ZOOMMeD

Empowering Doctors

Management's Discussion and Analysis for the Nine Months Ended February 29, 2008

Today's technological and medical reality.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis of results of operations, financial position and cash flows must be read in conjunction with ZoomMed Inc. consolidated financial statements as at February, 2008 and 2007, and ZoomMed Inc. audited consolidated financial statements and accompanying notes as at May 31, 2007.

Management prepared this report, taking into account all available information as at March 25, 2008.

All financial information and financial statements presented in this analysis have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). Unless otherwise indicated, all amounts are in Canadian dollars.

This management report may contain information and statements on the future performance of ZoomMed which are forward-looking in nature. These statements reflect Management's expectations regarding future events, based on assumptions and uncertainties subject to risk factors which we have identified in the Risks and Uncertainties section. Readers are hereby cautioned that actual results may differ materially from our expectations.

This report was submitted to our Audit Committee and approved by the Board of Directors of ZoomMed Inc.

BUSINESS DESCRIPTION

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 in the policies of the TSX Venture 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;

2) Sales of paramedical equipment to the general public and healthcare agencies, and the development of a franchise network which operates under the name "ZoomCity".

OPERATING RESULTS

SELECTED INFORMATION
THREE-MONTH PERIOD

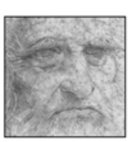
OPERATING RESULTS	ZoomMed Inc. As at February 29, 2008 (3 months)		ZoomMed Inc. As at February 28, 2007 (E months)	
Revenues	$	300,892	$	139,844
Cost of goods sold		97,685		104,152
Selling expenses		425,330		262,554
Administrative expenses		258,287		217,554
Operating expenses		247,003		114,894
Financial expenses		6,015		4,976
Amortization		269,016		162,775
Net loss	$	(1,004,194)	$	(728,911)
Basic and diluted earnings per share	$	(0.014)	$	(0.014)
Weighted average number of outstanding common shares		71,698,709		50,704,800



SELECTED INFORMATION
NINE-MONTH PERIOD

OPERATING RESULTS	ZoomMed Inc. As at February 29, 2008 (9 months)		ZoomMed Inc. As at February 28, 2007 (9 months)	
Revenues	$	913,944	$	502,212
Cost of goods sold		218,341		285,247
Selling expenses		1,145,478		789,711
Administrative expenses		795,187		921,048
Operating expenses		592,908		242,540
Financial expenses		19,844		16,302
Amortization		734,080		260,719
Net loss	$	(2,597,144)	$	(2,115,197)
Basic and diluted earnings per share	$	(0.036)	$	(0.044)
Weighted average number of outstanding common shares		71,496,268		47,882,883

For the three month period ended February 29, 2008, Revenues increased by 161,048$ and are related to a 70% raise in Paramedical Equipment sales and a 97,500$ increase in ZRx Prescriber revenues compared to the 2007 period.



For the nine month period ended February 29, 2008, the Prescriber ZRx generated $375,833 compared to $50,833 for the same period ended February 28, 2007 which no cost of goods sold are related to such revenues. The franchises have generated net income of $31,030 for the period ended February 29, 2008 and $8,139 for the period ended February 28, 2007. It should be noted that the revenue generated by the Prescriber ZRx and the franchises started in January and February 2007, respectively.

ZoomMed recorded a gross margin of 39% on equipment sales for the nine month period ended February 29, 2008 and 34% for the same period ended February 28, 2007. No significant change was noted.

Since February 28, 2007, selling expenses were $355,767 higher, of which $162,776 were registered in the last quarter, This increase is primarily due to a salary reclassification following the allocation of new functions to employees (previously recorded in the administration fees). This increase is also due to the addition of new marketing representatives for the “ZRx Prescriber” in Ontario.

Administration expenses amount to $795,187 for the period ended February 29, 2008 compare to $921,048 in 2007. This decrease is due to salary reclassification which represents approximately $215,000.

