



Management Discussion and Analysis For the Six Months Ended May 31, 2022

The following is a discussion and analysis of the operations, results, and financial position of Zimtu Capital Corp. (the “Company”) for the six months ended May 31, 2022, and should be read in conjunction with the condensed interim financial statements for the six months ended May 31, 2022, all of which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards (“IFRS”).

The effective date of this report is July 18, 2022.

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 and was listed on the TSX Venture Exchange (the “TSX-V”) as a Capital Pool Company on January 31, 2007. 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’.

Year-to-date Highlights

On December 13, 2021, the Company completed the acquisition of a mineral property known as the Wicheeda Extension located in northeast British Columbia. Pursuant to the terms of the agreement, the Company made a cash payment of \$20,000, issued 200,000 common shares of the Company, and committed to transferring 200,000 common shares of Eagle Bay Resources Corp. to the vendor.

On February 7, 2022, the Company signed an agreement with Gratomic Inc. for its ZimtuADVANTAGE program.

On February 15, 2022, the Company closed a non-brokered private placement issuing an aggregate of 9,892,500 units at a price of \$0.20 per Unit for gross proceeds of \$1,978,500. Each unit consists of one common share in the capital of the Company (each, a “Share”) and one non-transferable share purchase warrant (each, a “Warrant”). Each Warrant is exercisable into one additional Share at a price of \$0.30 per Share for a period of two years from the closing date. The Company paid cash finder’s fees of \$3,600 to a certain finder and issued 18,000 share purchase warrants (the “Finder’s Warrants”) to one finder in connection with the Private Placement. Each Finder’s Warrant is exercisable into one Share at a price of \$0.30 per Share for a period of two years from the date of issuance.

On March 24, 2022, the Company granted an aggregate of 470,000 stock options to its directors, officers, employees and consultants for the purchase of up to 470,000 common shares of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of 5 years at a price of \$0.23 per common share.

On March 29, 2022, the Company announced it had signed an agreement with Marvel Discovery Corp. to provide aspects of its ZimtuADVANTAGE marketing program.

On May 11, 2022, the Company announced it had updated the Zimtu Advantage Marketing Program, designed to build and strengthen shareholder relationships and create awareness in public companies.

On June 21, 2022, the Company announced it had signed an agreement with Homerun Resources Inc. for its ZimtuADVANTAGE marketing program.

On July 14, 2022, the Company announced it had signed an agreement with Aeonian Resources Inc. for its ZimtuADVANTAGE marketing program.

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 four distinct segments: 1. Investment in stock, warrants, and others, 2. Property acquisitions, dispositions, and management, 3. Company management services, and 4. Corporate development and marketing services.

1. Investment

The principal investment objectives of the Company are:

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

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

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

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

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

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

Shareholdings: A complete list of the specific shareholdings of the Company is listed in Notes 6 and 7 of the Company's condensed interim financial statements for the six months ended May 31, 2022. The Company considers the following as its core portfolio shareholdings:

Commerce Resources Corp. (TSX-V: CCE) (“Commerce”) is an exploration and development company with a particular focus on tantalum, niobium and rare earth element deposits with a potential for economic grades and large tonnages. Commerce is developing its Upper Fir Tantalum and Niobium Deposit in British Columbia, at the Blue River Project, and is also exploring its Eldor Rare Earth Project in northern Quebec. The Company currently has 6,821,599 common shares of Commerce, with a market value of \$1,159,672 (\$0.17 per share, as at July 15, 2022).

Aduro Clean Energy Technologies Inc. (CSE: ACT) (“Aduro”) is currently working on the development and commercialization of its Hydrochemolytic™ technology (HCT) to create higher-value chemicals and fuels from lower-value feedstocks including waste plastics. In this pursuit, Aduro seeks to address important problems faced by the global community. Originally conceived as a radical alternative for bitumen upgrading, HCT is covered by three patents and three patents pending. The Company currently has 1,347,777 common shares of Aduro with a market value of \$1,051,266 (\$0.78 per share, as at July 15, 2022).

