



**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the three months ended February 28, 2023**

*(Unaudited - Expressed in Canadian dollars)*

## **Notice of No Auditor Review**

The accompanying unaudited condensed interim financial statements of Zimtu Capital Corp. for the three months ended February 28, 2023, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

**ZIMTU CAPITAL CORP.**  
**Condensed Interim Statements of Financial Position**  
**Expressed in Canadian Dollars**  
**(Unaudited – prepared by management)**

	Note	February 28, 2023 \$	November 30, 2022 \$
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		992,044	1,287,584
Investments	6	10,139,952	9,195,764
Advances and amounts receivable	8	1,074,166	698,552
Prepaid and deposits	9	72,303	77,116
Right-of-use asset	18	73,004	109,507
Due from equity investees	10	296,669	205,609
Due from related parties	10	213,437	122,603
		<b>12,861,575</b>	11,696,735
Investments in associates	7	1,648,394	1,715,794
Mineral property interests	11	79,866	47,273
		<b>14,589,835</b>	13,459,802
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		1,184,309	1,154,161
GST/HST payable		31,231	3,937
Lease liabilities	18	74,653	111,562
Promissory notes payable – current portion	13	18,125	-
Unearned revenue	12	383,458	238,458
		<b>1,691,776</b>	1,508,118
Promissory notes payable	13	159,375	177,500
Loan payable	17	40,000	39,472
		<b>1,891,151</b>	1,725,090
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	14	12,350,541	11,521,114
Share-based payment reserves	14	5,374,632	5,239,523
(Deficit) Retained earnings		(5,026,489)	(5,025,925)
		<b>12,698,684</b>	11,734,712
		<b>14,589,835</b>	13,459,802

**NATURE AND CONTINUANCE OF OPERATIONS (Note 1)**  
**SUBSEQUENT EVENTS (Note 20)**

Approved on behalf of the Board on April 24, 2023:

“David Hodge”

David Hodge – Director

“Sean Charland”

Sean Charland – Director

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

# ZIMTU CAPITAL CORP.

## Condensed Interim Statements of Changes in Shareholders' Equity

For the Three Months Ended February 28, 2023 and 2022

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	Note	Number of Common Shares	Share Capital \$	Share-Based Payment Reserves \$	Retained Earnings (Deficit) \$	Total Shareholders' Equity \$
<b>Balance, November 30, 2021</b>		<b>16,106,483</b>	<b>9,521,822</b>	<b>5,165,236</b>	<b>5,448,694</b>	<b>20,135,752</b>
Shares issued for property	14	200,000	48,000	-	-	48,000
Shares issued for cash	14	9,892,500	1,978,500	-	-	1,978,500
Share issuance costs	14	-	(26,508)	1,753	-	(24,755)
Net (loss) for the period		-	-	-	(1,050,306)	(1,050,306)
<b>Balance, February 28, 2022</b>		<b>26,198,983</b>	<b>11,521,814</b>	<b>5,166,989</b>	<b>4,398,388</b>	<b>21,08,191</b>
	Note	Number of Common Shares	Share Capital \$	Share-Based Payment Reserves \$	Retained Earnings (Deficit) \$	Total Shareholders' Equity \$
<b>Balance, November 30, 2022</b>		<b>26,198,983</b>	<b>11,521,114</b>	<b>5,239,523</b>	<b>(5,025,925)</b>	<b>11,734,712</b>
Shares issued for cash	14	12,142,778	849,995	-	-	849,995
Share issuance costs	14	-	(20,568)	-	-	(20,568)
Share-based payments	14	-	-	135,109	-	135,109
Net (loss) for the period		-	-	-	(564)	(564)
<b>Balance, February 28, 2023</b>		<b>38,341,761</b>	<b>12,350,541</b>	<b>5,374,632</b>	<b>(5,026,489)</b>	<b>12,698,684</b>

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

# ZIMTU CAPITAL CORP.

## Condensed Interim Statements of Operations and Comprehensive Income (Loss)

For the Three Months Ended February 28, 2023 and 2022

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	Note	2023 \$	2022 \$
<b>REVENUE</b>			
Administrative fees		234,000	214,889
Corporate development and marketing		247,833	124,555
Income from property sales	11	10,645	-
		<b>492,478</b>	<b>339,444</b>
<b>EXPENSES</b>			
General and administrative expenses	15	678,804	600,135
<b>INCOME (LOSS) BEFORE OTHER ITEMS</b>		<b>(186,326)</b>	<b>(260,691)</b>
<b>OTHER ITEMS</b>			
Equity (loss) from investment in associates	7	(67,400)	(34,567)
Fair market gain on investments in public companies	6	(46,046)	(1,184,319)
Fair market gain on promissory notes receivable		-	(75,250)
Gain on sale of investment		299,166	504,510
Interest income		42	11
		<b>185,762</b>	<b>(789,615)</b>
<b>NET INCOME AND COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(564)</b>	<b>(1,050,306)</b>
Basic income (loss) per share			
		<b>0.00</b>	<b>(0.06)</b>
Diluted income (loss) per share			
		<b>0.00</b>	<b>(0.03)</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>			
Basic		27,143,421	17,706,511
Diluted		55,147,875	31,184,011

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

**ZIMTU CAPITAL CORP.**  
**Condensed Interim Statements of Cash Flows**  
**For the Three Months Ended February 28, 2023 and 2022**  
**Expressed in Canadian Dollars**  
**(Unaudited – prepared by management)**

