

**MEADOW BAY GOLD CORPORATION**  
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**VANCOUVER, BC V6C 1L6**

## **Meadow Bay Gold to Clarify Technical Disclosure**

**Vancouver, Canada – January 20, 2012 – Meadow Bay Gold Corporation (“Meadow Bay Gold” or the “Company”) (TSX: MAY) announces, as a result of a review by the British Columbia Securities Commission (the “BCSC”), Meadow Bay Gold is issuing the following news release to clarify its disclosure of historical resources relating to the Atlanta Gold Mine Project in Nevada, USA.**

The Company confirms that all estimates of the quantity, grade, and metal or mineral content which it has made in respect of its Atlanta Gold Mine Project are historical estimates under National Instrument 43-101 (“NI 43-101”), as such estimates have not been verified as a current mineral resource and were prepared before the Company acquired the property. **The Company confirms that it is not treating such historical estimate as current mineral resources.**

In general, Meadow Bay Gold believes that the historical estimate calculated by Kinross in 1998 in respect of the Atlanta Gold Mine Project is a reasonable estimate based on data available at the time. The Company has conducted additional verification drilling and modeling as part of an ongoing program designed to verify the historical estimate with a view to compiling current mineral resources incorporating 2011 drilling that are NI 43-101 compliant and in this respect the Company has retained Gustavson Associates, LLC of Boulder, Colorado in order to assist in this process.

For additional information with respect to the historical estimate at the Atlanta Gold Mine Project, please see the Company’s amended and restated technical report dated January 21, 2011 and entitled “Technical Report, Geology and Mineral Resources, Atlanta Project, Lincoln County, Nevada, USA”, available on the Company’s profile on SEDAR.

As a result of the review by the BCSC, the Company wishes to clarify certain statements made by the Company and various third party reports that were previously posted on the Company’s website. **In those instances below where the Company has retracted, revised, clarified or updated previous disclosure, the Company advises readers not to rely on such statements as they may continue to be found in the public domain.**

### **Atlanta Gold Mine Project**

The Company posted a corporate presentation (the “Corporate Presentation”) on its website, which disclosed the historical resource as determined by Kinross by combining inferred and indicated resources, contrary to NI 43-101, and the Company restates its 1998 Kinross historical resource estimate as follows:

Historical Resource	tons	Grade	Contained Ounces
Indicated	6,213,000	0.054 opt Au, 0.506 opt Ag @ 0.02 opt Au cut-off	338,520 oz Au 3,142,019 oz Ag
Inferred	3,066,000	0.041 opt Au, 0.236 opt Ag @ 0.02 opt Au cut-off	125,959 oz Au 723,416 oz Ag

The Corporate Presentation referred to the combined estimate as a "drill indicated resource" which is not a permitted class pursuant to NI 43-101. The Corporate Presentation also disclosed a business plan to achieve, by way of 2011 drilling, an "in situ resource (>1 million ounces Gold)". The Company has removed the Corporate Presentation from its website and wishes to retract restricted resource classifications, and a >1 million ounce quantity of in-situ gold.

The Company had posted a Ubika Research Bulletin dated October 14, 2011 (the "Ubika Report") on its website which contained certain statements which are not NI 43-101 compliant. Specifically, the Ubika Report noted a "current internal resource" deposit which combined historical indicated and inferred ounces, "the current pit area is estimated to contain north of 1 million ounce gold deposit", that "the company believes that a resource of at least 1 million oz is available within the current pit area" and that the Atlanta Gold Mine Project has "a sizable resource with near-term production potential." The Ubika Report, incorrectly classifies the historical estimate as a current resource which was not the Company's intention and disclosed larger non-compliant estimate not prepared by a Qualified Person. The Company has removed the Ubika Report from its website and wishes to retract the Ubika Report, and specifically retract the foregoing statements and all ounce-only quantities exceeding those in the historical resource estimate.

In the Company's management's discussion and analysis for the quarter ended September 30, 2011 ("MD&A"), the Company disclosed historical estimates for the Atlanta project in a manner not compliant with NI 43-101 because the Company did not provide the disclosure required by NI 43-101 for historical estimates, and combined indicated and inferred classes contrary to NI 43-101. The Company is in the process of amending the MD&A and anticipates filing an amended and restated MD&A shortly.

On August 3, 2011 the Company issued a news release with respect to an update on drilling at the Atlanta gold mine. While disclaimer language was included in the footer of the news release, the Company should not have referred to the historical estimate as "indicated mineral resources" and did not adequately disclose the historical nature of the estimate in the manner required by NI 43-101 in the body of the news release.

The Company had posted a Corporate Fact Sheet (the "Fact Sheet") on its website which disclosed an ounces-only "Current Historic Resource" by combining the historic indicated and inferred ounces, which disclosure was not made in accordance with NI 43-101. The Company disclosed in the Fact Sheet that the Atlanta property has a "Potential for Multi-Million Ounce Gold Resource", however, the company does not have sufficient basis for estimating a quantity and grade range of a potential exploration target, and retracts this estimate, which was not compliant with NI 43-101. The Company has removed the Fact Sheet from its website, and wishes to retract the foregoing statements.

The Company had removed from its website an article dated October 21, 2011 from The Northern Miner, an article from the November 2011 edition of Resource World Magazine and an article dated October 21,

2011 authored by Bob Moriarty of 321gold Ltd. These articles include similar items of non-compliant disclosure to those indicated above.

On August 24, 2011 the Company issued a news release that refers to "developing a multi million ounce gold deposit at Atlanta". The Company wishes to retract this statement, as there is not adequate exploration data to provide a basis for such estimate at the Atlanta property is at this time.

### **Colorback Property**

The Company's website previously illustrated various unclassified ounce-only quantities of gold, including "5-10 mil ozs" that are associated to the Company's Colorback property geology. These comparisons referred to nearby geologic discoveries, including the Pipeline Deposit; however, the Company has removed these references from the Company's website and wishes to retract the foregoing statements as estimates of this nature are restricted by NI 43-101 and are not compliant with the disclosure requirements of NI 43-101 for potential exploration targets. The Company confirms that a NI 43-101 compliant mineral resource estimate or an estimate of quantity-grade ranges of a potential exploration target have not been prepared for the Colorback property, and it advises that the Colorback property is not a material property of the Company.

### **Spruce Mountain Property**

The MD&A disclosed that the Company's Spruce Mountain claims overlap a "100 million ton copper-molybdenum resource". The Company wishes to retract this resource quantity (including the corresponding statement previously included on the Company's website) as at the present time the Company is unable to verify this statement and such resource disclosure is prohibited by NI 43-101. As noted above, the Company is in the process of amending its MD&A and anticipates filing an amended and restated MD&A shortly. The Spruce Mountain claims are not material properties of the Company.

The Company has been asked by the BCSC to amend and file other documents to correct any identified deficiencies in its technical disclosure.

The technical content of this news release has been reviewed and approved by Charles (Bill) Reed, a Qualified Person as defined by NI 43-101.

For further information, please contact:

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### **Forward looking statements**

This release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion, growth of the Company's businesses, operations, plans and with respect to exploration results, the timing and success of exploration activities generally, permitting time lines,

government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcome of any pending litigation and timing and results of future resource estimates or future economic studies.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate" or "belief" or describes a "goal" or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on a number of material factors and assumptions, including, the result of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted. Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the company's publicly filed documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.