Zinc8 Energy Solutions Inc. (CSE: ZAIR) (“Zinc8”) has developed a unique flow battery technology using zinc and air as fuel. The Company currently has 5,817,361 common shares of Zinc8 with a market value of \$1,192,559 (\$0.205 per share, as at July 15, 2022).

Saville Resources Inc. (TSX-V: SRE) (“Saville”) is currently focusing on the exploration and development of its Niobium Claim Group in Quebec. The Company currently has 16,335,500 common shares of Saville with a market value of \$245,033 (\$0.015 per share, as at July 15, 2022).

Core Assets Corp. (“Core”), a company with common directors, is a Canadian mineral exploration company focused on the acquisition and development of mineral projects in British Columbia, Canada. Core currently holds 100% title, ownership in the Blue Property, a project that lies within the Atlin Mining District, a well-known gold mining camp. Core came to trade on the CSE on July 27, 2020 under the symbol CC. The Company currently has 8,527,000 common shares of Core with a market value of \$4,434,040 (\$0.52 per share, as at July 15, 2022).

Swmbrd Sports Inc. (“Swmbrd”) is a British Columbia-based sporting goods company focused on developing, manufacturing, marketing, and selling aquatic sports products within the Sporting Goods and Outdoor Recreation markets. They commenced trading on the CSE on February 16, 2022 under the symbol “SWIM”. The Company currently has 13,150,000 common shares of Swmbrd with a market value of \$1,183,500 (\$0.09 per share, as at July 15, 2022).

Eagle Bay Resources Corp. (“Eagle Bay”) is a privately held mineral exploration company focusing on rare earth elements and high-grade Niobium with properties in British Columbia, Canada. Eagle Bay is working towards completing a prospectus to become a publicly traded company. The Company currently has 20,500,000 common shares of Eagle Bay with a cost base of \$512,500 (\$0.025 per share, as at July 15, 2022).

2. *Property Acquisitions, Dispositions, and Management*

Mineral Resource Project Management

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

As at May 31, 2022, the Company has interests in the following mineral resource properties:

Property Name	Partner	Balance,	Additions	Impairment	Property sales	Balance,
		November 30, 2021				May 31, 2022
		\$	\$	\$	\$	\$
Covette II Property	N/A	3,712	-	-	-	3,712
Lac Elmer	Staked	5,390	-	-	-	5,390
Munn Lake	Dahrouge	3,694	-	-	-	3,694
Wicheeda Property	N/A	-	68,000	-	-	68,000
Total		12,796	68,000	-	-	80,796

The following is a list of the farmed-out properties during the past two fiscal years:

<u>Property Name</u>	<u>Sold to</u>	<u>Consideration</u>
Blue Property Extension	Core Assets Corp.	\$31,314 (received)
Wicheeda North Property	Marvel Discovery Corp.	\$7,500 (received)

Mineral Resource – Joint Ventures

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

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

3. *Company Management Services*

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

During the six months ended May 31, 2022, the Company had contracts in place with Commerce Resources Corp., Saville Resources Inc., Core Assets Corp., Swmbrd Sports Inc., Sceptre Ventures Inc., and Eagle Bay Resources Corp.

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.

4. *Corporate Development and Marketing Services*

ZimtuADVANTAGE is a program designed to provide opportunities, guidance, cost savings and assistance to clients covering multiple aspects of being a public company. The services of this program include the following: Zoom with Zimtu; Zimtu Connect – all major news/events/important updates sent to email distribution list, Lead Generation campaigns; Blog Posts; Digital Awareness campaigns; Influencer Marketing; Social Media Distribution of company news/important updates through Zimtu accounts including Twitter, Facebook, LinkedIn, YouTube & Instagram; Rockstone Reports & Distribution; Video News Releases – major news releases will be translated to video format, which will be distributed on all social media platforms and to Zimtu Connect subscribers; and Zimtu Question Period.

