office administration. These contracts

generate sufficient cash for the Company to meet its operating needs in the current market environment and the Company expects these contracts to continue.

Market Conditions

As an Investment Issuer, the Company is subject to uncertainties due to current economic conditions. With the decline in metal, oil and gas prices, the stock markets and credit markets have deteriorated in the past few months and this in turn has affected the underlying value of investments held by the Company.

Selected Annual Information

As the Company was incorporated in 2006, it has only two completed fiscal years. The following is a summary of the financial data of the Company for the years ended November 30, 2008 and 2007:

	2008	2007
Total Revenues	1,205,714	1,159,190
Income (loss) from continuing operations	(6,178,682)	4,753,568
Income (loss) from continuing operations (per share)	(0.10)	1.47
Income (loss) from continuing operations (per share, fully diluted)	(0.07)	1.47
Net Income (loss)	(6,178,682)	4,753,568
Net Income (loss) (per share)	(0.10)	1.47
Net income (loss) (per share, fully diluted)	(0.07)	1.47
Net comprehensive income (loss)	(6,178,682)	4,753,568
Net comprehensive income (loss) (per share)	(0.10)	1.47
Net comprehensive income (loss) (per share, fully diluted)	(0.07)	1.47
Total assets	3,678,181	6,942,188
Total long term financial liabilities	Nil	Nil
Cash dividend declared per share	Nil	Nil

Summary of Quarterly Results

The following is a summary of the results from the eight most recently completed financial quarters ending:

	November 30, 2008	August 31, 2008	May 31, 2008	February 29, 2008	November 30, 2007	August 31, 2007	May 31, 2007	February 28, 2007
Revenue	270,000	270,000	355,714	310,000	282,018	425,724	115,382	336,066
*Net Income (loss)	(4,920,048)	(1,408,719)	70,112	79,973	(142,402)	562,518	604,406	175,322
Total assets	3,678,181	6,515,944	8,416,739	6,252,969	6,942,188	4,161,513	3,876,017	2,329,634
Working capital	2,871,052	5,668,178	6,833,360	5,283,951	5,674,246	3,357,949	2,889,167	2,279,789
Total liabilities	379,237	592,754	1,625,589	910,123	1,200,075	681,725	27,496	17,769
Shareholders' equity	3,298,944	5,923,190	6,791,150	5,342,846	5,742,113	3,479,788	2,917,271	2,311,865

* Net income (loss) before unrealized gains or losses on investments, and taxes.

Results of Operations

General and Administrative

Net loss for the year ended November 30, 2008 was \$6,178,682 as compared to a net gain of \$4,753,568 for the comparative year ended November 30, 2007.

This difference is due primarily to the downward swing in the capital markets. In 2007, the Company experienced gains on share sales totaling \$1,059,819 as well as an unrealized gain on investments of \$3,553,724 whereas during the year ended November 30, 2008, the Company experienced a loss on the sale of investments of \$263,651 and an unrealized loss on investments of \$4,550,119. This partly reflects the inclusion of costs from three companies consolidated on these financials (Zimtu Capital Corp., 755032 B.C. Ltd. and Triple Dragon Resources Corp.) as compared to a single company a year ago (Zimtu Capital Corp.).

Stock-based compensation resulted in a further variance of \$1,191,533 as there were incentive stock options granted during the year ended November 30, 2008.

Due to the costs associated with the Qualifying Transaction, the Company incurred increased professional fees (2008: \$252,516, 2007: \$133,533) and filing fees (2008: \$35,313, 2007: \$1,021).

For the year ended November 30, 2008, there was an increase in the revenue generated from administrative fees (2008: \$1,205,714; 2007: \$1,159,190) however, the increase was offset by the increase in advertising & promotion (2008: \$37,586, 2007: \$3,985), investor relations (2008: \$20,382, 2007: Nil), meals and entertainment (2008: \$5,693, 2007: \$588), bank charges and interest (2008: \$20,429, 2007: \$1,564), wages and benefits (2008: \$806,840, 2007: \$633,200), website & internet (2008: \$30,312, 2007: \$4,839) and office, rent & telephone (2008: \$93,905, 2007: \$91,051). This is largely as a result of the increased activity of the Company from that of a CPC to that of an active investment issuer.

Investor Relations

During the year ended November 30, 2008, the Company incurred total charges relating to investor relations of \$20,382 compared to Nil during the comparative year ended November 30, 2007. All investor relations activities and inquiries are handled internally by office staff.

Liquidity and Solvency

As at November 30, 2008, the Company had total assets of \$3,678,181 as compared to \$6,942,188 for the comparative year ended November 30, 2007.

The primary assets of the Company are investments of \$1,634,213, cash of \$754,570, advances/accounts receivables of \$233,626 and income tax receivable of \$331,812.

The Company has no long-term liabilities and has working capital of \$2,771,555.

Capital Resources

The Company has had to rely upon the sale of equity securities for the cash required for capital acquisitions, exploration and development, and administration, among other things.

The capital resources of the Company include investments of \$1,634,213 and cash of \$754,570. The Company's intention is to commit further funds for continuing its investment strategies.

The Company will continue to require funds to meet its investment objectives of giving its shareholders the opportunity to indirectly invest in a diversified series of early stage resource investments, which would not otherwise be available to them. As a result, the Company will have to continue to rely on equity and debt financing during such period as well as rely on the income generated through the provision of administration and management services to other companies.

