



Condensed Interim Financial Statements

Three Months Ended February 28, 2019

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review

The accompanying unaudited condensed interim financial statements of Zimtu Capital Corp. for the three months ended February 28, 2019, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

Zimtu Capital Corp.
Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | February 28, 2019 | November 30, 2018 |
|---|----------------------|----------------------|
| Assets | | |
| Current | | |
| Cash | \$ 134,528 | \$ 287,870 |
| Investments (Note 6) | 5,841,893 | 6,474,729 |
| Advances and amounts receivable (Note 7) | 978,410 | 961,603 |
| Prepaid expenses (Note 8) | 188,561 | 100,387 |
| Due from related parties (Note 9) | 1,149,566 | 1,008,826 |
| | 8,292,958 | 8,833,415 |
| Investment in associates (Note 6) | 258,268 | 193,992 |
| Mineral property interests (Note 10) | 153,301 | 142,413 |
| | \$ 8,704,527 | \$ 9,169,820 |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 147,690 | \$ 204,162 |
| GST/HST payable | 16,480 | 24,099 |
| Unearned revenue (Note 11) | 306,615 | 337,240 |
| Promissory notes payable (Note 12) | 83,100 | 83,100 |
| | 553,885 | 648,601 |
| Equity | | |
| Share capital (Note 13) | 9,346,662 | 9,346,662 |
| Reserves | 4,920,817 | 4,920,817 |
| Deficit | (6,116,837) | (5,746,260) |
| Shareholders' equity | 8,150,642 | 8,521,219 |
| | \$ 8,704,527 | \$ 9,169,820 |

On behalf of the Board:

"David Hodge" Director _____
"Sean Charland" Director

The accompanying notes are an integral part of these condensed interim financial statements.

Zimtu Capital Corp.
Condensed Interim Statements of Operation and Comprehensive Income (Loss)
For the three months ended February 28,
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | 2018 | 2017 |
|--|---------------------|-------------------|
| Revenue | | |
| Administrative fees | \$ 165,000 | \$ 202,500 |
| Corporate development and marketing | 260,125 | 340,208 |
| Income from property sales (Note 10) | - | 449,640 |
| | <u>425,125</u> | <u>992,348</u> |
| Expenses | | |
| General and administrative expenses (Note 14) | <u>576,396</u> | <u>730,430</u> |
| Income (loss) before other items | (151,271) | 261,918 |
| Other items | | |
| Equity loss from investment in associates (Note 6) | (15,724) | - |
| Gain on purchase of debt | - | 648 |
| Gain (loss) on settlement of debt (Note 18) | - | 54,750 |
| Write off of marketable securities | (1,932) | - |
| Interest income | 92 | 201 |
| Other income | - | 277 |
| Unrealized gain (loss) on investments in public companies (Note 6) | (427,818) | (52,689) |
| Gain (loss) on sale of investment | 188,451 | (49,517) |
| Unrealized gain (loss) on promissory notes receivable (Notes 7,9) | 37,625 | - |
| | <u>(219,306)</u> | <u>(46,330)</u> |
| Net income (loss) for the period | \$ (370,577) | \$ 215,588 |
| Basic and diluted earnings (loss) per share | \$ (0.02) | \$ 0.01 |
| Weighted average number of shares outstanding | | |
| Basic | 15,394,483 | 15,394,483 |
| Diluted | 15,394,483 | 15,394,483 |

The accompanying notes are an integral part of these condensed interim financial statements.

Zimtu Capital Corp.
Condensed Interim Statements of Changes in Equity
As at February 28, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| Share Capital | | | | | |
|-----------------------------------|-------------------------|---------------------|---------------------|---------------------|----------------------|
| | Number of Shares | Amount | Reserves | Deficit | Total Equity |
| Balance, November 30, 2017 | 15,394,483 | \$ 9,346,662 | \$ 4,647,746 | \$ (123,341) | \$ 13,871,067 |
| Net income for the period | - | - | - | 215,588 | 215,588 |
| Balance, February 28, 2018 | 15,394,483 | \$ 9,346,662 | \$ 4,647,746 | \$ 92,247 | \$ 14,086,655 |

| Share Capital | | | | | |
|-----------------------------------|-------------------------|---------------------|---------------------|-----------------------|---------------------|
| | Number of Shares | Amount | Reserves | Deficit | Total Equity |
| Balance, November 30, 2017 | 15,394,483 | \$ 9,346,662 | \$ 4,920,817 | \$ (5,746,260) | \$ 8,521,219 |
| Net (loss) for the period | - | - | - | (370,577) | (370,577) |
| Balance, February 28, 2019 | 15,394,483 | \$ 9,346,662 | \$ 4,920,817 | \$ (6,116,837) | \$ 8,150,642 |

The accompanying notes are an integral part of these condensed interim financial statements.

Zimtu Capital Corp.
Condensed Interim Statements of Cash Flows
For the three months ended February 28, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | 2019 | 2018 |
|--|-------------------|-------------------|
| Operating Activities | | |
| Net income (loss) for the period | \$ (370,577) | \$ 215,588 |
| Items not involving cash: | | |
| Unrealized (gain) loss of investments | 427,818 | 52,689 |
| Income from property sale | - | (449,640) |
| Equity loss of affiliates | 15,724 | - |
| Unrealized gain on promissory notes | (37,625) | - |
| (Gain) Loss on sale of investment | (188,451) | 49,517 |
| Shares for debt | - | (321,392) |
| Write off marketable securities | 1,932 | - |
| Changes in non-cash working capital | | |
| GST/HST and amounts receivable | (1,717) | 196,514 |
| Prepaid expenses and deposit | (88,174) | (118,928) |
| Accounts payable and accrued liabilities | (182,296) | (293,425) |
| Unearned revenue | (30,625) | 40,319 |
| Cash (used in) operating activities | (453,991) | (628,758) |
| Investing Activities | | |
| Acquisition of investments | (457,478) | (523,610) |
| Proceeds on disposition of investments | 769,015 | 1,461,482 |
| Mineral property acquisitions and exploration | (10,888) | (24,899) |
| Proceeds on disposition of mineral properties | - | 2,500 |
| Cash provided by (used in) investing activities | 300,649 | 915,473 |
| Change in cash during the period | (153,342) | 286,715 |
| Cash, beginning of period | 287,870 | 134,918 |
| Cash, end of period | \$ 134,528 | \$ 421,633 |

Supplemental disclosure with respect to cash flows (Note 16)

The accompanying notes are an integral part of these condensed interim financial statements.