Summary:

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

- a) Increased its investment shareholdings through participation in private placements in several publicly listed companies;
- b) Acquired or increased its investment shareholdings through the sale of interest in several mineral property claims and/or permits, either by selling the property in its entirety or by optioning the property;
- c) Provided corporate development and administrative assistance to both private and public companies; and
- d) Provided assistance and support to select equity holdings in their dissemination and corporate awareness activities.

Selected Annual Information

The following is a summary of the financial data of the Company for the last three fiscal years ending November 30, and are derived from the audited financial statements of the Company:

	2021	2020	2019
	\$	\$	\$
Total Revenues	2,229,826	1,386,669	1,487,267
Income (loss) before other items and income taxes	140,190	(623,962)	(1,003,841)
Income (loss) before other items and income taxes (per share)	0.01	(0.04)	(0.06)
Income (loss) before other items and income taxes (per share, fully diluted)	0.01	(0.04)	(0.06)
Net Income (loss)	10,237,080	3,700,427	(2,742,553)
Net Income (loss) (per share)	0.64	0.23	(0.17)
Net income (loss) (per share, fully diluted)	0.63	0.23	(0.17)
Net comprehensive income (loss)	10,237,080	3,700,427	(2,742,553)
Net comprehensive income (loss) (per share)	0.64	0.23	(0.17)
Net comprehensive income (loss) (per share, fully diluted)	0.63	0.23	(0.17)
Total assets	20,813,718	10,576,608	6,329,101
Total long term financial liabilities	266,300	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

The Company recorded an income of \$10,237,080 in the year ended November 30, 2021, compared to an income of \$3,700,427 in the year ended November 30, 2020, and a net loss of \$2,742,553 in the year ended November 30, 2019. The Company's revenue provided from corporate development and marketing and administration fees has increased over amounts from the prior years. The significant change in income over the years is due to the increase in the unrealized gains and losses of investments held by the Company due to changes in market values.

Results of Operations

Net loss for the six months ended May 31, 2022 was \$174,393 compared to net income of \$9,481,912 for the six months ended May 31, 2021, for a difference of \$9,656,305.

Some of the highlights of the results for the six months ended May 31, 2022, are included below:

- recorded administration fees of \$411,389 (2021: \$390,675),
- recorded corporate development services income of \$352,798 (2021: \$599,137) for services provided by the ZimtuADVANTAGE program,
- recorded income from the sale of property of \$nil (2021: \$97,165),
- recorded a gain on sale of investments of \$585,403 (2021: \$972,073),
- recorded an equity loss from investment in associates of \$55,144 for the investment in Eagle Bay (2021: \$95,229 gain due to Aduro ceasing to be equity investments),
- recorded an unrealized loss on investments of \$168,511 (2021: \$7,939,245 gain) due to changes in market share prices of the Company's investments,
- recorded a gain on government loan of \$nil (2021: \$12,626) for the fair value adjustment of the Canada Emergency Business Account loan from the Canada Revenue Agency,
- recorded a gain on the sale of debt of \$nil (2021: \$110,576),
- recovered marketable securities of \$nil (2021: \$50,000) that had been written off in a previous period,
- recorded an unrealized loss on notes receivable of \$75,250 (2021: \$92,875 gain), and
- recorded general and administrative expenses of \$1,232,051 (2021: \$862,760) as detailed below.

General and administrative expenses

During the six months ended May 31, 2022 and 2021, Company incurred the following general and administrative expenses:

	2022 \$	2021 \$
Accretion	2,785	2,183
Advertising and promotion	151,712	67,730
ROU asset depreciation	73,005	72,213
Filing fees and transfer agent expenses	15,300	11,688
Lease interest	3,211	1,024
Office and miscellaneous	102,160	78,540
Professional fees	117,072	30,589
Share-based payments	72,534	-
Wages and benefits	694,272	598,793
	1,232,051	862,760

The overall operating expenses of the Company were consistent with the prior period, with the exception of advertising and promotion and professional fees which increased due to an increase in business activities during the period, and share-based payments for options granted during the period.

