



Management Discussion and Analysis For the Six Months Ended May 31, 2014

The following is a discussion and analysis of the operations, results, and financial position of Zimtu Capital Corp. (the “Company”) for the six months ended May 31, 2014, and should be read in conjunction with the condensed interim financial statements for the six months ended May 31, 2014, and the audited financial statements for the year ended November 30, 2013, all of which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards (“IFRS”).

The effective date of this report is July 28, 2014.

Nature of Business and Overall Performance

History of the Company

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 with Northern Securities Inc. acting as agent. The Company was listed on the TSX Venture Exchange (the “TSX-V”) 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 0755032 BC Ltd. Under the terms of the Agreement, the Company acquired all of the issued common shares of Zimtu Capital Corp., 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, defined under section 2.4 of the TSX-V policies. The Company acquired all of the issued and outstanding common shares of 0755032 BC Ltd., 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, to be concurrent with that of its wholly owned subsidiary, 0755032 BC Ltd. On December 1, 2008, the Company completed a consolidation of share capital on a 10:1 basis.

In 2008, the Company acquired a controlling interest in Pasinex Resources Limited (“Pasinex”) and the financial results of Pasinex were consolidated in the Company’s financial statements. On March 9, 2012, Pasinex closed a non-brokered private placement of 23,535,149 common shares, effectively decreasing the Company’s holdings to 25.69%. The Company determined that it no longer controlled the operations of Pasinex, and therefore would no longer consolidate the operations of Pasinex.

On November 30, 2012, 0755032 BC Ltd. was voluntarily dissolved, and as a result, the Company deconsolidated all assets and liabilities associated with 0755032 BC Ltd. As a result, the statements of financial position for periods on and after November 30, 2012 include only the accounts of the Company.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades as a Tier 2 Financial Services Issuer on the TSX-V under the symbol ‘ZC’. The Company also trades on the Frankfurt Stock Exchange under the symbol ‘ZCT1’.

Business of the Company

The business of the Company focuses on giving its shareholders the opportunity to indirectly invest in diverse early-stage resource investments. The Company's goal is 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. To that end, the Company conducts its business along three distinct segments: 1. Investment in stock, warrants, and others, 2. Property acquisitions, dispositions, and management, and 3. Company management services.

1. *Investment*

The principal investment objectives of the Company are:

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

Market Conditions: In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continuing fluctuations in price will not occur. The market for the common shares of the Company will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the common shares of the Company will be affected by such volatility.

Shareholdings: A complete list of the specific shareholdings of the Company is listed in Notes 6 and 7 of the Company's condensed interim financial statements for the six months ended May 31, 2014. The Company considers the following as its core portfolio shareholdings:

Western Potash Corp. (TSX: WPX) ("Western Potash") is a development stage potash company focused on building a solution mine on their Milestone Property located in southern Saskatchewan. The Company currently has 2,508,333 common shares of Western Potash with a market value of \$1,304,333 (\$0.52 per share, as at July 25, 2014).

Arctic Star Exploration Corp. (TSX-V: ADD) ("Arctic Star") has reignited its diamond exploration activities in the Lac de Gras diamond fields in the Northwest Territories, Canada. Arctic Star's Redemption Project has excellent diamond indicator mineral chemistry that correlates to several geophysical targets. Arctic Star has entered into an agreement with North Arrow Minerals Inc. (TSX-V: NAR) under which Arctic Star has granted North Arrow an option to earn a 55% interest in the Redemption Project. The Company currently has 2,435,283 common shares of Arctic Star with a market value of \$316,587 (\$0.13 per share, as at July 25, 2014).

Commerce Resources Corp. (TSX-V: CCE) ("Commerce") is an exploration and development company with a particular focus on tantalum, niobium and rare earth element deposits with a potential for economic grades and large tonnages. Commerce is developing its Upper Fir Tantalum and Niobium Deposit in British Columbia, at the Blue River Project, and is also exploring its Eldor Rare Earth Project in northern Quebec. The Company currently has 4,056,178 common shares of Commerce, with a market value of \$811,236 (\$0.20 per share, as at July 25, 2014).

Pasinex Resources Limited (CSE: PSE) ("Pasinex") is a mineral exploration company focused on base and precious metals properties in Turkey. The Company currently has 8,742,642 common shares of Pasinex, with a market value of \$786,838 (\$0.09 per share, as at July 25, 2014).

Prima Diamond Corp. (formerly Prima Fluorspar Corp.) (TSX-V: PMD) ("Prima") has recently announced that they have entered into a property option agreement to acquire a 100% interest in the Godspeed Lake Property in the southern portion of the Slave Province, Northwest Territories. The Company currently has 8,120,000 common shares of Prima, with a market value of \$812,000 (\$0.10 per share, as at July 25, 2014).

Equitas Resources Corp. (TSX-V: EQT) ("Equitas") is in the early stages of the value creation process with the acquisition of the Day Copper-Gold Porphyry Project. The Company currently has 8,403,000 common shares of Equitas, with a market value of \$504,180 (\$0.06 per share, as at July **, 2014).

Lakeland Resources Inc. (TSX-V: LK) ("Lakeland") is a uranium exploration company focused on the Athabasca Basin in Saskatchewan, Canada; home to some of the world's largest and richest high-grade uranium deposits. The Company currently has 5,032,000 common shares of Lakeland, with a market value of \$855,440 (\$0.17 per share, as at July 25, 2014).