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

The Company was incorporated in the Province of British Columbia on July 4, 2006, under the Business Corporations Act of British Columbia. The Company's principal business activities are investments in junior resource companies, mineral resource property acquisitions and dispositions, and the provision of management services. The Company is traded on the TSX Venture Exchange ("TSX-V") under the symbol 'ZC'. The Company also trades on the Frankfurt Stock Exchange under the symbol 'ZCT1'.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at Suite 800, 885 West Georgia Street, Vancouver, BC, Canada V6C 3H1.

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on April 12, 2019.

2. BASIS OF PREPARATION

a) Statement of Compliance

The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this financial statement has been prepared using the accrual basis of accounting.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure.

Judgement is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management's judgement has been applied include:

- Classifying categories of financial assets and financial liabilities in accordance with IAS 39, *Financial instruments: recognition and measurement*; and
- The recoverability of the carrying value of the mineral property interests is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods;

Significant areas requiring the use of management estimates and assumptions include:

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Income Taxes

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (“temporary differences”) and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Company. Management is required to assess whether it is “probable” that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilization of the losses.

Fair value of investment in warrants

Management uses Black-Scholes option pricing model in measuring the fair value of investment in warrants, where active market quotes are not available. In applying the valuation technique, management is required to determine and make assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

Fair value of share-based compensation

Management measures the fair value of equity-settled share-based transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The Company uses Black-Scholes option pricing model. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

Valuation of accounts receivable

The Company reviews the accounts receivable balances on a regular basis and estimates the likelihood of collection and records allowance for estimated losses. Management bases its estimates on historical experience and other relevant factors.

Fair value of promissory notes receivable

Management uses valuation techniques in measuring the fair value of promissory notes receivable, where active market quotes are not available. Details of the assumptions used are given in the note 7 to these financial statements. In applying the valuation technique, management makes use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

4. SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the financial statements for the year ended November 30, 2018. Therefore, these condensed interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended November 30, 2018.

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

5. 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.

| | February 28, 2019 | | | |
|---|-------------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| | \$ | \$ | \$ | \$ |
| Fair value through profit or loss | | | | |
| Cash | 134,528 | - | - | 134,528 |
| Promissory note receivables (Note 7) | 538,167 | - | - | 538,167 |
| Promissory note receivables – related parties (Note 9) | 334,333 | - | - | 334,333 |
| GIC (Note 6d) | 34,500 | - | - | 34,500 |
| Investment in public company shareholdings (Note 6a) | 4,688,061 | - | - | 4,688,061 |
| Investment in private company shareholdings (Note 6c) | - | - | 285,348 | 285,348 |
| Investment in warrants (Note 6b) | - | 833,984 | - | 833,984 |
| | 5,729,589 | 833,984 | 285,348 | 6,848,921 |
| | | | | |
| | November 30, 2018 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| | \$ | \$ | \$ | \$ |
| Fair value through profit or loss | | | | |
| Cash | 287,870 | - | - | 287,870 |
| Promissory note receivables (Note 7) | 516,208 | - | - | 516,208 |
| Promissory note receivables – related parties (Note 9) | 319,417 | - | - | 319,417 |
| GIC (Note 6d) | 34,500 | - | - | 34,500 |
| Investment in public company shareholdings (Note 6a) | 5,126,697 | - | - | 5,126,697 |
| Investment in private company shareholdings (Note 6c) | - | - | 277,349 | 277,349 |
| Investment in warrants (Note 6b) | - | 1,036,183 | - | 1,036,183 |
| | 6,284,692 | 1,036,183 | 277,349 | 7,598,224 |

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

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 GIC due to its cash is 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 55% (November 30, 2018: 50%) 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 three months ended February 28, 2019 and the year ended November 30, 2018. The Company is not subject to externally imposed capital requirements.

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements
For the three months ended February 28, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

6. INVESTMENTS**Investment continuity schedule**

| | Investment in public companies | Investment in private companies | Warrants | GIC | Total |
|--|-----------------------------------|------------------------------------|---------------------|------------------|----------------------|
| | (a) | | (b) | (c) | |
| Balance, November 30, 2017 | \$ 9,999,972 | \$ 7,500 | \$ 2,514,542 | \$ 34,500 | \$ 12,556,514 |
| Cost of Shares/warrants acquired | 3,200,503 | 29,936 | 395,596 | - | 3,626,034 |
| Shares disposed/warrants exercised | (4,408,778) | (52,500) | (303,413) | - | (4,575,374) |
| Fair value change | (3,665,000) | 292,413 | (1,570,542) | - | (5,132,445) |
| Balance, November 30, 2018 | \$ 5,126,697 | \$ 277,349 | \$ 1,036,183 | \$ 34,500 | \$ 6,474,729 |
| Cost of Shares/warrants acquired | 366,145 | 8,000 | 83,333 | - | 457,478 |
| Shares disposed/ warrants exercised | (497,229) | - | (83,333) | - | (580,562) |
| Write offs | (1,933) | - | - | - | (1,933) |
| Fair value change | (305,619) | (1) | (202,199) | - | (507,819) |
| Balance, February 28, 2019 | \$ 4,688,061 | \$ 285,348 | \$ 833,984 | \$ 34,500 | \$ 5,841,893 |

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements
For the three months ended February 28, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