Summary of Quarterly Results

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

	May 31, 2022	February 28, 2022	November 30, 2021	August 31, 2021
	\$	\$	\$	\$
Revenue (loss)	424,743	339,444	470,816	672,033
Net Income (loss)	875,913	(1,050,306)	3,375,385	(2,620,217)
Total assets	22,709,365	22,005,343	20,813,718	17,677,075
Working capital	20,740,871	19,771,127	18,851,756	16,541,049
Total liabilities	674,427	918,152	677,966	916,708
Equity	22,034,938	21,087,191	20,135,752	16,760,367

	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020
	\$	\$	\$	\$
Revenue (loss)	537,768	549,209	489,519	313,358
Net Income (loss)	2,044,110	7,437,802	1,139,029	1,174,391
Total assets	20,037,600	18,086,803	10,576,608	9,261,667
Working capital	19,085,968	16,950,043	9,393,576	8,191,714
Total liabilities	1,160,232	994,748	922,355	746,443
Equity	19,136,165	17,092,055	9,654,253	8,515,224

The fluctuations between the eight quarters shown above are generally caused by the gains or losses on the sale of investments and/or the unrealized gains or losses for the investments held by the Company. Income from property sales changes each quarter and is market dependent.

Net income for the three months ended May 31, 2022 was \$875,913 compared to net income of \$2,044,110 for the three months ended May 31, 2021, for a difference of \$1,168,197.

Some of the highlights of the results for the three months ended May 31, 2022, are included below:

- recorded administration fees of \$196,500 (2021: \$151,750),
- recorded corporate development services income of \$228,243 (2021: \$378,853) for services provided by the ZimtuADVANTAGE program,
- recorded income from the sale of property of \$nil (2021: \$7,165),
- recorded a gain on sale of investments of \$80,893 (2021: \$657,160),
- recorded an equity loss from investment in associates of \$20,577 (2021: \$48,486),
- recorded an unrealized gain on investments of \$1,015,808 (2021: \$1,306,679) due to changes in market share prices of the Company's investments, and
- recorded general and administrative expenses of \$631,916 (2021: \$394,082) as detailed below.

General and administrative expenses

During the three months ended May 31, 2022 and 2021, Company incurred the following general and administrative expenses:

	2022	2021
	\$	\$
Accretion	1,420	1,212
Advertising and promotion	72,135	34,050
ROU asset depreciation	36,503	36,106
Filing fees and transfer agent expenses	13,395	5,463
Lease interest	1,471	373
Office and miscellaneous	51,260	45,041
Professional fees	48,818	14,097
Share-based payments	72,534	-
Wages and benefits	334,380	257,740
	631,916	394,082

The overall operating expenses of the Company were consistent with the prior period, with the exception of advertising and promotion and professional fees which increased due to an increase in business activities during the period.

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 \$18,810,997 held at fair market value and mineral properties valued at \$80,796. The Company's intention is to commit further funds for continuing its investment strategies.

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

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

As the Company's revenues are expected to be in large part derived from provision of management and administration services to other companies, there can be no assurance that those management and administration contracts currently

in place will continue at the rates that they are at or that the companies will continue to pay the Company for the services being provided.

Working Capital: As at May 31, 2022, the Company had total assets of \$22,709,365 as compared to \$20,813,718 for the year ended November 30, 2021.

The primary assets of the Company as at May 31, 2022 are cash of \$635,378,203,441 (November 30, 2021: \$253,519), investments of \$18,810,997 (November 30, 2021: \$17,545,183) held at fair market value, advances and accounts receivables of \$1,199,269 (November 30, 2021: \$919,522), due from related parties of \$182,179 (November 30, 2021: \$204,680), due from equity investees of \$67,952 (November 30, 2021: \$ nil), Right-of-use assets of \$182,511 (November 30, 2021: \$255,516), prepaid and deposits of \$67,927 (November 30, 2021: \$85,002), investment in associates of \$1,482,356 (November 30, 2021: \$1,537,500), and mineral property interests of \$80,796 (November 30, 2021: \$12,796).