There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

As the Company's revenues are expected to be in large part derived from provision of management and administration services to other companies, there can be no assurance that those management and administration contracts currently in place will continue at the rates that they are at or that the companies will continue to pay the Company for the services being provided.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

- (a) During the year ended November 30, 2008, the Company earned administrative fees of \$Nil (November 30, 2007: \$479,966) from a shareholder of the Company;
- (b) During the year ended November 30, 2008, the Company earned administrative fees of \$1,095,000 (November 30, 2007: \$Nil) from a Company with common directors;
- (c) Included in advances and accounts receivable is \$Nil (November 30, 2007: \$107,150) due from a shareholder of the Company;
- (d) Included in subscriptions receivable is \$Nil (November 30, 2007: \$45,000) due from shareholders of the Company; and
- (e) Included in promissory notes is \$Nil (November 30, 2007: \$5,207) due from a shareholder.

All of the above transactions and balances are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Financial Instruments and Other Instruments

The investment operations of the Company's business involve the purchase and sale of securities and, accordingly, the majority of the Company's assets are currently comprised of financial instruments. The use of financial instruments can expose the Company to several risks, including market, credit and liquidity risk. A discussion of the Company's use of financial instruments and their associated risk is provided below:

- a) Fair value: The carrying values of cash, advances and accounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments. The fair value of investments is based on quoted market values, except for those investments that do not have a quoted market price in an active market, which are measured at cost, as currently there is not an active market for those investments. The Company does not have a timeline as to the disposition of those investments that do not have a quote market price in an active market.
- b) Interest rate risk: The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.
- c) Credit risk: The Company is not exposed to significant credit risk on its cash and investments due to cash and investments being placed with major financial institutions.

The Company is exposed to credit risk on its advances and accounts receivable and promissory notes, although its advances and accounts receivable are mainly due from companies in which the Company has investments.

- d) Currency risk: The Company is not exposed to significant currency risk.
- e) Liquidity risk: Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company' investments declines, resulting in losses upon disposition. The Company generates cash flow primarily from its administrative activities and proceeds from the disposition of its investments. The Company has sufficient investments that are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.
- f) Market risk: Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. The Company makes every effort to manage market risk by having a portfolio that is not singularly exposed to any one issuer or class of issuers. The Company's investment activities are currently concentrated primarily across several sectors in the natural resource industry, uranium, potash, oil and gas, molybdenum, precious metals and base metals.

Outstanding Share Data

- a) Authorized: unlimited common shares without par value
- b) Issued:

	Number of Shares		Amount
Common			
Balance as at November 30, 2007	8,737,862	\$	2,127,543
Common shares re-acquired	(5,500,000)		(1,339,170)
Zimtu/755032 common shares prior to RTO	3,237,862		788,373
Pursuant to RTO Transaction of July 31, 2008	(3,237,862)		(220,465)
- Outstanding common shares of the Company prior to acquisition	4,000,000		220,465
- Exchange of shares for Special Warrants for fair value of Flow's net assets acquired	50,000,000		10,476
Private placement	10,292,658		1,235,119
Share issue costs	-		(71,400)
Options exercised	240,000		55,670
Balance as at November 30, 2008	64,532,658		2,018,238
Obligation to issue shares			
Balance as at November 30, 2007		\$	45,000
Common shares re-acquired			(45,000)
Zimtu/755032 obligation to issue shares prior to RTO			0
Flow obligation to issue shares prior to RTO			6,000
Obligation to issue shares			(22,000)
Balance as at November 30, 2008		\$	(16,000)

Other commitments

Stock Options

As at November 30, 2008, the Company had 11,780,000 (2007: 600,000) share purchase options outstanding entitling the holders thereof the right to purchase one common share as follows:

<u>2008</u>	<u>Number</u>	<u>2007</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
180,000		600,000	\$0.10	September 11, 2011
8,700,000		-	\$0.15	August 27, 2013
<u>2,900,000</u>		-	\$0.12	August 27, 2013
<u>11,780,000</u>		<u>600,000</u>		

Share Purchase Warrants

As at November 30, 2008, the Company had 10,292,658 (2007: Nil) share purchase warrants outstanding entitling the holders thereof the right to purchase one common share as follows:

<u>2008</u>	<u>Number</u>	<u>2007</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
10,292,658		-	\$0.24	July 31, 2009
<u>10,292,658</u>				

Broker's Units

As at November 30, 2008, the Company had 416,666 (2007: Nil) broker's units outstanding entitling the holders thereof the right to purchase one common share with a further warrant as follows:

	<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Unit common share	416,666	\$0.12	July 31, 2009
Warrant	416,666	\$0.24	July 31, 2009
	<u>835,340</u>		

Proposed Transactions and Subsequent Events

Subsequent to the year ended November 30, 2008, the Company:

- a. On December 1, 2008, the special warrants that were issued to shareholders of International Zimtu Technologies Inc. in payment of the dividend issued in connection with the Qualifying Transaction were automatically converted into common shares of the Company.
- b. On December 1, 2008, the Company consolidated its common share capital on a 10:1 basis.
- c. To the date hereof, the Company acquired a further 52,500 common shares of Triple Dragon Resources Inc., bringing total shareholdings to 70.08% of the issued and outstanding common share capital of Triple Dragon.

Critical Accounting Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect 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 period. Actual results could differ from these estimates.

There have been no critical accounting estimates during the year ended November 30, 2008.

Evaluation of Disclosure Controls and Procedures

The Company's President and Chief Financial Officer have conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures. The Company evaluated the design of its internal controls over financial reporting as defined in Multilateral Instrument 52-109 for the year ended November 30, 2008 and based on this evaluation have determined these controls to be effective except as noted in the following paragraph.

This evaluation of the design of internal controls over financial reporting for the Company resulted in the identification of internal control deficiencies which are not atypical for a company this size including lack of segregation of duties due to a limited number of employees dealing with accounting and financial matters and complex accounting, reporting and taxation issues.

There have been no significant changes to the Company's internal controls over financial reporting during the year ended November 30, 2008.

Additional Information

Additional information related to the Company can be found on SEDAR at www.sedar.com.