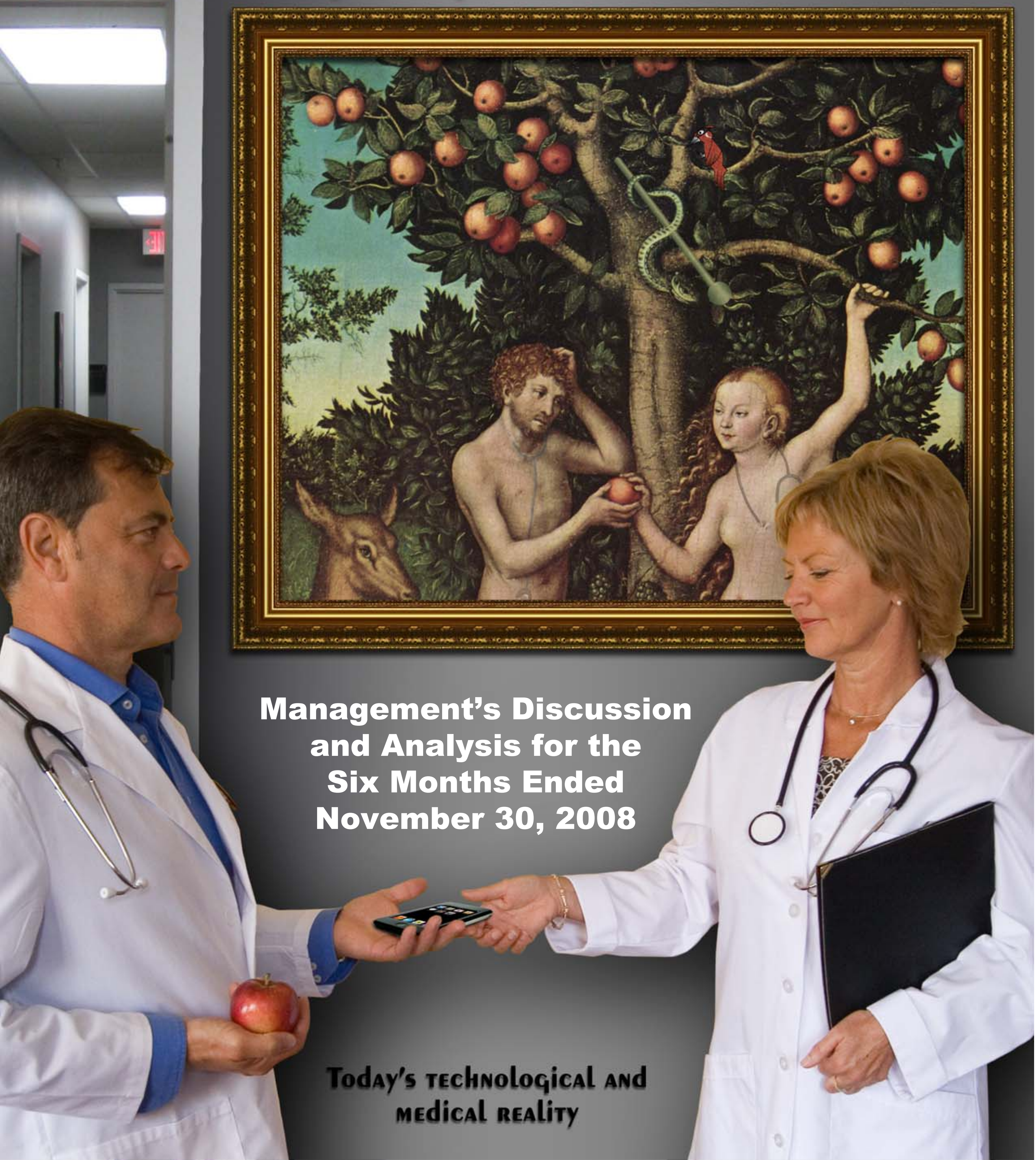
ZOOMMED

Empowering Doctors



Management's Discussion and Analysis for the Six Months Ended November 30, 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 November 30, 2008 and 2007, and ZoomMed Inc. audited consolidated financial statements and accompanying notes as at May 31, 2008.

