VANGUARD INVESTMENTS CORP.
(THE "COMPANY")

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis ("MD&A"), dated as of January 27, 2011, should be read in conjunction with the Company's consolidated financial statements and notes thereto for the three and nine months ended November 30, 2010 and the Company's audited financial statements and MD&A for the years ended February 28, 2010 and February 28, 2009. The reader must be aware that historical results are not necessarily indicative of future performance. All amounts are reported in Canadian dollars. The aforementioned documents can be accessed on the SEDAR web site www.sedar.com.

Certain statements contained in this annual management discussion and analysis may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the receipt of required regulatory approvals, the availability of sufficient capital, the estimated cost and availability of funding for the continued exploration and development of the Company's prospects, political and economic conditions, commodity prices and other factors.

Description of Business

Vanguard Investments Corp. (the "Company"), was incorporated under the provisions of the Alberta Business Corporations Act on March 20, 2001. The articles of the Company were amended on August 27, 2001 to remove the "private issuer" restrictions from its articles. The Company's business office is located at 6012 – 85 Avenue, Edmonton, Alberta, T6B 0J5. The registered records office of the Company is located at 155 Glenora Gates, 10403 – 122 Street, Edmonton, Alberta, T5N 4C1. The Company's shares were listed for trading on the Canadian National Stock Exchange on Wednesday April 14, 2010 under the trading symbol VIN.

On November 30, 2009, the Company entered into a Share Purchase Agreement (the "Agreement") with Zeus and its shareholders to acquire 100% of the issued and outstanding shares of Zeus. Zeus was incorporated on November 7, 2007, under the Alberta Business Corporations Act and is in the business of oil and gas acquisition, exploration and development. Effective November 30, 2009, the acquisition of Zeus was completed through the issuance of 18,333,333 shares to the shareholders of Zeus.

Prior to the acquisition of Zeus, the Company was an unlisted reporting issuer. The acquisition is a capital transaction in substance and therefore has been accounted for as a recapitalization of the business of Zeus. Under recapitalization accounting, Zeus is considered the acquirer for accounting and financial reporting purposes, and acquired the assets of the Company. Assets acquired of $13,321 are reported at their carrying amounts. These financial statements include the accounts of the Company since the effective date of the recapitalization being November 30, 2009, and the historical accounts of the business of Zeus since inception being November 7, 2007.

Zeus is engaged in the exploration of oil and gas resources. It holds a 12.5% working interest before payout and 7.5% working interest after payout in four oil and gas leases located in southeastern Saskatchewan. Zeus has an obligation to meet its pro rata share of ongoing development costs to put the wells into production and to maintain production. The operator of the wells is currently in the process of abandoning three of the four wells.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. This information has been prepared in accordance with Canadian GAAP. For more detailed information, refer to the Financial Statements.

	February 28 2010	**February 28 2009**	**February 29 2008**
Total revenue	-	-	-
Net income (loss) for the period	(501,170)	(10,048)	27,911
Basic and diluted earnings (losses) per share	(0.03)	-	-
Total assets	331,830	575,040	414,587
Total long-term liabilities	-	-	-
Cash dividends	-	-	-

Results of Operations

For the three and nine month periods ended November 30, 2010, the Company had net losses of $31,074 and $103,159 respectively compared to $69,355 and $101,007 for the three and nine month periods ended November 30, 2009. The increases in net losses by the Company in the current year over its previous year is largely attributable to its increased activity in pursuing new assets appropriate to Company's future exploration and acquisition plans. The four wells the Company currently has a working interest in have ceased production and will be abandoned in an orderly fashion as the weather permits.

