

ZOOLANDER CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2011

Management's discussion and analysis (MD&A) is current to May 3, 2012 and is management's assessment of the operations and the financial results with future prospects of Zoolander Corporation ("Zoolander", "Corporation", or the "Company"). This MD&A should be read in conjunction with our Audited Consolidated Financial Statements for the years ended December 31, 2011 and 2010. All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Zoolander's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A. This MD&A should be read in conjunction with the most recent Annual Information Form ("AIF") on file with provincial securities regulatory authority. Additional information relevant to the Company's AIF and audited consolidated financial statements can be found on SEDAR at www.sedar.com. The Company has adopted IFRS with an adoption date of January 1, 2011 and a transition date of January 1, 2010.

DESCRIPTION OF BUSINESS

The Company is a Tier 2 junior exploration company listed on the TSX Venture Exchange (the "Exchange"), engaged in the exploration of mineral properties in Zimbabwe. The Company was incorporated on October 27, 2005 and is a reporting issuer in British Columbia, Alberta and Ontario. The Company was incorporated as a "Capital Pool Company" for the purposes of the policies of Exchange. The common shares of the Company are listed on the Exchange under the symbol ZOO.

As at May 3, 2012, the directors and officers of the Company were:

Gavin Treanor	President and CEO and Director
Sean Rai	CFO and Director
James Pirie	Director
Anthony Roodenburg	Director

Anthony Martin, Pr.Sci.Nat., MAusIMM, is the "Qualified Person" for the Company under the definition of National Instrument 43-101.

Exploration activities

Sabi Star Property

The Sabi Star Property is comprised of 30 rare earth exploration permits covering a total of 2,348 hectare area held by Adsani, through its wholly-owned subsidiary, Mezzotin Investment (Private) Limited. The property is located in Eastern Zimbabwe approximately 150 kilometres from Harare, the capital of Zimbabwe, approximately 250 kilometres from the border of South Africa. The property is located on the Odzi Gold Belt, a known mineralization belt having historically produced gold, copper, tin, tantalum, niobium and diamonds.

OVERALL PERFORMANCE

For the year ended December 31, 2011, the Company's cash position decreased by \$932,354 to \$659,836 from \$1,592,190 as at December 31, 2010. The decrease is due to the acquisition of property, plant and equipment assets during the period.

The Company is engaged in the business of preliminary or early stage mineral exploration. The Company holds no interests in producing or in commercial ore deposits. The Company has no production or other revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of ore containing mineral concentrations are discovered. If, a discovery is made, substantial financial resources will be required to establish ore reserves. Additional substantial financial resources will be required to develop mining and processing for any ore reserves that may be discovered. If the Company is unable to finance the establishment of ore reserves or the development of mining and processing facilities, it may be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

Results of Operations

Selected Financial Information

	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009 (Canadian GAAP)
	\$	\$	\$
Loss before income taxes	787,068	375,632	82,795
Net loss	787,068	375,632	82,795
Loss per weighted average share – basic and fully diluted?	0.03	0.04	0.02
Total Assets	1,465,808	2,360,390	299,758

Twelve month period Ended December 31, 2011

The Company incurred a net loss of \$787,068 or \$0.03 per share for the year ended December 31, 2011 compared with a net loss of \$375,632 or \$0.04 per share for the same period in 2010.

Professional fees for the year ended December 31, 2011 increased by \$147,598 to \$238,744 compared to \$91,146 for the year ended December 31, 2010. The increase relates to the costs associated with the acquisition of Adsani.

Consulting fees for the twelve month period ended December 31, 2011 was \$297,402 compared to \$346,174 for the period ended December 31, 2010. These relate to fees paid to management and other consultants for the operation of the Company.

General and administrative expenses during the twelve month period ended December 31, 2011 increased to \$61,382 compared to \$3,573 for the period ended December 31, 2010. The increase in the current year is due to increased transactions.

The Company incurred \$55,769 in salaries and benefits during the twelve month period ended December 31, 2011 compared to \$7,309 in the same period in 2010.

SUMMARY OF QUARTERLY RESULTS

Selected financial information for the eight quarters as follows:

	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011
	\$	\$	\$	\$
Total Revenue	-	-	-	-
Net Loss	218,873	274,473	268,122	25,600
Loss per share – basic and fully diluted	0.01	0.01	0.01	0.00

	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
	\$	\$	\$	\$
Total Revenue	-	-	-	-
Net Loss	13,254	12,149	12,149	10,585
Loss per share – basic and fully diluted	0.00	0.00	0.00	0.00

(1) Financial prior to our IFRS transition date is reported under Canadian GAAP.