Montan Capital Corp. (TSX-V: MO.P) ("Montan") is a Capital Pool Company (CPC) listed on the TSX-V on Dec 5, 2012 under the symbol "MO.P." The company is backed by an experienced mining team and board of directors and is evaluating potential Qualifying Transactions (QTs) in the mining and metals space. The Company currently has 1,534,500 common shares of Montan, with a market value of \$184,140 (\$0.12 per share, as at July 25, 2014).

2. *Property Acquisitions, Dispositions, and Management*

Mineral Resource Project Management

The Company evaluates and acquires prospective resource properties to make available for sale, option or joint venture. The Company has interests in several mineral property claims.

As at May 31, 2014, the Company has interests in the following mineral resource properties:

Property Name	Partner	Balance, November 30, 2013 \$	Additions \$	Impairment \$	Property sales \$	Balance, May 31, 2014 \$
AB Frac /Peace River (n)	Dahrouge	9,750	1,125	-	(10,875)	-
AB Potash (α)	Dahrouge	84	-	-	-	84
Barite Claims (α)	N/A	1,401	-	-	-	1,401
Beatty Bay (α)	Dahrouge	21,590	-	-	-	21,590
Black Birch (α)	Dahrouge	14,068	-	-	-	14,068
Brassy Rapids (α)	Dahrouge	2,175	-	-	-	2,175
Deep Bay/Simon Lake (α)	Dahrouge	3,263	1,737	-	-	5,000
Diamonds (SK) (α)	Dahrouge	31,994	1,200	-	-	33,194
Irving Lake Gold (α)	Dahrouge	19,275	-	-	-	19,275
Jay Claims (α)	Dahrouge	2,759	-	-	-	2,759
Kubwa (α)	Strategic	165,000	-	-	-	165,000
Lac Caron Graphite (α)	Dahrouge	8,034	-	-	-	8,034
Pelican Frac Sands (α)	Dahrouge	-	12,339	-	-	12,339
Michon (α)	Dahrouge	1,803	-	-	-	1,803
Portland Graphite (α)	MPH	-	40,534	-	-	40,534
Saskoba Gold (α)	Dahrouge	35,405	-	-	-	35,405
Silica Claims (α)	N/A	34,313	2,506	-	-	36,819
Silver Standard (α)	N/A	5,000	-	-	-	5,000
Springer Lake (α)	Dahrouge	16,682	-	-	-	16,682
Voisey's Bay (α)	Dahrouge	-	35,055	-	-	35,055
Zaharik Lake (α)	Dahrouge	9,808	-	-	-	9,808
		382,404	94,496	-	(10,875)	466,025

The following is a list of the farmed out properties:

Property Name	Sold to	Consideration
Blachford Rare Earth Element Property	Desert Star Resources Ltd. (Formerly First Graphite Corp.)	\$100,000 cash (\$50,000 received) 1,250,000 common shares (500,000 received) Agreement cancelled August 22, 2012
McWhirter Lake Graphite Property	Olympic Resources Ltd.	\$20,000 cash (received) 1,250,000 common shares (received)
Flora Graphite Property	Olympic Resources Ltd.	\$30,000 cash (received) 1,500,000 common shares (500,000 received) Property claims lapsed – 500,000 penalty shares due (received)
Black Donald, Little- Bryan and Beidelman- Lyll Graphite Property	Standard Graphite Corp.	\$12,500 (received) 1,000,000 common shares (received)

The following is a list of the farmed out properties: (continued)

Property Name	Sold to	Consideration
Griffith and Brougham Property	Big North Graphite Corp.	\$40,000 cash (received) 1,000,000 common shares (received)
Henry Graphite Property	First Graphite Corp.	\$77,500 cash (received) 1,000,000 common shares (750,000 received)
Munglinup Graphite Project	Lithex Resources Inc.	\$15,210 cash (received) 1,200,000 common shares (received)
Quatre Milles Graphite Property	Lomiko Metals Inc.	\$25,000 cash (received) 2,000,000 common shares (received)
Quatre Milles Extension	Lomiko Metals Inc.	\$1,000 cash (received) 600,000 common shares (received)
Portland Graphite Property	Pistol Bay Mining Inc.	\$75,000 cash 2,750,000 common shares (1,750,000 received) Agreement terminated subsequent to May 31, 2014
C&C/7 Rare Earth Elements Properties	Critical Elements (formerly First Gold Exploration)	\$62,500 cash (received) 2,000,000 common shares (received)
Deep Bay East and Simon Lake Graphite	Strike Graphite Corp. (formerly Strike Gold Corp.)	\$87,500 cash (received) 1,500,000 common shares (1,000,000 received)
Peace River Frac Sands	Rainmaker Mining Corp.	\$10,000 cash (\$5,000 received) 750,000 common shares (375,000 received)
Zim Frac Claims	92 Resources Corp. (formerly Rio Grande Mining Corp.)	1,000,000 common shares (received)

Mineral Resource - Advisory Services

The Company also provides mineral resource advisory services to individuals and/or companies and helps to connect companies with mineral properties of interest.

The Company provided property advisory services for the following properties:

Property Name	Sold to	Consideration
Big North Lake Graphite Property	Big North Graphite Corp.	\$20,000 cash (received) 750,000 common shares (received)
Goeland Rare Earth Property	Canada Strategic Metals Inc. (formerly Canada Rare Earth Inc.)	\$12,500 cash (received) 1,250,000 common shares (received)
Wagon Graphite Property	Strike Graphite Corp.	\$12,500 cash (\$7,500 received) 375,000 common shares (received) 125,000 common shares in lieu of remaining cash (received)

Mineral Resource – Joint Ventures

Dahrouge Geological Consulting Corp. and 877384 Alberta Ltd.