As at As at May 31, 2022, the Company has long-term liabilities of \$269,085 (November 30, 2021: \$266,300) and has working capital of \$20,740,871 (November 30, 2021: \$18,851,756).

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

Cash Used in Operating Activities: Cash used in operating activities during the six months ended May 31, 2022 was \$633,260, compared with \$240,060 of cash provided by operating activities during the six months ended May 31, 2021. Cash was mostly spent on advertising, general office expenses, professional fees, wages and benefits, prepaid expenses, accounts receivables, and adjusted for items not involving cash.

Cash Provided by Investing Activities: Total cash used for investing activities during the six months ended May 31, 2022 was \$862,806, compared to \$129,094 of cash provided by investing activities during the six months ended May 31, 2021.

During the six months ended May 31, 2022, the Company:

- spent \$1,684,657 (2021: \$2,264,273) on the acquisition of investments,
- received \$841,851 (2021: \$2,246,111) from the proceeds of disposition of investments,
- received \$nil (2021: \$7,164) from proceeds of the sale of mineral properties,
- received \$nil (2021: \$177,500) from a promissory note to acquire shares, and
- spent \$20,000 (2021: \$37,408) on the acquisition and exploration of mineral property interests.

Cash Used In Financing Activities: Total cash provided by financing activities during the six months ended May 31, 2022 was \$1,877,925, compared to \$55,120 of cash used for financing activities during the six months ended May 31, 2021. The Company received \$1,953,045 (2021: \$nil) for shares issued for cash less share issuance costs, \$nil (2021: \$20,000) through the receipt of a loan, and spent \$75,120 (2021: \$75,120) on the principal payments of lease liabilities.

Related Party Transactions

a) Compensation of key management

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.

For the six months ended May 31, 2022 and 2021, the Company incurred the following fees and expenses in the normal course of operations and are measured at the exchange amount:

	2022	2021
Expenses:	\$	\$
Key management compensation	341,200	283,418
Share-based payments	34,725	-

b) Other related parties transactions

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

Revenue:	\$	\$
Management administration fees	243,389	188,000
Corporate development and marketing	162,500	50,000

c) As at May 31, 2022 and November 30, 2021, the Company has the following amounts due from related parties and equity investees:

	May 31, 2022	November 30, 2021
	\$	\$
Commerce Resources Corp.	682	732
Core Assets Corp. (Note 7)	297	315
Eagle Bay Resources Corp. (Note 7)	67,952	-
Promissory note receivable - Fair Value:		
David Hodge, CEO and director	13,500	17,000
Jody Bellefleur, CFO	26,300	23,900
Kevin Bottomley, director	5,400	5,900
Sean Charland, director	58,500	55,500
Chris Grove, director	77,500	101,333
	250,131	204,680

The amounts due to/from related parties are non-interest bearing, unsecured and have no fixed terms of repayment.

Investment in Associates

	Eagle Bay	Core	Aduro	Total
	\$	\$	\$	\$
Balance, November 30, 2020	-	131,979	133,792	265,771
Sale of shares	-	(65,250)	(188,000)	(253,250)
Acquisition of shares	462,500	163,225	-	625,725
Shares owned prior to equity investment	50,000	-	-	50,000
Ceased to be an equity investment	-	(528,075)	(156,035)	(684,110)
Shares received for property transaction	-	225,000	-	225,000
Recovery (loss) from equity investee	(156,330)	73,121	210,243	127,034
Fair market value adjustment	1,181,330	-	-	1,181,330
Balance, November 30, 2021	1,537,500	-	-	1,537,500
(Loss) from equity investee	(55,144)	-	-	(55,144)
Balance, February 28, 2022	1,482,356	-	-	1,482,356

a) Eagle Bay Resources Corp. ("Eagle Bay")

On November 5, 2019, the Company privately acquired 2,000,000 shares at a price of \$0.025 per share of Eagle Bay, a mineral exploration company focusing on rare earth elements and high-grade Niobium with properties in British Columbia, Canada. On March 24, 2021, the Company privately acquired an additional 8,500,000 shares of Eagle Bay at a price of \$0.025 per share through a promissory note (see Note 14). On May 4, 2021, the Company acquired 10,000,000 shares at a price of \$0.025 through a private placement.