Management prepared this report, taking into account all available information as at January 14, 2009.

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

Until July 27, 2005, the Corporation 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 Corporation 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 Corporation 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, and the development of a franchise network which operates under the name **ZoomCité**.

OPERATING RESULTS

SELECTED INFORMATION
THREE-MONTH PERIOD

OPERATING RESULTS		ZoomMed Inc. As at November 30, 2008 (3 months)		ZoomMed Inc. As at November 30, 2007 (3 months)
Revenues	$	294,755	$	324,601
Cost of goods sold		57,914		61,692
Administrative expenses		304,646		264,138
Administrative expenses (Stock-based compensation)		276,829		29,250
Operating expenses		385,784		188,519
Selling expenses		556,511		431,840
EBITDA		(1,286,929)		(652,588)
Financial expenses		3,813		6,199
Amortization		327,050		244,338
Net loss	$	(1,617,792)	$	(903,125)
Basic and diluted earnings per share	$	(0.016)	$	(0.013)
Weighted average number of outstanding common shares		98,215,785		71,459,048

SELECTED INFORMATION
SIX-MONTH PERIOD

OPERATING RESULTS		ZoomMed Inc. As at November 30, 2008 (6 months)		ZoomMed Inc. As at November 30, 2007 (6 months)
Revenues	$	544,970	$	613,052
Cost of goods sold		131,482		120,656
Administrative expenses		563,326		507,651
Administrative expenses (Stock-based compensation)		276,829		29,250
Operating expenses		745,807		345,905
Selling expenses		999,758		720,149
EBITDA		(2,173,982)		(1,114,059)
Financial expenses		8,543		13,830
Amortization		639,688		465,063
Net loss	$	(2,822,213)	$	(1,592,952)
Basic and diluted earnings per share	$	(0.030)	$	(0.022)
Weighted average number of outstanding common shares		92,835,899		71,395,098

The recorded revenues for the six month period ended November 30, 2008 are similar to those recorded in last year corresponding period. The 10% decrease is mainly attributable to the decrease in interest revenues over the two periods. The gross margin on goods sold is constant since the 2007 fiscal year. It is important to note that Pharmaceutical contract revenues are recognized on a straight-line basis over the duration of the related agreements. At the end of each quarter, a portion of these revenue contracts is recognized in the period and the balance is included in the current deferred revenues. As at November 30, 2008, deferred revenues were $373,292 compared to $71,970 as at May 31, 2008. There is no cost of goods sold associated with the ZRx Prescriber revenues and franchise revenues are presented net of cost of sales.

For six month period ended November 30, 2008, the Corporation issued stock options which represent a compensation-based expense of $276,829 compared to $29,250 for the corresponding period ended November 30, 2007. These non-recurrent expenses, which are included in the administrative expenses, explain the increase.

Actually, the operating and selling expenses increase is basically linked to the new Ontario business office operations. As a matter of fact, since the beginning of fiscal year 2008, ZoomMed experienced a significant growth. The Markham, Ontario business office started its operations in August 2007 and *ZRx Prescriber* marketing sales representatives were hired. In order to meet the increasing Ontario physicians demand, ZoomMed hired, throughout the year, additional sales representatives and operation personnel. As of November 2008, the Markham business office was just about fully up and running. During the same period we have established, at the head office in Quebec, a Canadian client support department. Furthermore, we added additional personnel to our pharmaceutical marketing team.

For the second quarter ended November 30, 2008, operating expenses amounted to $385,784 compared to $188,519 for the three month period ended November 30, 2007. For the six month period ended November 30, 2008, the operating expenses increase was $399,902. The increase is mainly related to the Ontario office operations, such as personnel hiring for the *ZRx Prescriber* deployment. In Quebec, we hired personnel for the *ZRx Prescriber* client support throughout Canada. Furthermore, since September 2007, only the development costs related to new functionalities are capitalized. Development expenses, for the six month period ended November 30, 2008, amount to $253,416 compared to $46,635 for the same 2007 period.

