zimtu CAPITAL CORP.

Financial Statements

November 30, 2013 and 2012

(Expressed in Canadian Dollars)

Management’s Responsibility

To the Shareholders of Zimtu Capital Corp. (the “Company”):

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

March 28, 2014

(signed)

David Hodge
President and director

(signed)

Jody Bellefleur
CFO

Independent Auditors' Report

To the Shareholders of Zimtu Capital Corp.:

We have audited the accompanying financial statements of Zimtu Capital Corp., which comprise the statements of financial positions as at November 30, 2013 and 2012, the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Zimtu Capital Corp. as at November 30, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Vancouver, Canada
March 28, 2014

Chartered Accountants

Zimtu Capital Corp.
Statements of Financial Position
As at November 30,
(Expressed in Canadian Dollars)

		2013		2012
Assets				
Current				
Cash and cash equivalents	$	**25,402**	$	223,341
Investments (Note 6)		**6,142,128**		7,790,306
Advances and amounts receivable (Note 11)		**373,345**		314,576
Prepaid expenses (Note 12)		**98,756**		75,490
		6,639,631		8,403,713
Loan receivable (Note 13)		**145,905**		178,930
Deposits (Note 14)		**17,562**		17,562
Investments in equity method investees (Note 7)		**-**		1,177,953
Deferred tax asset		**-**		666,399
Equipment (Note 9)		**27,181**		50,616
Mineral property interests (Note 8)		**382,404**		334,850
	$	**7,212,683**	$	10,830,023
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 15)	$	**289,779**	$	110,711
GST/HST payable		**7,118**		25,982
Due to related parties (Note 18)		**15,847**		12,820
Income taxes payable (Note 22)		**-**		4,783
		312,744		154,296
Equity				
Share capital (Note 10)		**7,874,331**		7,874,331
Reserves (Note 10)		**3,779,648**		3,779,648
Retained earnings		**(4,754,040)**		(978,252)
Common shareholders' equity		**6,899,939**		10,675,727
	$	**7,212,683**	$	10,830,023

On behalf of the Board:

"David Hodge" Director   *"Patrick Power"* Director

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

Zimtu Capital Corp.
Statements of Operations and Comprehensive Loss
For the years ended November 30,
(Expressed in Canadian Dollars)

		2013		2012
Revenue				
Administrative fees	**$**	**1,331,755**	$	1,453,532
Gain (loss) on sale of investments		**(904,760)**		184,842
Income from property sale		**503,878**		1,429,433
		930,873		3,067,807
Expenses				
General and administrative expenses (Note 17)		**2,449,457**		2,683,333
Income before other items		**(1,518,584)**		384,474
Other items				
Interest income		**665**		3,800
Foreign exchange loss		**(20)**		(2,643)
Penalties and interest		**(2,200)**		(6,788)
Gain on transaction		**186,538**		-
Loss on dissolution of 0755032 BC Ltd. (Note 5)		**-**		(120)
Deconsolidation of Pasinex (Note 7)		**-**		1,242,197
Equity loss of affiliates (Note 7)		**(79,228)**		(361,584)
Impairment of mineral properties		**(2,811)**		(66,493)
Unrealized loss on investments		**(1,286,390)**		(4,026,195)
Write off marketable securities		**(472,087)**		-
Other income		**60,223**		204,608
		(1,595,310)		(3,013,218)
(Loss) before income taxes (recovery)		**(3,113,894)**		(2,628,744)
Income taxes (Note 22)				
Current taxes recovery (expense)		**4,505**		520,882
Deferred taxes recovery (expense)		**(666,399)**		621,536
		(661,894)		1,142,418
Net (loss) and comprehensive (loss) for the year		**(3,775,788)**		(1,486,326)
Net loss and comprehensive loss attributable to owners of the Company		**(3,775,788)**		(1,403,879)
Net loss and comprehensive loss attributable to non-controlling interest		**-**		(82,447)
	$	**(3,775,788)**	$	(1,486,326)
Basic loss per share	$	**(0.33)**	$	(0.14)
Diluted loss per share	$	**(0.33)**	$	(0.14)
Weighted average number of shares outstanding				
- basic		**11,275,487**		10,745,326
- diluted		**11,275,487**		10,745,326

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

Zimtu Capital Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Equity attributable to the owners of the Company						
	Share Capital						
	No. of Shares	Amount	Reserves	Retained Earnings/ (Deficit)	Total	Non-controlling interest	Total Equity
Balance, November 30, 2011	**10,003,266**	**$ 6,463,704**	**$ 3,779,648**	**$ 425,627**	**$ 10,668,979**	**$ 112,095**	**$ 10,781,074**
Sale of shares in Pasinex	-	-	-	-	-	206,423	206,423
Shares issued	1,262,221	1,514,665	-	-	1,514,665	-	1,514,665
Share issuance cost	-	(104,038)	-	-	(104,038)	-	(104,038)
Net loss for the year	-	-	-	(1,403,879)	(1,403,879)	(82,447)	(1,486,326)
Deconsolidation of a subsidiary (Note 7)	-	-	-	-	-	(236,071)	(236,071)
Balance, November 30, 2012	**11,265,487**	**$ 7,874,331**	**$ 3,779,648**	**$ (978,252)**	**$ 10,675,727**	**$ -**	**$ 10,675,727**
Net loss for the year	-	-	-	(3,775,788)	(3,775,788)	-	(3,775,788)
Balance, November 30, 2013	**11,265,487**	**$ 7,874,331**	**$ 3,779,648**	**$(4,754,040)**	**$ 6,899,939**	**$ -**	**$ 6,899,939**

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

Zimtu Capital Corp.
Statements of Cash Flows
For the year ended November 30,
(Expressed in Canadian Dollars)

		2013		2012
Operating Activities				
Net loss for the year	$	**(3,775,788)**	$	(1,486,326)
Items not involving cash:				
Unrealized loss of investments		**1.286.390**		4.026.195
Income from property sale		**(487,378)**		(1,429,433)
Amortization		**25,395**		82,502
Administrative fees		**48.505**		47.469
Loss on dissolution of 0755032 BC Ltd.		**-**		120
Loss (gain) on sale of investment		**904.760**		(184.842)
Share based payment		**-**		(247,504)
Shares received for finder's fees		**(5.000)**		-
Deconsolidation of Pasinex		**-**		(1,242,197)
Gain on transaction		**(186.538)**		-
Impairment of mineral property		**2,811**		66,493
Write off marketable securities		**472.087**		-
Equity loss on affiliates		**79,228**		361,584
Current income taxes		**(4,783)**		(634,621)
Deferred income taxes		**666,399**		(621,538)
Changes in non-cash working capital				
Amounts receivable		**(77,633)**		18,224
Prepaid expenses and deposit		**(23,266)**		76,933
Accounts payable and accrued liabilities		**108,140**		(62,679)
Due to (from) related parties		**-**		(12.685)
Cash (used in) operating activities		**(966,663)**		(1,242,305)
Investing Activities				
Acquisition of investments		**(1,117,487)**		(3,524,041)
Proceeds on disposition of investments		**1,883,777**		2,400,309
Loans receivable		**33,025**		-
Mineral property acquisitions		**(43,833)**		(410,615)
Proceeds on disposition of mineral properties		**15,210**		397,500
Recovery (acquisition) of equipment		**(1.960)**		(33.004)
Cash disposition as a result of deconsolidation		**-**		(559,165)
Cash generated from investing activities		**768,724**		(1,729,016)
Financing Activities				
Proceeds from issuance of shares, net of share issuance costs		**-**		1,410,627
Minority interests' investment		**-**		767,000
Cash provided by financing activities		**-**		2,177,627
Change in cash during the year		**(197,939)**		(793,694)
Cash, beginning of year		**223,341**		1,017,035
Cash, end of year	$	**25,402**	$	223,341

Supplemental disclosure with respect to cash flows (Note 16)
The accompanying notes are an integral part of these financial statements.

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 financial statements were authorized for issue by the Audit Committee and Board of Directors on March 28, 2014.

2. BASIS OF PREPARATION

a) Statement of Compliance

The 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").

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:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs;
- Classifying categories of financial assets and financial liabilities in accordance with IAS 39, *Financial instruments: recognition and measurement; and*
- Evaluating if the criteria for recognition of provisions and contingencies are met in accordance with IAS 37, *Provisions, contingent liabilities and contingent assets.*

(Expressed in Canadian Dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

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

- 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;
- The determination of useful lives of equipment;
- The inputs used in assessing the recoverability of deferred tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income;
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods;
- The assumptions used to calculate fair value of investments in private company securities not quoted in an active market; and
- The inputs used in accounting for share-based payments.

4. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The 2012 comparative financial statements included the accounts of the Company and the entities controlled by the Company:

Entity	*Jurisdiction*	*Principal Business and Ownership*
0755032 BC Ltd. ("0755032")	BC, Canada	Holding, wholly owned subsidiary
Pasinex Resources Limited ("Pasinex")	BC, Canada	Junior mining, 69.55% owned subsidiary

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

On November 30, 2012, 0755032 was voluntarily dissolved. As a result, the Company deconsolidated all assets and liabilities associated with 0755032, and hence recognized a loss on dissolution of 0755032 of $120. The financial results of Pasinex were consolidated in the financial statements of the Company up to March 8, 2012. 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%, and Pasinex continued to be accounted for as an equity method investment (see Note 7(a)). On June 4, 2013, Pasinex issued additional shares and the Company's holdings fell to 17% and the Company recorded the investments at its fair value.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks, and highly liquid investments with an original maturity of three months or less. There were cash equivalents consisting of money market funds of $nil as at November 30, 2013 (November 30, 2012: $23,867).