During the six months ended May 31, 2022, the investment was adjusted for \$55,144 (May 31, 2021: \$nil) of equity loss due to the decrease of net assets of Eagle Bay. Additionally, the investment was adjusted for \$nil

(November 30, 2021: \$1,181,330) due to the increase of the fair market value of Eagle Bay. As at May 31, 2022, the Company holds 20,500,000 shares of Eagle Bay, equal to 42.37% (November 30, 2021: 48.46%) of Eagle Bay's outstanding common shares.

The financial information of Eagle Bay as of and for the six months ended May 31, 2022 and the year ended November 30, 2021 is as follows:

	May 31, 2022	November 30, 2021
	\$	\$
Current assets	415,911	255,060
Non-current assets	859,820	825,796
Current liabilities	121,515	(19,755)
Shareholders' equity	1,154,216	(1,061,101)
Expenses	126,554	330,351
Net loss for the period	(126,554)	(330,351)

b) Core Assets Corp. ("Core")

On December 10, 2018 and August 1, 2019, the Company signed an agreement with Core, a private company with common directors, whereby Core can earn a 100% interest in and to the Blue Property (See Note 12(c)). The Company received 2,000,000 shares, valued at total of \$100,000. On August 14, 2019, the Company acquired 5,250,000 shares of Core valued at \$105,100. On December 10, 2020, the Company received 1,000,000 shares for the Blue Property valued at \$90,000. On March 12, 2021, the Company sold 1,812,500 shares and on March 15, 2021 the Company acquired 1,812,500 shares through a private placement. On June 15, 2021, the Company received the final share payment of 1,000,000 shares valued at \$135,000 for the Blue Property.

During the six months ended May 31, 2022, the investment was adjusted for \$nil (May 31, 2021: \$115,014) of equity loss due to the decrease of net assets of Core. On August 25, 2021, Core ceased to be an equity investment. On the day of ceasing to be an equity investment, the carrying amount of the investment is \$302,159, and the fair-market value of the investment is \$925,000 which resulted in a gain on derecognition of an investment in associate of \$622,841. As at May 31, 2022, the Company holds 8,522,000 shares of Core, equal to 12% (November 30, 2021: 15%) of Core's outstanding common shares.

c) Aduro Clean Energy Technologies Inc. (formerly Dimension Five Technologies Inc.) ("Aduro")

On July 1, 2018, the Company received 10,000,000 shares of Aduro Clean Energy Technologies Inc. ("Aduro") valued at \$300,000 for the sale of the Zimtu App and immediately sold 6,000,000 of the received shares to management and employees of the Company, for \$0.03 per share for gross proceeds of \$180,000, all covered by promissory notes. On July 27, 2018, the Company acquired 2,000,000 shares valued at \$0.05 in a private placement. During the year ended November 30, 2020, the Company acquired 2,000,000 shares at \$0.05 per share in a private placement and privately purchased 333,333 shares at \$0.03 per share.

On January 22, 2021, the Company sold 4.7 million shares of Aduro and ceased to consider Aduro as an equity investment. On the day of ceasing to be an equity investment, the carrying amount of the investment was (\$71,100), and the fair market value of the investment is \$272,533 which resulted in a recovery of equity loss of \$71,100 and gain on derecognition of an investment in associate of \$272,534.

