Royal Monashee Gold Corp.

Management Discussion and Analysis of Financial Condition and Results of Operations for the 3 months ended December 31, 2010

January 18, 2011

For the quarter ended December 31, 2010, Royal Monashee Gold Corp. (the "Company") has prepared this management discussion following the requirements of new National Instrument 51-102 ("NI-51-102"). NI 51-102 outlines more detailed and comprehensive requirements for management discussion and analysis. This Management Discussion and Analysis of the Company as at January 18, 2011, provides information for the quarter ended December 31, 2010 and subsequent to the quarter and should be read in conjunction with the unaudited financial statements and accompanying notes for the quarters ended December 31, 2010 and 2009.

Overview

The Company was incorporated in Alberta on March 10, 1997. On July 22, 1998 the Company's shares were listed on the TSX Venture Exchange. On January 8, 2002 the Company changed its name to OnBus Technologies Inc. from First Industrial Capital Corporation. On May 26, 2006 the Company changed its name to Royal Monashee Gold Corp.

Management Discussion and Analysis of Financial Condition and Results of Operations

The Company has been relatively inactive for the past four years. There have been no revenues and expenses have been relative to legal, regulatory and filing requirements.

In August 2008 the Company loaned $100,000 to a new restaurant business, secured by a promissory note bearing interest at 12% per annum, payable monthly. Interest payments ceased in July 2009 and the promissory note was written down by $78,375 in the fourth quarter of fiscal 2008 and the balance was written off in the further quarter of fiscal 2009, resulting in the financial results shown in the schedule below.

Summary of Quarterly Results

Following is a table of the revenues, expenses and earnings/loss per share for the last eight (8) quarters:

	2010	Fiscal 2010				Fiscal 2009		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
		$	$	$	$	$	$	$
Revenue		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Loss	$7,245	($1,290)	$1,363	$ 6,287	$ 5,040	$ 29,106	($2,502)	$7,421
Loss per share		$.-	$ -	$ -	$ -	$ .01 -	$ -	$ -

The losses in Q4 of 2009 and Q4 of 2008 are the result of write down of the Promissory Note.

Liquidity and Capital Resources

As at December 31, 2010 the Company had net working capital of ($11,536) compared to $2,063 as at December 31, 2009.

Management anticipates raising additional capital through the sale of its securities to enable the Company to fund ongoing operations. The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability to raise additional capital.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements

Changes in Accounting Policies

Adoption of New Accounting Pronouncements
International Financial Reporting Standards

In 2006, The AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AsCB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year period. In February 2008, the AcSB announce that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Companies will be required to provide comparative IFRS information for the previous fiscal year.

The Company is cognizant of the changes required for accounting and financial reporting purposes and will commence a scoping and planning process as required, dependent upon the level of future activities. The Company will continue to monitor changes in IFRS and the impacts on the Company over the coming year.

Share Capital

Authorized
Unlimited common shares, voting, participating without par value.
Unlimited first preferred shares, voting, participating, redeemable and retractable, at the amounts of consideration received at the time is issuance without par value

	January 18, 2011
Issued	
5,973,700 common shares	$724,037

During the period no additional shares were issued. Also no warrants or options were issued

Risks and Uncertainties

The Company plans to raise additional capital through the sale of its securities. The Company's ability to raise additional capital will depend upon subsequent developments and strength of the equity markets which are uncertain. There can be no assurance that additional capital will be available.