Operating expenses added up to $247,003 for the three month period ended February 29, 2008, compared to $114,894 for the same period ended February 28, 2007. For the nine month period, the operating expenses showed a $350,368 increase. This increase comes from the appointment of new ZRx Prescriber deployment personnel in Quebec and Ontario and the ZRx Prescriber development fees, which are not capitalized.

For the three month period ended February 29, 2008, financial expenses amounted to $6,015, compared to $4,976 for the 2007 corresponding period. For the nine month period ended February 29, 2008, financial expenses amounted to $19,844, compared to $16,302 for the 2007 corresponding period. The increase is attributable to the amortization of the long-term debt using the effective interest rate method in order to comply with the changes in accounting policies on Financial Instruments.

The amortization increase is related to the development cost of the “ZRx Prescriber”, the intellectual property and the SantéXpert™ license, which are being amortized since November 2006.

Since September 2007, only development costs related to new functionalities are capitalized. The amortization begins as these new functionalities are put into production.

A portion of installation and training deployment costs of the “ZRx Prescriber”, usually included in the operation expenses, are now capitalized and amortized over a 3 years period.

Intangible assets and other assets amortization amounts to $541,355 as at February 29, 2008 compared to $204,652 as at February 28, 2007.

ZoomMed recorded a net operating loss of $1,004,194 for the three-month period ended February 29, 2008, compared to $728,911 for the corresponding period of 2007. The Corporation recorded a net operating loss of $2,597,144 for the nine-month period ended February 28, 2008, compared to $2 115 197 for the corresponding period of 2007**.** This increase in expenditures for the period ending February 29, 2008 is primarily attributable to the opening of the Toronto office, the hiring of new personnel for the marketing and deployment of the “Prescriber ZRx, and the amortization expenses for development costs, intellectual property and SantéXpert™ license.

ZoomMed recorded a loss per share of $0.014 for the three-month periods ended February 29, 2008 and February 28, 2007. It recorded a loss per share of $0.036 for the nine-month period ended February 29, 2008, compared to $0.044 for the corresponding period of 2007. The net loss per share amount does not include the stock option plan or warrants.

FINANCIAL SITUATION

BALANCE SHEETS		ZoomMed Inc. As at February 29, 2008		ZoomMed Inc. As at May 31, 2007
Cash and cash equivalents	$	636,732	$	5,087,056
Guaranteed investment certificate, short term		25,000		32,852
Working capital		456,407		4,622,938
Guaranteed investment certificate, long term		1,399,682		-
Fixed assets		955,856		516,246
Intangible assets		2,671,480		2,935,880
Others assets		934,302		761,073
Total assets		7,203,447		9,964,946
Long-term debt including current portion		68,410		113,340
Shareholders equity		6,160,958		8,596,296
Share capital issued	$	14,570,915	$	14,426,660



The Company's liquidity amounts to $2,061,414 and includes $636,732 in cash, $25,000 in short-term investments and $1,399,682 in long-term investments.

Cash and cash equivalents decreased since May 31, 2007 following the acquisition of short-term and long-term investment certificates totaling $1,362,148.

During the nine-month period ended February 29, 2008, ZoomMed registered a fixed assets increase of $439,610 at amortized cost. This increase mostly comes from the acquisition of computer equipments for the "ZRx Prescriber" deployment.

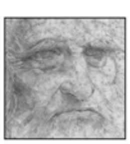
Since May 31, 2007, no intangible assets were acquired. The decrease is explained by a $264,400 amortization.

Other assets include development costs and deployment costs. The increase of $173,229 is due to the ongoing capitalization less depreciation.

Total assets of the Company went from $9,964,946 as at May 31, 2007 to $7,203,447 as at February 29, 2008.

Long-term debt, as at May 31, 2007, went from $113,340 to $68,410 as at February 29, 2008. The Company did not contract any additional debt.

The Shareholders equity decreased of $2,435,338. This decrease comes from net loss during the period ended February 29, 2008 combined with the issuance of 448,500 common shares of the Company share capital for total gross proceeds of $144,255.