Investments

Investments consist of investments in shares, warrants and options of public and private companies and fixed term deposit held at the bank with a maturity of more than three months and less than twelve months at the time of issuance, which are recorded at fair value, except for those investments in shares that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, which is recorded at cost.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

The Company classifies its investments in shares into at fair value through profit or loss and available-for-sale categories. Investments that are bought and held principally for the purpose of selling them in the near term are classified as fair value through profit or loss and are reported at fair value, with unrealized gains and losses recognized in earnings. Investments not classified as at fair value through profit or loss are classified as available-for-sale and are carried at fair market value, with the unrealized gains and losses, net of tax, included in other comprehensive income and reported in equity. The fair value of substantially all investments is determined by quoted market prices, except for those investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost. The investments in warrants and options of public and private companies are fair valued using Black-Scholes option model if there is no active market for the warrants and options, as this is a commonly used valuation technique by market participants. If there exists an active market for the warrants and options, they are valued at closing ask prices at reporting year end.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method at the following annual rates:

Computer equipment	-	2 years
Office furniture	-	3 years
Leasehold Improvements	-	5 years (lease term)

Additions during the year are amortized on a pro-rata basis based on the annual amortization amount.

Mineral property interests

Mineral property interests involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Mineral property interests incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, mineral property interests incurred are capitalized. All capitalized mineral property interests are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of operations and comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to "Mines under construction". No amortization is taken during the exploration and evaluation phase.

From time to time, the Company may acquire or dispose of a mineral property interest, either by an option agreement or an acquisition agreement. As the consideration payable may consist of options, which are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statement of operations and comprehensive loss.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and regulatory requirements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency transaction

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiary is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities that are measured at historical costs are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations and comprehensive loss.

Financial instruments

Financial Assets

Financial assets are classified into one of the following categories: fair value through profit or loss, loans and receivables, available-for-sale, or held-to-maturity investments. The classification depends on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. Management determines the classification of its financial asset at initial recognition. The Company’s accounting policy for each category is as follows:

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term and are classified as current assets. Financial assets at FVTPL are initially recognized at fair value with changes in fair value recorded through income. Cash and cash equivalents, GIC and investment in public company shareholdings are included in this category of financial assets. Investments in warrants and options are also classified as FVTPL and are carried at fair market value by using Black-Scholes option model if there is no active market for the warrants and options, as this is a commonly used valuation technique by market participants. If there exists an active market for the warrants and options, they are valued at closing ask prices at year-end.

(ii) Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as “trading” assets, have not been designated at fair value through profit or loss or as available-for-sale and for which the holder may recover substantially all of its initial investment, other than because of credit deterioration. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivable are derecognized or impaired, as well as through the amortization process. Advances and amounts receivable, loan receivable, subscription receivable and due from related parties are classified as loans and receivables. They are recorded at cost, which on initial recognition represents their fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial Assets (continued)

(iii) Available-For-Sale Investments
Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally of the Company's strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale investments are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. Purchase and sales of available-for-sale financial assets are recognized on a trade date basis. On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost. Investments in equity instruments not classified as at fair value through profit or loss are classified as available-for-sale and are carried at fair market value, with the unrealized gains and losses, net of tax, included in the determination of comprehensive income and reported in equity. The fair value of substantially all investments is determined by quoted market prices, except for those investments that do not have a quoted market price in an active market, which are measured at cost.

(iv) Held-to-maturity investments
The held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as held-to-maturity investments.

Impairment on Financial Assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized; the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial Liabilities
Financial liabilities are all classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise accounts payables and accrued liabilities and amounts due to related parties. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. The Company's due to related parties and accounts payable and accrued liabilities are classified as other financial liabilities.

Revenue recognition

Revenues are recognized on the following bases:

(i) Interest income is recorded on an accrual basis at the stated interest rate over the term of the related instrument;
(ii) Revenue from management and administrative services is recognized upon completion of the service, and when collectability is reasonably assured.
(iii) Realized gains on investments are recorded upon disposal of the investment, on a trade date basis;
(iv) Unrealized gains and losses arising from market prices in effect at the date of statement of financial position for investments at fair value through profit or loss are recorded at the date of the statement of financial position;
(v) Revenue from mineral sales is recognized at the time that title and risk of ownership have passed, collection is reasonably assured and the price is determinable. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statement of operations and comprehensive loss; and
(vi) Revenue from property advisory services is recognized when the service is performed, collection is reasonably assured, and the price is determinable.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, which vest immediately and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities on an undiscounted basis, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Earnings/Loss per share

Basic earnings / loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings / loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Long lived assets impairment

The carrying values of long-lived assets with fixed or determinable lives are reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of discounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment charges are recorded in the period in which determination of impairment is made by management.

Assets with indefinite or indeterminable lives are not amortized and are reviewed for impairment on a reporting period basis using fair value determinations through management's estimate of recoverable value.

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is an indication of impairment, then the asset's recoverable amount is estimated.

An asset's recoverable amount is the higher of an asset's or cash-generating units ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit or loss.

Accounting standards not yet adopted

The following standards and interpretations have not been in effect as they will only be applied for the first time in future periods. They may result in consequential changes to the accounting policies and other note disclosures. The Company has not yet assessed the impacts of the standards or determined whether it will adopt the standards early.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting standards not yet adopted (continued)

IFRS 7 Financial instruments: disclosures and IAS 32 Financial instruments: presentation
Financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014.

IFRS 9 Financial instruments
IFRS 9 was issued in November 2009 and subsequently amended as part of an ongoing project to replace IAS 39 Financial instruments: Recognition and measurement. The standard requires the classification of financial assets into two measurement categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The two categories are those measured at fair value and those measured at amortized cost. The classification and measurement of financial liabilities is primarily unchanged from IAS 39. However, for financial liabilities measured at fair value, changes in the fair value attributable to changes in an entity's "own credit risk" is now recognized in other comprehensive income instead of in profit or loss. This new standard will also impact disclosures provided under IFRS 7 Financial instruments: disclosures.

In November 2013, the IASB amended IFRS 9 for the significant changes to hedge accounting. In addition, an entity can now apply the "own credit requirement" in isolation without the need to change any other accounting for financial instruments. The mandatory effective date of January 1, 2015 has been removed to provide sufficient time for preparers of financial statements to make the transition to the new requirements.

IFRS 10 Consolidated financial statements
The amendments to IFRS 10, issued in October 2012, introduce a consolidation exception for investment entities. They do this by defining an investment entity and requiring an investment entity to measure subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial instruments or IAS 39 Financial Instruments: Recognition and measurement. Related amendments to IFRS 12 and IAS 27 were issued at the same time. The amendments to IFRS 12 require additional disclosure for investment entities. The amendments to IAS 27 require that an investment entity measure its investments in subsidiaries at fair value through profit or loss when it presents separate financial statements. The amendments are effective for annual periods beginning on or after January 1, 2014.

IFRS 11 Joint Arrangements
IFRS 11 was issued by the IASB in May 2011. IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interest in jointly controlled entities. IFRS 11 supersedes IAS 31 Interest in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers, and is effective for annual periods beginning on or after January 1, 2013.

IFRS 12 Disclosure of Interests in Other Entities
IFRS 12 was issued by the IASB in May 2011. IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards not yet adopted (continued)

IFRS 13 Fair Value Measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction, between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures. The new standard is effective for years beginning on or after January 1, 2013.

Amendments to IAS 24 – Related Party Disclosures
The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The adoption of this issuance did not have a significant impact on the Company's financial statements.

IAS 36 Impairment of assets
The amendments to IAS 36, issued in May 2013, require:

- Disclosure of the recoverable amount of impaired assets; and
- Additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount.

The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014.

Amendments to IFRS 7 – Financial Instruments: Disclosures
The amendments to IFRS 7 require the disclosure of information that will enable users of an entity's financial statements to evaluate the effect, or potential effect, of offsetting financial assets and financial liabilities, to the entity's financial position. Amendments to IFRS 7 are applicable to annual periods beginning on or after January 1, 2013, with retrospective application required.