The overall increase in selling expenses was $276,609 for the six month period ended November 30, 2008, of which 75% is attributable to the Ontario office operations. Just like operating expenses, the increase is mainly related to the Ontario office operations. We hired new sales representatives throughout the year. Our Quebec personnel traveled regularly to Ontario in order to set up good foundations for the same quality services. In Quebec, communication and marketing personnel were hired to meet the needs of the pharmaceutical market.

Amortization increase is associated to the increase in deployment equipment for the *ZRx Prescriber* in Quebec and Ontario and to the set up and leasehold improvement of the Ontario office.

ZoomMed shows an EBITDA (earnings (loss) before interest, taxes, depreciation and amortization) of $(2,173,982) for six months ending November 30, 2008 and $(1,114,059) for the same period in 2007.

ZoomMed recorded a net operating loss of $1,617,792 for the three months ended November 30, 2008 compared to $903,125 for the three months ended November 30, 2007. The cumulative loss as at November 30, 2008 is $2,822,213 and $1,592,952 for the November 30, 2007. The increase in expenditure over the period ended November 30, 2008 is essentially attributable to the development expenses that are no longer capitalise in totality, the marketing and the deployment related to the *ZRx Prescriber* activities.

ZoomMed registered a $0.016 net loss per share for the three months ended November 30, 2008 and $0,013 for the three months ended November 30, 2007. ZoomMed registered a $0.030 net loss per share for the six month period ended November 30, 2008, and $0.022 for the six month period ended November 30, 2007.

FINANCIAL SITUATION

BALANCE SHEETS		**ZoomMed Inc. As at November 30, 2008**		**ZoomMed Inc. As at May 31, 2008**
Cash	$	2,320,092	$	952,943
Working capital		1,741,086		220,730
Guaranteed Investment Certificates		3,049,197		25,000
Fixed assets		1,203,980		1,074,201
Intangible assets		3,289,355		3,590,563
Total assets		10,328,446		6,042,254
Long-term debt including current portion		160,861		168,132
Shareholders equity		9,186,128		4,814,891
Share capital	$	20,783,214	$	14,570,915

In the first quarter ended August 31, 2008, the Corporation completed a public offering for gross proceeds of $7,671,514 through the issuance of 26,453,495 units at a price of $0.29 per unit. During the second quarter, $3,000,000 was invested in a guaranteed investment certificates.

For the six month period ended November 30, 2008, fixed assets increased due to the acquisition of $327,979 in computer equipment used for the deployment of the *ZRx Prescriber* less amortization, which is $189,559.

The intangible assets book value decreased by $301,208 since fiscal year ended May 31, 2008. For the six month period ended November 30, 2008, total development cost amounted to $402,336; however, only $148,920 was capitalized. The intangible assets decrease is primarily due to the $450,129 amortization recorded for the six month period.

The Corporation total assets increased from $6,042,254, as at May 31, 2008, to $10,328,446 as at November 30, 2008. This $4,286,192 major increase is particularly reflected in the cash position and the Guaranteed Investment Certificates, following a public offering completed on July 8, 2008.

Long-term debt as at May 31, 2008 was $168,132 compared to $160,861 as at November 30, 2008. The Corporation did not contract any additional debt.

The Corporation shareholders equity increased by $4,371,237 and is also explained by the public offering completed on July 8, 2008.

CASH FLOW SITUATION

CASH FLOWS SITUATION (Three-month period)		ZoomMed Inc. As at November 30, 2008 (3 months)		ZoomMed Inc. As at November 30, 2007 (3 months)
Cash flows used in operating activities	$	(1,208,938)	$	(921,744)
Cash flows related to financing activities		(9,781)		48,407
Cash flows related to investment activities		(3,238,118)		339,016
Net change in cash and cash equivalents		(4,456,837)		(534,321)
Cash and cash equivalents, end of year	$	2,320,092	$	662,168



CASH FLOWS SITUATION (Six-month period)		ZoomMed Inc. As at November 30, 2008 (6 months)		ZoomMed Inc. As at November 30, 2007 (6 months)
Cash flows used in operating activities	$	(1,849,565)	$	(1,427,212)
Cash flows from financing activities		6,681,768		46,330
Cash flows used in investment activities		(3,465,054)		(3,044,006)
Net change in cash and cash equivalents		1,367,149		(4,424,888)
Cash and cash equivalents, end of year	$	2,320,092	$	662,168

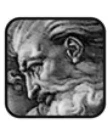
Cash flows used in operating activities totaled $1,849,565 for the six month period ended November 30, 2008, compared to $1,427,212 for the November 30, 2007 six month period. The increase comes essentially from the deficit, which is attributable to the increase in marketing and deployment personnel for the *ZRx Prescriber*.

