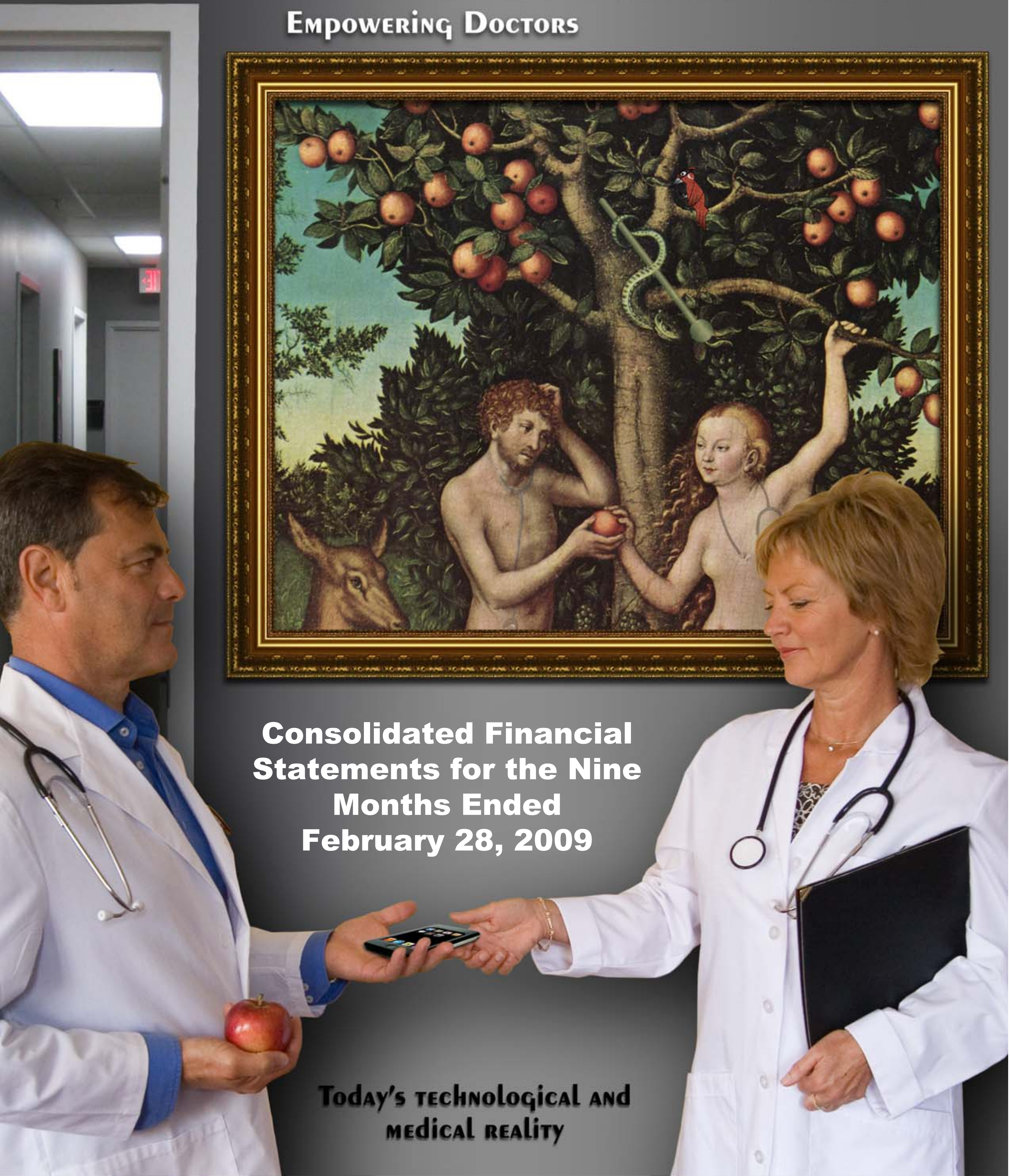
ZOOMMED

Empowering Doctors



Consolidated Financial Statements for the Nine Months Ended February 28, 2009

Today's technological and medical reality

To the shareholders of
ZOOMMED INC.

MANAGEMENT COMMENTS

The financial statements of ZoomMed Inc. for the period ended February 28, 2009 and all information contained in this interim financial report are the responsibility of the management and have been approved by the Board of Directors.

The consolidated financial statements were prepared by the management in accordance with generally accepted accounting principles and are consistent with the Company's business.

The Company complies with its TSX Venture Exchange listing agreement. The Company maintains rigorous systems of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the assets are correctly accounted for and protected.

Every year the Board of Directors appoints an Audit Committee composed of a majority of directors who are neither company officers nor employees. The Audit Committee meets periodically with Management and the external auditors to review their tasks and discuss the audit, accounting policies and related financial matters. The results of their audit are discussed as well. The Audit Committee also reviews the financial statements and the external auditors' report and recommends their approval by the Board of Directors.

ZoomMed Inc. interim financial statements for the nine-month period ended February 28, 2009 and February 29, 2008, as well as related comparative data, have not been reviewed or audited by external auditors.