6. INVESTMENTS (continued)

(a) Investment in public company shareholdings

| | Number of Shares | Investments at fair value through profit or loss as at February 28, 2019 | | | |
|-----------------------------------|---------------------|--|----------|------------------|----------|
| | | Cost Base | | Market Base | |
| | | \$ | \$/Share | \$ | \$/Share |
| 92 Resources | 3,126,720 | 251,941 | 0.08 | 93,802 | 0.030 |
| ALX Uranium | 2,431,998 | 404,949 | 0.17 | 158,080 | 0.065 |
| Arctic Star Exploration | 4,241,358 | 468,161 | 0.11 | 169,654 | 0.040 |
| Belmont Resources | 5,815,667 | 266,591 | 0.05 | 232,627 | 0.040 |
| Blue Star Gold | 435,000 | 21,750 | 0.05 | 10,875 | 0.025 |
| Bluenose Gold | 33,333 | 7,105 | 0.21 | 5,667 | 0.170 |
| Canadian Energy Materials | 350,000 | 56,000 | 0.16 | 42,000 | 0.120 |
| Commerce Resources | 17,784,178 | 2,691,494 | 0.15 | 1,155,972 | 0.065 |
| Cresval Capital | 500,000 | 100,000 | 0.20 | 22,500 | 0.045 |
| Crown Mining | 723,166 | 50,098 | 0.07 | 86,780 | 0.120 |
| Emerita Gold | 640,000 | 283,218 | 0.44 | 12,800 | 0.020 |
| Fanlogic Interactive | 100,000 | 50,000 | 0.50 | 3,000 | 0.030 |
| Greatbanks Resources | 100,000 | 30,000 | 0.30 | 10,500 | 0.105 |
| Group Ten Metals | 900,000 | 54,000 | 0.06 | 180,000 | 0.200 |
| Indigo Exploration | 715,000 | 200,653 | 0.28 | 10,725 | 0.015 |
| Indiva Exploration | 6,218 | 86,250 | 13.87 | 3,482 | 0.560 |
| Kapuskasing Gold | 6,050,000 | 413,363 | 0.07 | 60,500 | 0.010 |
| Khiron Life Sciences | 208 | 525 | 2.52 | 711 | 3.420 |
| King's Bay Resources | 6,026,135 | 400,553 | 0.07 | 271,176 | 0.045 |
| Maple Gold Mines | 1,299,000 | 163,810 | 0.13 | 136,395 | 0.105 |
| Margaret Lake Diamonds | 833,333 | 100,000 | 0.12 | 62,500 | 0.075 |
| Maxtech Ventures | 661,000 | 160,100 | 0.24 | 66,100 | 0.100 |
| Megastar Development | 150,000 | 9,770 | 0.07 | 8,250 | 0.055 |
| MGX Minerals | 1,215,846 | 831,012 | 0.68 | 437,704 | 0.360 |
| Mountain Boy Minerals | 331,400 | 99,420 | 0.30 | 64,623 | 0.195 |
| Nickel One | 1,344,000 | 67,200 | 0.05 | 53,760 | 0.040 |
| Nouveau Life | 230,000 | 50,051 | 0.22 | 138 | 0.001 |
| NRG Metals | 300,000 | 26,230 | 0.09 | 21,000 | 0.070 |
| Pacific Silk Road | 145,000 | 119,011 | 0.82 | 2,900 | 0.020 |
| Parcelpal | 112,000 | 5,759 | 0.05 | 33,600 | 0.300 |
| Pistol Bay | 4,007,500 | 268,475 | 0.07 | 180,338 | 0.045 |
| Prospera Energy | 1,500,000 | 105,000 | 0.07 | 97,500 | 0.065 |
| Redfund Capital | 533,333 | 100,000 | 0.19 | 128,000 | 0.240 |
| Red Oak Mining | 100,000 | 12,000 | 0.12 | 33,000 | 0.330 |
| Sanatana Resources | 300,000 | 12,150 | 0.04 | 15,000 | 0.050 |
| Saville Resources | 6,871,000 | 354,260 | 0.05 | 274,840 | 0.040 |
| True Leaf Medicine | 783,063 | 119,060 | 0.15 | 317,141 | 0.405 |
| Ultracharge | 1,200,000 | 53,758 | 0.04 | 7,199 | 0.006 |
| Vatic Resources | 467,522 | 35,070 | 0.15 | 46,760 | 0.100 |
| VOIP | 226,000 | 26,217 | 0.12 | 18,532 | 0.082 |
| Voltaic Minerals | 647,250 | 96,037 | 0.15 | 145,630 | 0.225 |
| White Metal Resources | 180,000 | 4,500 | 0.03 | 6,300 | 0.035 |
| Balance, February 28, 2019 | | 8,655,541 | | 4,688,061 | |

Zimtu Capital Corp.**Notes to the Condensed Interim Financial Statements****For the three months ended February 28, 2019 and 2018****Expressed in Canadian Dollars****(Unaudited – prepared by management)****6. INVESTMENTS (continued)****(a) Investment in public company shareholdings (continued)**

| | Investments at fair value through profit or loss as at November 30, 2018 | | | | |
|-----------------------------------|--|------------------|----------|------------------|----------|
| | Number of Shares | Cost Base | | Market Base | |
| | | \$ | \$/Share | \$ | \$/Share |
| 92 Resources | 3,126,720 | 251,941 | 0.08 | 109,435 | 0.035 |
| Altamira Gold | 100,000 | 60,627 | 0.61 | 7,500 | 0.075 |
| ALX Uranium | 2,431,998 | 404,949 | 0.17 | 194,560 | 0.080 |
| Arctic Star Exploration | 4,241,358 | 468,161 | 0.11 | 275,688 | 0.065 |
| Belmont Resources | 5,540,667 | 256,766 | 0.05 | 277,033 | 0.050 |
| Bluenose Gold | 33,333 | 7,105 | 0.21 | 5,333 | 0.160 |
| Canadian Energy Materials | 350,000 | 56,000 | 0.16 | 52,500 | 0.150 |
| Canada Cobalt Works | 100,000 | 19,469 | 0.19 | 56,000 | 0.560 |
| Cobalt Power Group | 26,250 | 15,682 | 0.60 | 394 | 0.015 |
| Commerce Resources | 17,784,178 | 2,691,494 | 0.15 | 1,067,051 | 0.060 |
| Cresval Capital | 500,000 | 100,000 | 0.20 | 25,000 | 0.050 |
| Crown Mining | 723,166 | 50,098 | 0.07 | 75,932 | 0.105 |
| Emerita Gold | 3,200,000 | 283,218 | 0.09 | 48,000 | 0.015 |
| Equitorial Resources | 400,000 | 16,230 | 0.04 | 18,000 | 0.045 |
| Fanlogic Interactive | 100,000 | 50,000 | 0.50 | 3,000 | 0.030 |
| First Cobalt | 48,034 | 89,478 | 1.86 | 11,048 | 0.230 |
| Greatbanks Resources | 1,000,000 | 30,000 | 0.03 | 15,000 | 0.015 |
| Group Ten Metals | 900,000 | 54,000 | 0.06 | 130,500 | 0.145 |
| Indigo Exploration | 715,000 | 200,653 | 0.28 | 10,725 | 0.015 |
| Indiva Exploration | 6,218 | 86,250 | 13.87 | 3,233 | 0.520 |
| Kapuskasing Gold | 6,050,000 | 413,363 | 0.07 | 90,750 | 0.015 |
| Khiron Life Sciences | 208 | 525 | 2.52 | 308 | 1.480 |
| King's Bay Resources | 6,026,135 | 400,553 | 0.07 | 241,045 | 0.040 |
| Maple Gold Mines | 1,299,000 | 163,810 | 0.13 | 123,405 | 0.095 |
| Margaret Lake Diamonds | 833,333 | 100,000 | 0.12 | 29,167 | 0.035 |
| Maxtech Ventures | 661,000 | 160,100 | 0.24 | 125,590 | 0.190 |
| Megastar Development | 150,000 | 9,770 | 0.07 | 6,000 | 0.040 |
| MGX Minerals | 859,179 | 621,992 | 0.72 | 386,630 | 0.450 |
| Montan Mining | 5,333 | 1,932 | 0.36 | 187 | 0.035 |
| Mountain Boy Minerals | 331,400 | 99,420 | 0.30 | 71,251 | 0.215 |
| Nickel One | 2,051,000 | 102,550 | 0.05 | 51,275 | 0.025 |
| Nouveau Life | 230,000 | 50,051 | 0.22 | 138 | 0.001 |
| NRG Metals | 300,000 | 26,230 | 0.09 | 27,000 | 0.090 |
| Pacific Silk Road | 145,000 | 119,011 | 0.82 | 2,900 | 0.020 |
| Parcelpal | 1,055,000 | 54,432 | 0.05 | 258,475 | 0.245 |
| Pistol Bay | 4,007,500 | 268,475 | 0.07 | 120,225 | 0.030 |
| Prospera Energy | 1,500,000 | 105,000 | 0.07 | 135,000 | 0.090 |
| Redfund Capital | 533,333 | 100,000 | 0.19 | 160,000 | 0.300 |
| Red Oak Mining | 100,000 | 12,000 | 0.12 | 32,000 | 0.320 |
| Sanatana Resources | 300,000 | 12,150 | 0.04 | 16,500 | 0.055 |
| Saville Resources | 6,671,000 | 345,110 | 0.05 | 233,485 | 0.035 |
| Sunvest Metals | 2,150 | 5,072 | 2.36 | 86 | 0.040 |
| True Leaf Medicine | 1,003,063 | 152,500 | 0.15 | 436,332 | 0.435 |
| Ultracharge | 1,200,000 | 53,758 | 0.04 | 11,653 | 0.010 |
| Vatic Resources | 467,522 | 70,128 | 0.15 | 28,051 | 0.060 |
| VOIP | 226,000 | 26,217 | 0.12 | 22,504 | 0.100 |
| Voltaic Minerals | 647,250 | 96,037 | 0.15 | 110,033 | 0.170 |
| White Metal Resources | 180,000 | 4,500 | 0.03 | 9,900 | 0.055 |
| WPC Resources | 435,000 | 21,750 | 0.05 | 10,875 | 0.025 |
| Balance, November 30, 2018 | | 8,788,557 | | 5,126,697 | |

