Management Discussion and Analysis
For the Year ended November 30, 2011

The following is a discussion and analysis of the operations, results, and financial position of Zimtu Capital Corp. (the "Company") for the year ended November 30, 2011, and should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2011 and 2010, all of which were prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP").

The effective date of this report is March 29, 2012.

Nature of Business and Overall Performance

History of the Company

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

On January 29, 2007, the Company completed its initial public offering with Northern Securities Inc. acting as agent. The Company was listed on the TSX Venture Exchange (the "TSX-V") as a Capital Pool Company on January 31, 2007.

On March 7, 2008, the Company entered into a Share Purchase Agreement with Petrol One Corp. and 0755032 BC Ltd. Under the terms of the Agreement, the Company acquired all of the issued common shares of Zimtu Capital Corp., a private investment company that had assets consisting of a portfolio of equity investments, cash and equipment, totaling approximately $6.0 million.

On July 31, 2008, the Company completed its Qualifying Transaction, defined under section 2.4 of the TSX-V policies. The Company acquired all of the issued and outstanding common shares of 0755032 BC Ltd., completed a private placement of 10,292,658 units for proceeds to the Company of $1,235,119 and changed its name to Zimtu Capital Corp. Subsequent to the completion of the Qualifying Transaction, the Company changed its year end from August 31 to November 30, to be concurrent with that of its wholly owned subsidiary, 0755032 BC Ltd. On December 1, 2008, the Company completed a consolidation of share capital on a 10:1 basis

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

Business of the Company

The business of the Company focuses on giving its shareholders the opportunity to indirectly invest in diverse early-stage resource investments. The Company's goal is to take advantage of the favourable investment opportunities that arise between the private and public phases of a given investment in the natural resources sector. To that end, the Company conducts its business along two distinct lines: investment and project advisory/management.

1. Investment

The principal investment objectives of the Company are:

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

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

In keeping with its business model, the Company:

a) Has increased its investment shareholdings through participation in private placements and/or Initial Public Offerings ("IPO") of several TSX-V listed companies;

b) Has acquired or disposed of interests in several mineral property claims and/or permits. An objective of the Company is to evaluate and acquire prospective resource properties to make available for sale or joint venture. In this manner, the Company has acquired and disposed of property interests either by selling the property in its entirety or by optioning the property;

c) Provides mineral property advisory services to individuals and/or companies and helps to connect companies with mineral properties of interest; and

d) Provides management & administrative assistance to private or public companies.

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

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

Trading Committee*:* The Company has a trading committee consisting of all members of the Board of Directors and may also include any consultants with relevant experience to the opportunity. On a monthly basis, the trading committee discusses and evaluates the investments of the Company.

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

Shareholdings: The specific shareholdings of the Company are listed in the Company's consolidated financial statements for the year ended November 30, 2011. The Company considers the following as its core portfolio shareholdings:

Western Potash Corp. (TSX-Toronto: WPX) ("Western Potash") is a junior mineral exploration company engaged in the acquisition, evaluation and exploration of potash mineral properties in Western Canada. Western Potash's objectives are to define and develop a world-class potash deposit while providing its shareholders with a unique opportunity to participate in the blue-chip dominated potash mining industry. The Company currently has 2,148,821 common shares of Western Potash with a market value of $2,406,680 ($1.12 per share, as at March 28, 2012).

Commerce Resources Corp. (TSX-V: CCE) ("Commerce") is an exploration and development company with a particular focus on tantalum, niobium and rare earth element deposits with a potential for economic grades and large tonnages. Commerce is developing its Upper Fir Tantalum and Niobium Deposit in British Columbia, at the Blue River Project, and is also exploring its Eldor Rare Earth Project in northern Quebec. The Blue River Project has defined NI 43-101 compliant resources and a preliminary economic assessment is to be completed for the project this year. The Eldor Project has defined NI 43-101 compliant resources and additional drilling is underway at the property. The Company currently has 3,756,178 common shares of Commerce, with a market value of $1,126,853 ($0.30 per share, as at March 28, 2012).

Triple Dragon Resources Inc. (CNSX: TDN) ("Triple Dragon") is a mineral exploration company focused on gold properties in the Gordon Lake area of south-central Northwest Territories, Canada. The Company holds a total of 17,117,500 common shares of Triple Dragon, representing 69.55% of the total issued and outstanding share capital of Triple Dragon. As such, Triple Dragon's results of operations have been consolidated into the financial statements of the Company. The common shares of Triple Dragon were acquired for investment purposes and the Company may from time to time acquire or dispose of some or all of the securities that it holds of Triple Dragon or continue to hold its share position. Subsequent to the year ended November 30, 2011, the Company sold 4,750,000 shares of Triple Dragon (see Subsequent Events). The Company currently has 12,367,500 common shares of Triple Dragon, with a market value of $1,731,450 ($0.14 per share, as at March 28, 2012).

Quantum Rare Earth Developments Corp. (TSX-V: QRE) ("Quantum") is a Canadian based exploration company focused on creating shareholder value through the strategic acquisition and advancement of highly prospective niobium and rare earth element projects in politically stable, mining-friendly locations. Quantum's flagship project is the Elk Creek Carbonatite located in southeastern Nebraska, U.S.A. which contains a niobium resource and is also prospective for rare earth element and phosphate mineralization. The Company currently has 3,007,750 common shares of Quantum, with a market value of $601,550 ($0.20 per share, as at March 28, 2012).