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.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

				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
	4,459,568	421,087	1,286,875	6,167,530

				Assets measured at fair value as at November 30, 2012
	Level 1 $	Level 2 $	Level 3 $	Total $
Fair value through profit or loss				
Cash on hand and bank balances	199,474	-	-	199,474
Cash equivalents - money market funds	23,867	-	-	23,867
GIC	34,500	-	-	34,500
Investment in public company shareholdings	5,134,130	-	-	5,134,130
Investment in private company shareholdings	-	-	1,907,716	1,907,716
Investment in warrants	-	713,960	-	713,960
	5,391,971	713,960	1,907,716	8,013,647

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 60% (2012: 74%) 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.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

e) Liquidity risk - Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company' investments declines, resulting in losses upon disposition. The Company generates cash flow primarily from its administrative activities and proceeds from the disposition of its investments. The Company has sufficient investments that are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.

f) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The 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 years ended November 30, 2013 and 2012. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

6. INVESTMENTS

Investment in public company shareholdings	Investments at fair value through profit or loss as at November 30, 2013				
	Volume	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Altan Rio Minerals	356,660	143,219	0.40	16,050	0.045
Altan Nevada	344,369	111,781	0.32	18,940	0.055
Arian Resources	10,000	27,912	0.56	700	0.070
Arctic Star Exploration	2,405,283	492,557	0.20	348,766	0.145
Big North Graphite	2,603,000	258,339	0.10	130,150	0.050
Canada Strategic Metals	800,000	245,667	0.31	36,000	0.045
Canadian International	1,838,667	43,133	0.02	27,580	0.015
Commerce Resources	3,756,178	2,015,958	0.54	262,932	0.070
Corex Gold	330,000	99,000	0.30	13,200	0.040
Cresval Capital	500,000	100,000	0.20	7,500	0.015
Delta Gold	1,000,000	100,000	0.10	30,000	0.030
Desert Star	876,500	286,009	0.33	175,300	0.200
Discovery Harbour	703,333	206,663	0.29	31,650	0.045
Dunnedin Ventures	20,000	110,000	5.50	800	0.040
Elissa Resources	250,000	50,000	0.20	3,750	0.015
Equitas Resources	8,403,000	686,183	0.08	168,060	0.020
Equitorial Exploration	37,500	12,669	0.34	7,875	0.210
Fieldex Exploration	725,000	119,222	0.16	7,250	0.010
Galaxy Graphite	855,000	128,120	0.15	25,650	0.030
Indico Resources	400,000	100,000	0.25	40,000	0.100
Indigo Exploration	715,000	200,653	0.28	17,875	0.025
Iron Tank	1,000,000	100,000	0.10	50,000	0.050
Kibaran Nickel	714,300	210,004	0.29	72,461	0.101
Kingsman Resources	55,444	100,237	1.81	3,881	0.070
Lakeland Resources	4,647,000	386,014	0.08	487,935	0.105
Legend Power Systems	200,000	100,000	0.50	32,000	0.160
Lithex Resources	1,200,000	53,758	0.04	18,550	0.015
Lomiko Resources	500,000	36,359	0.07	30,000	0.06
Meridex Software	1,400,000	140,000	0.10	70,000	0.050
Moimstone	62,500	60,625	0.97	7,813	.125
Montan Capital	1,534,500	205,719	0.13	230,175	0.150
NexGen Energy	329,532	77,440	0.24	90,621	0.275
Nouveau Life Pharmaceuticals	230,000	50,051	0.22	-	0.000
Olympic Resources	2,730,000	190,500	0.07	68,250	0.025
Open Gold	800,000	67,500	0.08	16,000	0.020
Pacific Potash	2,170,000	178,076	0.08	151,900	0.070
Pasinex Resources	10,485,500	1,046,948	0.10	629,119	0.060
Pinestar Gold	65,650	95,390	1.45	5,909	0.090
Pistol Bay	1,750,000	176,250	0.10	61,250	0.035
Prospero Silver	180,000	63,000	0.35	13,500	0.075
Remstar Resources	250,000	19,194	0.08	3,750	0.015
Rio Silver	81,000	24,640	0.30	1,620	0.020
Standard Graphite	263,000	47,147	0.18	14,465	0.055
Strike Graphite	121,500	267,050	2.20	7,897	0.065
Tosca Mining	75,000	105,000	1.40	4,500	0.060
Universal Wing	600,000	73,000	0.12	9,000	0.015
Western Pacific Resources	15,000	7,632	0.51	1,125	0.075
Western Potash	2,708,333	1,283,481	0.47	947,917	0.350
		10,702,100		**4,399,666**	

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

Investment in private company shareholdings	**Volume**	**Cost Base** $	**Cost Base** $/Share	**Market Base** $	**Market Base** $/Share
	Investments at fair value through profit or loss as at November 30, 2013				
1191557 Ontario	600,000	6,000	0.01	6,000	Cost
Abalor Minerals	1,000,000	100,000	0.10	100,000	Cost
Adent Capital	5,000	525	0.11	525	Cost
Jack's Fork Exploration	2,220,000	344,100	0.16	344,100	Cost
Kittson Metals	200,000	10,000	0.05	10,000	Cost
Mogul Ventures	1,000,000	250,000	0.25	250,000	Cost
Pacific Polar Energy Group	2,000,000	200,000	0.10	20,000	0.01
Portovello Gold	2,000,000	100,000	0.05	100,000	Cost
Pucara Resources	350,000	52,500	0.15	52,500	Cost
Red Star Capital	1,650,000	99,000	0.06	99,000	Cost
Silver Stallion	1,000,000	50,000	0.05	50,000	Cost
Tamaka Gold	104,500	99,750	0.95	99,750	Cost
Tru Vision	500,000	75,000	0.15	75,000	Cost
Tyko Resources	400,000	80,000	0.20	80,000	Cost
		1,466,875		**1,286,875**	

Investments in warrants	**Number of Warrants**	**Expiry Date**	**Exercise Price**	**Fair Value**	**Fair Value $/Warrant**	
Altan Nevada	172,184	December 15, 2014	0.52	527	0.00	
Altan Rio Minerals	178,330	February 10, 2014	0.69	-	-	
Arctic Star Exploration	165,000	March 29, 2014	0.50	79	0.00	
Arctic Star Exploration	1,584,727	April 12, 2015	0.37	58,153	0.04	
Big North Graphite	375,000	June 13, 2014	0.15	2,239	0.00	
Big North Graphite	600,000	July 3, 2015	0.10	14,709	0.02	
Canada Strategic Metals	500,000	April 13, 2014	0.20	1,271	0.01	
Canadian International	625,000	September 23, 2015	0.10	6,379	0.01	
Delta Gold	500,000	September 14, 2017	0.17	9,044	0.02	
Desert Star	100,000	June 13, 2014	0.80	3,798	0.05	
Elissa Resources	250,000	March 4, 2016	0.30	1,550	0.01	
Lakeland Resources	1,000,000	August 30, 2014	0.15	52,431	0.05	
Olympic Resources	230,000	July 3, 2014	0.15	1,460	0.00	
Regal Uranium	100,000	2 years from IPO	IPO	-	-	*
Tamaka Gold	104,500	2 years after a liquidity event	1.50	-	-	*
Pacific Potash	1,450,000	December 28, 2015	0.13	55,227	0.03	
Pasinex Resources	750,000	July 2, 2015	0.16	24,556	0.04	
Western Potash	2,708,333	October 24,2015	0.52	189,664	0.06	
Balance, November 30, 2013				**421,087**		
Investment in GIC, November 30, 2013				**34,500**		
Total value of investments, November 30, 2013				**$6,480,030**		

* As of November 30, 2013, fair value of these warrants is $nil due to the shares of these companies are not publicly traded or $nil fair value calculated using Black-Scholes option model.

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

Investment in public company shareholdings	Investments at fair value through profit or loss as at November 30, 2012				
	Volume	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
ADR Capital	1,000,000	100,000	0.10	50,000	0.05
Altan Rio Minerals	356,660	143,219	0.40	89,165	0.25
Altan Nevada	344,335	111,781	0.32	61,986	0.18
Amarillo Gold	10,000	8,221	0.82	9,900	0.99
Arctic Star Exploration	1,235,556	418,827	0.34	210,045	0.17
Big North Graphite	2,103,000	277,764	0.13	147,210	0.07
Brixton Metals	890,000	166,287	0.19	155,750	0.18
Canada Strategic Metals	750,000	285,817	0.38	86,250	0.12
Canadian International	172,000	9,800	0.06	3,440	0.02
Clermont Capital	1,000,000	100,000	0.10	205,000	0.21
Commerce Resources	3,756,178	2,015,958	0.54	563,427	0.15
Corex Gold	330,000	99,000	0.30	23,100	0.07
Cresval Capital	500,000	100,000	0.20	12,500	0.03
Critical Elements	1,000,000	241,504	0.24	210,000	0.21
Desert Star	1,253,000	261,634	0.21	87,710	0.07
Electric Metals	625,000	60,625	0.10	21,875	0.04
Elissa Resources	250,000	50,000	0.20	12,500	0.05
Equitas Resources	8,394,000	686,183	0.08	167,880	0.02
Fieldex Exploration	725,000	119,222	0.16	18,125	0.03
Galaxy Graphite	855,000	128,120	0.15	38,475	0.05
Golden Touch Resources	50,000	27,912	0.56	1,500	0.03
Indico Resources	400,000	100,000	0.25	80,000	0.20
Indigo Exploration	715,000	200,653	0.28	57,200	0.08
Iron Tank	1,000,000	100,000	0.10	65,000	0.07
Kibaran Nickel	714,300	210,004	0.29	96,227	0.14
Kingsman Resources	55,444	100,237	1.81	2,772	0.05
Lakeland Resources	4,396,000	335,295	0.08	197,820	0.05
Legend Power Systems	200,000	100,000	0.50	15,000	0.08
Lomiko Metals	1,001,000	97,625	0.10	60,060	0.06
Meridex Software	1,400,000	140,000	0.10	21,000	0.02
Niocorp Developments	2,200,000	425,633	0.19	264,000	0.12
Nouveau Life Pharmaceuticals	230,000	50,051	0.22	1,380	0.01
Ocean Park Ventures	200,000	110,000	0.55	7,000	0.04
Olympic Resources	1,730,000	143,000	0.08	95,150	0.06
Open Gold	800,000	67,500	0.08	40,000	0.05
Pacific Potash	2,675,000	130,861	0.05	280,875	0.11
Pinestar Gold	656,500	95,390	0.15	13,130	0.02
Prospero Silver	180,000	63,000	0.35	21,600	0.12
Rare Earth Metals	1,400,000	329,500	0.24	91,000	0.07
Remstar Resources	250,000	19,194	0.08	10,000	0.04
Rio Silver	81,000	24,640	0.30	7,290	0.09
Standard Graphite	774,000	169,181	0.22	116,100	0.15
Strike Graphite	840,000	272,574	0.32	25,200	0.03
Terrax Minerals	165,000	49,500	0.30	7,425	0.05
Tosca Mining	300,000	105,000	0.35	9,000	0.03
Universal Wing	600,000	73,000	0.12	21,000	0.04
Western Pacific Resources	200,000	101,799	0.51	22,000	0.11
Western Potash	2,991,154	1,417,536	0.47	1,331,063	0.45
		10,443,047		**5,134,130**	