Zimtu Capital Corp.

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6. INVESTMENTS (continued)

(b) Investments in warrants

| | Number of Warrants | Expiry Date | Weighted Average Exercise Price | Fair Value | Fair Value \$/Warrant |
|-----------------------------------|-----------------------|--------------------|--|----------------|--------------------------|
| 92 Resources | 750,000 | August 1, 2019 | 0.10 | 573 | 0.001 |
| Altamira Gold Corp. | 58,333 | April 5, 2019 | 0.33 | - | 0.000 |
| ALX Uranium Corp. | 500,000 | May 16, 2019 | 0.20 | 961 | 0.002 |
| Arctic Star Exploration | 2,479,861 | Various | 0.22 | 4,409 | 0.002 |
| Belmont Resources | 7,378,000 | Various | 0.06 | 97,963 | 0.013 |
| Berkwood Resources | 838,650 | Various | 0.39 | 181 | 0.000 |
| Canadian Energy Materials | 175,000 | January 5, 2020 | 0.25 | 1,073 | 0.006 |
| Commerce Resources | 14,000,000 | May 26, 2019 | 0.10 | 34,409 | 0.002 |
| Copper North | 120,000 | November 4, 2020 | 0.50 | 163 | 0.001 |
| Crown Mining | 666,666 | May 13, 2019 | 0.15 | 16,375 | 0.025 |
| Emerita Resources | 100,000 | December 20, 2019 | 1.00 | - | 0.000 |
| Golden Dawn | 300,000 | September 7, 2019 | 0.60 | - | 0.000 |
| Group Ten | 1,000,000 | February 27, 2020 | 0.12 | 95,838 | 0.096 |
| Kapuskasing | 2,500,000 | Various | 0.09 | 2,725 | 0.001 |
| King's Bay | 7,011,703 | Various | 0.12 | 40,662 | 0.006 |
| Maple Gold Mines | 465,000 | July 25, 2019 | 0.13 | 6,437 | 0.014 |
| Margaret Lake Diamonds | 833,333 | April 16, 2021 | 0.20 | 34,803 | 0.042 |
| Maxtech Ventures | 286,000 | March 9, 2020 | 0.45 | 6,873 | 0.024 |
| MGX | 516,667 | Various | 0.76 | 84,381 | 0.163 |
| Mountain Boy | 333,400 | March 15, 2019 | 0.50 | - | 0.000 |
| Nickel One | 1,736,970 | Various | 0.09 | 20,532 | 0.012 |
| Parcelpal | 750,000 | October 24, 2019 | 0.075 | 168,871 | 0.225 |
| Pistol Bay | 2,250,000 | April 25, 2020 | 0.08 | 34,544 | 0.015 |
| Prospera Energy | 750,000 | May 22, 2019 | 0.14 | 8,410 | 0.011 |
| Redfund Capital | 533,333 | August 1, 2020 | 0.55 | 98,478 | 0.185 |
| Rockcliff Metals | 555,667 | August 29, 2019 | 0.36 | 20,061 | 0.036 |
| Saville Resources | 2,000,000 | September 28, 2020 | 0.10 | 35,960 | 0.018 |
| Vatic Resources | 233,800 | January 11, 2021 | 0.10 | 13,035 | 0.056 |
| Voltaic Minerals | 645,000 | April 23, 2020 | 0.20 | 6,267 | 0.010 |
| Balance, February 28, 2019 | | | | 833,984 | |

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6. INVESTMENTS (continued)

