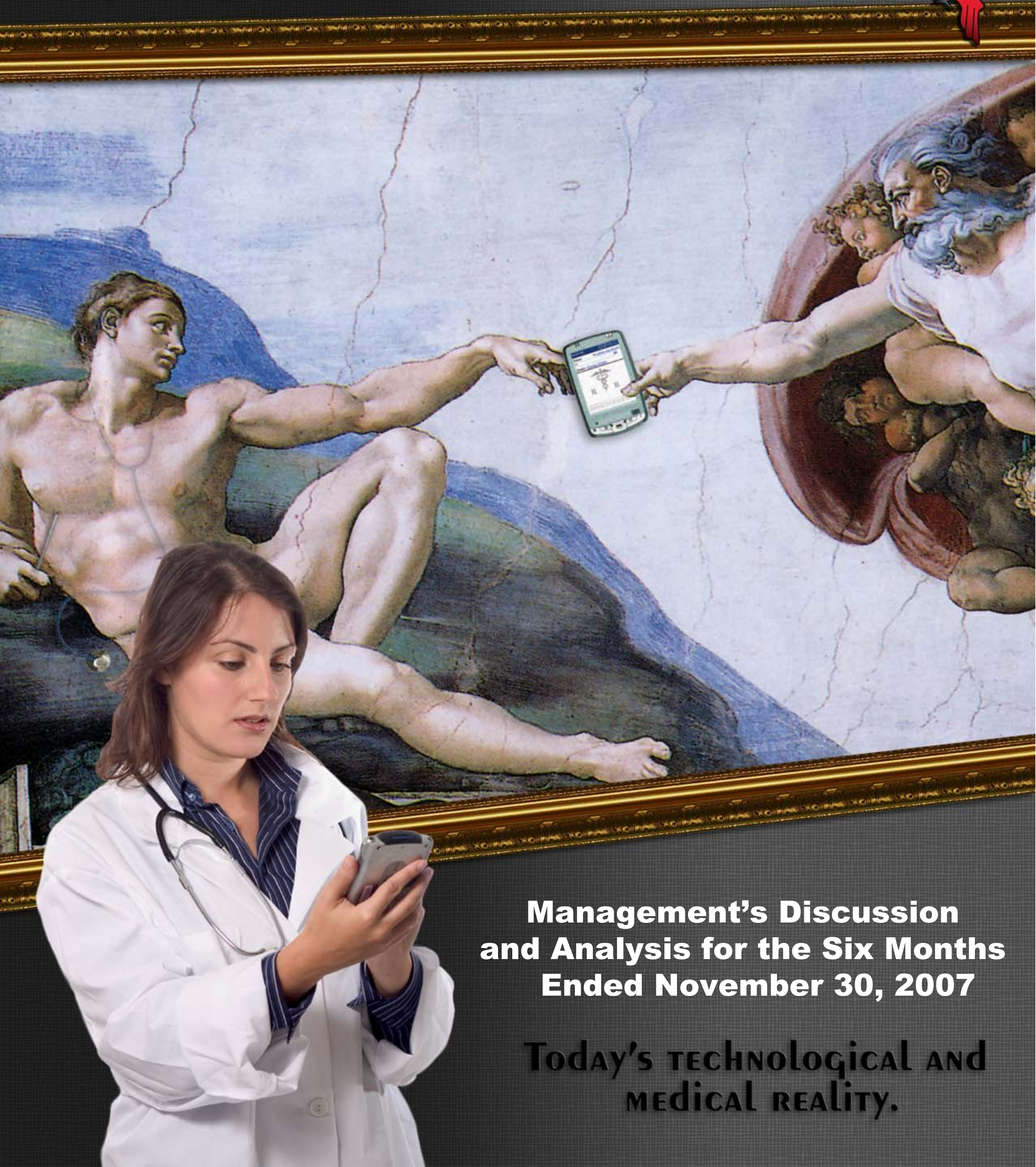
ZOOMMED

EMPOWERING DOCTORS



Management's Discussion and Analysis for the Six Months Ended November 30, 2007

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 November, 2007 and 2006, 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 January 16, 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.

The Company is committed to three business missions:

1) The *ZRx Prescriber*, an innovative product for physicians;
2) ZoomCité franchises, providing paramedical equipment to the general public; and
3) Providing paramedical equipment to franchisees and to healthcare agencies.