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

Investment in private company shareholdings	Investments at fair value through profit or loss as at November 30, 2012				
	Volume	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Abalor Minerals	1,000,000	100,000	0.10	100,000	Cost
Adent Capital	5,000	525	0.11	525	Cost
Canadian Strategic Metals	1,000,000	100,000	0.10	100,000	Cost
Discovery Harbour	2,020,000	202,000	0.10	202,000	Cost
Fenwick Minerals	1,580,002	27,902	0.02	27,902	Cost
Jack's Fork Exploration	2,170,000	350,539	0.16	350,539	Cost
Kittson Metals	200,000	10,000	0.05	10,000	Cost
Mighty Venture Holding	2,600,000	130,000	0.05	130,000	Cost
Mogul Ventures	1,000,000	250,000	0.25	250,000	Cost
Montan Capital	1,060,000	112,000	0.11	112,000	Cost
Pacific Polar Energy Group	2,000,000	200,000	0.10	200,000	Cost
Portovello Gold	2,000,000	100,000	0.05	100,000	Cost
Regal Uranium	200,000	20,000	0.10	20,000	Cost
Silver Stallion	1,000,000	50,000	0.05	50,000	Cost
Tamaka Gold	104,500	99,750	0.95	99,750	Cost
Tru Vision	500,000	75,000	0.15	75,000	Cost
Tyko Resources	400,000	80,000	0.20	80,000	Cost
		1,907,716		**1,907,716**	

Investments in warrants	Number of Warrants	Expiry Date	Exercise Price	Fair Value	Fair Value $/Warrant	
Altan Nevada	172,184	December 15, 2014	0.52	19,125	0.11	
Altan Rio Minerals	178,330	December 23, 2013	0.69	6,885	0.04	
Arctic Star Exploration	165,000	March 29, 2014	0.50	12,568	0.08	
Big North Graphite	375,000	December 13, 2012	0.15	-	-	*
Brixton Metals	400,000	August 11, 2013	0.25	22,049	0.06	
Canada Strategic Metals	500,000	April 13, 2014	0.20	28,969	0.06	
Canadian International	625,000	September 23, 2015	0.10	11,040	0.02	
Carlisle Goldfield	100,000	February 4, 2013	0.35	178	0.00	
Cayden Resources	17,307	February 9, 2013	4.00	2	0.00	
Cresval Capital	500,000	April 17, 2013	0.30	63	0.00	
Desert Star	200,000	June 13, 2014	0.40	5,381	0.03	
Elissa Resources	250,000	March 4, 2013	0.30	86	0.00	
Galaxy Graphite	500,000	November 30, 2013	0.175	5,006	0.01	
Ocean Park Ventures	100,000	May 11, 2013	0.85	-	-	*
Olympic Resources	230,000	July 3, 2014	0.15	2,690	0.01	
Regal Uranium	100,000	2 years from IPO	IPO	-	-	*
Standard Graphite	8,750	July 20, 2013	0.40	74	0.01	
Tamaka Gold Corp	104,500	September 7, 2013	0.50	-	-	*
Western Potash	2,708,333	October 24,2015	0.52	599,844	0.22	
Balance, November 30, 2012				**713,960**		
Investment in GIC, November 30, 2012				**34,500**		
Total value of investments, November 30, 2012				**$7,790,306**		

* As of November 30, 2012, fair value of these warrants is $nil due to the shares of these companies are not publicly traded or $nil fair value calculated using Black-Scholes option model.

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

As at November 30, 2013, the Company had two guaranteed investment certificates totaling $34,500 (2012: $34,500). Of the total, $23,000 was issued on March 15, 2013, maturing on March 14, 2014 (2012: $23,000 issued on March 16, 2012 and matured on March 15, 2013) with an interest rate of prime minus 2.05% (2012: 2.05%). and $11,500 was issued on July 12, 2013 and matures on July 10, 2014 with an interest rate of prime minus 1.90% (2012: 2.05%).

The Company classifies all of its investments other then equity method investees as investments at fair value through profit or loss, except for the investments classified as available-for-sale.

7. INVESTMENTS IN EQUITY METHOD INVESTEES

	Pasinex Resources (a)	Prima Fluorspar (b)	0941680 BC Ltd. (c)	Lakeland Resources (d)	Total
At November 30, 2011	-	113,122	-	605,676	718,798
Fair value upon deconsolidation (12,367,500 shares * $0.10/share)	1,236,750	-	-	-	1,236,750
Loss from equity investees	(286,980)	(41,585)	(80,479)	-	(409,044)
Funds invested	-	2,125	235,000	23,890	261,015
Derecognition as equity method investee	-	-	-	(629,566)	(629,566)
At November 30, 2012	949,770	73,662	154,521	-	1,177,953
Loss from equity investees	-	(21,128)	(56,689)	-	(77,817)
Shares received for finder's fees	5,000	-	-	-	5,000
At April 17, 2013	954,770	52,534	97,832	-	1,105,136
Gain on transaction	-	284,370	(97,832)	-	186,538
Loss from equity investees	-	(336,904)	-	-	(336,904)
Recovery of loss from equity investee	281,980	-	-	-	281,980
Derecognition as equity method investee	(1,236,750)	-	-	-	(1,236,750)
At November 30, 2013	-	-	-	-	-

(a) Pasinex Resources Limited

On March 2, 2012, the Company sold a total of 4,750,000 common shares of Pasinex Resources Limited ("Pasinex") (formerly Triple Dragon Resources Ltd.) in private transactions to 3 individuals, reducing its ownership of Pasinex to 50.25%. Prior to the disposal, the Company owned a 69.55% equity interest in Pasinex and Pasinex has been accounted for as a subsidiary in the financial statements for the year ended November 30, 2011. 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%. On April 23, 2012, the Company sold an additional 457,000 common shares of Pasinex in a private transaction, further reducing the Company's ownership down to 24.74%. The financial results of Pasinex were included in the financial statements of the Company up to March 8, 2012. Subsequent to March 8, 2012, the Company determined that it no longer controlled the operations of Pasinex, and therefore would no longer consolidate the operations of Pasinex. As a result, Pasinex is accounted for using the equity method, and the Company derecognized the carrying amounts of assets, liabilities and non-controlling interest related to Pasinex, and recognized its retained investment in Pasinex at its fair value as at the date of deconsolidation of Pasinex. The difference of $1,242,197 is recorded as a gain in the statements of operations and comprehensive loss at the date of deconsolidation.

7. INVESTMENTS IN EQUITY METHOD INVESTEES (continued)

(a) Pasinex Resources Limited (continued)

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 approximately17% 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 (see Note 5). On July 2, 2013, the Company purchased in a private placement 1,500,000 common shares of Pasinex at a cost of $0.08 per share. As at November 30, 2013, the Company owns 10,485,500 (2012: 11,935,500) common shares of Pasinex, which represents approximately 19% of Pasinex's outstanding shares. As at November 30, 2013, these shares had a fair value of $629,119 (2012: $949,770).

(b) Prima Fluorspar Corp. (formerly Camisha Resources Corp.)

As at April 17, 2013, the Company owned approximately 27% (2012: 27%) of the total outstanding shares of Prima Fluorspar Corp. ("Prima"), being 3,020,000 common shares (2012: 3,020,000) (also see Note 18(b)). The Company exerted significant influence over Prima and therefore Prima was accounted for as an investment under the equity method. The investment in Prima was recorded at cost of $152,125 (2012: $152,125) and was adjusted for $21,128 (2012: $41,585) of equity loss.