(b) Investments in warrants (continued)

| | Number of Warrants | Expiry Date | Weighted Average Exercise Price | Fair Value | Fair Value \$/Warrant |
|-----------------------------------|-----------------------|--------------------|--|------------------|--------------------------|
| 92 Resources | 2,750,000 | Various | 0.14 | 2,378 | 0.001 |
| Altamira Gold Corp. | 58,333 | April 5, 2019 | 0.33 | - | 0.000 |
| ALX Uranium Corp. | 500,000 | May 16, 2019 | 0.20 | 6,127 | 0.012 |
| Arctic Star Exploration | 3,747,361 | Various | 0.17 | 25,641 | 0.007 |
| Belmont Resources | 7,575,667 | Various | 0.08 | 130,027 | 0.017 |
| Berkwood Resources | 838,650 | Various | 0.39 | 2,786 | 0.003 |
| Canada Cobalt Works | 416,666 | March 16, 2019 | 0.20 | 151,656 | 0.364 |
| Canadian Energy Materials | 175,000 | January 5, 2020 | 0.25 | 2,387 | 0.014 |
| Commerce Resources | 14,000,000 | May 26, 2019 | 0.10 | 65,782 | 0.005 |
| Copper North | 120,000 | November 4, 2020 | 0.50 | 428 | 0.004 |
| Crown Mining | 666,666 | May 13, 2019 | 0.15 | 21,356 | 0.032 |
| Emerita Resources | 500,000 | December 20, 2019 | 0.20 | - | 0.000 |
| Golden Dawn | 300,000 | September 7, 2019 | 0.60 | - | 0.000 |
| Group Ten | 1,000,000 | February 27, 2020 | 0.12 | 55,614 | 0.056 |
| Kapuskasing | 3,000,000 | Various | 0.12 | 4,537 | 0.002 |
| King's Bay | 7,011,703 | Various | 0.16 | 43,065 | 0.006 |
| Maple Gold Mines | 465,000 | July 25, 2019 | 0.13 | 7,034 | 0.015 |
| Margaret Lake Diamonds | 833,333 | April 16, 2021 | 0.20 | 13,777 | 0.017 |
| Maxtech Ventures | 286,000 | March 9, 2020 | 0.45 | 23,849 | 0.083 |
| MGX | 100,000 | December 27, 2020 | 1.15 | 15,347 | 0.153 |
| Mountain Boy | 333,400 | March 15, 2019 | 0.50 | 4,579 | 0.014 |
| Nickel One | 2,770,660 | Various | 0.10 | 12,867 | 0.005 |
| Parcelpal | 750,000 | October 24, 2019 | 0.075 | 132,479 | 0.177 |
| Pistol Bay | 2,250,000 | April 25, 2020 | 0.08 | 20,366 | 0.009 |
| Prospera Energy | 750,000 | May 22, 2019 | 0.14 | 28,634 | 0.038 |
| Redfund Capital | 533,333 | August 1, 2020 | 0.55 | 133,384 | 0.250 |
| Rockcliff Metals | 555,667 | August 29, 2019 | 0.36 | 28,855 | 0.052 |
| Saville Resources | 6,000,000 | September 28, 2020 | 0.10 | 99,660 | 0.017 |
| Vatic Resources | 467,522 | February 1, 2019 | 0.30 | - | 0.000 |
| Voltaic Minerals | 645,000 | April 23, 2020 | 0.20 | 3,568 | 0.006 |
| Balance, November 30, 2018 | | | | 1,036,183 | |

(c) Investment in Private Companies

| | Investments at fair value through profit or loss as at February 28, 2019 | | | | |
|-----------------------------------|--|----------------|----------|----------------|----------|
| | # of Shares | Cost Base | | Market Base | |
| | | \$ | \$/Share | \$ | \$/Share |
| Avalon Bridge | 500,000 | 25,000 | 0.05 | 25,000 | 0.050 |
| District One Exploration | 160,000 | 8,000 | 0.05 | 8,000 | 0.050 |
| Corsurex Resources | 18,906 | - | 0.00 | 1,890 | 0.100 |
| Hexa Resources | 601,809 | 55,142 | 0.09 | 127,614 | 0.201 |
| Jack's Fork Exploration | 2,307,500 | 239,388 | 0.10 | 72,844 | 0.030 |
| S1 Capital | 100,000 | 50,000 | 0.50 | 50,000 | 0.500 |
| Balance, February 28, 2019 | | 377,530 | | 285,348 | |
| | Investments at fair value through profit or loss as at November 30, 2018 | | | | |
| | # of Shares | Cost Base | | Market Base | |
| | | \$ | \$/Share | \$ | \$/Share |
| Avalon Bridge | 500,000 | 25,000 | 0.05 | 25,000 | 0.050 |
| Corsurex Resources | 18,906 | - | 0.00 | 1,890 | 0.100 |
| Hexa Resources | 601,809 | 55,142 | 0.09 | 127,615 | 0.201 |
| Jack's Fork Exploration | 2,307,500 | 239,388 | 0.10 | 72,844 | 0.030 |
| S1 Capital | 100,000 | 50,000 | 0.50 | 50,000 | 0.500 |
| Balance, November 30, 2018 | | 369,530 | | 277,349 | |

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6. INVESTMENTS (continued)

(d) Investment in GIC

As at February 28, 2019, the Company had two guaranteed investment certificates totaling \$34,500 (November 30, 2018: \$34,500). Of the total, \$23,000 matures on March 5, 2020 with an interest rate of prime minus 2.6%. The remaining \$11,500 matures on July 4, 2019 with an interest rate of prime minus 2.45%.

(e) Investment in Dimension Five Technologies

| | Total |
|--|------------|
| At November 30, 2017 | \$ - |
| Shares received for sale of software (Note 19) | 300,000 |
| Sale of shares (Note 19) | (180,000) |
| Purchase of shares in private placement | 100,000 |
| Loss from equity investee | (26,008) |
| At November 30, 2018 | 193,992 |
| Fair market value adjustment | 80,000 |
| Loss from equity investee | (15,724) |
| At February 28, 2019 | \$ 258,268 |

On July 1, 2018, the Company received 10,000,000 shares of Dimension Five Technologies Inc. (“D5”) valued at \$300,000 for the sale of the Zimtu App (see Note 19) and immediately sold 6,000,000 of the received shares to management and employees of the Company, for \$0.03 per share for gross proceeds of \$180,000, all covered by promissory notes. On July 27, 2018, the Company acquired 2,000,000 shares valued at \$0.05 in a private placement. During the three months ended February 28, 2019, the investment was adjusted for \$15,724 (February 28, 2018: \$nil) of equity loss due to the decrease of net assets of D5. As at February 28, 2019, the Company holds 6,000,000 shares of D5, equal to 26% (November 30, 2018: 26%) of D5’s outstanding common shares.

The financial information of D5 as of February 28, 2019 and November 30, 2018 are presented as follows:

| | February 28, 2019 | November 30, 2018 |
|----------------------|----------------------|----------------------|
| | \$ | \$ |
| Current assets | 397,297 | 443,018 |
| Non-current assets | 320,306 | 300,000 |
| Current liabilities | 48,331 | 28,267 |
| Shareholders’ equity | 669,272 | 714,751 |

| | December 1, 2018 to February 28, 2019 | July 1, 2018 to November 30, 2018 |
|-------------------------|--|--------------------------------------|
| | \$ | \$ |
| Revenue | 50,507 | 50,000 |
| Total expenses | 95,987 | 165,656 |
| Net loss for the period | (45,480) | (115,656) |

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7. ADVANCES AND AMOUNTS RECEIVABLE

The Company's current advances and amounts receivable consists of amounts billed and outstanding for providing marketing, managerial, and administrative services. The amounts are unsecured, non-interest bearing, and have no specific terms of repayments.