Camisha Resources Corp. (TSX-V: CRN.P) ("Camisha") is a Capital Pool Company within the meaning of the policies of the TSX-V. Zimtu owns 26.79% of the issued and outstanding common shares of Camisha. As a major shareholder, Zimtu will assist Camisha in finding a suitable Qualifying Transaction. The Company currently has 3,000,000 common shares of Camisha, with a market value of $480,000 ($0.16 per share, as at March 28, 2012).

Equitas Resources Corp. (TSX-V: EQT) ("Equitas") is in the early stages of the value creation process with the recent acquisition of the Day Copper-Gold Porphyry Project. This core asset will be the Equitas' flagship project and consists of ~7,100 hectares located to the northwest of Prince George, B.C. and 50 kms directly south of Northgate Minerals' Kemess South Mine in the prolific "Toodoggone Region" of B.C. The Company currently has 7,828,000 common shares of Equitas, with a market value of $626,240 ($0.08 per share, as at March 28, 2012).

Lakeland Resources Inc. (TSX-V: LK) ("Lakeland") is focused on the discovery of gold deposits with a 100% focus on Canadian assets principally in Ontario. Lakeland is currently exploring its Midas Gold Property located near Wawa, Ontario. Lakeland aims to create value through the drill bit and build a successful mineral exploration company by combining technical knowledge, a motivated management team and board, strong and clear messaging and supportive investors. The Company currently has 3,446,000 common shares of Lakeland, with a market value of $361,830 ($0.105 per share, as at March 28, 2012).

2. Project Advisory/Management

<u>Mineral Resource Project Management</u>

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

As at the date hereof, the Company has interests in the following mineral resource properties:

Name	Location	Mineral Type	Interest
Grace Claims	British Columbia	REE & Niobium	100%
Goeland Rare Earth Property (Montveil)	Quebec	REE	100%
Michikamatas Project	Newfoundland	REE	100%
Joint Venture with Gary Lewis, etc.:			
Red Wine Property	Newfoundland	REE	50%
Joint Venture with MPH Consulting Ltd.:			
Lavergne Property	Ontario	REE	50%
Black Donald Property	Ontario	Graphite	50%
Joint Venture with 877384 Alberta Ltd.:			
AB Potash	Alberta	Potash	50%
AB Frac Sands	Alberta	Frac Sands	50%
Day Property	British Columbia	Gold	50%
Blanchford Claims	North West Territories	REE	50%
Simon Lake Graphite	Saskatchewan	Graphite	50%
Deep Bay Graphite	Saskatchewan	Graphite	50%
Amor Rare Earth Property	Newfoundland	REE	50%
Cap Claims	British Columbia	REE	50%
Seebach Claims	British Columbia	REE	50%

Snip Claims	British Columbia	REE	50%
Lac Le Claire	Quebec	REE	50%
Henry Graphite	Saskatchewan	Graphite	50%
Irving Lake Gold	Saskatchewan	Gold	50%
Joint Venture with C&C:			
Hiren Claims	British Columbia	REE	50%
Trident Claims	British Columbia	REE	50%
Rare Claims	British Columbia	REE	50%
Kin Claims	British Columbia	REE	50%
Lindmark Claims	British Columbia	REE	50%
Icey Claims	British Columbia	REE	50%
Monroe Claims	British Columbia	REE	50%
Claire Claims	British Columbia	REE	50%
Joint Venture with David Javorsky:			
Zirconium Mountain	British Columbia	REE	50%
Cerium Mountain	British Columbia	REE	50%
Odin Creek Cerium	British Columbia	REE	50%
Old Lime Stone	British Columbia	REE	50%
Parry Creek	British Columbia	REE	50%
Port Hope	British Columbia	REE	50%

The following is a list of the properties farmed out during the year ended November 30, 2011:

Name	Sold to	Consideration
Old Lime Stone	Arctic Star Diamond Corp.	$25,000 cash (received) 1,000,000 common shares (500,000 received)
Cap and Seebach Properties	Arctic Star Diamond Corp.	$87,500 cash (received) 2,500,000 common shares (received) 10% administration fee to be received on exploration expenditures
7 Rare Earth Elements Properties	Critical Elements (formerly First Gold Exploration)	$62,500 cash (received) 2,000,000 common shares (1,000,000 shares received)
Goeland Rare Earth Property	Canada Rare Earth Inc. (formerly Canada Gas Corp.)	$12,500 cash (received) 1,250,000 common shares (500,000 received)
Montviel Rare Earth Property	Electric Metals Inc.	$62,500 cash ($12,500 received) 1,375,000 common shares (500,000 shares received)
Lavergne Rare Earth Property	Rare Earth Metals Inc.	$100,000 cash ($25,000 received) 1,000,000 common shares (250,000 shares received)
Blanchford Rare Earth Element Property	Solace Resources Corp.	$100,000 cash ($50,000 received) 1,250,000 common shares (not received)
Deep Bay East and Simon Lake Graphite	Strike Graphite (formerly Strike Gold)	$162,500 cash ($37,500 received) ,500,000 common shares (500,000 received)
Quatre Milles Graphite Property	Lomiko Metals Inc.	$25,000 cash ($12,500 received) 2,000,000 common shares (not received)

The following is a list of the properties farmed out prior to the year ended November 30, 2011:

Name	Sold to	Consideration
Athena Lithium Property	Individual	$20,000 cash (received)
Terrax Rare Metal Project	BonTerra Resources Inc.	1,000,000 common shares (received)
Archie Lake	Quantum Rare Earth Developments Corp	$20,000 cash (received) 1,000,000 common shares (received)
NWT Gold/Tom Mine Bella Coola/Snow Lake	Equitas Resources Corp. (formerly, Trivello Energy Corp.)	$50,000 cash (received) 1,000,000 common shares (received)
Australia Lithium	Individual	$50,000 cash (received)
Red Wine/Letitia Lake	Rare Earth Metals Inc.	$75,000 cash ($50,000 received) 1,000,000 common shares (750,000 received)
Snip and Seebach Properties	Remstar Resources Ltd.	$25,000 cash (received) 2,000,000 common shares (1,000,000 shares received)
Day Property	Equitas Resources Corp. (formerly Trivello Energy Corp.)	$25,000 cash (received) 2,500,000 common shares (received)

Mineral Resource - Advisory Services

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

The following is a list of the properties the Company provided property advisory services for the year ended November 30, 2011:

Name	Sold to	Consideration
Deadhorse Creek Rare Earth Property	Canadian International Minerals	$5,000 of shares + 60,000 shares on signing (received) $5,000 of shares + 30,000 shares on first anniversary (received) $5,000 of shares on second anniversary $5,000 of shares on third anniversary $5,000 of shares on fourth anniversary
Jungle Well & Laverton Projects	Quantum Rare Earth Developments & Silver Mountain Mines Corp.	$33,333 cash (received) 500,000 shares of Quantum Rare Earth (received)
Marksmen Capital	Brixton Metals Corp.	285,000 shares for finders fees (received) 500,000 escrow shares upon closing of Qualifying Transaction (received)
Range Capital Corp.	Open Gold Corp. (formerly Knob Hill Silver Corp.)	425,000 shares for finders fees (received)

Canadian International Minerals Inc.

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. The Company will receive $5,000 of common shares for each anniversary of the agreement in 2011, 2012 and 2013. The Company and CIN have mutually agreed to delay payment of the 2011 fees until 2012.

Marksmen Capital Inc.

On August 5, 2010, the Company announced that it has acted as an agent in a transaction between Marksmen Capital Inc. (“Marksmen”) and Brixton Metals Corp. (“Brixton”). The transaction constituted Marksmen’s qualifying transaction. For its participation in the deal, the Company received 500,000 shares of Marksmen’s escrow shares on closing of the qualifying transaction and received a finder’s fee equal to 285,000 shares.

Open Gold Corp.

On June 9, 2010, Open Gold Corp. (formerly Range Capital Corp.) (“Open Gold”), a TSX-V listed CPC, announced that it had entered into a letter agreement with Knob Hill Silver Inc. (“Knob Hill”), whereby Range will acquire 100% of the outstanding shares of Knob Hill. Knob Hill is a private British Columbia incorporated mineral exploration company that holds a 100% interest in 16 mineral claims located in the Greenwood mining division of British Columbia, subject only to a 2.5% net smelter return. Upon closing of the transaction, Range issued 425,000 common shares as a finder’s fee to the Company.

Jungle Well and Laverton Projects

The Company participated in Quantum Rare Earth Developments Corp (“Quantum”) and Silver Mountain Mines Corp. (“Silver Mountain”) acquisition of Northeast Minerals Pty. Ltd (“Northeast”), a private Australian company that owns 100% interest in the Jungle Well and Laverton Rare Earth Projects. For its participation, the Company received 500,000 shares of Quantum and $33,333 following completion of a merger between Quantum and Silver Mountain.

<u>Mineral Resource – Joint Ventures</u>

Dahrouge Geological Consulting Corp. and 877384 Alberta Ltd.

The Company, Dahrouge Geological Consulting Corp. (“Dahrouge”) and 877384 Alberta Ltd. (“877384”) entered into mutual agreements which were executed verbally that Dahrouge and 877384 staked and holds the ownerships of the properties on behalf of the Company including AB Frac Sands, AB Potash, Cap Claims, Seebach Claims, Snip Claims, Deep Bay Graphite Property, Henry Graphite Property, Irving Lake Gold Claims, Amor Rare Earth Property, NWT Gold Properties (Sickle Claims and Tom Claims), Blachford Rare Earth Property, Lac LeClaire Claims and Simon Lake Graphite Property, which are still in good standing as at November 30, 2011.

C&C Rare Earth Property

In 2009, the Company entered into an agreement with Cathro Resources Corp. and Cazador Resources Ltd. (“C&C”) for the joint exploration of rare earth element claims of merit in Western Canada, known as the C&C Rare Earth Properties. The claims included in the C&C Rare Earth Properties are the Rare, Kin, Lindmark, Icey, Munroe, Hiren, Trident and Claire Claims. The Company and the other joint venturers contributed $10,000 (paid) each for the acquisition costs of the C&C Rare Earth Properties. The Company will commit $100,000 towards the advancement of the C&C Rare Earth Properties. The C&C Rare Earth 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 the other joint ventures.

Javorsky Properties

In 2010, the Company entered into an agreement for the joint exploration of several rare earth element claims of merit in Western Canada, known as the Old Lime Stone, Zirconium Mountain, Cerium Mountain, Parry Creek, Port Hope and Odin Creek Cerium. The Company and the other joint venturer, Dave Javorsky (“Javorsky”), each contributed for the acquisition costs of the property. The property 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.

Kubwa Property

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.

Gary Lewis etc.

During the year ended November 30, 2011, the Company, Gary Lewis, Aubrey Budgell and Nehemiah Pinsent (collectively as “joint venturers”) entered into mutual agreements which were executed verbally that they are the legal and beneficiary holders of the mineral claims in the Red Wine/Letitia Lake area of west central Labrador. The proceeds from the Red Wine/Letitia Lake properties will be shared on a 50(Zimtu)-20(Lewis)-15(Budgell)-15(Pinsent)% joint venture basis.