The Company, Dahrouge Geological Consulting Corp. (“Dahrouge”) and 877384 Alberta Ltd. (“877384”) entered into mutual agreements, which were executed verbally, that Dahrouge and 877384 will stake and hold the ownerships of the properties on behalf of the Company.

Strategic Resource Management Pty Ltd.

On April 13, 2011, the Company entered into an agreement for the joint acquisition and sale of iron properties of merit in Australia with Kubwa Iron Ore Holdings Pty Ltd. (“Kubwa”). Kubwa is a private Australian company, wholly owned by Strategic Resource Management Pty Ltd. (“Strategic”). Zimtu will contribute \$50,000 on signing of the agreement (paid) and contribute up to \$50,000 to fund additional iron tenement applications for Kubwa (paid). After the 50/50% joint venture is formed, the proceeds from the sale of any or all of the tenements/permits will be shared equally by the Company and Kubwa; however, Zimtu will be entitled to the first portion of any cash consideration received for the tenements/permits equal to 50% of the amount contributed for additional tenement applications. If the maximum \$50,000 is spent on additional tenement applications, Zimtu will be entitled to the first \$25,000 of any cash consideration received. During the six months ended May 31, 2014, the Company paid \$nil (2013: \$nil) to Kubwa for geological evaluation expenditures.

MPH Consulting Ltd.

During the year ended November 30, 2011, the Company and MPH Consulting Ltd. (with president, Paul Sobie and executive VP, Bill Brereton) entered into a mutual agreement which was executed verbally that they were the legal and beneficiary holders of the mineral claims making up the Lavergne Rare Earth Property and Black Donald Graphite Properties. The proceeds from the Lavergne Property and Black Donald Properties will be shared on a 50% (Zimtu) 25% (Sobie) 25% (Brereton) joint venture basis. During the year ended November 30, 2012, the parties entered into an agreement that they are the legal and beneficial holders of the mineral claims making up the Griffith and Brougham Graphite Properties, McWhirter Lake Property, and Portland Graphite Property.

Michel Robert

On December 28, 2011, the Company and Michel Robert entered into a mutual agreement which was executed verbally that they were the legal and beneficiary holders of the mineral claims making up the Quatre Milles Property. The proceeds from the Quatre Milles Property will be shared on a 50-50% joint venture basis.

Javorsky Properties

In 2010, the Company entered into an agreement for the joint exploration of several rare earth element claims of merit in Western Canada, known as the Old Lime Stone, Zirconium Mountain, Cerium Mountain, Parry Creek, Port Hope and Odin Creek Cerium. The Company and the other joint venturer, Dave Javorsky (“Javorsky”), each contributed for the acquisition costs of the properties. The properties will be held on a 50-50% joint venture basis, and the proceeds from the sale of the property will be shared equally by the Company and Javorsky. At November 30, 2013, all properties have been sold or written off.

3. *Company Management Services*

The Company provides management and administrative services to various private and public companies.

The Company currently has contracts in place with Commerce Resources Corp., Prima Fluorspar Corp., Equitas Resources Corp., Lakeland Resources Inc., Pasinex Resources Limited and Montan Capital Corp., all of which have a director(s) in common with the Company.

Under the terms of the contracts, these services may include rent and office administration, continuous disclosure services and compliance services. 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.

During the six months ended May 31, 2014, the Company offered corporate development and marketing services to companies wishing to take advantage of the promotional expertise and network that the Company has built up.

Summary:

In keeping with its business model, the Company has successfully:

- a) Increased its investment shareholdings through participation in private placements and/or Initial Public Offerings (“IPO”) of several TSX-V listed companies;
- b) Acquired or disposed of interests in several mineral property claims and/or permits, either by selling the property in its entirety or by optioning the property;
- c) Provided mineral property advisory services to individuals and/or companies and help to connect companies with mineral properties of interest; and
- d) Provided management & administrative assistance to private or public companies.

Selected Annual Information

The following is a summary of the financial data of the Company for the last three fiscal years and are derived from the audited financial statements of the Company:

	2013	2012	2011
	\$	\$	\$
Total Revenues	930,873	3,067,807	4,775,326
Income (loss) before other items and income taxes	(1,518,584)	384,474	2,475,528
Income (loss) before other items and income taxes (per share)	(0.13)	0.04	0.25
Income (loss) before other items and income taxes (per share, fully diluted)	(0.13)	0.04	0.25
Net Income (loss)	(3,775,788)	(1,486,326)	(2,813,251)
Net Income (loss) (per share)	(0.33)	(0.14)	(0.28)
Net income (loss) (per share, fully diluted)	(0.33)	(0.14)	(0.28)
Net comprehensive income (loss)	(3,775,788)	(1,486,326)	(2,813,251)
Net comprehensive income (loss) (per share)	(0.33)	(0.14)	(0.28)
Net comprehensive income (loss) (per share, fully diluted)	(0.33)	(0.14)	(0.28)
Total assets	7,212,683	10,830,023	11,875,187
Total long term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

Results of Operations

Net income for the six months ended May 31, 2014, was \$1,015,015 as compared to a net loss of \$74,642 for the six months ended May 31, 2013, for a difference of \$1,089,657.

