

**NEWS RELEASE**

**MEADOW BAY GOLD TO RESUME DRILLING AT ITS ATLANTA GOLD MINE PROJECT IN NEVADA**

**Vancouver, BC** – October 18, 2012 Meadow Bay Gold Corporation (“Meadow Bay Gold” or the “Company”) (TSX:MAY) (OTCQX:MAYGF) (Frankfurt: 20M, WKN A1C3DN) is pleased to report it has executed a drilling contract and will be resuming drilling at its Atlanta Gold Mine Project, Lincoln County, Nevada before the end of October. Major Drilling based in Salt Lake City, Utah, has been awarded the drill contract.

As part of an agreement with the Bureau of Land Management (BLM), drilling was terminated in December of 2011 to allow for the resolution of various legacy permitting issues. At this point, all permits – including an occupancy permit for the Atlanta exploration camp – are in place to allow for in-fill drilling adjacent to the historic Atlanta open pit.

Drilling in 2011 both tested the down-dip extensions of the Atlanta shear zone mineralization and discovered intrusive-hosted gold mineralization in the Atlanta Porphyry. Recent U-Pb zircon dating has established a 35.91 +/- 0.56 Ma age for the quartz-lattice porphyry – an age commonly associated with large Carlin-type deposits in north-central Nevada. This new drilling program will test areas adjacent to where previous exploration had intercepted mineralization away from the Atlanta shear zone.

Alex Khutorsky, CEO commented, “Meadow Bay Gold is pleased to have received the necessary permits with the BLM and to have begun a partnership with Major Drilling whom we regard as one of the most professional drilling companies in the business.”

Dr. Matt Ball, P.Geo., a Qualified Person as defined by National Instrument 43-101 and independent consultant to the Company, has reviewed the contents of this press release.

Meadow Bay Gold is focused on developing the former producing Atlanta Gold Mine in Nevada, USA. Permitting for the next round of exploration drilling is ongoing.

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### **Forward-looking information**

This release contains “forward-looking information” within the meaning of applicable Canadian securities legislation, including predictions, projections and forecasts. Forward-looking information includes, 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 the calculation of a new mineral resource estimate.

Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “planning”, “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 information is 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 breakdowns, 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 information involves 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 information. 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 and silver; 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 information, 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 information 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 information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information.