Working Capital

As at December 31, 2011, the Company had working capital of \$648,115 compared to \$662,106 as at December 31, 2010. The Company has sufficient working capital to meet its anticipated ongoing obligations for the next 12 months.

A summary of the Company's cash position and changes in cash for the year ended December 31, 2011, are provided below:

	Year Ended December 31,	
	2011	2010
Cash (used in)/provided by operating activities	\$ (803,466)	\$ 328,902
Cash provided by financing activities	53,611	1,675,047
Cash used in investing activities	(275,291)	(300,196)
Effect of foreign exchange changes on cash denominated foreign currency	92,792	(111,567)
Cash, beginning of year	1,592,190	4
Cash, end of year	\$ 659,836	\$ 1,592,190

ADDITIONAL DISCLOSURE FOR VENTURE COMPANIES WITHOUT SIGNIFICANT REVENUE

	December 31, 2011	December 31, 2010
Corporate expenses	\$ 787,068	\$ 375,632
Total assets	\$ 1,465,808	\$ 2,360,390

Exploration and evaluation assets	December 31, 2011	December 31, 2010
Exploration costs	498,789	213,166
Equipment	229,652	230,003
	\$ 728,441	\$ 443,170

Corporate expenses	December 31, 2011	December 31, 2010
Professional fees	\$ 238,744	\$ 91,146
Consulting fees	297,402	346,174
Stock-based compensation		0-
Travel	122,424	13,923-
Transfer agent, listing and filing fees	62,783	13,389-
Salaries	55,769	7,309
Other general and administrative expenses	61,382	3,573
	\$ 787,068	\$ 475,514

Outstanding share data

	December 31, 2011	December 31, 2010
Issued and outstanding common shares	34,987,500	10,100,000
Outstanding options to purchase common shares	490,000	980,000

Disclosure of Outstanding Share Data as at May 3, 2011

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	34,987,500
Securities convertible or exercisable into voting or equity shares		Options to acquire up to 490,000 common shares

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Dividends

The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings, if any, to finance growth and expand operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Critical Accounting Estimates

Assessment of Recoverability of Mineral Property Costs

The cost of mineral properties and their related exploration and development costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the estimated useful life of the properties following the commencement of production. Cost includes both the cash consideration as well as the fair market value of any securities issued on the acquisition of mineral properties. Properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The proceeds from property options granted reduce the cost of the related property and any excess over cost is applied to income. The Company's recorded value of its exploration properties is based on historical costs that the Company expects to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale.

Assessment of Recoverability of Future Income Tax Assets

Zoolander follows the liability method of accounting for income taxes. Under this method, future tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax liabilities and assets are measured using substantively enacted tax rates. The effect on the future tax liabilities and assets of a change in tax rates is recognized in the period that the change occurs. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized. In preparing the financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered “more likely than not,” a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the income statement.

Estimate of Stock Based Compensation and Associated Assumptions

The Company recorded stock-based compensation based on an estimate of the fair value on the grant date of stock options issued. This accounting required estimates of interest rate, life of options, stock price volatility and the application of the Black-Scholes option pricing model. See note 11 of the September 30, 2011, unaudited condensed consolidated financial statements for a full disclosure.

Assessment of Recoverability of Receivables Including HST

The carrying amount of accounts receivables, and HST are considered representative of their respective values. The Company assesses the likelihood that these receivables will be recovered and, to the extent that recovery is considered doubtful a provision for doubtful accounts is recorded.

Mineral Properties

Zoolander defers the costs of exploration on existing projects and carries them as assets until production commences. The amounts at which mineral properties and deferred exploration costs are recorded do not necessarily reflect present or future values. If a project is successful, the related mineral properties and deferred exploration costs are amortized over the estimated economic life of the project. If a project is unsuccessful, or if exploration has ceased because continuation is not economically feasible, the mineral properties and the related deferred exploration costs are written off. Option payments received are applied against the mineral property or deferred exploration costs.

Impairment of Long-lived Assets

The Company reviews mineral properties and deferred costs for impairment on a periodic basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses on long-lived assets are recognized when events or changes in

circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

Financial Risk Factors

Fair Value of Financial Instruments

The Company has designated its cash as held for trading, which is measured at fair value. Fair value of marketable securities is determined based on transaction value and is categorized as Level 1 measurement. HST recoverable and other receivables is classified for accounting purposes as loans and receivables, which are measured at amortized cost which approximates fair value. Accounts payable and accrued liabilities and property option payable are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also approximates fair value. Fair value of accounts payable and accrued liabilities and property option payable are determined from transaction values which were derived from observable market inputs. Fair values of accounts payable and accrued liabilities and property option payable are based on Level 2 measurements.