During the six months ended May 31, 2022, the investment recovered \$nil (May 31, 2021: \$210,243) of equity loss due to the change in accounting policies. The Aduro shares were consolidated on a 3:1 basis on April 28, 2021. As at May 31, 2022, the Company holds 1,347,777 shares of Aduro, equal to 3% (November 30, 2021: 4%) of Aduro's outstanding common shares.

For further information on the Company's investments in associates, refer to Note 7 of the condensed interim financial statements for the six months ended May 31, 2022.

Other MD&A Requirements

Disclosure of Outstanding Share Capital

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

	July 18, 2022	May 31, 2022	November 30, 2021
Common Shares	26,198,983	26,198,983	16,106,483
Stock Options	3,325,000	3,325,000	2,855,000
Warrants	10,622,500	10,622,500	712,000
Fully Diluted Shares	40,146,483	40,146,483	19,673,483

For additional details of outstanding share capital, refer to the condensed interim financial statements for the six months ended May 31, 2022.

Segmented Information

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

Summary details of the industry segments are as follows:

For the six months ended May 31, 2022:

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Revenue				
Administrative fees	-	411,389	-	411,389
Corporate development fees	-	352,798	-	352,798
	-	764,187	-	764,187

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Segment assets	12,796	-	22,411,581	22,424,377
Expenditure for segment capital assets	68,000	-	-	68,000
	80,796	-	22,411,581	22,492,377

For the six months ended May 31, 2021:

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Revenue				
Administrative fees	-	390,675	-	390,675
Corporate development fees	-	599,137	-	599,137
Income from property sale	97,165	-	-	97,165
	97,165	989,812	-	1,086,977

For the year ended November 30, 2021:

	Investment in mineral properties	Management services	Corporate	Total
	\$	\$	\$	\$
Segment assets	12,796	-	20,800,922	20,813,718
Expenditure for segment capital assets	29,262	-	-	29,262
	42,058	-	20,800,922	20,842,980

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.

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.

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Fair value through profit or loss:				
Promissory note receivables	364,375	-	-	364,375
Promissory note receivables – related parties	181,200	-	-	181,200
Investment in public company shareholdings	15,525,896	-	-	15,525,896
Investment in private company shareholdings	-	-	617,500	617,500
Investment in warrants	-	2,633,101	-	2,633,101
As at May 31, 2022	16,071,471	2,633,101	617,500	19,322,072
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Fair value through profit or loss:				
Promissory note receivables	309,942	-	-	309,942
Promissory note receivables – related parties	203,633	-	-	203,633
Investment in public company shareholdings	12,997,737	-	-	12,997,737
Investment in private company shareholdings	-	-	1,301,648	1,301,648
Investment in warrants	-	3,211,298	-	3,211,298
As at November 30, 2021	13,511,312	3,211,298	1,301,648	18,024,258

b) Credit risk

The Company is not exposed to significant credit risk on its cash and GIC because its cash is placed with major financial institutions and investments are placed with a Canadian chartered bank or with independent investment dealer member of the Canadian Investor Protection Fund. All transactions executed by the Company in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment.

The Company continues to minimize credit risk by performing credit reviews, ongoing credit evaluation and account monitoring procedures. Management believes that the credit risk with respect to advances and amounts receivable is remote. One customer accounted for 9% (November 30, 2021: 23%) of the Company's administrative revenue.

c) Liquidity and funding risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company's investments declines, resulting in losses upon disposition. The Company generates cash flows 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.

d) 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 risk at this time.

e) Foreign currency risk

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

f) 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 investments bear interest at a variable 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 decrease/increase the net loss of the Company by \$345. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

g) Capital management

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended May 31, 2022 and the year ended November 30, 2021. The Company is not subject to externally imposed capital requirements.

Forward Looking Statements

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

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

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

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

Directors and Officers

As at July 18, 2022, the Company had the following directors and officers:

David Hodge – Director, President and CEO
Sean Charland* – Director
Chris Grove* – Director
Kevin Bottomley* – Director
Jody Bellefleur – CFO

* Member of the Company’s Audit Committee

Approval

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

Additional Information

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