MPH Consulting Ltd.

During the year ended November 30, 2011, the Company and MPH Consulting Ltd. (with president, Paul Sobie and executive VP, Bill Brereton) entered into a mutual agreement which was executed verbally that they are the legal and beneficiary holders of the mineral claims in Lavergne properties and Black Donald properties. The proceeds from the Lavergne properties and Black Donald properties will be shared on a 50(Zimtu)-25(Sobie)-25(Brereton)% joint venture basis.

Michel Robert

Subsequent to the year ended November 30, 2011, the Company and Michel Robert entered into a mutual agreement which was executed verbally that they are the legal and beneficiary holders of the mineral claims in the Lomiko Properties. The proceeds from the Lomiko properties will be shared on a 50-50% joint venture basis.

3. Company Management

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

The Company currently has contracts in place with Commerce Resources Corp., Camisha Resources Corp., Equitas Resources Corp. and Triple Dragon Resources Inc. Commerce, Triple Dragon and Camisha have a director(s) in common with the Company.

Under the terms of the contracts, these services may include rent and office administration, continuous disclosure services and compliance services. These contracts generate sufficient cash for the Company to meet its operating needs in the current market environment and the Company expects these contracts to continue.

Selected Annual Information

The following is a summary of the financial data of the Company for the years ended November 30, 2011, 2010, and 2009:

	2011	2010 (Restated)	2009 (Restated)
Total Revenues (losses)	(869,950)	6,638,710	3,980,551
Income (loss) before other items and income taxes	(3,169,748)	3,567,264	1,591,944
Income (loss) before other items and income taxes (per share)	(0.32)	0.43	0.25
Income (loss) before other items and income taxes (per share, fully diluted)	(0.27)	0.27	0.18
Net Income (loss)	(2,775,507)	3,164,459	1,076,431
Net Income (loss) (per share)	(0.28)	0.38	0.17
Net income (loss) (per share, fully diluted)	(0.28)	0.37	0.12
Net comprehensive income (loss)	(2,775,507)	3,164,459	1,076,431
Net comprehensive income (loss) (per share)	(0.28)	0.38	0.17
Net comprehensive income (loss) (per share, fully diluted)	(0.28)	0.37	0.12
Total assets	11,875,187	13,971,210	6,348,913
Total long term financial liabilities	Nil	671,774	196,583
Cash dividend declared per share	Nil	Nil	Nil

Summary of Quarterly Results

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

	November 30, 2011	August 31, 2011	May 31, 2011	February 28, 2011
Revenue (loss)	(689,560)	(2,176,308)	(1,031,449)	3,027,367
Net Income (loss)*	(2,031,687)	(2,427,243)	(966,659)	2,650,082
Total assets	11,875,187	15,114,125	16,859,414	18,437,251
Working capital	9,082,407	11,111,989	12,931,203	14,006,394
Total liabilities	1,094,113	2,747,398	2,073,455	2,716,312
Shareholders' equity	10,668,979	12,366,727	14,785,960	15,720,939

	November 30, 2010	August 31, 2010	May 31, 2010	February 28, 2010
Revenue (loss)	5,496,291	1,330,349	(212,515)	24,585
Net Income (loss)*	3,191,385	722,084	(572,917)	(176,093)
Total assets	13,971,210	8,116,866	6,993,530	7,194,857
Working capital	12,009,982	6,460,215	5,533,029	6,024,083
Total liabilities	1,120,691	755,225	668,975	569,864
Shareholders' equity	12,706,458	7,361,641	6,324,555	6,624,993

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

Fourth Quarter

Net loss for the three months ended November 30, 2011 was $2,031,687 as compared to net income of $3,191,385 for the comparative quarter ended November 30, 2010 for a difference of $5,223,072. The main components of this difference are the unrealized loss on investments of $3,006,011 (2010: $3,293,718 gain) for a difference of $6,299,729, an increase in income from property sales to $1,301,654 (2010: $452,423) which can be attributed to increase business activities in the current year, and a loss on the sale of investments of $75,643 (2010 - $721,364 gain).

Results of Operations

Net loss for the year ended November 30, 2011, was $2,775,507 as compared to a net income of $3,164,459 for the year ended November 30, 2010, for a difference of $5,939,966.

The difference is due primarily to the gain on sales of investments and the unrealized losses on investments. During the year ended November 30, 2011, the Company:

- recorded a gain on sale of investments of $1,438,232 (2010: $872,273),
- recorded an unrealized loss on investments of $5,645,276 (2010: $3,430,228 gain), and
- income from property sales of $2,087,618 (2010: $1,145,909).

For the year ended November 30, 2011, there was an increase in the revenue generated from administrative fees (2011: $1,249,476; 2010: $1,190,300). The overall operating expenses of the Company remained fairly consistent compared to the prior year with the following exceptions:

- advertising & promotion expenses increased as the Company continued to increase awareness of its activities through tradeshows and other media (2011: $411,143, 2010: $259,288), including website and internet (2011: $12,461, 2010: $17,886) and investor relations (2011: $99,509, 2010: $97,812),

- amortization increased due to the purchase of fixed assets and leasehold improvements (2011: $85,335, 2010: $82,729),

- office, rent & telephone decreased due to cost saving initiatives (2011: $231,922, 2010: $251,217),

- professional fees, including legal and accounting fees, decreased (2011: $171,822, 2010: $310,590) as more of this work was performed by in-house staff,