The difference is due primarily to the increase in the loss on the sale of investments and the increase in the unrealized gains on investments. During the six months ended May 31, 2014, the Company:

- recorded a loss on sale of investments of \$1,183,107 (2013: \$432,212) as the market price of the shares sold was lower than the original cost of the shares,
- recorded income from property sales of \$257,831 (2013: \$402,420) which was lower than the previous year's period due to fewer property deals,
- recorded unrealized gains on investments of \$3,003,561 (2013: \$826,062) as the market share prices of the Company's investments increase in value,
- recorded administration fees of \$625,080 (2013: \$725,797) which is lower than the previous year's period due to one fewer company being managed,
- recorded corporate development services income of \$160,634 (2013: \$nil) which is a new revenue stream for the Company, whereby corporate development and marketing services are provided to companies that want to take advantage of the Company's network of contacts,
- recorded an equity loss of affiliates of \$59,375 (2013: \$435,508) for the Company's portion of the loss in their equity investment in Prima,
- recorded a gain on transaction of \$nil (2013: \$186,538) for the gain on investment of Prima after the completion of the reverse takeover of 0941680 BC in the prior year's period,
- recorded other income of \$2,500 (2013: \$5,000) for finders' fees received for the Company's work providing assistance on a property deal, and
- recorded general and administrative expenses of \$1,792,218 (2013: \$1,350,344) as detailed below.

General and administrative expenses

During the six months ended May 31, 2014 and 2013, the Company incurred the following general and administrative expenses:

	2014	2013
Expenses		
Advertising and promotion	\$ 312,194	\$ 221,082
Amortization	12,612	12,663
Filing fees and transfer agent expenses	17,079	17,056
Investor relations	48,939	29,438
Office, rent and telephone	149,491	152,404
Professional fees	45,037	71,070
Share-based payments	428,194	-
Wages and benefits	778,672	856,631
	1,792,218	1,350,344

The overall operating expenses of the Company remained fairly consistent compared to the prior period with the following exceptions:

- advertising & promotion expenses (2014: \$312,194, 2013: \$211,082) and investor relations expenses (2014: \$48,939, 2013: \$29,438) increased as the Company is using its network to provide additional marketing services to other companies,
- amortization expenses are consistent with the prior year's period (2014: \$12,612, 2013: \$12,663),

- filing fees and transfer agent costs (2014: \$17,079, 2013: \$17,056) were consistent with costs in the prior period,
- office, rent and telephone expenses remained consistent with the prior year's period (2014: \$149,491, 2013: \$152,404) as the Company's rent and overhead costs have not increased,
- professional fees, including legal, accounting, and consulting fees, decreased (2014: \$45,037, 2013: \$71,070) as the Company reduced the consulting fees paid on analyzing new property opportunities,
- share-based payments increased (2014: \$428,194, 2013: \$nil) due to the options that were granted in the current period to employees and consultants of the Company, and
- wages and benefits decreased (2014: \$778,672, 2013: \$856,631) as employees working for the Company in the prior year's period were hired by other companies that had outgrown the services provided in the management services agreement and required full-time attention.

Summary of Quarterly Results

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

	May 31, 2014	February 28, 2014	November 30, 2013	August 31, 2013
	\$	\$	\$	\$
Revenue (loss)	327,764	(467,326)	225,108	9,760
Net Income (loss)	(669,673)	1,684,688	(2,024,450)	(1,676,696)
Total assets	9,196,102	9,058,588	7,212,683	9,245,875
Working capital	8,110,610	7,976,989	6,326,887	7,564,711
Total liabilities	461,306	473,961	312,744	321,486
Equity	8,734,796	8,584,627	6,899,939	8,924,389

	May 31, 2013	February 28, 2013	November 30, 2012	August 31, 2012
	\$	\$	\$	\$
Revenue (loss)	409,625	286,380	817,435	(106,748)
Net Income (loss)	(63,781)	(10,861)	863,069	(1,779,361)
Total assets	10,888,726	10,878,218	10,830,023	10,817,511
Working capital	8,509,712	8,328,471	8,249,417	8,051,904
Total liabilities	287,641	213,352	154,296	694,149
Equity	10,601,085	10,664,866	10,675,727	10,123,362

The fluctuations between the eight quarters shown above are generally caused by the gains or losses on the sale of investments or the unrealized gains or losses for the investments held by the Company. Income from property sales changes over each quarter, but is relatively consistent. Revenues from services provided to other companies has remained fairly consistent over the last eight quarters, as have the general and administrative expenses, with the exception being increased advertising costs incurred to earn additional income and share-based compensation from the granting of options in the most recent quarter.

Second Quarter

Net loss for the three months ended May 31, 2014, was \$669,673 as compared to a net loss of \$63,781 for the three months ended May 31, 2013, for a difference of \$605,892.

During the three months ended May 31, 2014, the Company:

- recorded a loss on sale of investments of \$330,366 (2013: \$144,827) as the Company sold investments at below cost,
- recorded income from property sales of \$184,956 (2013: \$197,410) which was lower than the previous year's period due to fewer property deals,
- recorded unrealized gains on investments of \$225,632 (2013: \$388,793) as the market share prices of the Company's investments increased in value to a lesser extent than the prior year's period,
- recorded administration fees of \$312,540 (2013: \$357,042) which is lower than the previous year's period due to one fewer company being managed,
- recorded corporate development services income of \$160,634 (2013: \$nil) which is a new revenue stream for the Company, whereby corporate development and marketing services are provided to companies that want to take advantage of the Company's network of contacts,
- recorded an equity loss of affiliates of \$59,375 (2013: \$342,648) for the Company's portion of the loss in their equity investment in Prima,
- recorded a gain on transaction of \$nil (2013: \$186,538) for the gain on investment of Prima after the completion of the reverse takeover of 0941680 BC in the prior year's period, and
- recorded general and administrative expenses of \$1,170,041 (2013: \$703,614) as detailed below.