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 will be 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 current investment in Prima reflects Zimtu's share of the total fair value of consideration of Prima on April 18, 2013, the date of acquisition. 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 (2012: $nil), and is adjusted for $336,904 (2012: $nil) 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.

(c) 0941680 BC Ltd. (formerly Prima Fluorspar Corp.)

As at April 17, 2013, the Company owned approximately 39% (November 30, 2012: 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 (November 30, 2012: 4,500,000) (also see Note 7 and 18). 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 $56,689 (November 30, 2012: $80,479) 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.

(Expressed in Canadian Dollars)

7. INVESTMENTS IN EQUITY METHOD INVESTEES (continued)

(d) Lakeland Resources Inc.

The Company acquired 5,165,000 common shares of Lakeland Resources Inc. ("Lakeland") for $437,975 during the year ended November 30, 2010, 1,025,000 common shares for $114,055 during the year ended November 30, 2011, and 256,000 common shares for $23,890 during the year ended November 30, 2012. Of the 5,165,000 shares of Lakeland acquired in 2010, 3,000,000 of these shares were held by Pasinex, and are no longer included in the financial statements due to the loss of control in Pasinex in March 2012 (see above). Management had determined that the Company no longer had significant influence of Lakeland, and the Company ceased to account for the investment using the equity method. Effective June 1, 2012, the remaining investment in Lakeland was accounted for as an investment, held at fair market value (see Note 5). At November 30, 2013, the Company owns 4,647,000 shares which represents 14% (2012: 20%) of total issued and outstanding shares of Lakeland.

8. MINERAL PROPERTY INTERESTS

Property expenditures for the years ended November 30, 2013 and 2012:

		Zimtu Properties		**Pasinex Properties***		**Totals**
Balance, November 30, 2011	$	**250,898**	$	**424,831**	$	**675,729**
Acquisition costs		**384,764**		**25,852**		**410,616**
Sale of properties		**(234,319)**		**-**		**(234,319)**
Impairment of property		**(66,493)**		**-**		**(66,493)**
Deconsolidation of Pasinex		**-**		**(450,683)**		**(450,683)**
Balance, November 30, 2012	$	**334,850**		**-**	$	**334,850**
Acquisition costs		**117,788**		**-**		**117,788**
Sale of properties		**(67,423)**		**-**		**(67,423)**
Impairment of property		**(2,811)**		**-**		**(2,811)**
Balance, November 30, 2013	$	**382,404**	$	**-**	$	**382,404**

*Properties owned by Pasinex Resources Limited are no longer included – see Note 7 (a)

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS (continued)

Property Name	Joint Venture Partner	Balance, November 30, 2012 $	Additions $	Impairment $	Property sales $	Balance, November 30, 2013 $
Munglinup (i)	Strategic	2,708	-	-	(2,708)	-
Portland Graphite (k)	MPH	64,715	-	-	(64,715)	-
AB Frac /Peace River (α)	Dahrouge	8,725	1,025	-	-	9,750
AB Potash (α)	Dahrouge	84	-	-	-	84
Barite Claims (α)	Staked	-	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	-	-	3,263
Diamonds (SK) (α)	Dahrouge	-	31,994	-	-	31,994
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
Odin Creek (α)	Javorsky	2,811	-	(2,811)	-	-
Michon (α)	Dahrouge	1,803	-	-	-	1,803
Saskoba Gold (α)	Dahrouge	30,297	5,108	-	-	35,405
Silica Claims (α)	Staked	-	39,313	-	-	39,312
Springer Lake (α)	Dahrouge	-	16,682	-	-	16,682
Zaharik Lake (α)	Dahrouge	9,808	-	-	-	9,808
		334,850	117,788	(2,811)	(67,423)	382,404

(α) Properties Held for Sale

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS (continued)

Property Name	Joint Venture Partner	Balance, November 30, 2011 $	Additions $	Property sales $	Impairment $	Balance, November 30, 2012 $
Blachford Lake (a)*	Dahrouge	32,742	122	(32,863)	-	-
Black Donald Property (b)	MPH	13,610	-	(13,610)	-	-
Mc Whirter Lake (c) *	MPH	-	6,593	(6,593)	-	-
Flora Lake (d) *	Dahrouge	-	10,738	(10,738)	-	-
Fluorspar Properties (e)	Heyman/Brookes	-	48,759	(48,759)	-	-
Gem/Dickson Property (f)	N/A, 100% owned by Zimtu	-	30,000	(30,000)	-	-
Griffith & Brougham (g) *	MPH	-	24,690	(24,690)	-	-
Henry Graphite (h) *	Dahrouge	18,938	34,885	(53,823)	-	-
Munglinup (i)	Strategic	-	15,208	(12,500)	-	2,708
Quatre Milles (j) *	Robert	-	742	(742)	-	-
AB Frac (α)	Dahrouge	6,126	-	-	-	6,126
AB Potash (α)	Dahrouge	84	-	-	-	84
Beatty Bat (α)	Dahrouge	-	21,590	-	-	21,590
Irving Lake Gold (α)	Dahrouge	12,264	7,011	-	-	19,275
Kubwa (α)	Strategic	100,000	65,000	-	-	165,000
Lac Caron (α)	Dahrouge	-	8,034	-	-	8,034
Odin Creek (α)	Javorsky	2,811	-	-	-	2,811
Peace River (α)	Dahrouge	-	2,599	-	-	2,599
Michon (α)	Dahrouge	-	1,803	-	-	1,803
Portland Graphite (α)	MPH	-	64,715	-	-	64,715
Saskoba (α)	Dahrouge	-	30,297	-	-	30,297
Zaharik Lake (α)	Dahrouge	-	9,808	-	-	9,808
Amor Rare Earth (β)	N/A, 100% owned by Zimtu	14,410	-	-	(14,410)	-
Cerium Mountain (β)	Javorsky	10,523	-	-	(10,523)	-
Labrador Trough (β)	Dahrouge	-	89	-	(89)	-
Lac Le Claire Claims (β)	Dahrouge	299	-	-	(299)	-
Michikamatas (β)	N/A, 100% owned by Zimtu	2,098	-	-	(2,098)	-
Port Hope (β)	Lewis	12,093	-	-	(12,093)	-
Parry Creek (β)	Javorsky	14,200	-	-	(14,200)	-
Sul/Sud Claims (β)	Dahrouge	-	2,080	-	(2,080)	-
Zen Claims (β)	Javorsky	177	-	-	(177)	-
Zirconium Mountain (β)	Javorsky	10,523	-	-	(10,523)	-
Montveil Claims (n)*	Robert	-	-	-	-	-
Snip & Seebach (p)*	Dahrouge	-	-	-	-	-
		250,898	384,764	(234,319)	(66,493)	334,850

* As at November 30, 2013, the Company still holds mineral property titles to the above noted farmed out properties. All of which have $nil book value.

8. MINERAL PROPERTY INTERESTS (continued)

Joint Venture Properties

Dahrouge Geological Consulting Corp. and 877384 Alberta Ltd. ("Dahrouge")

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. ("Strategic")

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 year ended November 30, 2013, the Company paid $nil (2012: $65,000) to Kubwa for geological evaluation expenditures.

MPH Consulting Ltd. ("MPH")

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 ("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 ("Javorsky")

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.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties

(a) Blachford Rare Earth Element Property

On June 16, 2011, the Company and one of its prospecting partners signed an agreement with Desert Star Resources Ltd. ("Desert Star") (formerly First Graphite Corp.) whereby Desert Star can earn a 100% interest in the Blachford Rare Earth Element ("REE") Property located in the Northwest Territories, approximately 100 kilometres southeast of the city of Yellowknife. The property is contiguous to Avalon Rare Metals Inc.'s ("Avalon") Thor Lake REE Project. For its participation in the transaction, Zimtu will receive staged payments totalling $100,000 ($12,500 received in 2011 and $37,500 received in 2012) and 1,250,000 common shares (500,000 shares received and fair valued at $42,500 in 2012) over an 18-month period. Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the property; 1% of which can be purchased by Desert Star for $750,000. The agreement was accepted by the TSX-V on November 30, 2011. On August 22, 2012, the agreement between Desert Star and Zimtu was terminated. During the year ended November 30, 2013, $16,500 (2012: $47,137) was recognized as revenue for the satisfaction of Desert Star's termination obligations.

(b) Black Donald, Little-Bryan and Beidelman-Lyall Graphite Properties

On November 2, 2011, the Company and its prospecting partners signed an agreement with Standard Graphite Corp. ("Standard") (formerly Orocan Resource Corp.) whereby Standard has an option to purchase a 100% interest in and to the Black Donald, Little-Bryan, and Beidelman-Lyall Graphite Properties located in the Ontario, Canada. For its participation in the transaction, Zimtu will receive cash of $12,500 (received) and staged payments of 1,000,000 common shares (750,000 shares received and fair valued at $160,250 in 2012) over a two-year period. Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims at which half can be purchased for $1 million. The agreement was approved by the TSX-V on December 9, 2011. On September 16, 2013, the Company amended the property agreement as the Purchaser did not maintain the property and allowed some of the claims to lapse. To settle the original property agreement, the Purchaser issued the final 250,000 common shares to the Company. During the year ended November 30, 2013, $25,000 (2012: $159,140) was recognized as revenue from the property sale.