	Note	2023 \$	2022 \$
<b>CASH FLOWS PROVIDED BY (USED IN):</b>			
<b>OPERATING ACTIVITIES</b>			
Net (loss) income for the period		(564)	(1,050,306)
Non-cash items:			
Accretion		528	1,365
Depreciation of ROU asset		36,503	36,503
Equity (gain) loss from investment in associates		67,400	34,567
Fair market value loss (gain) of investments in public companies		46,046	1,184,319
Fair market value loss (gain) on promissory notes receivable		-	75,250
(Gain) loss on sale of investment		(299,166)	(504,510)
Share-based payments		135,109	-
Lease interest		651	1,740
Non-cash Income from property sale		(10,645)	-
		(24,138)	(221,072)
Changes in non-cash working capital items:	19(a)	(350,253)	47,697
<b>CASH (USED IN) OPERATING ACTIVITIES</b>		<b>(374,391)</b>	<b>(173,375)</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of investments		(1,451,460)	(1,442,546)
Proceeds on disposition of investments		760,392	669,658
Proceeds on disposition mineral properties		12,500	-
Mineral property acquisitions		(34,448)	(20,000)
<b>CASH GENERATED (USED IN) INVESTING ACTIVITIES</b>		<b>(713,016)</b>	<b>(792,888)</b>
<b>FINANCING ACTIVITIES</b>			
Shares issued for cash, less share issuance costs		829,427	1,953,745
Principal payments of lease liabilities		(37,560)	(37,560)
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>791,867</b>	<b>1,916,185</b>
<b>DECREASE IN CASH DURING THE PERIOD</b>		<b>295,540</b>	<b>949,922</b>
<b>CASH, BEGINNING OF PERIOD</b>		<b>1,287,584</b>	<b>253,519</b>
<b>CASH, END OF PERIOD</b>		<b>992,044</b>	<b>1,203,441</b>

Supplemental cash flow information - see Note 19(b)

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

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

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### NOTE 1 - NATURE AND CONTINUANCE OF OPERATIONS

Zimtu Capital Corp. (the "Company") was incorporated in the Province of British Columbia on July 4, 2006, under the Business Corporations Act of British Columbia. The Company's principal business activities are investments in junior resource companies, mineral resource property acquisitions and dispositions, and the provision of management services. The Company is traded on the TSX Venture Exchange ("TSX-V") under the symbol 'ZC'. The Company also trades on the Frankfurt Stock Exchange under the symbol 'ZCT1'. The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at Suite 800, 885 West Georgia Street, Vancouver, BC, Canada V6C 3H1.

### NOTE 2 – STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 4. In addition, these financial statements have been prepared using the accrual basis of accounting, except for certain cash flow information.

These audited financial statements were approved and authorized for issue by the Audit Committee and Board of Directors on April 24, 2023.

### NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure. Judgment is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant areas where management's judgment has been applied include the following:

- Classifying categories of financial assets and financial liabilities in accordance with IFRS 9, *Financial instruments: recognition and measurement*;
- The recoverability of the carrying value of the mineral property interests is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest; and
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the year.

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

#### Income Taxes

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

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

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### NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

#### Fair value of investment in warrants

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

#### Fair value of share-based compensation

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

#### Valuation of accounts receivable

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

#### Fair value of promissory notes receivable

Management uses valuation techniques in measuring the fair value of promissory notes receivable, where active market quotes are not available. Details of the assumptions used are given in Note 8 to these financial statements. In applying the valuation technique, management makes use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

#### Fair value of investment in private companies

Management uses valuation techniques in measuring the fair value of private company investments, where active market quotes are not available. In applying the valuation technique, management makes use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

#### Inputs used in IFRS 16 Leases

Key areas where management has made judgments, estimates, and assumptions related to the application of IFRS 16 include the following:

- Incremental borrowing rate: The Incremental borrowing rates are based on judgments including economic environment, term, currency, and the underlying risk inherent to the asset. The carrying balance of the right-of-use assets, lease obligations, and the resulting interest and depreciation expense, may differ due to changes in the market conditions and lease term.

#### Mineral property interests

The carrying amount of the Company's mineral property interests does not necessarily represent present or future values, and the Company's mineral property interests have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's mineral properties.



# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the audited financial statements for the year ended November 30, 2022. Therefore, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended November 30, 2022

### NOTE 5 – FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

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

#### a) Fair Value

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

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

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

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

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Fair value through profit or loss:</b>				
Promissory note receivables (Note 8)	268,610	-	-	268,610
Promissory note receivables – related parties (Note 10)	197,780	-	-	197,780
Investment in public company shareholdings (Note 6a)	8,505,961	-	-	8,505,961
Investment in private company shareholdings (Note 6d)	-	-	897,636	897,636
Investment in warrants (Note 6b)	-	701,855	-	701,855
<b>As at February 28, 2023</b>	<b>8,972,351</b>	<b>701,855</b>	<b>897,636</b>	<b>10,571,842</b>
<b>Fair value through profit or loss:</b>				
Promissory note receivables (Note 8)	193,750	-	-	193,750
Promissory note receivables – related parties (Note 10)	135,850	-	-	135,850
Investment in public company shareholdings (Note 6a)	8,073,230	-	-	8,073,230
Investment in private company shareholdings (Note 6d)	-	-	705,126	705,126
Investment in warrants (Note 6b)	-	382,908	-	382,908
<b>As at November 30, 2022</b>	<b>8,402,830</b>	<b>382,908</b>	<b>705,126</b>	<b>9,490,864</b>

The carrying value of cash and GIC, accounts receivable, due from related parties, due from equity investees, accounts payable and accrued liabilities, promissory note payable, lease liabilities and loan payable approximates the fair value because of the short-term nature of these instruments.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

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### NOTE 5 – FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

#### 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.

#### 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 foreign 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.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 5 – FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

#### 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 three months ended February 28, 2023 or the year ended November 30, 2022. The Company is not subject to externally imposed capital requirements.