Summary of Quarterly Results

	November 30 2010	**August 31 2010**	**May 31 2010**	**February 28 2010**
Other income	-	-	-	-
Net gain (loss) for the period	(31,074)	(41,843)	(30,241)	(400,163)
Basic and diluted gain (loss) per share	-	-	-	(0.02)

	November 30 2009	**August 31 2009**	**May 31 2009**	**February 28 2009**
Other income	-	-	-	-
Net gain (loss) for the period	(69,355)	(23,710)	(7,942)	(3,369)
Basic and diluted gain (loss) per share	-	-	-	-

Liquidity and Capital Resources

The Company had working capital deficit of $214,259 at November 30, 2010, but is confident the funds it has available will be sufficient to meet it short term needs and that it will have the ability to raise additional funds through equity or debt issues should the need arise.

Related Party Transactions

During the three month period ended November 30, 2010, the Company recorded the following transactions with related parties:

a) An expense amount of $7,200 (2009 – $12,150) was incurred to the President of the Company for management fees for the three month period ended November 30, 2011.

b) An expense amount of $4,800 (2009 - $8,100) was incurred to a company owned by the spouse of the President of the Company for accounting fees for the three month period ended November 30, 2011

c) An expense amount of $9,000 (2009 – nil) was incurred to a company controlled by the President of the Company for rent for the three month period ended November 30, 2011.

d) As at November 30, 2010, the amount of $178,635 (2009 - $72,065) is owed to the President of the Company, a company controlled by the President of the Company and a company owned by the spouse of the President of the Company which is non-interest bearing, unsecured, and due on demand.

Accounting Policies and Estimates

The significant accounting policies of the Company are disclosed in Note 2 to the Financial Statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, and revenues and expenses. The Company's management reviews its estimates regularly.

Changes in Accounting Policies

The following changes in accounting policies were adopted during fiscal 2010:

Effective February 1, 2009, the Company adopted CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". This revision establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In June 2009, the Accounting Standards Board ("AcSB") further amended CICA Handbook Section 3862, "Financial Instruments – Disclosures" to include additional disclosures about fair value measurements of financial instruments and to enhance risk disclosure. The additional fair value measurement disclosures include classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

These amendments were required to be adopted for the year ended February 28, 2010. The adoption of this section did not have a material effect on the Company's financial statements.

Future Changes in Accounting Standards

Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-Controlling Interests:

These sections are effective for fiscal years beginning on or after January 1, 2011, and replace Section 1581, Business combinations and Section 1600, Consolidated financial statements. Early adoption is permitted provided the change is disclosed and all sections are applied at the same time. The Company is currently assessing the effects of these new sections and management estimates that the impact on adoption will not be material. These new sections provide the Canadian equivalent to International Financial Reporting Standards ("IFRS"), which will replace all Canadian standards and will be implemented as discussed below.

International Financial Reporting Standards:

In February 2008, the AcSB confirmed that public companies will be required to prepare interim and annual financial statements under International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. The transition date of March 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended February 28, 2010. Management is currently assessing the impact of adopting IFRS and it has not yet determined its effect on the Company's consolidated financial statements.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, amounts receivable, accounts payable, accrued liabilities, due to related parties, and convertible debt. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

Outstanding Share Data

Common Shares

The Company's common shares (symbol – VIN) are listed on the CNSX. The Company's authorized share capital consists of an unlimited number of common shares without par value. As at January 27, 2011, the Company had 23,033,330 common shares issued and outstanding. See also Subsequent Events.

Share Purchase Warrants

As at January 27, 2011, the Company had 3,300,000 share purchase warrants outstanding which are exercisable at $0.05 per share expiring on January 15, 2015. See also Subsequent Events.

Disclosures Controls

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure. The Company's directors have concluded, based on their evaluation, the Company's disclosure controls and procedures are effective to provide reasonable assurance that material information related to the Company, is made known to them by employees or third part consultants working for the Company. It should be noted that while the Company's directors believe that its disclosure controls and procedures will provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met.

Business Risks

The Company and its securities should be considered a highly speculative investment and investors should carefully consider all of the information before making an investment in the Company.

Subsequent Events

On January 4, 2011 the Company issued 1,000,000 common shares pursuant to the exercise of 1,000,000 warrants at $0.05 per warrant. The Company received total funds of $50,000. These funds were used to pay outstanding corporate indebtedness.