(c) McWhirter Lake Graphite Property

On August 14, 2012, the Company and its prospecting partners signed an agreement with Olympic Resources Ltd. ("Olympic") whereby Olympic has an option to purchase a 100% interest in and to the McWhirter Lake Graphite Property located in the Carlow, Monteagle, and Dungannon townships in Ontario, Canada. For its participation in the transaction, Zimtu will receive cash payments of $20,000 (received) and payments of 1,250,000 common shares (received 750,000 shares fair valued at $37,500 in 2012 and 250,000 shares fair valued at $6,250 in 2013). Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on August 28, 2012. During the year ended November 30, 2013, $6,250 (2012: $50,907) was recognized as revenue from the property sale. Subsequent to November 30, 2013, the Company received 250,000 common shares fair valued at $6,250. See Note 23 (a).

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(d) Flora Lake Graphite Property

On April 19, 2012, the Company and one of its prospecting partners signed an agreement with Olympic Resources Ltd. ("Olympic") whereby Olympic has an option to purchase a 100% interest in and to the Flora Lake Graphite Property located in Labrador, Canada. For its participation in the transaction, Zimtu will receive staged cash payments of $30,000 (received) and staged payments of 1,500,000 common shares (250,000 shares received and fair valued at $82,500 in 2012 and 250,000 received and fair valued at $13,750 in 2013) over a fourteen-month period.

Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on May 31, 2012. On April 15, 2013, the Company and its prospecting partners amended the property agreement dated May 22, 2012 with Olympic for the Flora Lake Graphite Property. Olympic was to keep the property in good standing, however failed to do so. In order to alleviate their liability to the Vendors, Olympic issued 500,000 (fair valued at $27,500) shares to the Company as full and complete fulfillment of their obligation under the agreement. During the year ended November 30, 2013, $41,250 (2012: $101,762) was recognized as revenue from the property sale.

(e) Fluorspar Properties

On June 17, 2012, the Company and its prospecting partners signed an agreement with Prima Fluorspar Corp. ("Prima") whereby Prima has an option to purchase a 100% interest in and to the Liard Fluorspar Property located in British Columbia, Canada. For its participation in the transaction, Zimtu received cash payments of $20,000 and payments of 1,000,000 common shares (fair valued at $50,000). Zimtu's acquisition partners received cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims at which half can be purchased for $1 million. Prima has fully executed the option payments and has successfully earned the 100% interest in Liard Fluorspar Property. During the year ended November 30, 2013, $nil (2012: $21,241) was recognized as revenue from the property sale.

(f) Gem/Dickson Property

On June 6, 2012, the Company signed an agreement with Prima Fluorspar Corp. ("Prima") whereby Prima has an option to purchase a 100% interest in and to the Gem/Dickson Property located in British Columbia, Canada. For its participation in the transaction, Zimtu received 750,000 common shares (fair valued at $37,500). Prima has fully executed the option payments and has successfully earned the 100% interest in Gem Property. The shares are subject to a 3 year escrow period ending April 19, 2016. During the year ended November 30, 2013, $nil (2012: $7,500) was recognized as revenue from the property sale.

(g) Griffith and Brougham Graphite Properties

On April 17, 2012, the Company and its prospecting partners signed an agreement with Big North Graphite Corp. ("Big North") (formerly Big North Capital Inc.) whereby Big North has an option to purchase a 100% interest in and to the Griffith and Brougham Graphite Properties located in Ontario, Canada. For its participation in the transaction, Zimtu will receive cash of $40,000 (received) and staged payments of 1,000,000 common shares (500,000 shares received with a fair value of $75,000 in 2012 and 250,000 shares received with a fair value of $12,500 in 2013) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 24, 2012. During the year ended November 30, 2013, $12,500 (2012: $90,310) was recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(h) Henry Graphite Property

On April 5, 2012, the Company and its prospecting partner signed an agreement with Desert Star Resources Ltd. ("Desert Star") (formerly First Graphite Corp.) whereby Desert Star has an option to purchase a 100% interest in and to the Henry Graphite Property located in Saskatchewan, Canada. For its participation in the transaction, Zimtu will receive staged cash payments of $77,500 (received) and staged payments of 1,000,000 common shares (350,000 shares with a fair value of $140,000 and 150,000 shares with a fair value of $12,750 were received in 2012 and 125,000 (250,000 pre-consolidation) shares with a fair value of $14,375 and 125,000 (250,000 pre-consolidation) with a fair value of $10,000 were received in 2013) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims. The agreement was approved by the TSX-V on April 13, 2012. During the year ended November 30, 2013, $24,375 (2012: $176,427) was recognized as revenue from the property sale.

(i) Munglinup Graphite Project

On February 27, 2012, the Company and its prospecting partners signed an agreement with Pinestar Gold Inc. ("Pinestar") whereby Pinestar has an option to purchase a 100% interest in and to the Munglinup Graphite Project located in the Western Australia and eight additional graphite occurrences located in Australia. For its participation in the transaction, Zimtu will receive cash of $75,000 ($12,500 received) and staged payments of 1,750,000 common shares over a two-year period. Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims at which half can be purchased for $1 million. On May 11, 2012, Pinestar and Zimtu terminated the letter agreement in place with the Company and its prospecting partners to acquire the Munglinup Graphite Properties.

On February 19, 2013, the Company and its prospecting partners signed an agreement with Lithex Resources Limited ("Lithex"), a publicly traded company on the Australia Securities Exchange (ASX: LTX), whereby Lithex has an option to purchase a 100% interest in and to the Munglinup Graphite Project located in the Western Australia and eight additional graphite occurrences located in Australia. For its participation in the transaction, Zimtu will receive cash of $15,210 (received) and payments of 1,200,000 common shares (received) fair valued at $53,758. During the year ended November 30, 2013, $66,260 (2012: $12,500) was recognized as revenue from the property sale

(j) Quatre Milles Graphite Property

On November 11, 2011, the Company and its prospecting partners signed an agreement with Lomiko Metals Inc. ("Lomiko") whereby Lomiko has an option to purchase a 100% interest in and to the Quatre Milles Graphite Property located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $25,000 (received) and staged payments of 2,000,000 common shares (500,000 shares received with a fair value of $55,000 and 250,000 shares received with a fair value of $16,250 in 2012 and 500,000 shares received with a fair value of $27,500 in 2013) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims which can be purchased for $1 million. The agreement was approved by TSX-V on March 26, 2012. During the year ended November 30, 2013, $27,500 (November 30, 2012, $83,008) is recognized as revenue from the property sale.

On May 7, 2012, the Company and its prospecting partners signed an agreement with Lomiko whereby Lomiko has an option to purchase a 100% interest in and to the Quatre Milles - Extension located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $1,000 and 600,000 common shares. Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The agreement is subject to approval by the TSX-V.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(k) Portland Graphite Property

On February 26, 2013, the Company and one of its prospecting partners signed an agreement with Pistol Bay Mining Inc. (“Pistol Bay”) whereby Pistol Bay can earn a 100%-interest in the advanced stage Portland Graphite Property located in Southern Ontario. For its participation in the transaction, the Company will receive cash of $75,000 and share payments of 2,750,000 common shares (1,000,000 shares received and fair valued at $135,000 and 750,000 shares fair valued at $41,250) over a two year period. Zimtu’s prospective partner will receive cash/share consideration equal to that of Zimtu. The timing of the staged payments were modified in an agreement dated May 31, 2013. The agreement was accepted by the TSX-V on March 20, 2013. During the year ended November 30, 2013, $111,535 (2012: $nil) is recognized as revenue from the property sale.

(l) C&C/7 Rare Earth Element Properties

On December 15, 2010, Critical Elements Corp. (formerly First Gold Exploration Inc.) announced that it had signed an agreement with the Company and its joint venture partners, C&C, to acquire a 100% interest in seven rare earth element (REE) and niobium properties in southeastern British Columbia. For its participation in the transaction, the Company will receive staged payments of $62,500 cash (received) and share payments totalling 2,000,000 common shares (1,000,000 shares received and fair valued at $290,000 in 2011, 500,000 shares received and fair valued at $70,000 in 2012, and 500,000 shares received and fair valued at $117,500 in 2013) over a two year period. Zimtu's partners, C&C, will together receive cash and share consideration equal to that of Zimtu. During the term of the agreement Critical Elements shall ensure that the claims are maintained in good standing. The vendors will retain a 2% NSR royalty on the properties; 1% of which can be purchased by Critical Elements for $1-million and the second 1% of which can be purchased by Critical Elements for $5-million. The transaction was accepted by the TSX-V on January 5, 2011. During the year ended November 30, 2013, $117,500 (2012: $70,000) is recognized as revenue from the property sale.