CASH FLOWS SITUATION

CASH FLOWS SITUATION (Three-month period)	ZoomMed Inc. As at February 29, 2008 (3 months)		ZoomMed Inc. As at February 28, 2007 (3 months)	
Cash flows used in operating activities	$	(646,418)	$	(729,535)
Cash flows related to financing activities		24,333		(57,301)
Cash flows related to investment activities		596,649		(20,392)
Net change in cash and cash equivalents		(25,436)		(807,228)
Cash and cash equivalents, end of year	$	636,732	$	228,100

CASH FLOWS SITUATION (Nine-month period)	ZoomMed Inc. As at February 29, 2008 (9 months)		ZoomMed Inc. As at February 28, 2007 (9 months)	
Cash flows used in operating activities	$	(2,073,630)	$	(1,687,915)
Cash flows from financing activities		70,663		1,908,270
Cash flows used in investment activities		(2,447,357)		(583,156)
Net change in cash and cash equivalents		(4,450,324)		(362,801)
Cash and cash equivalents, end of year	$	636,732	$	228,100

Cash flows used in operating activities amounted to $2,073,630 for the nine month period ended February 29, 2008 compared to $1,687,915 for the same period in 2007. This increase is mainly attributable to the Toronto office set up, the hiring of new personnel for the marketing and deployment of the “Prescriber ZRx”.

Cash flows from financing activities, for the three month period ended February 29, 2008, amount to $24,033 and is the combination of the issuance of shares for net proceeds of $30,000 and the repayment of long-term debt. Cash flows used for financing activities for the three month period ended February 28, 2007 are related to the repayment of long-term debt.

Cash flows from financing activities for the nine month period ended February 29, 2008 amount to $70,663 and represent the combination from the issuance of shares for net proceeds of $112,700 and the repayment of long-term debt. During the period ended February 28, 2007, cash flows from financing activities totaling $1,908,270 are basically the results of the issuance of shares for gross proceeds of $2,000,000 and warrants with a carrying value of $200,000.

For the three month period ended February 29, 2008, Cash flows from investment activities, totaling $596,649, result from the disposal of an $880,000 guaranteed investment certificate and the acquisition of assets for $283,351. For the three month period ended February 28, 2007, Cash flows used for Investment activities, totaling $20,392, are attributable to the acquisition of assets. For the nine month period ended February 29, 2008, Cash flows used for investment activities, totaling $2,447,357, are attributable to the net variation of guaranteed investment certificates totaling $1,362,148, acquisition of fixed assets for $638,924 and other assets for $450,785. For the nine month period ended February 28, 2007, Cash flows used for investment activities, totaling $538,156, are attributable to the acquisition of fixed assets, intangible assets and development costs.

Net change in cash and cash equivalents related to all activities amounted to ($25,436) for the three month period ended February 29, 2008, and ($807,228) for the corresponding period ended February 28, 2007. For the three month period ended February 29, 2008, net change in cash and cash equivalents related to all activities amounted to ($4,450,324) and ($362,801) for the corresponding period ended February 28, 2007.

CASH FLOW SITUATION

ZoomMed's future cash flow needs are primarily related to the deployment of the "ZRx Prescriber". Our goals for the fiscal years 2009 are to provide our system to 2,800 physicians in Québec and 1,850 physicians in Ontario.

Cash flows to finance our operating activities will come from revenues generated through agreements with pharmaceutical Companies, as well as transactional revenues generated by pharmacists using the "ZRx Prescriber" prescription information.

In regard to the ZOOMCITY division, no major investments are required for its expansion.

As at February 29, 2008 and May 31, 2007, restrictive loan clause breeches were noted related to the BDC loan (Business Development Bank). This clause was to be maintained by the subsidiary and not on a consolidated basis. Due to a change of control which occurred with the reverse takeover in July 2005, restrictive clauses breeches were noted for loans contracted with "la Solide" and "Le CLD de Longueuil". These loans are presented in the current portion of long-term debt. The combined total of these two loans is $24,570 as at February 29, 2008.

None of these loans were subject to an acceleration of maturity, and, given the amounts, there would have been no major impact on our cash flows or available credit.

SUBSEQUENT EVENTS

On March 10, 2008, the Company granted 100,000 options entitling the holder to purchase 100,000 common shares at an exercise price of $0.40 per share.