Promissory notes are issued to management and employees for the private sale of shares. These notes are non-interest bearing, have specific dates of repayment but due on demand, and hold share certificates as collateral. The borrowers have the option of repaying by either cash based on the nominal amount of the notes or the underlying shares. The fair values of the promissory notes as at each reporting date are determined as the lower of the market value of the underlying shares and the nominal loan amount.

| | February 28, 2019 \$ | November 30, 2018 \$ |
|--|----------------------------|----------------------------|
| Accounts receivable | 504,098 | 509,250 |
| Allowance for doubtful accounts | (63,855) | (63,855) |
| Accounts receivable – net of allowance: | 440,243 | 445,395 |
| Promissory note receivable – nominal value | 609,000 | 609,750 |
| Promissory note receivable – Fair value Change | (70,833) | (93,542) |
| Promissory note receivable – Fair value | 538,167 | 516,208 |
| Total advances and amounts receivable: | 978,410 | 961,603 |

As at February 28, 2019, accounts receivable of \$63,855 (November 30, 2018: \$63,855) were impaired and fully provided by allowance. See below for the movements in the provision for impairment of receivable:

| | |
|-------------------------------|-----------|
| | \$ |
| As of November 30, 2017 | 309,403 |
| Charge for the year | 16,787 |
| Utilized | (262,335) |
| As of November 30, 2018 | 63,855 |
| Charge for the year (Note 14) | - |
| Utilized | - |
| As of February 28, 2019 | 63,855 |

8. PREPAID EXPENSES

The Company's current prepaid expenses consist mainly of payments made for future investments, marketing expenses paid in advance of service, and advance payments made on the Company's credit card or as employee advances.

| | February 28, 2019 \$ | November 30, 2018 \$ |
|--------------------------------|----------------------------|----------------------------|
| Prepaid share subscription fee | 110,000 | 55,000 |
| Deposits (Note 17) | 18,873 | 18,873 |
| Others | 59,688 | 26,514 |
| Total prepaid expenses | 188,561 | 100,387 |

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9. RELATED PARTY TRANSACTIONS

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

| Three Months ended February 28, | 2019 | 2018 |
|-------------------------------------|-----------|-----------|
| Key management compensation* | \$ | \$ |
| Key management compensation | 175,281 | 168,346 |

| Three Months ended February 28, | 2019 | 2018 |
|---|-----------|-----------|
| Revenue** | \$ | \$ |
| Management administration fees | 90,000 | 90,000 |
| Corp development and advertising income | 11,111 | 7,700 |
| Other income | - | 1,500 |
| Expenses | | |
| Licensing fees (Note 19) | 35,600 | - |

| Amounts due from related parties | February 28, 2019 | November 30, 2018 |
|---|----------------------|----------------------|
| | \$ | \$ |
| Commerce Resources Corp. | 815,232 | 684,309 |
| Promissory note receivable -Fair Value | | |
| David Hodge, CEO and director | 54,000 | 52,250 |
| Jody Bellefleur, CFO | 26,000 | 25,000 |
| Kevin Bottomley, director | 114,000 | 113,750 |
| Sean Charland, director | 44,000 | 43,000 |
| Chris Grove, director | 96,333 | 85,417 |
| Loan receivable | | |
| Core Assets Corp. | - | 5,100 |
| Total amount due from related parties | 1,149,566 | 1,008,826 |

* 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.

** The Company provides Management and Administrative services to related parties. These services include rent, office costs, administration, and staffing.

Zimtu Capital Corp.

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10. MINERAL PROPERTY INTERESTS

| Property Name | Partner | Balance, November 30, 2018 \$ | Additions \$ | Impairment \$ | Property sales \$ | Balance, February 28, 2019 \$ |
|-------------------------|----------|--|-----------------|------------------|-------------------------|--|
| Blue Property (α) | N/A | 26,500 | - | - | - | 26,500 |
| Carbonatite Ridge (α) | N/A | - | 888 | - | - | 888 |
| Covette II Property (α) | N/A | 3,712 | - | - | - | 3,712 |
| Deep Bay/Simon Lake (α) | Dahrouge | 4,847 | - | - | - | 4,847 |
| Mell & Tucha Claims (α) | Dahrouge | 7,045 | - | - | - | 7,045 |
| Munn Lake (α) | Dahrouge | 62,416 | - | - | - | 62,416 |
| Nunavut (c) (α) | Various | 27,005 | - | - | - | 27,005 |
| Rare Metal Belt (α) | N/A | - | 10,000 | - | - | 10,000 |
| Pell Claims (α) | Dahrouge | 2,888 | - | - | - | 2,888 |
| Silver Lime (α) | N/A | 8,000 | - | - | - | 8,000 |
| | | 142,413 | 10,888 | - | - | 153,301 |

| Property Name | Partner | Balance, November 30, 2017 \$ | Additions \$ | Impairment \$ | Property sales \$ | Balance, November 30, 2018 \$ |
|-------------------------|----------|--|-----------------|------------------|-------------------------|--|
| AB Potash (α) | Dahrouge | 84 | - | (84) | - | - |
| Blue Property (α) | N/A | - | 26,500 | - | - | 26,500 |
| Carlow Lithium (α) | Dahrouge | 5,193 | - | (5,193) | - | - |
| Covette Property (d) | N/A | 335,999 | 1,255 | - | (337,254) | - |
| Covette II Property (α) | N/A | 3,712 | - | - | - | 3,712 |
| Deep Bay/Simon Lake (α) | Dahrouge | 7,339 | 1,069 | (3,561) | - | 4,847 |
| Eastmain River (α) | N/A | 3,041 | - | (3,041) | - | - |
| Johnson Croft (b) | N/A | 360 | - | - | (360) | - |
| Lac Gueret Graphite (α) | N/A | 239 | - | (239) | - | - |
| Lac Patu Vanadium (e) | S. Jamal | - | 6,261 | - | (6,261) | - |
| Mell & Tucha Claims (α) | Dahrouge | 2,450 | 4,595 | - | - | 7,045 |
| Munn Lake (α) | Dahrouge | 133,202 | 44,064 | (114,850) | - | 62,416 |
| Nunavut (c) (α) | Various | 12,037 | 14,968 | - | - | 27,005 |
| Pelican Frac Sands (α) | Dahrouge | 7,049 | - | (7,049) | - | - |
| Pell Claims (α) | Dahrouge | - | 2,888 | - | - | 2,888 |
| Silver Lime (α) | N/A | - | 8,000 | - | - | 8,000 |
| Two Creeks (α) | Dahrouge | - | 648 | (648) | - | - |
| | | 510,705 | 110,248 | (134,665) | (343,875) | 142,413 |

(α) Properties Held for Sale

Joint Venture Partners

Dahrouge Geological Consulting Corp., 877384 Alberta Ltd., and DG Resource Management Ltd. (“Dahrouge”)

The Company entered into verbal mutual agreements with Dahrouge Geological Consulting Corp. (“Dahrouge”), 877384 Alberta Ltd. (“877384”), and DG Resource Management Ltd. (“DG Resource”), in which Dahrouge, 877384, and/or DG Resource will stake and hold the ownerships of the properties on behalf of the Company.