(m) Deep Bay Graphite and Simon Lake Graphite Properties

On September 1, 2011, the Company and one of its prospecting partners signed an agreement with Strike Graphite Corp. (formerly Strike Gold Corp.) (“Strike”) whereby Strike has an option to purchase a 100% interest in and to the Deep Bay East and Simon Lake Graphite Properties located in the Saskatchewan, Canada. For its participation in the transaction, Zimtu will receive staged payments of $162,500 ($87,500 received) and 1,500,000 common shares (500,000 shares received and fair valued at $167,500 in 2011 and 500,000 shares received and fair valued at $155,000 in 2012) over a 14-month period. Zimtu’s prospecting partner will received cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 3% NSR royalty on the claims. The agreement was accepted by the TSX-V on September 6, 2011.

On November 19, 2012, the agreement was amended to defer the final payment and share issuance from November 6, 2012 to February 28, 2013. On March 22, 2013, the Company provided Strike with a written notice of default, requiring payment of cash and shares in full before close of business on April 21, 2013 and again on October 22, 2013, the Company provided Strike with a written notice of default, requiring payment of cash and shares in full before close of business on November 22, 2013. The payment did was not received and the option agreement was terminated and the property was returned to the Optionors. During the year ended November 30, 2013, $nil (2012: $205,000) was recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(n) Montviel Rare Earth Property

On April 5, 2011, Zimtu and three prospecting partners announced that they signed an agreement with Electric Metals Inc. ("Electric") whereby Electric can earn a 100% interest in eight rare earth element properties located in the Abitibi region of Quebec near Geomega's Montviel Rare Earth Property. For its participation in the transaction, the Company will receive staged cash payments of $62,500 ($12,500 received) and staged share payments totalling 1,375,000 common shares (500,000 shares received and fair valued at $57,500) over a two year period. imtu's three prospecting partners will each receive cash and share considerations equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the properties; 1% of which can be purchased by Electric for $500,000. The transaction was accepted by the TSX-V July 29, 2011. On June 20, 2012, the parties voluntarily terminated the agreement. In consideration, Electric issued 125,000 common shares to the Company with a fair value of $3,125). The mineral property agreement was terminated on June 20, 2012. During the year ended November 30, 2013, $nil (2012: $3,125) is recognized as revenue from the property sale.

(p) Snip and Seebach Properties

On November 22, 2010, the Company announced that it and one of its prospecting partners had signed an option agreement with Remstar Resources Ltd. whereby Remstar can earn a 60% interest in the Snip and Seebach 02-03 rare-earth-element properties located in the Carbo area of north-eastern British Columbia. Remstar and the Company renegotiated the terms of the option agreement on June 17, 2011. As a result of the signing of the revised agreement, Remstar will now acquire a 100% interest in the properties by paying $25,000 (paid) and issuing a total of 2,000,000 common shares (1,000,000 shares received and fair valued at $100,000 in 2010 and 250,000 shares received and fair valued at $7,500 in 2012) over two years to the Company and incurring exploration expenditures of $850,000 over three years. Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will retain a 2% NSR royalty on the properties. The agreement was accepted by the TSX-V on July 25, 2011. $113,227 and $4,525 from the transaction is respectively recognized as revenue from property sale in 2011 and 2010.

On June 29, 2012, the agreement between the Company and Remstar Resources Ltd. for the purchase of the Snip and Seebach Properties was amended. As a result, the Company will receive 2,000,000 common shares (1,000,000 shares received and fair valued at $100,000 in 2010 and 250,000 shares received and fair valued at $7,500 in 2012) over five years (previously over two years) and incur exploration expenditures of $850,000 over five years (previously over three years). Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will retain a 2% NSR royalty on the properties. The mineral property agreement was terminated on July 24, 2013.

8. MINERAL PROPERTY INTERESTS (continued)

Property Advisory Services

Big North Lake Graphite Property

On March 27, 2012, the Company and its prospecting partners signed an agreement with Big North Graphite Corp. (“Big North”) (formerly Big North Capital Inc.) whereby Big North has an option to purchase a 100% interest in and to the Big North Lake Graphite Property located in Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $20,000 (received) and staged payments of 750,000 common shares (375,000 shares received with a fair value of $65,625 and 125,000 shares received with a fair value of $7,500 in 2012, and 125,000 shares received with a fair value of $6,250 and 125,000 shares received with a fair value of $5,625 in 2013) on or before over a fourteen-month period, as well as incurring a minimum of exploration expenditures totalling $500,000 within fifteen months of the effective date. Zimtu’s acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 24, 2012. During the year ended November 30, 2013, $11,875 (2012: $93,125) was recognized as revenue from the property sale.

Goeland Rare Earth Property

On January 6, 2011, Canada Strategic Metals Inc. (“Canada Strategic”) (formerly Canada Rare Earth Inc.) announced that it had signed an agreement with the Company and one of its prospecting partners to acquire a 100% interest in the Goeland Rare Earth Property, located 215 km north of Val d’Or in the Abitibi region of Quebec. For its participation in the transaction, the Company received $12,500 cash on signing and staged share payments totalling 1,250,000 common shares (500,000 shares received and fair valued at $370,000 in 2011, 250,000 shares received and fair valued at $92,500 in 2012, 250,000 shares received and fair valued at $21,250 in 2013) over a 36 month period. The vendors will retain a 2% NSR royalty on the properties; 1% of which can be purchased by Canada Strategic for $1,000,000. Zimtu’s partner will receive cash and share consideration equal to that of Zimtu. The transaction was accepted by the TSX-V January 21, 2011. During the year ended November 30, 2013, $21,250 (2012: $92,500) is recognized as revenue from the property advisory services performed. Subsequent to November 30, 2013, the Company received 250,000 common shares fair valued at $22,500. See Note 23(e).

Sun Graphite Property

On March 1, 2012, the Company and its prospecting partners signed an agreement with Galaxy Graphite Corp. (“Galaxy”) whereby Galaxy has an option to purchase a 100% interest in and to the Sun Graphite Property located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $25,000 ($7,500 received) and staged payments of 500,000 common shares (250,000 received with a fair value of $45,000 in 2012) over a two-year period. Zimtu’s prospecting partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on March 9, 2012. This agreement was cancelled on July 9, 2013 and the property was returned to the vendors. During the year ended November 30, 2013, $nil (2012: $52,500) is recognized as revenue from the property advisory services performed.

Wagon Graphite Property

On February 20, 2012, the Company and its prospecting partners signed an agreement with Strike Graphite Corp. (“Strike”) whereby Strike has an option to purchase a 100% interest in and to the Wagon Graphite Properties located in the Quebec, Canada. For its participation in the transaction,

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS (continued)

Property Advisory Services (continued)

Wagon Graphite Property (continued)

Zimtu will receive cash of $12,500 ($7,500 received) and staged payments of 375,000 common shares (125,000 shares received with a fair value of $42,500 in 2012 and 250,000 shares received and fair valued at $7,500 in 2013), as well as incurring a minimum of exploration expenditures totalling $100,000 on or before April 11, 2013. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 11, 2012. On October 15, 2012, the agreement was amended to replace the final cash payment with a payment of 125,000 shares (received and fair valued at $3,750 in 2013). During the year ended November 30, 2013, $11,250 (2012: $50,000) is recognized as revenue from the property advisory services performed

Deadhorse Creek Rare Earth Property

During the year ended November 30, 2009, the Company assisted Canadian International Minerals Inc. ("CIN") in the optioning of 52 mineral claims in the Thunder Bay Mining Division, Ontario known as the Deadhorse Creek Rare Earth Property. In consideration for its assistance, the Company received 100,000 shares in the first year and 92,500 shares on the first anniversary. During the year ended November 30, 2012, the Company received $7,850 cash in lieu of shares for the 2011 payment. During the year ended November 30, 2012, CIN decided not to pursue the property and terminated the option agreement, in effect terminating the finder's fee agreement with the Company.

9. PROPERTY AND EQUIPMENT

Cost		**Office Furniture**		**Leasehold Improvements**		**Computer Equipment**		**Total**
November 30, 2011	$	165,362	$	101,164	$	21,664	$	288,190
Additions		11,759		-		-		11,759
November 30, 2012	$	177,121	$	101,164	$	21,664	$	299,949
Additions		-		-		1,960		1,960
November 30, 2013	**$**	**177,121**	**$**	**101,164**	**$**	**23,624**	**$**	**301,909**
Accumulated depreciation								
November 30, 2011	$	110,808	$	41,510	$	17,770	$	170,088
Additions		54,942		20,409		3,894		79,245
November 30, 2012	$	165,750	$	61,919	$	21,664	$	249,333
Additions		4,665		19,995		735		25,395
November 30, 2013	**$**	**170,415**	**$**	**81,914**	**$**	**22,399**	**$**	**274,728**
Net book value								
November 30, 2012	$	11,371	$	39,245	$	-	$	50,616
November 30, 2013	**$**	**6,706**	**$**	**19,250**	**$**	**1,225**	**$**	**27,181**

(Expressed in Canadian Dollars)

10. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value

b) Issued:

(i) During the year ended November 30, 2013

None.

(ii) During the year ended November 30, 2012

On May 2, 2012, the Company completed a non-brokered private placement of 1,261,388 common shares of the Company at a price of $1.20 per share for gross proceeds of $1,513,665. The securities issued are subject to a four-month hold period from the date of closing. The Company paid finder's fees of $104,038. In June, 2012, the Company issued 20,833 shares at a price of $1.20 per share for gross proceeds of $25,000 and cancelled 20,000 shares issued in error in connection for net gross proceeds of $1,000 with the private placement that closed in May 2012.

c) Warrants

There are no share purchase warrants outstanding.

d) 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 July 6, 2011, the shareholders approved the number of options granted under the Plan to be fixed at 1,998,873 (2012: 1,998,873), 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 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.