- stock based compensation decreased (2011: $nil, 2010: $736,663) as no options were granted in the current year,

- transfer agent and filing fees decreased as no shares were issued in the current year (2011: $38,514, 2010: $66,099),

- interest income increased due to additional investments held in the current year (2011: $16,708, 2010: $181),

- gain on dilution of ownership increased due to reduced holdings of investments recorded under the equity method (2011: $201,874, 2010: $7,951),

- equity loss of affiliates decreased due to the reduced losses incurred on the Company's investments in Camisha and Lakeland (2011: $69,549, 2010: $98,310),

- impairment of mineral properties increased as the company did not renew claims on previously held claims (2011: $57,964, 2010: $nil), and

- other income decreased as the company received less finders' fees in the current year (2011: $18,200, 2010: $324,057)

Liquidity and Capital Resources

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

The capital resources of the Company include investments of $8,892,400 held at fair market value, investments of $718,798 held at cost and cash of $1,017,035. The Company's intention is to commit further funds for continuing its investment strategies.

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

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

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

Working Capital: As at November 30, 2011, the Company had total assets of $11,875,187 as compared to $13,971,210 for the year ended November 30, 2010.

The primary assets of the Company are investments of $8,892,400 (2010: $9,768,642) held at fair market value, investments of $718,798 (2010: $489,665) held at cost, cash and cash equivalents of $1,017,035 (2010: $2,033,883), advances and accounts receivables of $102,984 (2010: $46,061), subscriptions receivable of $nil (2010: $576,132), prepaid expenses of $164,101 (2010: $34,181), loan receivable of $59,375 (2010: $34,675), deposits of $15,562 (2010: $15,562), future income tax asset of $46,285 (2010: $Nil), goodwill of $64,816 (2010: $64,816), equipment of $118,102 (2010: $211,499), and mineral property interests of $675,729 (2010: $696,094).

The Company has long-term liabilities of $Nil (2010: $671,774) and has working capital of $9,082,407 (2010 - $12,009,982).

Cash and Cash Equivalents: On November 30, 2011, the Company had cash and cash equivalents of $1,017,035 (2010 - $2,033,883).

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

Cash Provided by (Used in) Operating Activities: Cash provided by operating activities during the year ended November 30, 2011 was $505,147, compared with $652,472 of cash used in operating activities during the year ended November 30, 2010.

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

Cash Used in Investing Activities: Total cash used in investing activities during the year ended November 30, 2011 was $2,851,156 compared to $661,331 of cash used during the year ended November 30, 2010. During the year ended November 30, 2011, the Company spent:

- $4,331,916 (2010 – $1,900,627) on the acquisition of investments,

- $1,279,322 (2010 - $1,781,173) was recovered on the proceeds on disposition of investments,

- $255,424 (2010 - $522,379) on the acquisition of mineral exploration properties,

- $448,801 (2010 - $80,000) was recovered on the proceeds of disposition of mining properties.

- $8,061 recovered (2010 - $40,123 incurred) on the acquisition of equipment, and

- $nil (2010 - $59,375) was used on the issuance of a loan.

Cash Provided by Financing Activities: During the year ended November 30, 2011, the Company received $1,314,161 (2010 – $2,706,672) from the issuance of shares, net of share issuance costs.

Related Party Transactions

(a) During the year ended November 30, 2011, the Company earned administrative fees of $1,080,000 (2010: $1,080,000) from a company with common directors and $30,000 (2010: $35,300) from a company that is accounted for as an investment under the equity method.

(b) Total amount due to a related company with common directors as at November 30, 2011, is $31,825 (2010: $45,798). This amount is unsecured, non-interest bearing and due on demand.

(c) Included in wages and benefits expense is $435,494 (2010: $620,375) paid to directors of the Company.

(d) The Company received $15,000 (2010: $nil) for advertising and promotions from a Company with common directors and $15,000 (2010: $nil) from a company that is accounted for as an investment under the equity method.

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

Significant Contracts

The Company has entered into a Management Service Agreement with Commerce Resources Corp. (“Commerce”), a public company with common directors. Under the Management Service Agreement, the Company provides administrative and management services to Commerce for a fee of $90,000 per month plus applicable taxes. The contract has a term of one year and automatically renews for further terms as agreed to by the parties.

On June 1, 2010, the Company has entered into a Management Service Agreement with Camisha, a company accounted for as an investment under the equity method. Under the Management Service Agreement, the Company provides administrative and management services to Camisha for a fee of $2,500 per month plus applicable taxes. The contract has a term of one year and automatically renews for further terms as agreed to by the parties.

Segmented Information

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, 2011

	Investment in mineral properties $	Management Service $	Investment in stock, warrants and others $	Corporate $	Total $
Revenue					
Administrative fees	-	1,249,476	-	-	1,249,476
Unrealized gain (loss) on investments	-	-	(5,645,276)	-	(5,645,276)
Gain on sale of investments	-	-	1,438,232	-	1,438,232
Income from property sale	2,087,618	-	-	-	2,087,618
	2,087,618	1,249,476	(4,207,044)	-	(869,950)
Segment assets	755,759	-	8,892,400	2,227,028	11,875,187
Expenditure for segment capital assets	298,968	-	-	3,784	302,752

For the year ended November 30, 2010 (Restated)

	Investment in mineral properties $	Management Service $	Investment in stock, warrants and others $	Corporate $	Total $
Revenue					
Administrative fees	-	1,190,300	-	-	1,190,300
Unrealized gain (loss) on investments	-	-	3,430,228	-	3,430,228
Gain on sale of investments	-	-	872,273	-	872,273
Income from property sale	1,145,909	-	-	-	1,145,909
	1,145,909	1,190,300	4,302,501	-	6,638,710
Segment assets	489,665	-	9,768,883	3,712,662	13,971,210
Expenditure for segment capital assets	491,867	-	-	250,459	742,326

Prior Year Restatement

The Company has restated its consolidated financial statements as at and for the year ended November 30, 2010 as follows:

a) Deferred revenue

Deferred revenue in fiscal year 2010 was incorrectly accounted for since the Company deferred proceeds received on its farmed out mineral properties when it should have credited to the carrying value of the mineral properties, with any excess included in operations.