Zimtu Capital Corp.

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10. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties

(a) Alberta Lithium & Two Creeks

On February 1, 2016, the Company announced that the Company and two of its prospecting partners have signed an agreement with MGX Minerals Inc. (“MGX Minerals”) whereby MGX Minerals can acquire a 100%-interest in 12 Metallic and Industrial Mineral Permits and Permit Applications encompassing 96,000 hectares throughout the Province of Alberta (the “Properties”). For its participation in the transaction, the Company will receive cash and share payments from MGX Minerals as follows: (i) \$10,000 on signing (received), 250,000 common shares within 10 days of signing (received with a fair value of \$52,500), 250,000 common shares within 12 months of signing (received with a fair value of \$140,000), and 250,000 common shares within 24 months of signing (received with a fair value of \$447,500). During the three months ended February 28, 2019, \$nil (November 30, 2018: \$447,500) is recognized as revenue from the property sale.

(b) Johnson Croft Property

On November 17, 2017, the Company signed an agreement with Karim Rayani (“Mr. Rayani”) whereby Mr. Rayani can earn a 100% interest in and to the Johnson Croft Property. For its participation in the transaction, the Company will receive \$7,500 (\$7,500 received). During the three months ended February 28, 2019, \$nil (November 30, 2018: \$7,140) is recognized as revenue from the property sale.

(c) Nunavut Property

On November 23, 2017, the Company and its prospecting partners signed an agreement with John Tugak (“Mr. Tugak”) to acquire certain rights to approximately 579 hectares in the Huckleberry Exploration Area, to be called the Nunavut Property, located in Nunavut, Canada. The total cost of property is \$612,525 in staged payments over 20 years (\$40,000 paid). The Company will own 29% of the property.

(d) Covette Property

On November 27, 2017, the Company signed an agreement with Saville Resources Inc. (“Saville”) whereby Saville can earn a 100% interest in and to the Covette Property, in the James Bay Region of Quebec. For its participation in the transaction, the Company received \$350,000. During three months ended February 28, 2019, \$nil (November 30, 2018: \$12,746) is recognized as revenue from the property sale.

(e) Lac Patu Vanadium Project

On August 15, 2018, the Company and one of its prospecting partners signed an agreement with Maxtech Ventures Inc. (“Maxtech”) whereby Maxtech can earn a 100% interest in and to the Lac Patu Vanadium Project. For its participation in the transaction, the Company will receive \$92,500 (\$22,500 received) and 1,625,000 common shares of Maxtech over a 2 year period (375,000 received). The vendors will collectively retain a 2% Net Smelter Royalty on production, of which 1% can be purchased by Maxtech for \$1 million. During the months ended February 28, 2019, \$76,240 (November 30, 2018: \$76,240) is recognized as revenue from the property sale.

11. UNEARNED REVENUE

The Company has entered into agreements with multiple companies to provide corporate development and marketing services for a twelve-month period. These services are billed for in advance and recorded as revenue on the first of the month. Amounts received for services provided in the future are included as unearned revenue.

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12. PROMISSORY NOTES PAYABLE

The Company entered into an agreement to privately acquire shares from an individual. The promissory note has a principal balance totaling \$83,100 (November 30, 2018 - \$83,100), is non-interest bearing, and due to be paid by June 21, 2016. The parties have mutually agreed to extend this promissory until June 17, 2019. During the three months ended February 28, 2019, the Company paid \$nil towards this promissory note.

13. SHARE CAPITAL

- a) Authorized: Unlimited common shares without par value.
- b) Issued: There were no common shares issued during the three months ended February 28, 2019 or the year ended November 30, 2018.
- c) Share purchase warrants: There are no outstanding share purchase warrants as at February 28, 2019 and November 30, 2018.
- d) Finder's Warrants/Agent's Options: There are no outstanding finder's warrants/agent's options as at February 28, 2019 and November 30, 2018.
- e) Stock Option Plan

The Company has a Stock Option Plan (the "Plan") under which it is authorized to grant options to directors, officers, consultants or employees of the Company. At the Company's Annual General Meeting on April 18, 2017, the shareholders approved the "2017 Stock Option Plan", and set the number of options granted under the Plan to be fixed at 3,078,896 (November 30, 2018: 3,078,896), which is equal to 20% of the issued and outstanding shares. Options granted under the Plan have a maximum life of five years. Options granted to employees and consultants vest fully on grant. Options issued to investor relations consultants vest in stages over 12 months with one quarter of the options vesting in any three-month period.

On March 26, 2018, the Company granted 930,000 stock options at an exercise price of \$0.325 for a term of 5 years. Of the total, 570,000 were issued to directors and officers of the Company. The fair value of each option was calculated using the Black-Scholes pricing model assuming a risk-free interest rate of 2.09%, a dividend yield of nil, an expected volatility of 89.29% and an average expected life of 5 years. The share-based compensation related to these stock options have been determined to be \$210,940.

On March 29, 2018, the Company cancelled 210,000 stock options priced at \$0.50 with an expiry date of March 31, 2019 and 150,000 stock options priced at \$0.50 with an expiry date of April 30, 2019.

On April 12, 2018, the Company granted 300,000 stock options to a consultant at an exercise price of \$0.355 for a term of 3 years. The fair value of each option was calculated using the Black-Scholes pricing model assuming a risk-free interest rate of 2.01%, a dividend yield of nil, an expected volatility of 91.20% and an average expected life of 3 years. The share-based compensation related to these stock options have been determined to be \$62,131.