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

	2013			2012		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of year	1,414,900	$	1.07	1,414,900	$	1.07
Expired/cancelled	(543,900)		0.90	-		-
Outstanding, end of year	871,000	$	1.18	1,414,900	$	1.07
Weighted average life (years)	1.14			2.54		

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

d) Stock Option Plan (continued)

At November 30, 2013 and 2012, the Company had the following stock options outstanding:

Expiry Date	Revised Exercise Price	Original Exercise Price	**2013** Number of options	**2012** Number of options
August 27, 2013	$0.90	$1.50	-	543,900
May 4, 2014	n/a	$0.90	290,000	290,000
June 1, 2014	n/a	$0.90	75,000	75,000
December 3, 2014	n/a	$1.08	96,000	96,000
April 5, 2015	n/a	$1.35	100,000	100,000
November 4, 2015	n/a	$1.48	310,000	310,000
			871,000	1,414,900

11. ADVANCES AND AMOUNTS RECEIVABLE

The Company's current advances and amounts receivable consist mainly of amounts advanced for property and share payments.

12. PREPAID EXPENSES

The Company's current prepaid expenses consist mainly of marketing expenses paid in advance of service, advance payments made on the Company's credit card for marketing and travel expenses, and an advance payment for a future investment.

13. LOAN RECEIVABLE

The Company's loans receivable consist of:

a. nine promissory notes totalling $5,025 issued to individuals with a term ending April 18, 2016, three years from the date of the completion of the reverse takeover of Prima (see Note 21(a)). The non-interest bearing promissory notes are for shares issued to employees of the Company,
b. twelve promissory notes totalling $9,600 issued to individuals with a term ending three years following the date on which Red Star Capital Ventures Inc. shares commence trading on the TSX-V following the acceptance of a qualified transaction pursuant to the policies of the TSX-V. The non-interest bearing promissory notes are for shares issued to employees of the Company, and
c. four promissory notes totalling $131,280 with terms of three years ending April 27, 2015. These non-interest bearing loans are for the sale of shares of Pasinex to 4 individuals. The repayments coincide with the release of shares from escrow.

14. DEPOSITS

The Company's deposits consist of an amount equal to one month's basic rent, held by the landlords to be applied to the last month of rent in the Company's lease (see Note 20).

15. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities of the Company are due to service providers, mainly including management fees, professional fees and consulting fees. All accounts payable and accrued liabilities for the Company fall due within the next 12 months.

(Expressed in Canadian Dollars)

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		2013		2012
Accounts payable portion of mineral property	$	73,955	$	20,244
Gain on transaction (note 6)	$	(186,538)	$	-
Shares received for finders' fees	$	5,000	$	-
Shares received for property	$	554,801	$	1,266,250

17. GENERAL AND ADMINISTRATIVE EXPENSES

During the year ended November 30, 2013 and 2012, the Company incurred the following general and administrative expenses:

		2013		2012
Expenses				
Advertising and promotion	$	322,774	$	386,420
Amortization		25,395		82,502
Filing fees and transfer agent expenses		21,380		34,484
Investor relations		125,334		63,693
Office, rent and telephone		301,129		365,419
Professional fees		126,708		371,155
Wages and benefits		1,526,737		1,379,660
		2,449,457		2,683,333

18. RELATED PARTY TRANSACTIONS

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

		Year Ended November 30,	
		2013	**2012**
Key management compensation*		**$**	**$**
Total wages paid		601,005	554,893

Amounts due from (to) related parties		**2013**	**2012**
Sean Charland, a director		(2,605)	-
Sven Olsson, a director		(13,242)	(12,820)
Total amount due from (to) related parties	$	(15,847)	$ (12,820)

* 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.

(Expressed in Canadian Dollars)

19. 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) Investments in resource companies, mineral resource property acquisitions and dispositions segment;
(b) Management service and administrative service segment;
(c) Investment in stock, warrants and others
(d) Corporate segment

For the year ended November 30, 2013

	Investment in mineral properties $	Management Service $	Investment in stock, warrants and others $	Corporate $	Total $
Revenue					
Administrative fees	-	1,331,755	-	-	1,331,755
Loss on sale of investments	-	-	(904,760)	-	(904,760)
Income from property sale	503,878	-	-	-	503,878
	503,878	1,331,755	(904,760)	-	930,873
Segment assets	382,404	-	6,142,128	1,354,550	7,879,082
Expenditure for segment capital assets	117,788	-	-	1,960	119,748

For the year ended November 30, 2012

	Investment in mineral properties $	Management Service $	Investment in stock, warrants and others $	Corporate $	Total $
Revenue					
Administrative fees	-	1,453,532	-	-	1,453,532
Gain on sale of investments	-	-	184,842	-	184,842
Income from property sale	1,429,433	-	-	-	1,429,433
	1,429,433	1,453,532	184,842	-	3,067,807
Segment assets	385,380	-	7,790,306	2,654,337	10,830,023
Expenditure for segment capital assets	384,764	-	-	11,759	396,523

(Expressed in Canadian Dollars)

20. COMMITMENTS

The Company leases premises under a long-term lease that expires September 1, 2014. 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 over the next fiscal year is $82,632.

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to conform to the current year's financial statements presentation.

22. INCOME TAXES

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of operations and comprehensive loss for the years ended November 30, 2013 and 2012:

	2013	2012
Statutory tax rate	25.67%	25.13%
Income (loss) before income taxes	$ (3,113,894)	$ (2,628,744)
Expected income taxes	(799,290)	(660,472)
Increase (decrease) in income taxes resulting from:		
Non-deductible items	434,855	3,132
Change in estimates	1,381	-
Change in enacted tax rate	(4,892)	(35,187)
Other items	(14,315)	
Deconsolidation of Pasinex	-	348,538
Share issuance cost	-	(25,801)
Change in deferred tax asset (liability) not recognized	1,048,658	(246,963)
Income tax expense (recovery)	$ 666,399	$ (616,753)
Current income tax expense	$ -	$ 4,783
Deferred tax expense (recovery)	$ 666,399	$ (621,536)
	$ 666,399	$ (616,753)

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax assets at November 30, 2013 and November 30, 2012 are comprised of the following:

	2013	2012
Non-capital losses carry forwards	$ 167,232	$ -
Capital loss carryforwards	77,127	
Equipment	18,769	22,828
Investments	835,935	678,073
Mineral property interests	(74,749)	(71,522)
Financing costs	24,344	37,020
	1,048,658	666,399
Deferred tax asset not recognized	1,048,658	-
Net deferred tax asset (liability)	$ -	$ 666,399

(Expressed in Canadian Dollars)

22. INCOME TAXES

The Company has non capital loss carryforwards of approximately $643,201 (2012: $nil) which may be carried forward to apply against future years' net income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	**2013**
2033	$ 643,201
Total	$ 643,201

In addition, the Company has capital losses of approximately $593,286, which may be carried forward indefinitely and applied to reduce future capital gains.

23. EVENTS AFTER THE REPORTING PERIOD

a) On December 9, 2013, the Company received 250,000 shares of Olympic Resources, valued at $6,250, in connection with the McWhirter Lake Property agreement.

b) On January 27, 2014, the Company and its prospecting partner signed an agreement with Rio Grande Mining Corp. (“Rio Grande”) whereby Rio Grande can earn a 100%-interest in and to the Peace River Frac Sand Property located in Alberta, Canada. For its participation in the transaction, the Company will receive share payments of 1,000,000 common shares (received and fair valued at $50,000). Zimtu’s prospective partner will receive share consideration equal to that of Zimtu. The agreement was accepted by the TSX-V on February 6, 2014.

c) On January 28, 2014, the Company and its prospecting partner signed an agreement with Rainmaker Mining Corp. (“Rainmaker”) whereby Rainmaker can earn a 100%-interest in and to the Peace River Frac Sand Property located in Alberta, Canada. For its participation in the transaction, the Company will receive cash of $10,000 ($5,000 received) and share payments of 750,000 common shares on or before September 15, 2014. Zimtu’s prospective partner will receive cash/share consideration equal to that of Zimtu. The agreement was accepted by the TSX-V on February 25, 2014.

d) On March 6, 2014, the Company signed an agreement with Canadian Metals Inc. (“Canadian”) whereby Canadian can earn a 100%-interest in and to the PG Silica Properties located in British Columbia, Canada. For its participation in the transaction, the Company will receive cash of $50,000 and share payments of 3,000,000 common shares over a two year period.

e) On February 14, 2014, the Company received 250,000 shares of Canada Rare Earth, valued at $22,500, in connection with the Goeland Rare Earth property agreement.

f) On March 24, 2014, the Company sold 2,100,000 common shares of Pasinex in private transactions for gross proceeds of $105,000. Upon closing of the private sale, Zimtu owns 9,864,071 common shares of Pasinex, which represents approximately 17% of Pasinex’s outstanding shares.