### NOTE 6 – INVESTMENTS

Investment continuity schedule as at February 28, 2023 and November 30, 2022 is presented as follows:

	Investment in public companies (a) \$	Investment in warrants (b) \$	Investment in GIC (c) \$	Investment in private companies (d) \$	Total \$
<b>Balance, November 30, 2021</b>	<b>12,997,737</b>	<b>3,211,298</b>	<b>34,500</b>	<b>1,301,648</b>	<b>17,545,183</b>
Cost of shares/warrants acquired	2,837,287	-	-	600,100	3,437,387
Shares disposed/warrants exercised	(2,501,208)	-	-	-	(2,501,208)
Shares received for property transaction	6,116	-	-	-	6,116
Shares received for debt settlement	199,494	-	-	-	199,464
Private company converted to a public company	1,134,248	-	-	(1,134,248)	-
Fair value change	(6,600,444)	(2,828,390)	-	(62,374)	(9,491,208)
<b>Balance, November 30, 2022</b>	<b>8,073,230</b>	<b>382,908</b>	<b>34,500</b>	<b>705,126</b>	<b>9,195,764</b>
Cost of shares/warrants acquired	1,258,950	-	-	192,510	1,451,460
Shares disposed/warrants exercised	(461,226)	-	-	-	(461,226)
Fair value change	(364,993)	318,947	-	-	(46,046)
<b>Balance, February 28, 2023</b>	<b>8,505,961</b>	<b>701,855</b>	<b>34,500</b>	<b>897,636</b>	<b>10,139,952</b>

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 6 – INVESTMENTS (continued)

#### a) Investment in public companies

Investments at fair value through profit or loss as at February 28, 2023 as follows:

	Number of Shares	Cost Base		Market Base	
		\$	\$/Share	\$	\$/Share
Aduro Clean Energy	600,001	69,693	0.12	636,001	1.060
Alpha Lithium	2,250	1,155	0.51	2,385	1.060
Arctic Star Exploration	12,313,464	576,045	0.05	307,837	0.025
Ares Strategic Mining	1,000,000	112,425	0.11	140,000	0.140
Commerce Resources	6,821,599	1,883,693	0.28	1,296,104	0.190
Core Assets	8,527,000	640,602	0.08	2,174,385	0.255
Emerita Gold	805,529	161,501	0.20	749,142	0.930
Gold Port Resources	9,453	-	0.00	473	0.050
Halcones Precious Metals	1,000,000	300,000	0.30	120,000	0.120
Homerun Resources	1,000,000	150,000	0.15	130,000	0.130
Interra Copper	323,148	250,000	0.77	252,056	0.780
Indigo Exploration	119,167	200,653	1.68	13,108	0.110
Lion Rock Resources	911,000	546,138	0.60	40,995	0.045
Lake Winn Resources	5,101,000	338,630	0.07	408,080	0.080
Maple Gold Mines	1,199,000	151,210	0.13	209,825	0.175
Margaret Lake Diamonds	424,469	84,894	0.20	10,612	0.025
Nobel Resources	250,000	100,000	0.40	16,250	0.065
Nouveau Life	230,000	50,051	0.22	23	0.000
Ophir Gold	140,500	47,076	0.34	45,663	0.325
Pantera Silver	2,000	100	0.05	140	0.070
Pontus Protein	687,500	110,000	0.16	6,875	0.010
Saville Resources	16,335,500	817,935	0.05	245,033	0.015
Spark Energy Minerals	30,000	6,600	0.22	2,100	0.070
Suvo Strategic Minerals	120,000	53,758	0.45	4,629	0.039
Swmbrd Sports	13,324,000	553,785	0.04	532,960	0.040
Transforma Resources	62,000	62,000	1.00	1,860	0.030
US Copper	570,000	39,530	0.07	34,200	0.060
Zinc8 Energy Solutions	6,429,861	1,257,501	0.20	1,125,224	0.175
<b>Balance, February 28, 2023</b>		<b>8,564,975</b>		<b>8,505,960</b>	

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 6 – INVESTMENTS (continued)

#### a) Investment in public companies (continued)

Investments at fair value through profit or loss as at November 30, 2022 as follows:

	Number of Shares	Cost Base		Market Base	
		\$	\$/Share	\$	\$/Share
Aduro Clean Energy	1,000,001	116,093	0.12	910,001	0.910
Alpha Lithium	2,250	1,155	0.51	1,913	0.850
Arctic Star Exploration	12,313,464	576,045	0.05	492,539	0.040
Ares Strategic Mining	1,087,500	122,225	0.11	282,750	0.260
Commerce Resources	6,821,599	1,883,693	0.28	989,132	0.145
Core Assets	8,527,000	640,602	0.08	2,813,909	0.330
Emerita Gold	1,180,529	236,652	0.20	779,149	0.660
Gold Port Resources	9,453	-	0.00	520	0.055
Gratomic	200,000	243,202	1.22	66,000	0.330
Halcones Precious Metals	1,000,000	300,000	0.30	90,000	0.090
Homerun Resources	1,000,000	150,000	0.15	80,000	0.080
Interra Copper	23,148	100,000	4.32	13,889	0.600
Indigo Exploration	119,167	200,653	1.68	2,979	0.025
Lion Rock Resources	911,000	546,138	0.60	72,880	0.080
Lake Winn Resources	3,101,000	238,530	0.08	217,070	0.070
Maple Gold Mines	1,199,000	151,210	0.13	173,855	0.145
Margaret Lake Diamonds	424,469	84,894	0.20	14,856	0.035
Nobel Resources	250,000	100,000	0.40	11,250	0.045
Nouveau Life	230,000	50,051	0.22	-	0.000
Ophir Gold	400,000	133,749	0.33	34,000	0.085
Pantera Silver	2,000	100	0.05	190	0.095
Pontus Protein	687,500	110,000	0.16	10,313	0.015
Saville Resources	16,335,500	817,935	0.05	245,033	0.015
Spark Energy Minerals	30,000	6,600	0.22	1,200	0.040
Suvo Strategic Minerals	120,000	53,758	0.45	4,995	0.042
Swmbrd Sports	13,174,000	545,035	0.04	395,220	0.030
Transforma Resources	62,000	62,000	1.00	2,170	0.035
US Copper	570,000	39,530	0.07	17,100	0.030
Zinc8 Energy Solutions	1,429,861	257,401	0.18	350,316	0.245
<b>Balance, November 30, 2022</b>		<b>7,767,251</b>		<b>8,073,229</b>	

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

### NOTE 6 – INVESTMENTS (continued)

#### b) Investment in warrants

Investments at fair value through profit or loss as at February 28, 2023 as follows:

	Number of Warrants	Expiry Date	Exercise Price \$	Fair Value \$	Fair Value Per Warrant \$
Arctic Star Exploration	3,466,000	March 31, 2023	0.10	-	0.000
Commerce Resources	4,555,350	October 11, 2024	0.50	94,793	0.021
Commerce Resources	506,150	October 11, 2024	0.285	22,794	0.045
Commerce Resources	1,000,000	June 25, 2025	0.24	70,478	0.070
Commerce Resources	475,000	December 18, 2025	0.29	35,884	0.076
Core Assets	812,500	March 17, 2023	0.25	-	0.000
Falcon Gold	125,000	December 21, 2023	0.20	446	0.004
Halcones Precious Metals	500,000	June 24, 2024	0.400	43,794	0.088
Interra Copper	150,000	January 31, 2023	0.75	89,393	0.596
Lake Winn Resources	1,000,000	November 19, 2023	0.16	2,770	0.003
Lake Winn Resources	2,000,000	November 24, 2023	0.10	26,176	0.013
Lake Winn Resources	2,000,000	December 28, 2023	0.10	28,683	0.014
Margaret Lake Diamonds	424,469	August 5, 2024	0.28	932	0.002
Pegasus Resources	2,250,000	October 25, 2023	0.08	2,436	0.001
Pegasus Resources	800,000	June 16, 2023	0.10	3,938	0.005
Pontus Protein	687,500	March 4, 2024	0.10	108	0.000
Saville Resources	5,889,500	December 23, 2023	0.08	10,479	0.002
Saville Resources	1,500,000	June 25, 2024	0.075	6,984	0.005
Saville Resources	1,575,000	December 24, 2024	0.075	9,176	0.006
Swmbrd Sports	1,150,000	June 22, 2023	0.20	52	0.000
Zinc8 Energy Solutions	5,000,000	December 22, 2024	0.30	252,539	0.051
<b>Balance, February 28, 2023</b>				<b>701,855</b>	

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 6 – INVESTMENTS (continued)

#### b) Investment in warrants (continued)

Investments at fair value through profit or loss as at November 30, 2022 as follows:

	Number of Warrants	Expiry Date	Exercise Price \$	Fair Value \$	Fair Value Per Warrant \$
Arctic Star Exploration	3,466,000	March 31, 2023	0.10	12,180	0.004
Commerce Resources	4,555,350	October 11, 2024	0.50	61,876	0.014
Commerce Resources	506,150	October 11, 2024	0.285	15,059	0.030
Commerce Resources	1,000,000	June 25, 2025	0.24	53,668	0.054
Commerce Resources	475,000	December 18, 2025	0.29	31,160	0.066
Core Assets	812,500	March 17, 2023	0.25	98,068	0.121
Falcon Gold	125,000	December 21, 2023	0.20	2,451	0.020
Halcones Precious Metals	500,000	June 24, 2024	0.400	34,197	0.068
Lake Winn Resources	1,000,000	November 19, 2023	0.16	2,750	0.003
Lake Winn Resources	2,000,000	November 24, 2023	0.10	22,602	0.011
Margaret Lake Diamonds	424,469	August 5, 2024	0.28	2,500	0.006
Ophir Gold	100,000	December 17, 2022	0.22	-	0.000
Pegasus Resources	2,250,000	October 25, 2023	0.08	3,516	0.002
Pegasus Resources	800,000	June 16, 2023	0.10	5,921	0.007
Pontus Protein	687,500	March 4, 2024	0.10	978	0.001
Saville Resources	5,889,500	December 23, 2023	0.08	17,055	0.003
Saville Resources	1,500,000	June 25, 2024	0.075	8,402	0.006
Saville Resources	1,575,000	December 24, 2024	0.075	10,356	0.007
Swmbrd Sports	1,150,000	June 22, 2023	0.20	169	0.000
<b>Balance, November 30, 2022</b>				<b>382,908</b>	

#### c) Investment in GIC

As at February 28, 2023, the Company had two guaranteed investment certificates totaling \$34,500 (November 30, 2022: \$34,500). Of the total, \$23,000 matures on February 29, 2024 with an interest rate of prime minus 3.0%. The remaining \$11,500 matures on July 5, 2023 with an interest rate of prime minus 2.65%.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

### NOTE 6 – INVESTMENTS (continued)

#### d) Investment in private companies

The Company made investments in private companies with the expectation that they will enter public markets in the foreseeable future.

Investments at fair value through profit or loss as at February 28, 2023 and November 30, 2022 are presented as follows:

	Number of Shares	Cost Base		Market Base	
		\$	\$/Share	\$	\$/Share
1233719 BC Ltd (Note 12(a))	1,218,859	55,026	0.05	55,026	0.045
1316833 BC Ltd	1,000,000	25,000	0.025	25,000	0.025
Aeonian Resources	1,500,000	150,000	0.10	150,000	0.100
Auvega Labs	500,000	25,000	0.05	25,000	0.050
Avalon Bridge	500,000	25,000	0.05	-	0.000
Beta Energy	112	-	0.00	-	0.000
Crown Minerals	4,620,500	92,410	0.02	92,410	0.020
District One Exploration	160,000	8,000	0.05	-	0.000
Hexa Resources	601,809	55,142	0.09	-	0.000
Power One Resources	170,000	-	0.00	-	0.000
S1 Capital	100,000	50,000	0.50	-	0.000
Sommerset Energy Partners Corp.	3,000,000	450,100	0.05	450,100	0.050
Valkyrie Oil Trucking Company	2,000,000	100,100	0.050	100,100	0.050
<b>Balance, February 28, 2023</b>		<b>1,035,778</b>		<b>897,636</b>	