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13. SHARE CAPITAL (continued)

e) Stock Option Plan (continued)

A summary of the stock option transactions under the Company's stock option plan is presented below:

| | February 28, 2019 | | November 30, 2018 | |
|--|-------------------|---------------------------------|-------------------|---------------------------------|
| | Number of Options | Weighted Average Exercise Price | Number of Options | Weighted Average Exercise Price |
| Outstanding and exercisable, beginning of year | 3,010,000 | \$ 0.32 | 2,140,000 | \$ 0.34 |
| Granted | - | - | 1,230,000 | 0.33 |
| Cancelled/Expired | (100,000) | 0.50 | (360,000) | 0.50 |
| Outstanding and exercisable, end of period | 2,910,000 | \$ 0.31 | 3,010,000 | \$ 0.32 |

As at February 28, 2019 and November 30, 2018, the Company had the following stock options outstanding:

| Expiry Date | Exercise Price | February 28, 2019 Number of options | November 30, 2018 Number of options |
|-------------------|----------------|--|--|
| February 25, 2019 | \$0.50 | - | 100,000 |
| April 30, 2019 | \$0.50 | 150,000 | 150,000 |
| June 10, 2021 | \$0.28 | 1,530,000 | 1,530,000 |
| March 26, 2023 | \$0.325 | 930,000 | 930,000 |
| April 12, 2021 | \$0.355 | 300,000 | 300,000 |
| | | 2,910,000 | 2,140,000 |

14. GENERAL AND ADMINISTRATIVE EXPENSES

During the three months ended February 28, 2019 and 2018, the Company incurred the following general and administrative expenses:

| | 2019 | 2018 |
|---|----------------|----------------|
| Expenses | | |
| Advertising and promotion | \$ 103,829 | \$ 115,298 |
| Filing fees and transfer agent expenses | 5,694 | 6,020 |
| Office, rent and telephone | 75,833 | 72,376 |
| Professional fees | 17,471 | 114,408 |
| Wages and benefits | 373,569 | 422,328 |
| | 576,396 | 730,430 |

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

15. SEGMENT 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 three months ended February 28, 2019

| | Investment in mineral properties \$ | Management services \$ | Corporate \$ | Total \$ |
|--|---|------------------------------|-----------------|-------------|
| Revenue | | | | |
| Administrative fees | - | 165,000 | - | 165,000 |
| Corporate development fees | - | 260,125 | - | 260,125 |
| Income from property sale | - | - | - | - |
| | - | 425,125 | - | 425,125 |
| Segment assets | 153,301 | - | 8,551,226 | 8,704,527 |
| Expenditure for segment capital assets | 10,888 | - | - | 10,888 |

For the three months ended February 28, 2018

| | Investment in mineral properties \$ | Management services \$ | Corporate \$ | Total \$ |
|----------------------------|--|------------------------------|-----------------|-------------|
| Revenue | | | | |
| Administrative fees | - | 202,500 | - | 202,500 |
| Corporate development fees | - | 340,208 | - | 340,208 |
| Income from property sale | 449,640 | - | - | 449,640 |
| | 449,640 | 542,708 | - | 992,348 |

For the year ended November 30, 2018

| | | | | |
|--|---------|---|-----------|-----------|
| Segment assets | 142,413 | - | 9,027,407 | 9,169,820 |
| Expenditure for segment capital assets | 110,248 | - | - | 110,248 |

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements
For the three months ended February 28, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

| | February 28, 2019 | February 28, 2018 |
|---|----------------------|----------------------|
| Payable (Prepaid) expenses for share subscription | \$ 110,000 | \$ 102,550 |
| Shares received for property sales | \$ - | \$ (447,500) |
| Shares received for debt | \$ - | \$ (321,392) |
| Shares received on exercise of warrant | \$ 83,333 | \$ - |

17. LONG-TERM LEASE OBLIGATIONS

The Company leases its main office premises under a long-term lease that expires September 1, 2019. The basic rent under the lease agreement is set out in the table below. In addition, the Company is required to pay realty taxes, maintenance, and other costs for the leased premises. The Company also paid one month's basic rent of \$18,873 to the landlords as the deposit and will be applied to the last month of rent in the Company's lease. This amount was recorded as deposits and has been classified as current assets and long-term assets respectively as at November 30, 2018 and 2017.

The rent payable in the next fiscal years is as follows:

| | |
|-------------------|---------------|
| November 30, 2019 | <u>90,144</u> |
|-------------------|---------------|

The Company also leases a second office premises under a sub-lease effective June 1, 2017 that expires May 31, 2020. The basic rent under the lease agreement is set out in the table below. In addition, the Company is required to pay realty taxes, maintenance, and other costs for the leased premises.

The rent payable in each of the next two fiscal years is as follows:

| | |
|-------------------|------------------|
| November 30, 2019 | 30,065 |
| November 30, 2020 | <u>15,227</u> |
| | <u>\$ 45,292</u> |

18. GAIN ON SETTLEMENT OF DEBT

In December 2017, the Company received 3,650,000 shares of Saville Resources Ltd. with a deemed price of \$0.06 per share to settle \$219,000 of debt. On the day the shares were received, the fair value of the shares was \$273,750, or \$0.075 per share. The gain of \$54,750 has been recorded in statement of income for the year ended November 30, 2018.

19. SALE OF SOFTWARE

On July 1, 2018, the Company entered into an agreement with Dimension Five Technologies Inc. ("D5") to sell the Zimtu App, a software program developed by the Company. For its part in the transaction, the Company received 10,000,000 common shares of D5, valued at \$0.03 per share. During the year ended November 30, 2018, \$135,321 (2017: \$nil) is recognized as income from sale of software.

On July 1, 2018, the Company entered into a licensing agreement with D5 for access to the Zimtu App for \$10,000 per month for 18 months. Of the total shares received, 6,000,000 shares were sold to private individuals at \$0.03 per share and promissory notes were issued to the purchasers which will come due in five years but due on demand (see Note 7 and Note 9).

On September 11, 2018, the Company has entered into an App Further Development Agreement with D5. The Company will pay for the app development and marketing services provided by D5 for \$100,000. As of November 30, 2018, the service has not been provided and \$nil has been paid by the Company to D5.

Zimtu Capital Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

21. RECLASSIFICATION OF COMPARATIVE AMOUNTS

Certain comparative amounts for the prior period have been reclassified to conform to current period presentation. Such reclassifications had no effect on net income or shareholders' equity.

22. EVENTS AFTER THE REPORTING PERIOD

- a. On March 20, 2019, the Company closed a non-brokered private placement (the “Private Placement”) of 1,112,000 units (the “Units”) at a price of \$0.25 per Unit, for gross proceeds of \$278,000. Each Unit is comprised of one common share and one non-transferable share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company for a period of 24 months from the date of closing at an exercise price of \$0.30. Finder’s fees or brokers’ commissions may be paid in accordance with TSX Venture Exchange (“TSX-V”) policies. All securities will be subject to a four-month hold period from the closing date. The Private Placement is subject to TSX-V approval. The Company intends to use the proceeds from the Private Placement for working capital.