The Company has determined the fair value of its financial instruments as follows:

- (i) The carrying values of cash and cash equivalents, other receivables, accounts payable and accrued liabilities, approximate their fair values due to the short-term nature of these instruments.
- (ii) Investments and capital assets are carried at amounts in accordance with the Company's accounting policies.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision.

Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

A) Credit Risk

The Company is not exposed to major credit risk attributable to customers. Additionally, the majority of the Company's cash is held with a high rated Canadian financial institution in Canada.

B) Market Risk

i.) Interest Rate Risk

The Company does not have any interest bearing debt. The Company invest cash surplus to its operational needs in investment-grade short term deposits certificates issued by the bank where it keeps its Canadian bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short term deposits certificates.

ii.) Market Price Risk

Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Company. The Company is exposed to fair value fluctuations on its investments. The Company's other financial instruments (cash, accounts receivable, accounts payable and accrued liabilities) are not subject to price risk.

iii.) Commodity Price Risk

The price of the common shares in the capital the Company ("Common Shares"), its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

iv.) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2011, the Company had current assets of \$737,367 (2010 - \$ 1,592,267) and current liabilities of \$89,252 (2010 - \$ 930,161). All of the Company's financial liabilities and receivables have contractual maturities of less than 90 days and are subject to normal trade terms. Current working capital of the Company is \$648,115 (2010 - \$662,106).

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. During the most recent period end there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Proposed Transactions

In the normal course of business, as an ongoing part of the exploration process, the Company investigates mineral properties which are submitted to the Board of Directors for consideration. However, the Company continues to evaluate, review and negotiate a number of other prospective projects.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the year covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

STATUS OF ZOOLANDER'S TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Transition to IFRS from GAAP

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt International Financial Reporting Standards ("IFRS") for financial periods beginning on and after January 1, 2011.

The Company has adopted IFRS with an adoption date of January 1, 2011 and a transition date of January 1, 2010.

IFRS Conversion

The Company's IFRS conversion plan was comprehensive and addressed matters including changes in accounting policies, restatement of comparative periods, organizational and internal controls and any required changes to business processes. To facilitate this process and ensure the full impact of the conversion was understood and managed reasonably, the Company hired an IFRS conversion project manager. The accounting staff attended several training courses on the adoption and implementation of IFRS. Through in-depth training and the preparation of reconciliations of historical Canadian GAAP financial statements to IFRS, the Company believes that its accounting personnel have obtained the necessary understanding of IFRS. In conjunction with the adoption of IFRS the Company has implemented a new accounting system, which will satisfy all the information needs of the Company under IFRS. The Company has also reviewed its current internal and disclosure control processes and they did not need significant modification as a result of our conversion to IFRS.

Impact of IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP; however significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS did not change the actual cash flows of the Company, the adoption resulted in changes to the reported financial position and results of operations of the Company. In order to allow the users of the financial statements to better understand these changes, we have provided the reconciliations between Canadian GAAP and IFRS for the total assets, total liabilities, shareholders equity, cash flows and net loss in Note 2 to the interim financial statements. The adoption of IFRS has had no significant impact on the net cash flows of the Company. The changes made to the statements of financial position and comprehensive income have resulted in reclassifications of various amounts on the statements of cash flows, however as there has been no change to the net cash flows, no reconciliations have been presented.

In preparing the reconciliations, the Company applied the principles and elections of IFRS 1, with a transition date of January 1, 2010. As the Company has adopted IFRS effective January 1, 2010, has applied the provisions of IFRS 1 as described under the section entitled "Initial Adoption – IFRS 1", with a January 1, 2010 transition date. The Company will also apply IFRS standards in effect at December 31, 2011 as required by IFRS 1.

Initial Adoption of International Accounting Standards

IFRS 1 "First Time Adoption of International Accounting Standards" sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional date of the statement of financial position with all adjustments to assets and liabilities as stated under GAAP taken to retained earnings unless certain exemptions are applied.

The Company elected to take the following IFRS 1 optional exemptions:

- to apply the requirements of IFRS 3, Business Combinations, prospectively from the Transition Date;
- to apply the requirements of IFRS 2, Share-based payments, only to equity instruments granted after November 7, 2002 which had not vested as of the Transition Date.

Comparative Information

The Company has restated all periods from January 1, 2010 onwards in accordance with IFRS.

Cautionary Note Regarding Forward Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate",

"budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the oil and gas industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Zoolander to fund the capital and operating expenses necessary to achieve the business objectives of Zoolander, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The unaudited condensed consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the unaudited condensed consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements with management. The Board of Directors has approved the unaudited condensed consolidated financial statements on the recommendation of the Audit Committee.

May 3, 2012

Gavin Treanor, President and CEO