	Number of Shares	Cost Base		Market Base	
		\$	\$/Share	\$	\$/Share
1233719 BC Ltd (Note 12(a))	1,218,859	55,026	0.05	55,026	0.045
1316833 BC Ltd	1,000,000	25,000	0.025	25,000	0.025
Aeonian Resources	1,500,000	150,000	0.10	150,000	0.100
Auvega Labs	500,000	25,000	0.05	25,000	0.050
Avalon Bridge	500,000	25,000	0.05	-	0.000
Beta Energy	112	-	0.00	-	0.000
District One Exploration	160,000	8,000	0.05	-	0.000
Hexa Resources	601,809	55,142	0.09	-	0.000
Power One Resources	670,000	-	0.00	-	0.000
S1 Capital	100,000	50,000	0.50	-	0.000
Sommerset Energy Partners Corp.	3,000,000	450,100	0.15	450,100	0.150
<b>Balance, November 30, 2022</b>		<b>843,268</b>		<b>705,126</b>	



# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 7 – INVESTMENTS IN ASSOCIATES

	Eagle Bay \$	Sceptre \$	Total \$
<b>Balance, November 30, 2021</b>	<b>1,537,500</b>	-	<b>1,537,500</b>
Shares received for property transaction	60,000	-	60,000
Shares issued for property transaction	(5,400)	-	(5,400)
Debt settlement	-	258,158	258,158
(Loss) from equity investee	(114,027)	(20,437)	(134,464)
<b>Balance, November 30, 2022</b>	<b>1,478,073</b>	<b>237,721</b>	<b>1,715,794</b>
(Loss) from equity investee	(49,519)	(17,881)	(67,400)
<b>Balance, February 28, 2023</b>	<b>1,428,554</b>	<b>219,840</b>	<b>1,648,394</b>

#### a) Eagle Bay Resources Corp. (“Eagle Bay”)

Eagle Bay is an exploration company with an office in Vancouver, BC, focusing on exploring and developing the Cap Property, located northeast of Prince Rupert in British Columbia, which is believed to be rich in rare earth elements and Niobium. Eagle Bay commenced trading on the Canadian Securities Exchange (“CSE”) on March 15, 2023.

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 13). On May 4, 2021, the Company acquired 10,000,000 shares at a price of \$0.025 through a private placement. On July 29, 2022, the Company transferred 200,000 shares of Eagle Bay with a fair value of \$0.027 per share to a vendor in connection with the acquisition of the Wicheeda Extension. Also on July 29, 2022, the Company received 800,000 shares of Eagle Bay with a fair value of \$0.075 per share in connection with the sale of the Wicheeda Extension (see Note 11(c)).

During the three months ended February 28, 2023, the investment was adjusted for \$49,519 (February 28, 2022: \$34,567) of equity loss due to the decrease of net assets of Eagle Bay. As at February 28, 2023, the Company holds 21,100,000 shares of Eagle Bay, equal to 40.38% (November 30, 2022: 40.38%) of Eagle Bay’s outstanding common shares.

The financial information of Eagle Bay as of and for the three months ended February 28, 2023 and the year ended November 30, 2022 is as follows:

	February 28, 2023 \$	November 30, 2022 \$
Current assets	443,518	482,087
Non-current assets	966,506	986,809
Current liabilities	268,603	189,625
Shareholders’ equity	1,141,421	1,279,271
Expenses	122,636	271,514
Net loss	(122,636)	(271,514)

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 7 – INVESTMENTS IN ASSOCIATES (continued)

#### b) Sceptre Ventures Inc. (“Sceptre”)

Sceptre, located in Vancouver, BC, is a capital pool company, which cannot carry on any business other than to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction.

On July 25, 2022, the Company received 4,302,626 shares of Sceptre, with a deemed price of \$0.06 per share in connection with a shares for debt settlement. By reason of the Debt Settlement, the Company now holds approximately 35.83% of the total issued and outstanding common shares of Sceptre. The Debt Settlement was approved by the TSX Venture Exchange and by disinterested shareholders of Sceptre because the issuance of the Shares caused the Company to become a “control person” as that term is defined under applicable securities laws. Sceptre is a Capital Pool Company (“CPC”) as defined in TSX-V Policy 2.4.

During the three months ended February 28, 2023, the investment was adjusted for \$17,881 (February 28, 2022: \$nil) of equity loss due to the decrease of net assets of Sceptre. As at, the Company holds 4,135,958 shares of Sceptre, equal to 34.44% (November 30, 2022: \$35.83) of Sceptre’s outstanding common shares. As at February 28, 2023, the fair value of the investment is \$124,079 (November 30, 2022: \$215,131).

The financial information of as of and for the three months ended February 28, 2023 and the year ended November 30, 2022 is as follows:

	February 28, 2023	November 30, 2022
	\$	\$
Current assets	5,002	1,297
Non-current assets	-	-
Current liabilities	351,079	245,460
Shareholders’ equity	(346,077)	(244,163)
Expenses	51,914	57,039
Net loss	(51,914)	(57,039)

### NOTE 8 – ADVANCES AND AMOUNTS RECEIVABLE

	February 28, 2023	November 30, 2022
	\$	\$
Accounts receivable	916,918	616,164
Allowance for expected credit loss	(111,362)	(111,362)
<b>Accounts receivable – net of allowance (a)</b>	<b>805,556</b>	<b>504,802</b>
Promissory note receivable – nominal value	452,985	378,125
Promissory note receivable – fair value change	(184,375)	(184,375)
<b>Promissory note receivable – fair value (b)</b>	<b>268,610</b>	<b>193,750</b>
<b>Total advances and amounts receivable:</b>	<b>1,074,166</b>	<b>698,552</b>

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 8 – ADVANCES AND AMOUNTS RECEIVABLE (continued)

#### a) Accounts receivable

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

As at February 28, 2023, accounts receivable of \$111,362 (November 30, 2022: \$111,362) were impaired and fully provided by allowance. During the three months ended February 28, 2023, \$nil (February 28, 2022: \$15,754) of accounts receivable previously written off as bad debt was recovered and the allowance for bad debt was reduced.