April 27, 2009

Yves Marmet

Yves Marmet,
President and Chief Executive Officer

INTERIM FINANCIAL REPORT
AS AT FEBRUARY 28, 2009

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED FEB. 28, 2009 AND FEB. 29, 2008
(Unaudited)

	February 28, 2009 (3 months)	February 29, 2008 (3 months)	February 28, 2009 (9 months)	February 29, 2008 (9 months)
REVENUES	$ 276,897	$ 300 892	$ 821,867	$ 913,944
OPERATING EXPENSES				
Cost of goods sold	71,572	97,685	203,054	218,341
Administrative expenses (Note 5)	341,554	258,287	1,181,708	795,187
Operating expenses	440,834	247,003	1,186,641	592,908
Selling expenses	519,628	425,330	1,519,387	1,145,478
Financial expenses (Note 5)	7,107	6,015	15,650	19,844
Amortization (Note 5)	347,252	269,016	986,940	734,080
	1,727,947	1,303,336	5,093,380	3,505,838
LOSS BEFORE NON-CONTROLLING INTEREST	(1,451,050)	(1,002,444)	(4,271,513)	(2,591,894)
NON-CONTROLLING INTEREST	-	(1,750)	(1,750)	(5,250)
NET LOSS	$ (1,451,050)	$ (1,004,194)	$ (4,273,263)	$ (2,597,144)
BASIC AND DILUTED EARNINGS PER SHARE	$ (0.015)	$ (0.014)	$ (0.045)	$ (0.036)
WEIGHTED AVERAGE NUMBER OF OUTSTANDING COMMON SHARES	98,215,785	71,698,709	94,629,194	71,496,268

CONSOLIDATED BALANCE SHEETS
AS AT FEBRUARY 28, 2009 AND AT MAY 31, 2008

		February 28, 2009 (Unaudited)		May 31, 2008 (Audited)
ASSETS				
CURRENT ASSETS				
Cash	$	1,111,779	$	952,943
Accounts receivable (Note 6)		339,565		230,440
Inventories		127,904		99,027
Prepaid expenses		19,276		70,080
		1,598,524		1,352,490
GUARANTEED INVESTMENT CERTIFICATES (Note 7)		3,043,354		25,000
FIXED ASSETS (Note 8)		1,272,297		1,074,201
INTANGIBLE ASSETS (Note 9)		3,125,125		3,590,563
	$	9,039,300	$	6,042,254
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable (Note 10)	$	709,867	$	750,179
Deferred revenues		434,375		71,970
Current portion of long-term debt		76,547		89,778
Non-controlling interest		-		219,833
		1,220,789		1,131,760
LONG-TERM DEBT (Note 11)		69,743		78,354
LEASE INDUCEMENT		13,690		17,249
		1,304,222		1,227,363
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 13)		20,783,214		14,570,915
WARRANTS (Notes 13 c) and 15)		2,512,171		823,000
CONTRIBUTED SURPLUS		1,989,749		1,715,970
DEFICIT		(17,550,056)		(12,294,994)
		7,735,078		4,814,891
	$	9,039,300	$	6,042,254

ON BEHALF OF THE BOARD OF DIRECTORS

Yves Harnet Director

Marie-Hélène Picard Director

CONSOLIDATED STATEMENTS OF DEFICIT AND CONTRIBUTED SURPLUS
FOR THE NINE-MONTH PERIOD ENDED FEB. 28, 2009 AND FEB. 29, 2008
(Unaudited)

		February 28, 2009 (9 months)		February 29, 2008 (9 months)
DEFICIT				
BALANCE, BEGINNING OF YEAR				
As previously reported balance	$	(12,294,994)	$	(8,338,139)
Changes in accounting policies (Note 3)		-		5,356
Adjusted balance as restated		(12,294,994)		(8,332,783)
Net loss		(4,273,263)		(2,597,144)
Share issue expenses		(981,799)		-
BALANCE, END OF YEAR	$	(17,550,056)	$	(10,929,927)

CONTRIBUTED SURPLUS				
BALANCE, BEGINNING OF YEAR	$	1,715,970	$	1,656,275
Fair market value of stock options granted (Note 14)		276,829		43,750
Exercised stock options		(3,050)		(3,055)
BALANCE, END OF YEAR	$	1,989,749	$	1,696,970

ZOOMMED

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED FEB. 28, 2009 AND FEB. 29, 2008
(Unaudited)

	February 28, 2009 (3 months)	February 29, 2008 (3 months)	February 28, 2009 (9 months)	February 29, 2008 (9 months)
OPERATING ACTIVITIES				
Net loss	$ (1,451,050)	$ (1,004,194)	$ (4,273,263)	$ (2,597,144)
Amortization	347,252	269,043	986,940	734,509
Increase in long-term debt	3,876	879	11,626	2,636
Non-controlling interest	-	1,750	-	5,250
Stock-based compensation	-	14,500	276,829	43,750
(Gain) loss on disposal of fixed assets	(936)	(1,788)	(4,142)	2,089
Non-carried out (profit) loss on investments	5,843	14,984	(18,354)	(29,682)
Lease inducement	(1,187)	12,599	(3,559)	11,678
	(1,096,202)	(692,227)	(3,023,923)	(1,826,914)
Net change in non-cash working capital items	156,738	45,809	234,895	(246,716)
Cash flows used in operating activities	(939,464)	(646,418)	(2,789,028)	(2,073,630)
FINANCING ACTIVITIES				
Repayments of long-term debt	(18,447)	(5,667)	(33,468)	(42,037)
Share issuance	-	30,000	7,898,420	112,700
Share issue expenses	-	-	(981,799)	-
Repayments of non-controlling interest	-	-	(219,833)	-
Cash flows from financing activities	(18,447)	24,333	6,663,320	70,663
INVESTING ACTIVITIES				
Proceeds from disposal of a guaranteed investment activities	-	880,000	-	1,662,852
Acquisition of guaranteed investment certificates	-	-	(3,000,000)	(3,025,000)
Acquisition of fixed assets	(186,100)	(173,637)	(514,079)	(638,924)
Proceeds from disposal of fixed assets	6,095	4,500	17,941	4,500
Acquisition of intangible assets	(70,397)	(114,214)	(219,318)	(450,785)
Cash flows used in investing activities	(250,402)	596,649	(3,715,456)	(2,447,357)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,208,313)	(25,436)	158,836	(4,450,324)
CASH BEGINNING OF YEAR	2,320,092	662,168	952,943	5,087,056
CASH END OF YEAR	$ 1,111,779	$ 636,732	$ 1,111,779	$ 636,732

Cash flows related to operating activities include interest paid of $322 for the three-month period and $1,218 for the nine-month period in 2009 and $813 for the three-month period and $2,892 for the nine-month period in 2008.