OPERATING RESULTS

SELECTED INFORMATION
SIX-MONTH PERIOD

OPERATING RESULTS		**ZoomMed Inc. As at November 30, 2007 (6 months)**		**ZoomMed Inc. As at November 30, 2006 (6 months)**
Revenues	$	613,052	$	362,368
Cost of goods sold		120,656		181,094
Selling expenses		720,149		527,158
Administrative expenses		536,901		703,394
Operating expenses		345,905		127,646
Financial expenses		13,830		11,326
Amortization		465,063		97,944
Net loss	$	(1,592,952)	$	(1,386,286)
Basic and diluted earnings per share	$	(0.022)	$	(0.030)
Weighted average number of outstanding common shares		71,395,098		46,487,355

The increase of revenues and the decrease of the cost of goods sold recognized in the first semester resulted from new types of revenues. For the period ended November 30, 2007, three types of income were added, compared to November 30, 2006, a period for which there was only one type of income, the sale of equipments. 1) The ZRx Prescriber has generated revenues of $247,500 and no cost of goods sold are related to such revenues; 2) Franchises have generated net revenues of $27,948, the cost of goods sold ($39,070) is recorded in reduction of these revenues $67,018; 3) The investments have generated interest income of $91,376 and non-carried out profit on investments of $44,666; 4) Sales of equipments has generated revenues of $201,562.

ZoomMed recorded a gross margin of 40% on equipment sales as at November 30, 2007 and 52% for the period ended November 30, 2006. This decrease was created by a growing demand for new equipment, which generates a lower margin, in comparison to used equipment.

Since November 30, 2006, selling expenses were $192,991 higher. 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 $536,901 for the period ended November 30, 2007 compare to $703,394 in 2006. This decrease is due to salary reclassification which represents approximately $140,000.

Operating expenses amount to $345,905 for the period ended November 30, 2007 compared to $127,646 for the same period in 2006. This increase is mainly due to the addition of new personnel for the “ZRx Prescriber” deployment.

Financial expenses amounted to $11,326 for the period ended November 30, 2006 compared to $13,830 for the same period in 2007. 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.

The installation and training deployment costs of the "ZRx Prescriber", included in the operation expenses, are now capitalized and amortized over a 3 years period.

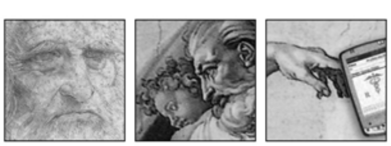
Intangible assets and other assets amortization amounts to $349,523 as at November 30, 2007 compared to $45,473 as at November 30, 2006.

ZoomMed incurred a net operating loss of $1,592,952 for the six month period ended November 30, 2007, compared to $1,386,286 for the same period in 2006. This increase in expenditures for the period ending November 30, 2007 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 incurred a $0.022 net loss per share as at November 30, 2007, compared to $0.030 for the same period ended November 30, 2006.

FINANCIAL SITUATION

BALANCE SHEETS	**ZoomMed Inc. As at August 31, 2007**		**ZoomMed Inc. As at May 31, 2007**	
Cash and cash equivalents	$	662,168	$	5,087,056
Guaranteed investment certificate, short term		276,047		32,852
Working capital		773,934		4,622,938
Guaranteed investment certificate, long term		2,043,619		-
Fixed assets		862,117		516,246
Intangible assets		2,759,614		2,935,880
Others assets		923,786		761,073
Total assets		8,029,462		9,964,946
Long-term debt including current portion		73,175		113,340
Shareholders equity		7,120,650		8,596,296
Share capital issued	$	14,538,415	$	14,426,660



CASH FLOWS SITUATION		ZoomMed Inc. As at August 31, 2007 (6 months)		ZoomMed Inc. As at August 31, 2006 (6 months)
Cash flows used in operating activities	$	(1,427,212)	$	(958,381)
Cash flows from financing activities		46,330		1,965,571
Cash flows used in investment activities		(3,044,006)		(562,763)
Net change in cash and cash equivalents		(4,424,888)		444,427
Cash and cash equivalents, end of year	$	662,168	$	1,035,328

The Company's liquidity amounts to $2,981,834 and includes $662,168 in cash, $276,047 in short-term investments and $ 2,043,619 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 $2,275,000.