See below for the movements in the allowance for expected credit loss:

	\$
As of November 30, 2021	127,116
Recovery for the period	(15,754)
<hr/>	
As of November 30, 2022 and February 28, 2023	111,362

#### b) Promissory note receivable

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

### NOTE 9 – PREPAID AND DEPOSITS

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

	February 28, 2023	November 30, 2022
	\$	\$
Prepaid share subscriptions	20,000	20,000
Deposits	33,562	33,562
Marketing costs	18,741	23,554
<hr/>		
<b>Total</b>	<b>72,303</b>	<b>77,116</b>

### NOTE 10 – 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 three months ended February 28, 2023 and 2022, the Company incurred the following fees and expenses in the normal course of operations and are measured at the exchange amount:

	2023	2022
	\$	\$
<b>Expenses:</b>		
Key management compensation	154,700	141,000
Share-based payments	102,139	-

The Company accrued a bonus of \$1,000,000 (November 30, 2022: \$1,000,000) due to directors and management.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 10 – RELATED PARTY TRANSACTIONS (continued)

#### b) Other related party transactions

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

Revenue:	\$	\$
Management administration fees	121,500	130,889
Corporate development and marketing	18,000	87,500

As at February 28, 2023 and November 30, 2022, the Company has the following amounts due from (to) related parties and equity investees:

	February 28, 2023	November 30, 2022
	\$	\$
Commerce Resources Corp.	11,383	711
Core Assets Corp. (Note 7)	4,274	(13,125)
Eagle Bay Resources Corp. (Note 7)	208,013	162,333
Sceptre Ventures Inc. (Note 7)	88,656	43,276
<b>Promissory note receivable (Note 8(b)) - Fair Value:</b>		
David Hodge, CEO and director	32,050	7,417
Jody Bellefleur, CFO	47,410	22,700
Kevin Bottomley, director	5,360	4,650
Sean Charland, director	67,500	55,500
Chris Grove, director	45,460	44,750
	<b>510,106</b>	<b>328,212</b>

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

### NOTE 11 – MINERAL PROPERTY INTERESTS

Property Name	Partner	November 30,	Additions	Impairment	Property sales	February 28,
		2022				2023
		\$	\$	\$	\$	\$
Heyman Properties (b) *	N/A	-	32,581	-	(1,855)	30,726
Lac Elmer *	Staked	5,390	-	-	-	5,390
Munn Lake *	Dahrouge	41,883	1,867	-	-	43,750
<b>Total</b>		<b>47,273</b>	<b>34,448</b>	<b>-</b>	<b>(1,855)</b>	<b>79,866</b>

Property Name	Partner	November 30,	Additions	Impairment	Property sales	November 30,
		2021				2022
		\$	\$	\$	\$	\$
Covette II Property *	N/A	3,712	-	** (3,712)	-	-
Lac Elmer *	Staked	5,390	-	-	-	5,390
Munn Lake *	Dahrouge	3,694	38,189	-	-	41,883
Wicheeda Extension (a)	N/A	-	73,400	-	(73,400)	-
<b>Total</b>		<b>12,796</b>	<b>111,589</b>	<b>(3,712)</b>	<b>(73,400)</b>	<b>47,273</b>

\*Properties held for sale

\*\* Impaired due to lapse of title

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

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### NOTE 11 – MINERAL PROPERTY INTERESTS (continued)

#### Joint Venture Partners

*Dahrouge Geological Consulting Corp., 877384 Alberta Ltd., and DG Resource Management Ltd.*

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.

#### Farmed-out Properties

##### a) Wicheeda Extension Property

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 (with a fair value of \$48,000), and committed to transferring 200,000 common shares of Eagle Bay Resources Corp. (“Eagle Bay”) to the vendor (transferred on July 29, 2022 with a fair value of \$5,400).

On July 29, 2022, the Company entered into an agreement with Eagle Bay, a related party (see Note 7), whereby the Company sold their 100% interest in and to 4 claims, known as the Wicheeda Property. In consideration, the Company received 800,000 common shares of Eagle Bay with a fair value of \$60,000. During the three months ended February 28, 2023, \$nil (November 30, 2022: \$13,400) was recognized as a loss from the property sale.

##### b) Heyman Properties

During the three months ended February 28, 2023, the Company acquired 334 claims from the Estate of David Heyman, which will be grouped and sold separately, depending on location.

On January 30, 2023, the Company entered into an agreement with Strata Geodata Services Ltd. (“Strata”) whereby the Company sold their 100% interest in six mineral claims (the “Doctors Point Claims”) in the Beavertdale area in the Harrison Lake area in the New Westminster District of Southwest British Columbia. In consideration, the Company will receive \$20,000 cash (\$5,000 received) and 100,000 common shares of a private non-reporting issuer. During the three months ended February 28, 2023, \$4,154 (February 28, 2022: \$nil) was recognized as income from the property sale.

On February 14, 2023, the Company entered into an agreement with Grizzly Discoveries Inc. (“Grizzly”) whereby the Company sold their 100% interest in ten mineral claims (the “Beavertdale Claims”) in the Beavertdale area in the Greenwood Mining District of Southeast British Columbia. In consideration, the Company will receive \$7,500 cash and 75,000 common shares (received subsequent to February 28, 2023) of Grizzly. During the three months ended February 28, 2023, \$6,491 (February 28, 2022: \$nil) was recognized as income from the property sale. The agreement was accepted by the TSX on March 7, 2023.

### NOTE 12 – UNEARNED REVENUE

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

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

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### NOTE 13 – PROMISSORY NOTES PAYABLE

On March 22, 2021, the Company entered into an agreement with Arctic Star Exploration Corp. to privately acquire 8,500,000 shares of Eagle Bay Resources Corp. (“Eagle Bay”), a private company, at a price of \$0.025 per share (see Note 7). A deposit of \$35,000 was paid in January 2021. The promissory note has a principal balance totaling \$177,500, is non-interest bearing, and due to be paid when Eagle Bay obtains a listing on a stock exchange in Canada or the United States, and when the purchased shares are released from any statutory or stock exchange-imposed restrictions on sale. During the three months ended February 28, 2023, the Company paid \$nil (November 30, 2022 - \$nil) towards this promissory note, leaving a balance due of \$177,500 (November 30, 2022 - \$177,500) and reclassified a portion of the promissory note as being current.