General and administrative expenses

During the three months ended May 31, 2014 and 2013, the Company incurred the following general and administrative expenses:

	2014	2013
Expenses		
Advertising and promotion	\$ 212,419	\$ 108,581
Amortization	6,368	6,368
Filing fees and transfer agent expenses	10,874	10,019
Investor relations	12,087	20,000
Office, rent and telephone	73,558	75,387
Professional fees	33,750	33,401
Share-based payments	428,194	-
Wages and benefits	386,651	449,858
	1,163,901	703,614

The overall operating expenses of the Company remained fairly consistent compared to the prior period with the following exceptions:

- advertising & promotion expenses (2014: \$212,419, 2013: \$108,581) increased and investor relations expenses (2014: \$24,087, 2013: \$20,000) decreased as the Company began using its network to provide additional marketing services to other companies,
- amortization expenses are consistent with the prior year's period (2014: \$6,368, 2013: \$6,368),
- filing fees and transfer agent costs (2014: \$10,874, 2013: \$10,019) remained consistent with the prior year's period,

- office, rent and telephone expenses remained consistent with the prior year's period (2014: \$73,558, 2013: \$75,387) as the Company's rent and overhead costs have not increased,
- professional fees, including legal, accounting, and consulting fees (2014: \$33,750, 2013: \$33,401) remained consistent with the prior year's period,
- share-based payments increased (2014: \$428,194, 2013: \$nil) due to the options that were granted in the current period to employees and consultants of the Company, and
- wages and benefits decreased (2014: \$386,651, 2013: \$449,858) as employees working for the Company in the prior year's period were hired by other companies that had outgrown the services provided in the management services agreement and required full-time attention.

First Quarter

Net income for the three months ended February 28, 2014, was \$1,684,688 as compared to a net loss of \$10,861 for the three months ended February 28, 2013, for a difference of \$1,695,549.

The difference is due primarily to the increase in the loss on the sale of investments and the increase in the unrealized gains on investments. During the three months ended February 28, 2014, the Company:

- recorded a loss on sale of investments of \$852,741 (2013: \$287,385) as the Company sold investments at below cost,
- recorded income from property sales of \$72,875 (2013: \$205,010) as the Company had fewer property deals in the current year's period,
- recorded unrealized gains on investments of \$2,777,929 (2013: \$437,269) as the market share prices of the Company's investments increased in value to a greater extent than the prior year's period,
- recorded administration fees of \$312,540 (2013: \$368,755) which is lower than the previous year's period due to one fewer company being managed,
- recorded an equity loss of affiliates of \$nil (2013: \$92,860) as the Company's investment in Prima had already been written down to \$nil,
- recorded other income of \$2,500 for finders' fees received for the Company's work providing assistance on a property deal (2013: \$5,000) for , and
- recorded general and administrative expenses of \$628,317 (2013: \$646,730) as detailed below.

General and administrative expenses

During the three months ended February 28, 2014 and 2013, the Company incurred the following general and administrative expenses:

	2014	2013
Expenses		
Advertising and promotion	\$ 99,775	\$ 102,501
Amortization	6,244	6,295
Filing fees and transfer agent expenses	6,205	7,037
Investor relations	36,852	9,438
Office, rent and telephone	75,933	77,017
Professional fees	11,287	37,669
Wages and benefits	392,021	406,773
	628,317	646,730

The overall operating expenses of the Company remained fairly consistent compared to the prior period with the following exceptions:

- advertising & promotion expenses (2014: \$99,775, 2013: \$102,501) decreased and investor relations expenses (2013: \$36,852, 2012: \$9,438) increased as the Company modified its promotional strategy,
- amortization expenses are consistent with the prior year's period (2014: \$6,244, 2013: \$6,295);
- office, rent and telephone expenses remained consistent with the prior year's period (2014: \$75,933, 2013: \$77,017) as the Company's rent and overhead costs have not increased,
- professional fees, including legal, accounting, and consulting fees, decreased (2014: \$11,287, 2013: \$37,669) as more duties were handled internally by staff, and
- wages and benefits decreased (2014: \$392,021, 2013: \$406,773) as employees working for the Company in the prior year's period were hired by other companies that had outgrown the services provided in the management services agreement and required full-time attention.

Liquidity and 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 \$7,830,861 held at fair market value and cash of \$265,189. 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.

Working Capital: As at May 31, 2014, the Company had total assets of \$9,196,102 as compared to \$7,212,683 for the year ended November 30, 2013.

The primary assets of the Company are investments of 7,830,861 (2013: \$6,142,128,) held at fair market value, cash and cash equivalents of \$265,189 (2013: \$25,402), advances and accounts receivables of \$386,888 (2013: \$373,345), prepaid expenses of \$88,978 (2013: \$98,756), loan receivable of \$126,030 (2013: \$145,905), deposits of \$17,562 (2013: \$17,562), equipment of \$14,569 (2013: \$27,181), and mineral property interests of \$466,025 (2013: \$382,404).

The Company has long-term liabilities of \$nil (2013: \$nil) and has working capital of \$8,110,610 (2013 - \$6,326,887).

Cash and Cash Equivalents: On May 31, 2014, the Company had cash and cash equivalents of \$265,189 (2013 - \$25,402).

Management of cash balances is conducted in-house based on internal investment guidelines.

Cash Used in Operating Activities: Cash used in operating activities during the six months ended May 31, 2014 was \$1,180,724, compared with \$511,941 of cash used in operating activities during the six months ended May 31, 2013.