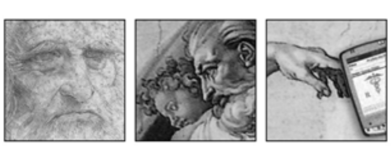
BELOW-THE-LINE ARRANGEMENTS

There were no below-the-line arrangements or arrangements likely to have an impact on our operating results or financial situation.

RELATED PARTY TRANSACTIONS

During the period ended February 29, 2008, the Company paid professional fees totaling $57,100 to one company owned by a shareholder and officer (RSP Management Inc.).

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.



OUTSTANDING SHARES, OPTIONS AND WARRANTS AS AT MARCH 25, 2008

Common shares	71,742,290
Warrants to agent and investors	21,774,996
Stock options in accordance with the stock option plan	7,171,500

ADDITIONAL INFORMATION

ZoomMed's common shares are traded on the TSX Venture Exchange under the symbol “ZMD”.

CONTINUOUS DISCLOSURE AND SUPPLEMENTARY INFORMATION

ZoomMed files its consolidated financial statements, its management’s discussion and analysis, its press releases and other required filing documents on SEDAR’s database at www.sedar.com.

ACCOUNTING ESTIMATES AND PRINCIPLES

Preparation of these financial statements in accordance with Canadian Generally Accepted Accounting Principles requires that Management formulate estimates and assumptions affecting the amounts recorded in our financial statements and related notes. These estimates are based on Management's best knowledge of current events, as well as actions which the company may take in the future. However, actual results may differ from the estimates provided.

Financial statement items that require such estimates include future benefits from development costs, intellectual property, future income tax assets and goodwill, income tax provision, recoverable amount of research and development tax credits, the assumptions used in the determination of the stock-based compensation charge and the fair value of financial instruments. The notes 2, 14 and 15 of the financial statements describe the assumptions used.

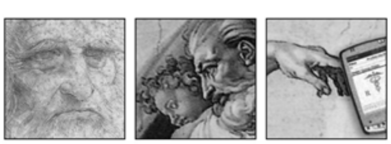
The Corporation initiated a stock option plan. In accordance with the section 3870 of the Canadian Institute of Chartered Accountants (CICA) Handbook, "Stock-based compensation and other stock-based payments", the Corporation uses the fair value based method of accounting for all stock options granted. According to this method, the compensation expense in regard of the stock options is measured at fair value at the grant date, using an option pricing model and recognized over the vesting period of the option.

CHANGES IN ACCOUNTING POLICIES

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.

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”. 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” 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 debt 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.

CONTROLS AND PROCEDURES

The Company’s president and chief executive officer and chief financial officer have reviewed the disclosure controls and procedures as required by Multilateral Instrument 52-109 of the Canadian Securities Administrators. Certain items were brought to the attention of management and the audit committee, and measures have been taken to improve disclosure controls.

The Company’s president and chief executive officer and chief financial officer have concluded that to the best of their knowledge, there have been no changes to the Company’s internal controls over financial reporting during the most recent quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

RISKS AND UNCERTAINTIES

I. Ability to develop and maintain a market for its product

The future performance of ZoomMed and its Subsidiary hinges on the continued popularity of its existing products and its ability to develop and introduce products that gain acceptance and satisfy consumer preferences in target markets. The popularity of any of its products may decline over time as consumer preferences change or as new competing products are introduced in targeted markets. Developing new systems and distributing them in targeted markets requires significant investments.

II. Ability to hire and retain key personnel

Recruiting and retaining qualified personnel is essential to the success of ZoomMed and its subsidiary. They think that they succeeded in recruiting a strong workforce to help meet their objectives. However, as their activities grow, additional key financial, administrative, development and marketing personnel may be required. Although ZoomMed and its Subsidiary believe that they will be successful in attracting qualified personnel, there are no guarantees in this regard.

III. Financial History.

ZoomMed and its Subsidiary have been in its development phase. As such, one cannot rely on their financial history to assess the likelihood of meeting forecast revenues or other financial forecasts.