### NOTE 14 – SHARE CAPITAL

#### a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

#### b) Issued Common Shares

##### During the three months ended February 28, 2023:

On February 21, 2023, the Company completed a non-brokered private placement offering (the “Private Placement”) of 12,142,778 units (the “Units”), at a price of \$0.07 per Unit for gross proceeds of \$849,995. 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 (a “Warrant Share”) at a price of \$0.09 per Warrant Share for a period of five years from the closing date. The securities issued under the Private Placement, and the Warrant Shares that may be issuable on exercise of the Warrants, are subject to a statutory hold period expiring on June 22, 2023.

##### During the year ended November 30, 2022:

On December 13, 2021, the Company issued 200,000 common shares with a fair value of \$48,000 in connection with the acquisition of the Wicheeda Property (see Notes 7 and 11).

On February 15, 2022, the Company closed a non-brokered private placement totaling 9,892,500 units (each, a “Unit”) 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”) valued at \$1,753 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. Additional share issuance costs of \$21,854 were incurred in connection with the financing.

#### c) Stock Options

The Company has an Equity Incentive Plan (the “Plan”) under which it is authorized to grant options, restricted shares units, performance share units or deferred share units to directors, officers, consultants or employees of the Company. At the Company’s Annual General Meeting on July 13, 2022, the shareholders approved the Company’s equity incentive plan and set the number of common shares that may be granted under the Plan to be fixed at 20% of the issued and outstanding shares, being 5,239,796 as of June 6, 2022, the date of board of director approval. A copy of the plan is available to view on SEDAR.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 14 – SHARE CAPITAL (continued)

#### c) Stock Options (continued)

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

	Weighted average exercise price \$	Number of options
<b>Balance, December 1, 2021</b>	<b>0.255</b>	<b>2,855,000</b>
Granted	0.230	470,000
Cancelled	0.260	(770,000)
<b>Balance, November 30, 2022</b>	<b>0.250</b>	<b>2,555,000</b>
Granted	0.105	2,684,176
<b>Balance, February 28, 2023</b>	<b>0.176</b>	<b>5,239,176</b>

As at February 28, 2023, the Company had the following stock options outstanding and exercisable:

Expiry date	Exercise price \$	Number of options
March 26, 2023	0.325	620,000
June 10, 2026	0.225	1,610,000
March 24, 2027	0.230	325,000
February 22, 2025	0.105	2,684,176
<b>Total</b>		<b>5,239,176</b>

On February 22, 2023, the Company granted 2,684,176 stock options to directors, officers, employees and consultants of the Company. Each option is exercisable at a price of \$0.105 per common share for a period of two years. The grant date fair value of the options was measured at \$135,109. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - \$0.105; exercise price - \$0.105; expected life – 2 years; volatility – 85.92%; dividend yield – \$nil; and risk-free rate – 4.20%. The volatility was estimated by using the average historical volatility of the Company.

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. The grant date fair value of the options was measured at \$72,534. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - \$0.23; exercise price - \$0.23; expected life – 5 years; volatility – 83.84%; dividend yield – \$nil; and risk-free rate – 2.270%. The volatility was estimated by using the average historical volatility of the Company.

See Note 20.

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 14 – SHARE CAPITAL (continued)

#### c) Warrants

A summary of the share purchase warrant transactions is presented below:

	Weighted average exercise price \$	Number of warrants
<b>Balance, November 30, 2021</b>	<b>0.20</b>	<b>712,000</b>
Granted	0.30	9,910,500
<b>Balance, November 30, 2022</b>	<b>0.29</b>	<b>10,622,500</b>
Granted	0.09	12,142,778
<b>Balance, February 28, 2023</b>	<b>0.18</b>	<b>22,765,278</b>

As at February 28, 2023, the Company had the following share purchase warrants outstanding:

Expiry date	Exercise price \$	Number of warrants
March 20, 2024 *	0.20	712,000
February 15, 2024	0.30	9,892,500
February 15, 2024 **	0.30	18,000
February 21, 2028	0.09	12,142,778
<b>Total</b>		<b>22,765,278</b>

\* On April 23, 2021, the Company received TSX Venture Exchange (“TSX”) approval to extend the warrants previously expiring on March 20, 2021 to March 20, 2024. In addition, the price of the warrants was reduced to \$0.20 for the extended period.

\*\* Indicates broker warrants

### NOTE 15 – GENERAL AND ADMINISTRATIVE EXPENSES

During the three months ended February 28, 2023 and 2022, the Company incurred the following general and administrative expenses:

	2023 \$	2022 \$
Accretion	528	1,365
Advertising and promotion	108,513	79,577
ROU asset depreciation (Note 18)	36,503	36,502
Filing fees and transfer agent expenses	11,780	1,905
Lease interest (Note 18)	651	1,740
Office and miscellaneous	41,592	50,900
Professional fees	58,700	68,254
Share-based payments	135,109	-
Wages and benefits (Note 10)	285,428	359,892
	<b>678,804</b>	<b>600,135</b>



# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

### NOTE 16 – SEGMENT INFORMATION

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

Summary details of the industry segments are as follows:

For the three months ended February 28, 2023:

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
<b>Revenue</b>				
Administrative fees	-	234,000	-	234,000
Corporate development fees	-	247,833	-	247,833
Income (loss) from property sales	10,645	-	-	10,645
	10,645	481,833	-	492,478

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Segment assets	79,866	-	14,475,521	14,555,387
Expenditure for segment capital assets	34,448	-	-	34,448
	114,314	-	14,475,521	14,589,835

For the three months ended February 28, 2022:

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
<b>Revenue</b>				
Administrative fees	-	214,889	-	214,889
Corporate development fees	-	124,555	-	124,555
Income from property sale	-	-	-	-
	-	339,444	-	339,444

For the year ended November 30, 2022:

	Investment in mineral properties \$	Management services \$	Corporate \$	Total \$
Segment assets	12,796	-	13,335,417	13,348,213
Expenditure for segment capital assets	111,589	-	-	111,589
	124,385	-	13,335,417	13,459,802

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements

For the Three Months Ended February 28, 2023

Expressed in Canadian Dollars

(Unaudited – prepared by management)

### NOTE 17 – LOAN PAYABLE

On April 30, 2020, the Company was approved and received a \$40,000 line of credit (“CEBA LOC”) with Bank of Montreal under the Canada Emergency Business Account (“CEBA”) program funded by the Government of Canada. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty. On January 1, 2021, the outstanding balance of the CEBA LOC will automatically convert to a 2-year interest free term loan (“CEBA Term Loan”). The CEBA Term Loan may be repaid at any time without notice or the payment of any penalty. If 75% of the CEBA Term Loan at the CEBA Term Loan Commencement Date is repaid on or before December 31, 2023, the repayment of the remaining 25% of such CEBA Term Loan shall be forgiven. If on December 31, 2023, the Company exercises the option for a 3-year term extension, 5% interest during the term extension period will apply on any balance remaining.