The impact of the amounts restated for the above noted errors was to decrease deferred revenue by $467,500, decrease mineral property interests by $108,203 and increase revenue by $359,297.

b) Investment in warrants and options

Investment in warrants and options was incorrectly accounted for since the Company used intrinsic method as opposed to fair value using the Black-Scholes option model.

The impact of the amounts restated for the above noted errors was to increase investment by $182,290 and increase unrealized gain on investment by the same amount.

c) Current and future income taxes

The Company incorrectly calculated its current and future income taxes for the year ended November 30, 2010. The impact of the amounts restated along with the above noted errors was to increase income taxes payable and income taxes expenses by $48,899 and increase future income taxes payable and future income taxes expenses by $195,336.

d) Goodwill

The Company incorrectly recognized goodwill in the acquisition of TDN. The impact of the amounts restated along with the above noted errors was to decrease the goodwill and retained earnings by $81,082.

e) Non-controlling interest

The Company incorrectly recognized non-controlling interest in relation to the equity interest in Lakeland. The impact of the amounts restated along with the above noted errors was to decrease the non-controlling interest balance by $117,670, increase net income by $2,403 and increase opening retained earnings by $115,267.

The following table summarized the restatements for the year ended November 30, 2010.

Balance Sheet as at November 30, 2010	**Previously reported**	**Adjustment**	**Restated**
	$	$	$
Cash	2,056,883	(23,000)	2,033,883
Investments	9,563,352	205,290	9,768,642
Mineral property interests	804,297	(108,203)	696,094
Goodwill	145,898	(81,082)	64,816
Total assets	13,978,205	(6,995)	13,971,210
Unearned revenue	482,865	(467,500)	15,365
Current income taxes payable	81,596	48,899	130,495
Future income tax payable	476,438	195,336	671,774
Non-controlling interests	261,731	(117,670)	144,061
Retained earnings	2,867,194	333,940	3,201,134
Total liabilities and shareholders' equity	13,978,205	(6,995)	13,971,210

Statements of Loss and Comprehensive Loss for year ended November 30, 2010

Income from property sales	-	1,145,909	1,145,909
Unrealized gain on investments	3,247,938	182,290	3,430,228
Other income	1,110,669	(786,612)	324,057
Income taxes (recovery) - current	82,302	48,899	131,201
Income taxes (recovery) - future	359,682	195,336	555,018
Income before minority interest	2,860,649	297,352	3,158,001
Non-controlling interests	4,055	2,403	6,458
Net income and comprehensive income for the year	2,864,704	299,755	3,164,459
Retained earnings (deficit), beginning of year	2,490	34,185	36,675
Retained earnings, end of year	2,867,194	333,940	3,201,134

Other MD&A Requirements

Additional Disclosure for Venture Issuers without Significant Revenue

As the Company has not had significant revenue from operations in either of its last two financial years, the following is a breakdown of the material costs incurred:

	Year ended November 30, 2011	Year ended November 30, 2010
Capitalized or Expensed Exploration and Development Costs	675,729	696,094
General and Administration Expenses	2,299,798	3,071,446
Gain (loss) on sale of Investments	1,438,232	872,273
Unrealized gain (loss) on Investments	(5,645,276)	3,430,228

Disclosure of Outstanding Share Capital

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

	March 29, 2012	**November 30, 2011**	**November 30, 2010**	**November 30, 2009**
Common shares	10,003,266	10,003,266	9,482,739	6,533,264
Stock Options	1,414,900	1,414,900	1,477,000	1,194,333
Warrants	-	556,073	2,061,765	1,029,265
Fully Diluted Shares	11,418,166	11,974,239	13,021,504	8,756,862

For additional details of outstanding share capital, refer to the audited consolidated financial statements for the year ended November 30, 2011.

Additional Disclosure Regarding Significant Investee

Camisha Resources Corp.

As at November 30, 2011, the Company owns 27% (2010: 27%) of the total outstanding shares of Camisha Resources Corp. (“Camisha”). The Company exerts significant influence over Camisha and therefore Camisha is accounted for as an investment under the equity method.

The investment in Camisha is recorded at cost of $150,000 and is adjusted for $18,135 (2010: $18,743) of equity loss.

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 and an additional 1,025,000 common shares for $114,055 during the year ended November 30, 2011, which represents 32% (2010: 34%) of total issued and outstanding shares of Lakeland. At November 30, 2011, the investment in Lakeland is recorded at cost of $552,030 and is adjusted for $59,438 (2010: $79,567) of equity loss and $192,651 in dilution gain.

Proposed Transactions and Subsequent Events

(a) Subsequent to the year ended November 30, 2011, 556,073 warrants valued at $2.40 expired unexercised.

(b) On November 2, 2011, the Company and its prospecting partners signed an agreement with Standard Graphite Corp. (formerly Orocan Resource Corp.) (“Standard”) 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 subsequent to November 30, 2011) and staged payments of 1,000,000 common shares (350,000 shares received subsequent to November 30, 2011) 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 which can be purchased for $1 million. The agreement was approved by the TSX-V subsequent to November 30, 2011.