1. IDENTIFICATION AND INDUSTRY

The Company was incorporated under the Canada business Corporations Act on February 24, 2005.

Until July 27, 2005 the Company carried on business as a "Capital Pool Company", as this term is defined the TSX Venture Exchange policy (The Exchange). On July 27, 2005, with the acquisition of all of the outstanding Class A shares of "9103-8240 Quebec Inc.", now being called ZoomMed Medical Inc., the Company completed its qualifying transaction pursuant to the rules of the Exchange. According to Canadian generally accepted accounting principles, these consolidated financial statements are recognized as being the continuity of ZoomMed Medical Inc. The Company is now the reporting issuer resulting from the reverse takeover.

ZoomMed is committed to two business missions:

1) The development and the marketing of the ***ZRx Prescriber***, an innovative product for physicians; and
2) Sales of paramedical equipment to the public in general and Healthcare agencies, throughout a franchise network which operates under the name **ZoomCité**.

2. SIGNIFICANT ACCOUNTING POLICIES

Consolidation

The Consolidated Financial Statements include the accounts of ZoomMed Inc. and ZoomMed Medical Inc.

Revenues recognition

Revenues derived from annual advertising contracts, related to the ZRx Prescriber, are recognized on a straight-line basis over the duration of the related agreements.

Revenues from equipment sales and services are recognized as soon as the merchandise leaves the warehouse or as the services are rendered. For the franchises, revenues from the initial fees are recognized when the franchisor has fulfilled most of the important obligations related to the creation of the franchise. Revenues from equipment sales to franchisees are recognized as soon as the merchandise is delivered. For this type of product, the cost of goods sold is not presented separately because it is recorded as a reduction of revenue.

Temporary cash investments

Temporary investments held for trading are measured at fair value, using the market rates. Any gain or loss, realized or latent, is recognized in net income.

Inventory valuation

Inventories are valued at the lower of cost and net realizable value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Fixed assets

Fixed assets are recorded at cost and are amortized according to the following methods and rates:

	Method	Rates
Vehicles	Declining balance	30 %
Machinery and equipment	Declining balance	20 %
Furniture and sign	Declining balance	20 %
Computer equipment	Declining balance	30 %
Computer equipment for *ZRx Prescriber*	Declining balance	30 %
Leasehold improvements	Straight-line	20 % - 10 %

Intangible assets

Intangible assets are recorded at cost and are amortized on a straight-line basis on the following rates:

	Rates
Web site	33 %
Software	50 %
Intellectual property	10 %
License	33 %
Development costs	33 %

Intellectual property is recorded at cost, plus related future income taxes, and will be amortized over a ten-year period from the marketing date of the product, which was November 2006.

The development costs include the development of prescribing software and new functionalities added to the prescribing software, are amortized on a straight-line basis over of three-year period from the marketing date of the product.

The Company reviews the recoverability of the deferred development costs valuing the future forecasted cash flows related to the marketing of the products to which these fees are linked.

Long-term debt issue expenses

Long-term debt issue expenses are carried in reduction of the corresponding debt and are amortized according to the effective interest method.

Government assistance

The investment tax credits related to development costs are applied against capitalized costs. The wage subsidies related to operating expenses are applied against salaries.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Impairment of long-lived assets

An impairment loss is recognized when an event or situation indicates that the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. Any resulting impairment loss is recognized during the period of the impairment.

Lease inducement

The lease inducement includes the difference between the rental expense apportioned over the lease term according to a systematic formula and the minimum lease payment, considering the inducements.

Non-controlling interest

The non-controlling interest corresponded to a direct non-controlling interest in the Company by way of 200,000 Class B shares of ZoomMed Medical Inc. Class B shareholders are entitled to receive a cumulative annual dividend of 3.5%. These shares were repurchased during the first quarter of fiscal 2009.

Stock-based compensation

The Company uses the fair value based method (Black & Scholes) of accounting for all stock options granted to its directors, officers, employees and consultants whereby a compensation expense is recognized on the day the options were granted, with a corresponding increase to contributed surplus. When options are exercised, capital stock is credited by the sum of consideration paid together with the released portion previously recorded to contributed surplus.

Use of accounting estimates

Preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in financial statements and related notes. Estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results could differ from those estimates.

Financial statement items that require such estimates include future benefits from development costs, intellectual property, future income tax assets and goodwill, income tax provision, the recoverable amount of research and development tax credits, the assumptions used in the determination of the stock-based compensation charge and fair value of financial instruments.

Basic and fully diluted earnings per share

Basic and fully diluted earnings per share are calculated using the weighted average number of outstanding common shares during the year. The Company uses the treasury stock method to determine the dilutive effects of stock options and warrants when cumulating diluted earnings per share. The fully diluted earnings per share are equal to the basic earnings per share because of their anti dilutive effect when a loss is incurred.

3. CHANGES IN ACCOUNTING POLICIES

a) Implemented during fiscal year 2009

On June 1, 2008, the Company adopted the new accounting standards related to: Section 1535 - “Capital Disclosures”, Section 3862 - “Financial Instruments - Disclosures”, Section 3863 - “Financial Instruments – Presentation” and Section 3031 - “Inventories”. Figures for periods prior to June 1, 2008 were not amended.

Capital Disclosures (Section 1535)

This section establishes disclosure requirements concerning capital such as: qualitative information about an entity’s objectives, policies and processes for managing capital; quantitative data about what it regards as capital; whether the entity has complied with any externally imposed capital requirements and, if not, the consequences of such non-compliance.