Cash was mostly spent on advertising, investor relations, general office expenses, professional fees, and wages and benefits and adjusted for items not involving cash.

Cash Provided by (Used in) Investing Activities: Total cash provided by investing activities during the six months ended May 31, 2014 was \$1,028,863 compared to \$549,997 of cash provided by investing activities during the six months ended May 31, 2014. During the six months ended May 31, 2014, the Company:

- spent \$825,784 (2013 – \$566,705) on the acquisition of investments,
- received \$1,781,767 (2013 – \$971,804) on the proceeds on disposition of investments,
- received \$19,875 (2013 - \$12,025) from loans receivable,
- received \$142,500 (2013 - \$146,000) from unearned revenue,
- spent \$94,495 (2013 - \$26,377) on the acquisition of mineral exploration properties,
- received \$5,000 (2013 - \$15,210) on the proceeds of disposition of mineral exploration properties, and
- spent \$nil (2013 - \$1,960) on the acquisition of equipment.

Cash Provided by (Used in) Financing Activities: Total cash provided by financing activities during the six months ended May 31, 2014 was \$391,648 compared to \$nil of cash provided by financing activities during the six months ended May 31, 2014. During the six months ended May 31, 2014, the Company:

- received \$391,648 (2013 – \$nil) in share subscriptions for the private placement which was completed subsequent to the period.

Related Party Transactions

The Company incurred the following fees and expenses in the normal course of operations and are measured at the exchange amount.

	Six months Ended May 31,	
	2014	2013
Key management compensation*	\$	\$
Total wages paid	278,986	339,239
Amounts due to (from) related parties	May 31, 2014	November 30, 2013
Sean Charland, a director	-	2,605
Sven Olsson, a director	12,794	13,242
Total amount due to (from) related parties	\$ 12,794	\$ 15,847

* Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and certain members of its Board of Directors.

Other MD&A Requirements

Disclosure of Outstanding Share Capital

The Company has an authorized share capital of an unlimited number of common shares without par value. The following table describes the issued and outstanding share capital of the Company:

	July 28, 2014	May 31, 2014	November 30, 2013	November 30, 2012
Common shares	13,494,177	11,265,487	11,265,487	11,265,487
Stock Options	1,681,000	1,681,000	871,900	1,414,900
Warrants	2,288,370	-	-	-
Fully Diluted Shares	17,463,547	12,946,487	12,136,487	12,680,387

For additional details of outstanding share capital, refer to the condensed interim financial statements for the six months ended May 31, 2014.

Additional Disclosure Regarding Significant Investee

Pasinex Resources Limited

On June 4, 2013, the Company sold 3,050,000 common shares of Pasinex in private transactions to a director and to an insider of Pasinex for gross proceeds of \$146,000. Upon closing of the private sale, Zimtu owned approximately 17% of the issued and outstanding capital of Pasinex and therefore no longer has significant influence of Pasinex. As a result, the Company ceased to account for the investment using the equity method. Effective June 4, 2013, the remaining investment in Pasinex was accounted for as an investment, held at fair market value. During the six months ended May 31, 2014, Pasinex issued the Company 2,877,718 shares at a deemed value of \$0.10 per share to satisfy \$287,718 of debt due to the Company. As at May 31, 2014, the Company owns 8,511,873 (2013: 10,485,500) common shares of Pasinex, which represents approximately 12% of Pasinex's outstanding shares. As at May 31, 2014, these shares had a fair value of \$766,069 (2013: \$629,119).

Prima Diamond Corp. (formerly Prima Fluorspar Corp.)

As at April 17, 2013, the Company owned approximately 27% (2013: 27%) of the total outstanding shares of Prima Diamond Corp. ("Prima"), being 3,020,000 common shares (2013: 3,020,000). The Company exerted significant influence over Prima and therefore Prima was accounted for as an investment under the equity method. On April 18, 2013, the TSX-V approved Prima's acquisition of 0941680 BC Ltd. Upon completion of the Transaction, the former shareholders of 0941680 BC hold a controlling interest in Prima and will therefore account for the acquisition of 0941680 similarly to a reverse takeover transaction, with 0941680 BC being the deemed acquirer of the net assets of Prima. Prima issued 11,515,000 common shares to 0941680 BC's shareholders on a one for one basis. These common shares were subject to Escrow agreements pursuant to National Policy 46-201. Concurrent with the Transaction, Prima completed a private placement issuing 3,975,000 common shares with gross proceeds of \$602,500. At the completion of the Transaction, Zimtu held approximately 28% of Prima's outstanding shares.

The investment in Prima reflects Zimtu's share of the total fair value of consideration of Prima on April 18, 2013, the date of acquisition, plus any subsequent investments. Therefore, the fair value of the shares of Prima held by Zimtu is 28.1% of \$1,198,942, the fair value of consideration of the acquired shares, for a value of \$336,904 (2013: \$336,904) plus \$60,000 for a private placement subscription in April 2014, and is adjusted for \$59,375 (2013: \$336,904) of equity loss due to the decrease of net assets of Prima. The gain on the transaction is equal to the new fair value of the shares (\$336,904) less the remaining balance of the former Prima (\$52,534) and 0941680 BC (\$97,832) investments on April 17, 2013, for a gain on the Transaction of \$186,538. As at May 31, 2014, the Company holds 8,057,500 shares of Prima, equal to 24.74% of Prima's outstanding common shares.