The Company has recorded the fair value of \$19,636 as at April 30, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of \$20,364 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant as of April 30, 2020 and the Company recorded a subsequent loss on government grant of \$1,908 during the year ended November 30, 2020. During the three months ended February 28, 2023, the Company recorded accretion expense of \$396 (February 28, 2022 - \$1,024).

On January 15, 2021, the Company received a second \$20,000 line of credit (“CEBA LOC”) with Bank of Montreal under the Canada Emergency Business Account (“CEBA”) program funded by the Government of Canada. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty, with the same terms as the loan received on April 30, 2020. The Company has recorded the fair value of \$7,374 as at January 15, 2021, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of \$12,528 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant at the date of receipt. During the year ended February 28, 2023, the Company recorded accretion expense of \$132 (February 28, 2022 - \$341).

### NOTE 18 – LEASE

The Company has a lease for the rental of their office space. Upon adoption of IFRS 16, the Company recognized lease liabilities of \$252,747 in the statements of financial position. The liabilities were measured at the present value of the remaining lease payments discounted using an incremental borrowing rate of 3% for a 1-year term at the date of initial application, December 1, 2019. Variable lease payments of \$8,711 monthly occupancy costs are subject to change in each fiscal year and not included in the lease liability. The Company renewed the lease prior to expiry and has recorded the lease liability for the lease now ending on August 31, 2023.

A summary of the lease liabilities is listed below:

	\$
<b>Balance, December 1, 2021</b>	<b>\$ 256,466</b>
Interest on lease liabilities	5,336
Payments of lease liabilities	(150,240)
<b>Balance, November 30, 2022</b>	<b>\$ 111,562</b>
Interest on lease liabilities	651
Payments of lease liabilities	(37,560)
<b>Balance, February 28, 2023</b>	<b>\$ 74,653</b>

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 18 – LEASE (continued)

The following table illustrates the right-of-use asset balances during the three months ended February 28, 2023 and the year ended November 30, 2022:

	Cost \$	Accumulated depreciation \$	Net book value \$
<b>Balance at December 1, 2021</b>	<b>544,765</b>	<b>289,249</b>	<b>255,516</b>
Addition	-	146,009	(146,009)
<b>Balance at November 30, 2022</b>	<b>544,765</b>	<b>435,258</b>	<b>109,507</b>
Addition	-	36,503	(36,503)
<b>Balance at February 28, 2023</b>	<b>544,765</b>	<b>471,761</b>	<b>73,004</b>

The following table illustrates the future lease payments under the lease obligations as at November 30, 2022:

<b>Current (due on or before November 30, 2023)</b>	
Total undiscounted lease payments	112,680
Less: imputed interest	(1,117)
<b>Total current carry value of lease obligations</b>	<b>111,563</b>

For the three months ended February 28, 2023, the adoption of IFRS 16 resulted in an increase to amortization expense of \$36,503 (February 28, 2022 - \$36,503) due to the recognition of ROU assets, an increase to interest expense of \$651 (February 28, 2022 - \$1,740) from the unwinding of the discounted value of the lease liabilities, and a decrease to office and miscellaneous expenses of \$37,560 (February 28, 2022 - \$37,560).

For the three months ended February 28, 2023, due to the change in the presentation of former operating lease expenses, cash flow from operating activities increased by \$37,560 (February 28, 2022 - \$37,560) due to the decrease in office and miscellaneous expenses partially offset by increased financial costs. Cash flows from financing activities decreased by \$37,560 (February 28, 2022 - \$37,560) due to the addition of the principal payments for former operating leases. The overall impact to cash flows for the Company was unchanged.

### NOTE 19 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

#### a) Change in Non-Cash Working Capital Accounts

For the three months ended February 28, 2023 and 2022:

	2023 \$	2022 \$
Advances and amounts receivable	(375,614)	(224,482)
Due from equity investee	(91,060)	(26,250)
GST Payable	27,294	16,353
Prepaid and deposits	4,813	33,575
Accounts payable and accrued liabilities	59,731	23,393
Unearned revenue	145,000	270,028
Due from related parties	(90,834)	(9,787)
Variable lease expense payment	(26,133)	(26,133)
Short-term lease payment	(3,450)	(9,000)
	350,253	47,697

# ZIMTU CAPITAL CORP.

## Notes to the Condensed Interim Financial Statements For the Three Months Ended February 28, 2023 Expressed in Canadian Dollars (Unaudited – prepared by management)

### NOTE 19 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (continued)

#### b) Other Items

	2023	2022
	\$	\$
Payable (Prepaid) expenses for share subscription	-	(20,000)
Shares issued for property acquisition	-	48,000
Shares received for exercise of warrants	-	167,500

### NOTE 20 – SUBSEQUENT EVENTS

On March 26, 2023, 620,000 stock options priced at \$0.325 expired unexercised.

On March 14, 2023, the Company announced a non-brokered private placement offering (the “Private Placement”) of up to 18,750,000 units (the “Units”), at a price of \$0.08 per Unit for gross proceeds of up to \$1,500,000. 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 (a “Warrant Share”) at a price of \$0.10 per Warrant Share for a period of five years from the closing date. The securities issued under the Private Placement, and the Warrant Shares that may be issuable on exercise of the Warrants, are subject to a statutory hold for a period of 4 months.