Financial instruments (Sections 3862 and 3863)

These new standards replace Section 3861 - “Financial Instruments – Disclosure and Presentation”, revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements.

Inventories (Section 3031)

In March 2007, the CICA published Section 3031 - “Inventories”, which aligns accounting for inventories under Canadian GAAP with International Financial Reporting Standards (“IFRS”). This new standard provides more guidance on the measurement and disclosure requirements for inventories. It requires the measurement of inventories at the lower of cost and net realizable value and includes guidance on the determination of cost, including allocation of overheads and other costs incurred in bringing the inventories to their present location and condition. The standard also requires the use of either first in, first out (“FIFO”) or weighted average cost formula to measure the cost of inventories.

Besides the disclosure requirements under the terms of the Sections described above, the adoption of these new standards had no material impact on the Company’s consolidated financial statement.

b) Implemented during fiscal year 2008

On June 1 2007, the Company adopted the new accounting standards related to: Section 1530 - “Comprehensive Income”, Section 3855 - “Financial Instruments – Recognition and Measurement” and Section 3865 - “Hedges”. Figures for periods prior to June 1, 2007 were not amended.

3. CHANGES IN ACCOUNTING POLICIES (CONT.)

Financial instruments – Recognition and measurement

Under this new standard, all financial assets will be classified in one of the following four categories: 1) held to maturity, 2) loans and receivables, 3) held for trading and 4) available for sale. Financial liabilities will have to be classified as “held for trading” or “other liabilities”. Financial assets and liabilities held for trading will be valued at their fair value, and gains and losses will be recorded in net results. Held-to-maturity financial assets, loans and receivables, and financial liabilities classified as “other liabilities” will be recognized at amortized cost using the effective interest rate method. Available-for-sale financial assets will be valued at fair value, and all the unrealized gains and losses will be recorded in other comprehensive income. The new standard will enable entities to designate all financial instruments as held for trading when they are initially recognized or when this standard is adopted, even if this financial instrument does not fall within the definition of a financial instrument held for trading. Financial instruments held for trading under the fair value option must have a reliable fair value.

The Company has elected to classify investments held for trading. Consequently, any differences in the fair value of these assets will be recorded directly in net results.

Long-term debts are classified in “other liabilities” and accounted for at cost. Transaction costs related to “other liabilities” are capitalized and depreciated in accordance with the effective interest rate method and recorded in the net result.

Comprehensive Income

Following the adoption of these new accounting standards, the company must present a statement of other comprehensive income. Other comprehensive income includes the net result and the other elements of the comprehensive income. Considering that the company has classified the whole of its financial tools as financial tools “held for trading” and its long-term debts in the category “other liabilities”, no variation element was classified in the other elements of the comprehensive income, consequently, net loss corresponds to the total of the comprehensive income.

Impact of adopting these new standards

The adjustments related to the classification of investments as financial instruments held for trading were nil and therefore no adjustment was recorded in the deficit’s opening balance as at June 1, 2007. The adjustments due to the classification of the long-term debt in the category “other liabilities”, presented net from related transaction fees depreciated in accordance with the effective interest rate method, were recorded in the deficit’s opening balance as at June 1, 2007. The result of this adjustment at June 1, 2007 was a reduction in the deficit’s opening balance of $5,356.

3. CHANGES IN ACCOUNTING POLICIES (CONT.)

Here is a summary of the effect of these new accounting standards on the opening balance.

	As at May 31, 2007 (Audited)	Adjustments (Unaudited)	As at June 1, 2007 (Unaudited)
ASSETS			
Current assets	$ 5,751,747	$ -	$ 5,751,747
Fixed Assets	516,246	-	516,246
Intangible assets	2,935,880	-	2,935,880
Other assets	761,073	(601)	760,472
	9,964,946	(601)	9,964,345
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities	1,128,809	-	1,128,809
Long-term debt	20,250	(5,957)	14,293
Lease inducement	6,758	-	6,758
Non-controlling interest	212,833	-	212,833
	1,368,650	(5,957)	1,362,693
Shareholders' equity	16,934,435	-	16,934,435
Deficit	(8,338,139)	5,356	(8,332,783)
	8,596,296	5,356	8,601,652
	$ 9,964,946	$ (601)	$ 9,964,345

4. FUTURES CHANGES IN ACCOUNTING POLICIES

Intangible assets

In November 2007, the CICA issued Section 3064 - "Goodwill and Intangible Assets", replacing Section 3062 - "Goodwill and Other Intangible Assets", and section 3450 - "Research and Development Costs". Various changes have been made to other sections of the CICA Handbook for consistency purposes. The new Section is applicable to financial statement relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company will adopt the new standards for its fiscal year beginning June 1, 2009. It establishes standards for the recognition and of intangible assets by profits-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The management is currently assessing the impact of the adoption of this new Section on its consolidated financial statements.

4. FUTURES CHANGES IN ACCOUNTING POLICIES (CONT.)

International Financial Reporting Standards

The Accounting Standards Board of Canada has announced that accounting standards in Canada, as used by public companies will be converged to IFRS. The changeover date from current Canadian GAAP to IFRS, for the Company, is for the fiscal year beginning on June 1, 2011. The Company will convert to these new standards according to the timetable set with these new rules. The management is currently assessing the future impact of these new standards on its consolidated financial statements.