0941680 BC Ltd. (formerly Prima Fluorspar Corp.)

As at April 17, 2013, the Company owned approximately 39% of the total outstanding shares of 0941680 BC Ltd. ("0941680 BC") (formerly Prima Fluorspar Corp.) a private company incorporated on May 29, 2012,

being 4,500,000 common shares. The Company exerted significant influence over 0941680 BC and therefore 0941680 BC was accounted for as an investment under the equity method. The investment in 0941680 BC was recorded at cost of \$235,000 and was adjusted for \$nil (2013: \$56,689) of equity loss. At April 18, 2013, upon completion of the reverse takeover (the "Transaction" – see (b) above), the remaining balance of the original investment of 0941680 BC was reduced to nil.

Segmented Information

All of the Company's business is located in Canada. The Company's segment information is presented by industry according to the nature of their operations and the products and services they provide. Each of the Company's industry segments represents a strategic business unit offering products and services subject to different risks and returns from those of the other industry segments. Summary details of the industry segments are as follows:

- (a) Investment in stock, warrants and others
- (b) Investments in mineral resource property acquisitions and dispositions segment and project management;
- (c) Management services segment;
- (d) Corporate segment

For the six months ended May 31, 2014

	Investment in stock, warrants and others \$	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Revenue					
Administrative fees	-	-	625,080	-	625,080
Corporate development fees	-	-	160,634	-	160,634
Loss on sale of investments	(1,183,107)	-	-	-	(1,183,107)
Income from property sale	-	257,831	-	-	257,831
	(1,183,107)	257,831	785,714	-	(139,562)
Segment assets	7,830,831	466,025	-	899,216	9,196,102
Expenditure for segment capital assets	-	94,495	-	-	94,495

For the six months ended May 31, 2013

	Investment in stock, warrants and others \$	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Revenue					
Administrative fees	-	-	729,146	-	729,146
Loss on sale of investments	(432,212)	-	-	-	(432,212)
Income from property sale	-	402,420	-	-	402,420
	(432,212)	402,420	729,146	-	699,354

For the year ended November 30, 2013

Segment assets	6,142,128	382,404	-	1,354,550	7,879,082
Expenditure for segment capital assets	-	117,788	-	1,960	119,748

Risk Factors

The following is factors, trends and risks may affect the Company's liquidity, capital resources and solvency. Readers are cautioned that this is not an exhaustive list and should refer to the Company's Filing Statement dated July 25, 2008, which can be found at www.sedar.com.

Business History: The Company has a limited business history and a limited history of operating earnings and the likelihood of success of the Company therefore must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business.

Limited Financial Resources: The Company has limited financial resources and there is no assurance that additional funding will be available to it. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans. The Company may require additional financing to continue its operations and there can be no assurance that the Company will be able to obtain adequate financing in the future. Failure to obtain such additional financing could result in delay or indefinite postponement of further investments of the Company. The Company may issue additional securities from time to time which may be dilutive to Shareholders.

The Company will be neither a mutual fund nor an investment fund and due to the nature of its business and investment strategy and the composition of its investment portfolio, the market price of its common shares, at any time, may vary significantly from the Company's net asset value per share. This risk is separate and distinct from the risk that the market price of the common shares may decrease.

Revenue & Investments: Revenues received by the Company has been generated by management fees paid by corporations which may have directors and officers in common. In the event that there is a change in the management of these corporations there is no certainty that these management contracts will continue.

Composition of Portfolio: The composition of the Company's securities portfolio taken as a whole may vary widely from time to time. Investments by the Company in private issuers cannot be resold without a prospectus, an available exemption or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. This shall impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk and are subject to indefinite hold periods.

The Company may make investments in securities that have low trading volumes. Accordingly, it may be difficult for the Company to make trades in these securities without adversely affecting the price of such securities.

Stock Price and Performance: The Company's stock price may vary according to the value of the securities in which it invests, which will depend, in part, upon the performance of the issuers of such securities. The value of the securities acquired by the Company will be affected by business factors and risks that are beyond the control of the Company. In addition, the performance of certain of the securities may be affected by business factors and risks other than their exposure to metal and mineral prices, which may be more determinative of such securities' performance. Some of these factors and risks are: (i) some of the issuers in which the Company invests may have limited operating histories; (ii) operational risks related to specific business activities of the respective issuers; (iii) quality of underlying assets; (iv) financial performance of the respective issuers and their competitors; (v) volatility in the price of metal and mineral prices; (vi) environmental risks; (vii) political risks; (viii) fluctuations in exchange rates; (ix) fluctuations in interest rates; and (x) government regulations, including regulations to prices, taxes, royalties, land tenure, land use, importing and exporting of materials and environmental protection.

There is no assurance that the investment objectives of the Company will actually be achieved. The value of the shares of the Company will increase or decrease with the value of its investment portfolio and general economic conditions beyond the control of the Company's management, including the level of interest rates, corporate earnings, economic activity, the value of the Canadian dollar and other factors.

Key Personnel: Prospective investors assessing the risks and rewards of an investment in the Company should appreciate that they will, in large part, be relying on the good faith and expertise of the Company and will have to rely on the discretion and ability of the Company in determining the composition of the portfolio of assets, and in negotiating the pricing and other terms of the agreements leading to the acquisition of assets.

Conflicts of Interest: Directors and officers of the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other investment companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The ability to liquidate investments held by the Company in corporations with common directors may be impaired by trading black-out periods imposed in insiders of such entities.