For the six month period ended November 30, 2008, financing activities amounted to $6,681,768 as a result of a $7,671,514 public offering, of which $1,797,515 was recorded to the contributed surplus. Financing activities for the November 30, 2007 period represented $46,330.

In fact, investment activities for the six month periods ended November 30, 2007 and 2008 are almost equivalent. However, for the November 30, 2008 period, a $3,000,000 Guaranteed Investment Certificates was acquired during the second quarter. For the six month period ended November 30, 2007, the acquisition of a $3,025,000 Guaranteed Investment Certificates was made during the first quarter.

The net cash increase (decrease) from the three types of activities amounts to $1,367,149 for the period ended November 30, 2008 and $(4,424,888) for the same 2007 period.

Taking into account the cash on hand with the guaranteed investment certificates, redeemable at any time, the available cash adds up to $5,320,092, of which $2,320,092 is in cash and a $3,000,000 in investment certificates.


CASH FLOWS AND LOANS

According to the Management, in addition to the $5,320,092 available, the cash flows required to finance our operating activities will come from revenues generated through agreements with pharmaceutical firms, as well as transactional revenues from pharmacists using the prescription information produced by the *ZRx Prescriber*.

In regards to the ZoomCité division, no major investments are required for its expansion.

Due to a change of control, which occurred with the reverse takeover in July 2005, breeches were noted in restrictive clauses contained in loan agreements with "La Solide" and "Le CLD de Longueuil", which explain why these loans are presented on a current basis. As at November 30, 2008, the combined amount of these two loans is $14,794.

None of these loans was subject to an acceleration of maturity, however, had they been, there would have been no major impacts on our cash flows or on our available credit given the amounts in question.

BELOW-THE-LINE ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

During the six-month period, the Corporation paid professional fees totaling $42,000 to one company owned by shareholders and officers. As at November 30, 2008, accounts payable include an amount of $7,000 in regards 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 14, 2009

Common shares	98,215,785
Warrants to agent and investors	34,571,220
Stock options in accordance with the stock option plan	9,801,500

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 Corporation 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, 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. 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 the grant date's estimated fair value, using an option-pricing model (Black & Scholes), and is recognized during the grant date period, the counterpart being recognized as contributed surplus.

CHANGES IN ACCOUNTING POLICIES

On June 1, 2007, the Corporation 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 Corporation 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 Corporation must present a statement of other comprehensive income. Other comprehensive income includes the net income and the other elements of the comprehensive income. Considering that the Corporation has classified the whole of its financial instruments as financial instruments “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”, disclosed 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 opening balance of $5,357.

FUTURES CHANGES IN ACCOUNTING POLICIES

Capital disclosures

In December 2006, the Canadian Institute of Chartered Accountants ("CICA") published Section 1535, "Capital Disclosures". This new standard 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. The management is currently assessing the future impact of this new standard on its consolidated financial statements.

Financial instruments

In December 2006, the CICA published Section 3862, "Financial Instrument – Disclosures", and Section 3863, "Financial Instruments- Presentation". These new standards replace Section 3861, "Financial Instruments – Disclosure and Presentation", revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements. The management has adopted those Sections as of June 1, 2008.

Inventories

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. Accordingly, the Corporation adopted the new standards for its fiscal year beginning June 1, 2008. The management evaluated that the adoption of this new standard had no material impact on the Corporation's consolidated financial statement.

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 will be applicable to financial statement relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Corporation 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.

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 Corporation, is for the fiscal year beginning on June 1, 2011. The Corporation 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.

CONTROLS AND PROCEDURES

The Corporation'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.

The Corporation'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 Corporation's internal controls over financial reporting during the most recent quarter, which have materially affected, or could reasonably be likely to have an important incidence on the Corporation'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.

ADDITIONAL INFORMATION

ZoomMed's common shares are trading 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.