5. INFORMATION ON INCOME

	February 28, 2009 (3 months)	February 29, 2008 (3 months)	February 28, 2009 (9 months)	February 29, 2008 (9 months)
a) Revenues :				
Sales	$ 252,863	$ 284,879	$ 700,451	$ 733,940
Interest income	29,877	27,915	92,940	119,292
Non-carried out (profit) loss on investments	(5,843)	(14,984)	18,354	29,682
Net income from franchisees	-	3,082	10,122	31,030
	$ 276,897	$ 300,892	$ 821,867	$ 913,944
b) Administrative expenses:				
Administrative expenses	$ 341,554	$ 243,787	$ 904,879	$ 751,437
Stock-based compensation	-	14,500	276,829	43,750
	$ 341,554	$ 258,287	$ 1,181,708	$ 795,187
c) Financial expenses :				
Interest on long-term debt	$ 824	$ 1,692	$ 2,969	$ 5,528
Interest and bank charges	6,259	4,299	12,610	13,887
Amortization of deferred financing costs	24	24	71	429
	$ 7,107	$ 6,015	$ 15,650	$ 19,844
d) Amortization :				
Amortization of fixed assets	$ 112,626	$ 77,185	$ 302,184	$ 192,725
Amortization of intangible assets	234,626	191,831	684,756	541,355
	$ 347,252	$ 269,016	$ 986,940	$ 734,080

6. ACCOUNTS RECEIVABLE

		February 28, 2009		May 31, 2008
Accounts receivable	$	159,307	$	87,042
Research and development tax credits[1]		70,144		70,144
Accrued interest receivable		55,948		-
Sales tax receivable		54,166		73,254
	$	339,565	$	230,440

[1] The exact receivable amount will be known when Revenu Quebec will process and approve the claim. There is a possibility that the approved amount differs from the recorded amount.

7. GUARANTEED INVESTMENT CERTIFICATES

		February 28, 2009		May 31, 2008
Guaranteed investment certificate, 4% (Maturing September 11, 2011)	$	3,018,354	$	-
Guaranteed investment certificate, 3.35% [1]		25,000		25,000
	$	3,043,354	$	25,000

[1]The Guaranteed investment certificate is charged with a hypothec, securing a guaranteed letter in favor of "Fédération des Caisses Desjardins du Québec", until June 2009.

8. FIXED ASSETS

				February 28, 2009		
		COST		ACCUMULATED AMORTIZATION		NET BOOK VALUE
Vehicles	$	10,516	$	2,863	$	7,653
Machinery and equipment		18,744		14,181		4,563
Furniture and sign		154,014		61,424		92,590
Computer equipment		206,230		104,636		101,594
Computer equipment for Prescriber ZRx		1,503,275		477,756		1,025,519
Leasehold improvements		96,679		56,301		40,378
	$	1,989,458	$	717,161	$	1,272,297

				May 31, 2008		
		COST		ACCUMULATED AMORTIZATION		NET BOOK VALUE
Vehicles	$	10,516	$	640	$	9,876
Machinery and equipment		18,585		13,391		5,194
Furniture and sign		149,850		45,460		104,390
Computer equipment		178,828		80,899		97,929
Computer equipment for Prescriber ZRx		1,043,220		240,736		802,484
Leasehold improvements		93,157		38,829		54,328
	$	1,494,156	$	419,955	$	1,074,201

9. INTANGIBLE ASSETS

	February 29, 2008		
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
Amortized intangible assets			
Web site	$ 26,200	$ 26,200	$ -
Software	4,322	4,246	76
License	340,005	181,250	158,755
Intellectual property	2,935,934	660,585	2,275,349
Development cost	1,577,733	886,788	690,945
	$ 4,884,194	$ 1,759,069	$ 3,125,125

	May 31, 2008		
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
Amortized intangible assets			
Web site	$ 26,200	$ 26,200	$ -
Software	4,322	4,019	303
License	329,956	92,500	237,456
Intellectual property	2,935,934	440,390	2,495,544
Development cost	1,368,464	511,204	857,260
	$ 4,664,876	$ 1,074,313	$ 3,590,563

10. ACCOUNTS PAYABLE

	February 28, 2009	May 31, 2008
Accounts payable and accrued liabilities	$ 387,573	$ 511,410
Wages and deductions at source	322,294	214,619
Advance from a shareholder, without interest	-	24,150
	$ 709,867	$ 750,179

11. LONG-TERM DEBT

	February 28, 2009 (amortized cost)	May 31, 2008 (amortized cost)
Loan, interest at prime rate plus 2%, secured by the shareholders, monthly capital payment of $845 plus interest, maturing September 2008;	$ -	$ 3,380
Loan, Idée-PME program, non-interest bearing, 10% effective interest discount annual capital payment of $20,250, maturing April 2009;	19,915	18,408
Loan, La Solide Ville de Longueuil, interest at 10% plus 1.5% of the annual income before income taxes, monthly capital and interest payment of $634, maturing November 2009;	5,413	10,439
Loan, le CLD de Longueuil, interest at 9%, secured by the shareholders, monthly capital and interest payment of $622, maturing December 2009;	5,957	10,949
Note payable, non-interest bearing, 10% effective interest discount, payable by an initial $30,000 payment (paid in May 2008) and equal and consecutive payments of $5,000 beginning in December 2008, maturing in April 2011.	115,005	124,956
	146,290	168,132
Current portion	76,547	89,778
	$ 69,743	$ 78,354

Principal repayments required for the next three years are as follows:

2010	2011	2012
$ 91,698	$ 60,000	$ 10,000

12. COMMITMENTS

As at February 28, 2009, the balance of commitments under operating leases amounts to $487,328.

Minimum lease payments in each of the next five years are as follows:

	2010	2011	2012	2013	2014
Leasehold - Head office	$ 116,423	$ 106,721	$ -	$ -	$ -
Leasehold - ZoomCité	30,112	-	-	-	-
Leasehold - Toronto	56,615	58,935	58,935	29,468	-
Multifunction printers	7,293	7,293	7,293	7,293	947
	$ 210,443	$ 172,949	$ 66,228	$ 36,761	$ 947

13. SHARE CAPITAL

a) Authorized

An unlimited number of common shares, voting, participating, without par value.

b) Issued and fully paid

	February 28, 2009	May 31, 2008
98,215,785 common shares (71,742,290 shares as at May 31, 2008)	$ 20,783,514	$ 14,570,915

c) Transactions during the period ended February 28, 2009

On June 19, 2008, the Company issued 20,000 shares of its capital stock after 20,000 options held by employees were exercised. These options were expiring on June 28, 2008.