The Company and its directors and officers will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict is obligated to disclose any interest in the potential investment. In the event that a conflict is detected, the target company may be notified of the conflict. Depending on the circumstances of the potential investment, the director in conflict may be asked to abstain from voting for or against the approval of such participation. In appropriate cases the Company will establish a special committee of independent directors to review a matter in which several directors, or officers, may have a conflict. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to the Company, the degree of risk to which the Company may be exposed and its financial position at that time. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Changes in Accounting Policies

There have been no changes in the accounting policies.

Future Accounting Standards, Amendments, and Interpretations Not Yet Effective

For details of the Company's Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 4 of the Company's condensed interim financial statements for the six months ended May 31, 2014 and Note 4 of the audited financial statements for the year ended November 30, 2013 .

Financial Instruments and Capital Disclosures

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 interest rate, credit, currency, liquidity and market risk. A discussion of the Company's use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – fair values are based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or

Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

Assets measured at fair value as at May 31, 2014				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Fair value through profit or loss				
Cash on hand and bank balances	265,189	-	-	265,189
GIC	34,500	-	-	34,500
Investment in public company shareholdings	5,810,076	-	-	5,810,076
Investment in private company shareholdings	-	-	1,195,375	1,195,375
Investment in warrants	-	790,910	-	790,910
	<u>6,109,765</u>	<u>790,910</u>	<u>1,195,375</u>	<u>8,096,050</u>

Assets measured at fair value as at November 30, 2013				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Fair value through profit or loss				
Cash on hand and bank balances	25,402	-	-	25,402
GIC	34,500	-	-	34,500
Investment in public company shareholdings	4,399,666	-	-	4,399,666
Investment in private company shareholdings	-	-	1,286,875	1,286,875
Investment in warrants	-	421,087	-	421,087
	<u>4,459,568</u>	<u>421,087</u>	<u>1,286,875</u>	<u>6,167,530</u>

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GIC included in investment bear interest at a fixed rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and cash equivalents and investments due to its cash and cash equivalents are placed with major financial institutions and investments are placed with a Canadian chartered bank or with independent investment dealer member of the Canadian Investor Protection Fund. All transactions executed by the Company in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Management believes that the credit risk with respect to advances and amounts receivables is remote. One customer accounted for 47% (2013: 60%) of the Company's administrative revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

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's 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 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 manages 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, potash, precious metals, base metals, coal, graphite, rare earth elements, and rare metals. The Company also has set thresholds on purchases of investments. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar. The Company is not exposed to commodity price at this time.

g) Capital management - The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Company may raise additional capital for additional cash required. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to identify and acquire new investment or business opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended May 31, 2014 or the year ended November 30, 2013. The Company is not subject to externally imposed capital requirements.

Forward Looking Statements

All statements other than statements of historical fact contained in this Management Discussion & Analysis are forward looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, litigation, projected costs and plans and objectives of or involving the Company. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. Examples of forward looking statements in this Management Discussion & Analysis include that:

- the Company's goal is 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 and to seek and identify high return investment opportunities in the resource sector through direct investments in project interests or indirect investments by means of equity shareholdings;
- the Company's objective is to preserve its capital and limit the downside risk of its capital and to achieve a reasonable rate of capital appreciation;
- the Company shall focus on natural resource industries, concentrating on early stage exploration and development companies
- 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.
- the Company intends to create a diversified portfolio of investments, which composition will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk; and
- the Company expects its Management Services Revenue to continue.

There can be no assurance that the plan, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and

assumptions. Readers are cautioned not to put undue reliance on forward looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Proposed Transactions and Subsequent Events

- a) On July 11, 2014, the Company completed a non-brokered private placement, issuing 2,228,690 units ("Unit") at a price of \$0.50, for gross proceeds of \$1,114,345. Each Unit consists of one common share of the Company and one non-transferrable common share purchase warrant ("Warrant"), with one Warrant entitling the holder to acquire one additional share at a price of \$0.75 per warrant until July 11, 2016. The Company paid cash finders' fees to certain finders in the aggregate amount of \$29,840 and issued 59,680 warrants (the "Finders warrants") exercisable into one common share until July 11, 2016 at a price of \$0.50. The Warrants and Finders' Warrants are subject to an acceleration clause. If on any 20 consecutive trading days following July 11, 2014, the closing sales price of the Shares as quoted on the TSX-V is greater than 150% of the exercise price, the Company may accelerate the expiry date of the Warrants or Finders' Warrants to the 30th day after the date on which the Company gives notice to the Warrant holder.
- b) On July 4, 2014, Pistol Bay Mining Inc. notified the Company that it will not pursue its Option Agreement announced February 26, 2013 on the Portland Graphite Properties located in Ontario Canada.
- c) On May 20, 2014, the Company and its prospecting partners signed an agreement with Strike Graphite Corp. ("Strike") whereby Strike can earn an 80%-interest in and to the Sask Craton Property located in east-central Saskatchewan, Canada. For its participation in the transaction, the Company will receive share payments of 1,000,000 common shares at a deemed value of \$0.05 and 200,000 transferrable common share purchase warrants with an exercise price of \$0.25 per common share warrant, valid for a three-year term. Zimtu's prospecting partners will receive cash of \$553,028 and 800,000 transferable common share purchase warrants with the same terms as above. The agreement has received conditional approval by the TSX-V on July 3, 2014, and final approval is subject to certain conditions to be satisfied by Strike.

Approval

The Board of Directors of Zimtu Capital Corp. has approved the disclosure contained in this MD&A.

Additional Information

Additional information related to the Company can be found on the Company's website at www.zimtu.com or on SEDAR at www.sedar.com.