(c) 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 $62,500 ($25,000 received subsequent to November 30, 2011) 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 which can be purchased for $1 million. The agreement is subject to approval by the TSX-V.

(d) On March 1, 2012, the Company and its prospecting partners signed an agreement with Galaxy Capital 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 ($3,750 received subsequent to November 30, 2011) and staged payments of 500,000 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 which can be purchased for $1 million. The agreement is subject to approval by the TSX-V.

(e) On March 8, 2012, the Company and its prospecting partners signed an agreement with Big North Capital Inc. (“Big North”) 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 ($20,000 received subsequent to November 30, 2011) and staged payments of 1,000,000 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 which can be purchased for $1 million. The agreement is subject to approval by the TSX-V..

(f) On March 27, 2012, the Company and its prospecting partners signed an agreement with Big North Capital Inc. ("Big North") 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 and staged payments of 750,000 common shares over a fourteen-month 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 which can be purchased for $1 million. The agreement is subject to approval by the TSX-V.

(g) On February 1, 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, Zimtu will receive cash of $12,500 ($3,750 received subsequent to November 30, 2011) and staged payments of 375,000 common shares over a one-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 which can be purchased for $1 million. The agreement is subject to approval by the TSX-V.

(h) Subsequent to the year ended November 30, 2011, TDN paid $10,000 in accordance with the Burnt Island property agreement.

(i) On March 2, 2012, the Company sold a total of 4,750,000 common shares of TDN, representing 19% of the issued and outstanding share capital thereby reducing its ownership of TDN down from 69.55% to 50.25%. The shares were sold in private transactions to a total of 3 individuals. On March 9, 2012, TDN closed a non-brokered private placement of 23,535,149 common shares at a price of $0.10 per share for gross proceeds of $2,353,515. This further reduced Zimtu's ownership of TDN down to 25.7%.

Risk Factors

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

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

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

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

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

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

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

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

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

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

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

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

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Changes in Accounting Policies

There have been no changes in the accounting policies.

International Financial Reporting Standards

On February 13, 2008, Canada's Accounting Standard Board confirmed January 1, 2011 as the effective date for complete convergence of Canadian GAAP to International Financial Reporting Standards ("IFRS"). The official changeover date for the Company will apply for interim and financial statements relating to fiscal years beginning on or after December 1, 2011. The Company has determined that the key elements of this IFRS changeover on the Company will be in the areas of accounting for resource properties' acquisition and exploration costs, impairment of long-lived assets, accounting for share capital including stock options and warrant valuations and general IFRS disclosure requirements.

<u>Impact of Adopting IFRS on the Company's Financial Statements</u>

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements. The opening balance sheet figures will also need to be audited by the Company's auditors. To comply with these requirements, the Company will gather additional information and the current reporting processes will be modified to provide the appropriate level of detail in order to prepare the Company's financial statements under IFRS.

<u>Impact on the Internal Controls over Financial Reporting</u>

The Company will make the appropriate changes to maintain the integrity of the Company's internal controls over financial reporting for the initial transition to IFRS, including the related note disclosures, as well as on-going financial reporting.

<u>Impact on the Disclosure Controls and Procedures</u>

IFRS requires additional disclosures in a number of areas including estimates, related party transactions, income taxes and impairment. In the year of adoption of IFRS, additional disclosures are required to show the transition from GAAP to IFRS for the opening balance sheet figures as of December 1, 2010. Reconciliations of equity and earnings (loss) are required with disclosure of the key differences.

Financial Reporting Expertise

The Company will ensure that the appropriate management oversight is in place and appropriate management review and approval is obtained for all additional financial and other material disclosures. The Company's accounting personnel will be trained in IFRS, and the Audit Committee will assess the Board of Director's IFRS knowledge and recommend any additional training that may be required.

Impact on the Business

The Company has reviewed its significant business activities to date and believes that none of these will be impacted by the transition to IFRS. Business process will be monitored during the following months to detect and address any previously not identified IFRS conversion issues.

Conversion Plan

The Company's conversion plan to transition from Canadian GAAP to IFRS consists of three phases:

• Phase 1 (Scoping and diagnostic) – A preliminary diagnostic review which included the determination, at a high level, of the financial reporting differences and options under IFRS and the key areas that may be impacted was completed in 2010.

• Phase 2 (Impact analysis, quantification and evaluation) – In this phase, the Company will perform a detailed assessment and technical analysis of each area identified from Phase 1 that will result in the conclusion of IFRS transitional adjustments, decisions on accounting policy choices and the drafting of accounting policies. The Company has completed this second phase.

• Phase 3 (Implementation phase) – This phase includes the collection of financial information necessary to compile IFRS compliant financial statements and the preparation of the opening balance sheet as at December 1, 2011 and will be carried out in the first quarter of 2012.

Based on the review in Phase 1 and work done under Phase 2, a number of key accounting areas were identified where IFRS differs from current GAAP, which are expected to have an impact on the Company's financial statements. These key areas are explained below. IFRS will require more extensive disclosure and analysis of balances and transaction in the notes to the financial statements. The Company's review has not identified significant impact on its accounting processes, financial reporting systems and controls.

IFRS 1, First-time Adoption of IFRS

IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective applications of IFRS. The purpose of the options is to provide relief to companies and simplify the conversion process by not requiring them to recreate information that may not exist or may not have been collected at the inception of the transaction. We have analyzed the various exemptions available and are working towards implementing those most appropriate in our circumstances.