On July 8, 2008, the Company completed a public placement, for gross proceeds of $7,671,514, issuing 26,453,495 units of the Company at a price of $0.29 per unit. Each unit is comprised of one common share in the share capital of the Company and one-half of one common share purchase warrant. Each whole warrant gives the holder the right to purchase one common share at a price of $0.35 for a period of 24 months. The Company granted a 6.5% cash commission to the agents and a number of warrants to purchase common shares equal to 6.5% of the total number of units sold under the offering at a price of $0.29 per share for a period of 18 months.

As at October 24, 2008, 1,400,000 warrants, each carrying a fair value of $0.22, and 750,000 warrants, each carrying a fair value of $0.03, have expired. These warrants were cancelled and the total carrying value, which was $330,500, was transferred to the share capital.

13. SHARE CAPITAL (CONT.)

d) Transactions during fiscal year 2008

The Company issued 425,000 shares of its share capital for a cash consideration of $108,000 after 425,000 warrants, with a carrying value of $28,500, were exercised.

The Company issued 23,500 shares of its share capital for a cash consideration of $4,700 after 23,500 stock options, with a carrying value of $3,055, were exercised. These stock options were held by employees.

e) Share capital break-down

	Number		Declared
Balance as at May 31, 2007 :	71,293,790	$	14,426,660
Issued after the exercising of warrants	425,000		136,500
Issued after the exercising of stock options	23,500		7,755
Balance as at May 31, 2008	71,742,290	$	14,570,915
Issued for public placement (July 8, 2008)	26,453,495		5,873,999
Issued after the exercising of stock options	20,000		7,800
Cancellation of 2,150,000 warrants	-		330,500
Balance as at February 28, 2009	98,215,785	$	20,783,214

f) Escrowed shares

In accordance with the requirements of the TSX Venture Exchange, all of the 3,000,000 common shares issued before the initial public offering and the 18,000,000 issued common shares from the reverse takeover are held in escrow under two securities escrow agreements.

For the first agreement representing 3,000,000 common shares, under the terms of the agreement, 10% of common shares held in escrow were released upon publication of the Final Exchange Bulletin and 15% of the of the original number of escrowed common shares were released at six-month intervals on the 6^{th}, 12^{th}, 18^{th}, 24^{th}, 30^{th} and 36^{th} months following the initial release. The agreement ended on August 8, 2008.

For the second agreement representing 18,000,000 common shares, under the terms of the agreement, 0% of common shares held in escrow were released upon publication of the Final Exchange Bulletin and 5% of the of the original number of escrowed common shares were released at six-month intervals on the 6^{th}, 12^{th}, 18^{th}, 24^{th}, 10% were released on the 30^{th}, 36^{th}, 42^{nd} months and 10% will be released on the 48^{th}, 54^{th}, 60^{th}, 66^{th}, 72^{nd} months following the initial release. The escrowed agreement will end on August 8, 2011.

As at February 28, 2009, 9,000,000 common shares (13,050,000 at May 31, 2008) were still held in escrow.

14. STOCK OPTION PLAN

The shareholders of the Company approved a resolution modifying of the stock option plan from a 10% “fixed” stock option plan to a 10% “rolling” stock option plan as described in the management proxy circular for the annual and special meeting of shareholders held on November 7, 2008. Under the plan terms, the exercise price of the options will be determined by the directors of the Company limited to the extent of other restrictions described in the plan and some requirements of the TSX Venture Exchange. The maximum period for which an option is issued is limited to five years and the exercise price of these options must be paid in full before the issue of the related shares.

The following table summarizes the changes in the plan position for the years ended on May 31, 2008 and for the nine-month period ended February 28, 2009:

	Options	Average Exercise price
Balance as at May 31, 2007	7,120,000	$0.23
Awarded	295,000	$0.40
Exercised	(23,500)	$0.20
Cancelled	(220,000)	$0.25
Balance as at May 31, 2008	7,171,500	$0.24
Awarded	2,785,000	$0.20
Exercised	(20,000)	$0.24
Cancelled	(185,000)	$0.42
Balance as at February 28, 2009	9,751,500	$0.22

The following table summarizes the information about the outstanding stock options as at February 28, 2009 and May 31, 2008.

a) As at February 28, 2009

Outstanding options			Exercisable options	
Number	Weighted average outstanding maturity (months)	Weighted average exercise price	Number	Weighted average exercise price
540,000	16	$0.20	540,000	$0.20
1,235,000	18	$0.25	1,235,000	$0.25
1,024,000	28	$0.20	1,024,000	$0.20
640,000	33	$0.20	640,000	$0.20
150,000	35	$0.25	150,000	$0.25
3,227,500	38	$0.50	3,227,500	$0.50
50,000	44	$0.40	50,000	$0.40
100,000	49	$0.40	100,000	$0.40
2,785,000	53	$0.20	2,785,000	$0.20
9,751,500	37	$0.31	9,751,500	$0.31

14. STOCK OPTION PLAN (CONT.)

During the nine-month period ended February 28, 2009 the following transactions occurred:

The Company issued 20,000 shares of its capital stock after 20,000 options held by employees were exercised.

The Company granted 2,785,000 options entitling the holder to purchase 2,785,000 common shares at an exercise price of $0.20 per share for a period of five years.