During the six-month period ended November 30, 2007, the Company issued 200,000 common shares of its share capital pursuant to the exercise of warrants by investor and broker with a carrying amount of $54,000. During the three-month period ended August 31, 2007, the Company issued 123,500 common shares of its share capital pursuant to the exercise of options by employees and warrants by an investor with a carrying amount of $28,700.

For the first 2008 semester, ZoomMed registered a fixed assets increase of $345,871. 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 $176,266 amortization.

Other assets include development costs and deployment costs. The increase of $162,713 is due to the ongoing capitalization less depreciation.

Total assets of the Company went from $9,964,946 as at May 31, 2007 to $8,029,462 as at November 30, 2007.

Long-term debt, as at May 31, 2007, went from $113,340 to $73,175 as at November 30, 2007. The Company did not contract any additional debt.

The Shareholders equity decreased of $1,475,646. This decrease comes from net loss during the period ended November 30, 2007 combined with the issuance of 323,500 common shares of the Company share capital for total gross proceeds of $111,755.

CASH FLOWS AND SHAREHOLDERS' EQUITY

Cash flows used for operating activities amounted to ($1,427,212) for the period ended November 30, 2007 compared to ($958,381) for the same period in 2006. 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".

Financing activities for the six month period ended November 30, 2007 amount to $46,330 and is the combination from the issuance of shares for net proceeds of $82,700 and the repayment of long-term debt. During the period ended November 30, 2006, financing activities totaling $1,965,571 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 period ending November 30, 2007, the investment activities of ($3,044,006) are primarily attributable to the acquisition of guaranteed investment certificates for a net value of ($2,242,148), the acquisition of fixed assets for ($465,287) and other assets for ($336,571). For the period ending November 30, 2006, investing activities of ($562,763) are attributable to the acquisition of fixed assets, intangible assets and development costs.

The net change in cash and cash equivalents from the three types of activities totals ($4,424,888) for the period ended November 30, 2007 compared to $444,427 for the same period in 2006.

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 firms as well as through transactional revenues generated by pharmacists using the "ZRx Prescriber" prescription information.

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

As at November 30, 2007 and May 31, 2007, restrictive loan clause breeches were noted from the BDC loan (Banque de Développement du Canada). 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 $27,679 as at November 30, 2007.

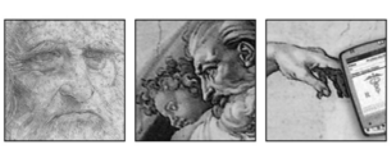
None of these loans were subject to an acceleration of maturity but, given the amounts, there would have been no major impacts on our cash flows or available credit.

SUBSEQUENT EVENTS

On December 18, 2007, the Company issued 100,000 shares of its shares capital pursuant to the exercise of 100,000 warrants held by an investor for cash proceeds of $24,000. The warrants had a carrying amount of $2,000.

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 November 30, 2007, the Company paid professional fees totaling $36,100 to one company owned by a shareholder and officer (RSP Management Inc.). As at November 30, 2007, 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.

OUTSTANDING SHARES, OPTIONS AND WARRANTS AS AT JANUARY 16, 2008

Common shares	71,717,290
Warrants to agent and investors	21,799,996
Stock options in accordance with the stock option plan	7,121,500

ADDITIONAL INFORMATION

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

CONTINUOUS DISCLOSURE AND SUPPLEMENTARY INFORMATION

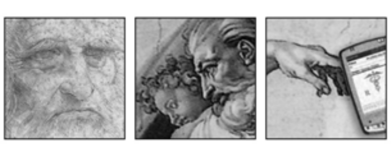
ZoomMed files its consolidated financial statements, its management's discussion and analysis, its press releases and other required filing documents on SEDAR's database at www.sedar.com.

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. While 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 Company 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 Company 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

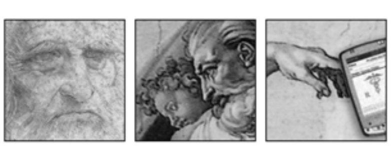
Following the adoption of these new accounting standards, the company must present a statement of other comprehensive income. Other comprehensive income includes the net result and the other elements of the comprehensive income. Considering that the company has classified the whole of its financial tools 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 target markets. Developing new systems and distributing them in target 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, which have been successful 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 operate a developing business. As such, one cannot rely on their financial history to assess the likelihood of their meeting forecast revenues or other financial forecasts.