Property, Plant and Equipment

IFRS currently allows property, plant and equipment to be either recorded using the cost or revaluation models. Depreciation must be based on the useful lives of each significant component within property, plant and equipment. We have the option to record items of property, plant and equipment at their fair value on transition to IFRS. This value becomes the deemed cost of the asset. The Company expects to continue to record property, plant and equipment at their historical costs due to the complexity and resources required to determine fair values on an annual basis.

Mineral Properties, Exploration and Development Costs

IFRS currently allows exploration and evaluation expenses to be either capitalized or expensed. The Company expects to continue to capitalize its exploration and evaluation expenses.

Impairment of Mineral Properties

Canadian GAAP provides for a 2 step test with no impairment being required if the undiscounted future expected cash flows relating to an asset are higher than the carrying value of that asset. Under IFRS, the undiscounted cash flows are not considered and an impairment is recorded when the recoverable amount (defined as the higher of ‘value in use’ and `fair value less costs to sell’) is below the asset’s carrying value.

The Company will be required to adopt the discounted future cash flow approach with respect to impairment analysis of its mineral properties. Impairment under this approach may generate a greater likelihood of write-down in future.

Write down to net realizable value can be reversed under IFRS if the conditions of impairment ceased to exist. This difference in approach between Canadian GAAP and IFRS could result in potentially significant volatility in earnings.

Share Based Payments

Under IFRS, each installment is to be treated as a separate share option grant with graded-vesting features, forfeitures are to be estimated at time of grant and revised if actual forfeitures are likely to differ from previous estimates and options granted to parties other than employees are measured on the date the goods or services received. The concept of employees and other providing similar services under IFRS is a broader concept under IFRS. The Company is currently recording its stock based compensation expense at the grant date, vesting immediately, and forfeitures as they occur. The transition to IFRS would likely result in more variability in the compensation expenses.

Business Combinations

Under IFRS, there is an option to apply IFRS 3, Business Combinations, retrospectively or prospectively. The Company plans to apply IFRS 3 prospectively to all business combinations that occurred after the transition date. The application of this policy prospectively means that there will be no impact on the financial statements for previous business combinations.

Consolidated Financial Statements

In accordance with IFRS 1, if a company elects to apply IFRS 3 Business Combinations retrospectively, IAS 27 Consolidated and Separate Financial Statements must also be applied retrospectively. As the Company will be electing to apply IFRS 3 prospectively, the Company will also be electing to apply IAS 27 prospectively.

Revenue Recognition

Under GAAP, the Company recognizes revenue of mineral property interests following the transfer of title and risk of ownership based on the contractual arrangements. Title is usually transferred on receipt of the final payment.

On adoption of IFRS, revenue will only be recognized when persuasive evidence exists indicating that all of the following criteria are met: (i) the significant risks and rewards of ownership have been transferred to the customer; (ii) neither continuing managerial involvement to the degree associated with ownership nor effective control over the goods sold has been retained; (iii) the amount of revenue can be reliably measured; (iv) it is probable that the economic benefits associated with the sale will flow to the Company; and, (v) the costs incurred or to be incurred in respect of the sale can be measured reliably.

The Company does not expect that changes to revenue recognition will have a material impact on its financial statements.

Financial Instruments and Other Instruments

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

a) Fair value

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

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

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

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

	Assets measured at fair value as at November 30, 2011			
	Level 1 $	Level 2 $	Level 3 $	Total $
Held for trading				
Cash on hand and bank balances	306,961	-	-	306,961
Money market funds	710,074	-	-	710,074
GIC	23,000	-	-	23,000
Investment in public company shareholdings	6,932,802	-	-	6,932,802
Investment in warrants	-	126,679	-	126,679
	7,972,837	126,679	-	8,099,516
Available for sale				
Investment in private company shareholdings	-	-	1,809,919	1,809,919

	Assets measured at fair value as at November 30, 2010 (Restated)			
	Level 1 $	Level 2 $	Level 3 $	Total $
Held for trading				
Cash on hand and bank balances	2,033,883	-	-	2,033,883
GIC	23,000	-	-	23,000
Investment in public company shareholdings	8,217,638	-	-	8,217,638
Investment in warrants and options	-	928,414	-	928,414
	10,274,521	928,414	-	11,202,935
Available for sale				
Investment in private company shareholdings	-	-	599,590	599,590

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 accounts receivables is remote. One customer accounted for 82% (2010: 83%) of the Company's administrative revenue.

d) Currency risk

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

e) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company' 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. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price at this time.

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, 2011 or 2010. The Company is not subject to externally imposed capital requirements.

Forward Looking Statements

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

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

- the Company’s goal is to take advantage of the favourable investment opportunities that arise between the private and public phases of a given investment in the natural resources sector and to seek and identify high return investment opportunities in the resource sector through direct investments in project interests or indirect investments by means of equity shareholdings;
- the Company’s objective is to preserve its capital and limit the downside risk of its capital and to achieve a reasonable rate of capital appreciation;
- the Company shall focus on natural resource industries, concentrating on early stage exploration and development companies
- the Company may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments.
- the Company intends to create a diversified portfolio of investments, which composition will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk;
- the Company expects its Management Services Revenue to continue;
- the Company’s conversion to IFRS will be completed in a timely manner;
- the Company believes it has the necessary financial expertise and resources available for the conversion to IFRS.

There can be no assurance that the plan, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Readers are cautioned not to put undue reliance on forward looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Additional Information

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