The fair value of the stock options awarded during the period ended February 28, 2009 was estimated on the grant date using the Black-Scholes' options pricing model with the following assumptions:

	February 28, 2009
Date	October 17, 2008
Quantity	2,785,000
Value granted	$0.099
Dividend yield	Nil
Expected volatility	100%
Risk-free interest rate	2,92%
Expected life	60 months

The compensation expense related to the stock option plan amounts to $276,829 for the period ended February 28, 2009.

b) As at May 31, 2008

Outstanding options			Exercisable options	
Number	Weighted average outstanding maturity (months)	Weighted average exercise price	Number	Weighted average exercise price
540,000	25	$0.20	540,000	$0.20
1,250,000	27	$0.25	1,250,000	$0.25
1,029,000	37	$0.20	1,029,000	$0.20
640,000	42	$0.20	640,000	$0.20
150,000	44	$0.25	150,000	$0.25
3,267,500	47	$0.50	3,267,500	$0.50
45,000	52	$0.40	45,000	$0.40
100,000	53	$0.40	100,000	$0.40
50,000	56	$0.40	50,000	$0.40
100,000	58	$0.40	(1) 100,000	$0.40
7,171,500	40	$0.35	7,171,500	$0.35

(1) The shares issued under this plan are subject to transfer restrictions for a period of four months from the grant date.

14. STOCK OPTION PLAN (CONT.)

Transactions during fiscal year 2008

The Company issued 23,500 shares of its capital stock after 23,500 options held by employees were exercised. These options were expiring on June 29, 2011.

The Company granted 295,000 options entitling the holder to purchase 295,000 common shares at an exercise price of $0.40 per share for a period of five years.

The fair value of the stock options awarded during the year 2008 was estimated on the grant date using the Black-Scholes' options pricing model with the following assumptions:

May 31, 2008

Date	September 4, 2007	October 6, 2007	January 23, 2008	March 10, 2008
Quantity	45,000	100,000	50,000	100,000
Value granted	$0.25	$0.18	$0.29	$0.19
Dividend yield	Nil	Nil	Nil	Nil
Expected volatility	75%	75%	75%	75%
Risk-free interest rate	4.36%	4,35%	3,48%	2,94%
Expected life	60 months	60 months	60 months	60 months

The compensation expense related to the stock option plan amounts to $62,750 for the year ended May 31, 2008.

15. WARRANTS

The following table summarizes the changes in the plan position as at May 31, 2008 and for the nine-month period ended February 28, 2009:

	Warrants	Weighted average Exercise price
Balance as at May 31, 2007	22,199,996	$0.34
Warrants exercised	(425,000)	$0.25
Balance as at May 31, 2008	21,774,996	$0.34
Awarded to investors	13,226,747	$0.35
Awarded to brokers	1,719,477	$0.29
Cancelled	(2,150,000)	$0.15
Balance as at February 28, 2009	34,571,220	$0.35

15. WARRANTS (CONT.)

a) Transactions during the period ended February 28, 2009.

On July 8, 2008, the Company completed a public placement, for gross proceeds of $7,671,514, issuing 26,453,495 units of the Company at a price of $0.29 per unit. Each unit is comprised of one common share in the share capital of the Company and one-half of one common share purchase warrant. Each whole warrant gives the holder the right to purchase one common share at a price of $0.35 for a period of 24 months. The Company granted a 6.5% cash commission to the agents and a number of warrants to purchase common shares equal to 6.5% of the total number of units sold under the offering at a price of $0.29 per share for a period of 18 months.

As at October 24, 2008, 1,400,000 warrants, each carrying a fair value of $0.22, and 750,000 warrants, each carrying a fair value of $0.03, have expired. These warrants were cancelled and the total carrying value, which was $330,500, was transferred to the share capital.

The following table summarizes the information about brokers' and private investors' outstanding stock options and warrants as at February 28, 2009.

Outstanding warrants			Exercisable warrants	
Number	Weighted average outstanding maturity (months)	Weighted average exercise price	Number	Weighted average exercise price
9,625,000	6	$0.24	9,625,000	$0.24
9,999,996	2	$0.45	9,999,996	$0.45
13,226,747	17	$0.35	13,226,747	$0.35
1,719,477	11	$0.29	1,719,477	$0.29
34,571,220	9	$0.35	34,571,220	$0.35

The fair value of the stock options awarded during the period was estimated on the grant date using the Black-Scholes' options pricing model with the following assumptions:

	Brokers	Investors
Quantity	1,719,477	13,226,747
Value granted	$0.14	$0.13
Dividend yield	Nil	Nil
Expected volatility	100%	100%
Risk-free interest rate	3,20%	3,20%
Expected life	18 months	24 months

15. WARRANTS (CONT.)

b) Transactions during fiscal year 2008

During the year, the Company issued 425,000 common shares of its capital pursuant to the exercise of 425,000 warrants.

The following table summarizes the information about brokers' and private investors' outstanding stock options and warrants as at May 31, 2008.

Outstanding warrants			Exercisable warrants	
Number	Weighted average outstanding maturity (months)	Weighted average exercise price	Number	Weighted average exercise price
9,625,000	15	$0.24	9,625,000	$0.24
9,999,996	11	$0.45	9,999,996	$0.45
2,150,000	5	$0.35	2,150,000	$0.35
21,774,996	12	$0.35	21,774,996	$0.35

16. FINANCIAL INSTRUMENTS

Fair value

The fair value of cash, guaranteed investment certificate, accounts receivable and accounts payable corresponds to their book value given their forthcoming maturities.

The fair value of the Company's long-term debt was $143,420 as at February 28, 2009 ($168,371 as at May 31, 2008). The calculation of the fair value of the fixed rate debt was based on future cash outflows of currently outstanding debt instruments, discounted at the current market rate applicable to the Company for similar instruments. The fair value of the variable rate debt corresponds to its book value.

Credit risk management

The Company extends credit to its customers in normal course of business. Ongoing credit assessments are conducted and the balance sheet reflects the allowance for doubtful accounts.

Interest rate risk management

The Company has long term debts with fluctuating interest rates. These financial instruments represent a risk for the Company should the base interest rate fluctuate in the forthcoming years.

17. CAPITAL MANAGEMENT

Regarding capital management, the Company aims at the continuity of its operations, in order to maintain the development and the marketing of its ZRx Prescriber, to protect its credit, while maximizing the return for its shareholders. The company is not subjected to any requirement imposed by lawful authorities concerning its capital.

For fiscal year 2009, capital management objectives include:

		February 28, 2009		May 31, 2008
Long-term debt	$	146 290	$	168 132
Shareholders equity		7 735 078		4 814 891
	$	7 881 368	$	4 983 023

18. RELATED PARTY TRANSACTIONS

Period ending February 28, 2009

During the nine-month period ended February 28, 2009, the Company paid professional fees totaling $63,000 to one Company owned by a shareholder and officer. As at February 28, 2009, accounts payable include an amount of $7,000 relating to these transactions.

These transactions were carried out in the normal course of business and are measured at the exchange value which is the value of the consideration established and agreed upon by the related parties.

Period ending February 29, 2008

During the nine-month period ending February 29, 2008, the Company paid professional fees totaling $57,100 to one company owned by a shareholder and officer.

These transactions were carried out in the normal course of business and are measured at the exchange value which is the value of the consideration established and agreed upon by the related parties.

19. SEGMENT DISCLOSURES

ZoomMed is committed to two business missions:

1) The development and the marketing of the ***ZRx Prescriber***, an innovative product for physicians; and
2) Sales of paramedical equipment to the general public and healthcare agencies, throughout a franchise network which operates under the name **ZoomCité**.

19. SEGMENT DISCLOSURES (CONT.)

For better segment disclosures, paramedical equipment sales have been divided in order to separately present the franchise network sector. Since the headquarter expenses are important, they are also presented separately.

During the period ended February 28, 2009, revenues and expenses are allocated as follows:

	Pres-criber	Équip-ment	Fran-chises	Head Office	Total
Revenues and expenses					
Sales	$ 356,578	$ 343,873	$ 10,122	$ -	$ 710,573
Interest income	-	672	-	92,268	92,940
Non-carried out profit on Investments	-	-	-	18,354	18,354
	356,578	344,545	10,122	110,622	821,867
Cost of goods sold	-	203,054	-	-	203,054
Selling expenses	803,338	237,202	2,358	476,489	1,519,387
Administrative expenses	262,658	21,495	-	620,726	904,879
Stock-based compensation[(1)]	75,544	4,473	-	196,812	276,829
Operating expenses	1,042,236	-	-	144,405	1,186,641
Financial expenses	-	11,470	-	4,180	15,650
Amortization	966,837	13,193	-	6,910	986,940
Non-Controlling interest	-	1,750	-	-	1,750
Total expenses	3,150,613	492,637	2,358	1,449,522	5,095,130
Segment results before income taxes	$ (2,794,035)	$ (148,092)	$ 7,764	$ (1,338,900)	$ (4,273,263)

[(1)] Stock-based compensation for the Company's head office includes external directors and consultants.

19. SEGMENT DISCLOSURES (CONT.)

During the period ended February 29, 2008, revenues and expenses are allocated as follows:

	Pres-criber	Équip-ment	Fran-chises	Head Office	Total
Revenues and expenses					
Sales	$ 375,833	$ 358,107	$ 31,030	$ -	$ 764,970
Interest income	-	878	-	118,414	119,292
Non-carried out profit on Investments	-	-	-	29,682	29,682
	375,833	358,985	31,030	148,096	913,944
Cost of goods sold	-	218,341	-	-	218,341
Selling expenses	574,097	200,088	43,859	327,434	1,145,478
Administrative expenses	153,068	34,067	754	563,548	751,437
Stock-based compensation[1]	43,750	-	-	-	43,750
Operating expenses	484,807	-	-	108,101	592,908
Financial expenses	-	14,716	-	5,128	19,844
Amortization	684,517	42,653	-	6,910	734,080
Non-Controlling interest	-	5,250	-	-	5,250
Total expenses	1,940,239	515,115	44,613	1,011,121	3,511,088
Segment results before income taxes	$ (1,564,406)	$ (156,130)	$ (13,583)	$ (863,025)	$ (2,597,144)

[1] Stock-based compensation for the Company's head office includes external directors and consultants.

Segment assets are allocated as follows:

	February 28, 2009	May 31, 2008
Supply of paramedical equipment	$ 217,061	$ 455,712
ZRx Prescriber segment	8,822,239	5,586,542
	$ 9,039,300	$ 6,042,254

Acquisitions of fixed assets and other intangible assets for the period ended February 28, 2009 and for the period ended February 29, 2008, are as follows:

	February 28, 2009	February 29, 2008
Supply of paramedical equipment	$ 5,151	$ 103,843
ZRx Prescriber segment	728,246	985,866
	$ 733,397	$ 1,089,709

20. SUBSEQUENT EVENTS

On January 29, 2009, the Company signed an agreement in principle for the opening of a ZoomCité franchise in Dorval, Quebec. The agreement was put in escrow by the franchisee, until the conclusion of final negotiations regarding the lease, would be completed. The agreement was concluded as at March 16, 2009. This new franchise will be operational around May 1, 2009.

On Aril 17, 2009, the corporation issued 10,000 common shares of its capital pursuant to the exercise of 10, 000 held by an employee, which options were expiring on April 22, 2009.

On April 24, 2009, 9 999 996 warrants, each carrying a fair value of $0.03, have expired. These warrants were cancelled and the total carrying value, which was $300,000, was transferred to the share capital.

21. COMPARATIVE FIGURES

For comparison purposes, some of the prior year's figures have been reclassified.