MEADOW BAY GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

FORWARD LOOKING STATEMENTS

All statements in this report that do not directly and exclusively relate to historical facts, constitute forward looking statements. These statements represent the Company's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward looking statements. The Company disclaims any intention or obligation to update or revise such forward looking statements, as a result of new information, future events or otherwise.

MANAGEMENTS DISCUSSION AND ANALYSIS

November 14, 2012

This Management Discussion and Analysis ("MD&A") is intended to help the reader understand the Meadow Bay Gold Corporation ("Meadow Bay") financial statements. The statements are provided for the purpose of reviewing the second quarter of the fiscal year ending March 31, 2013, and comparing results to the previous period. The MD&A should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the fiscal years ending March 31, 2012 and 2011.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and all monetary amounts are expressed in Canadian dollars. The following comments may contain management estimates of anticipated future trends, activities, or results. These are not a guarantee of future performance, since actual results could change based on other factors and variables beyond management control.

The management of Meadow Bay is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The board of directors of Meadow Bay follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

The audit committee of Meadow Bay meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.

DESCRIPTION OF BUSINESS

Meadow Bay was incorporated in British Columbia under the laws of the Business Corporations Act on March 8, 2005. The Company was listed for trading on the TSX Venture Exchange (TSX.V) as a Capital Pool Company on September 18, 2006. The Company currently trades on the TSX as a tier 1 Company under the symbol "MAY."

In August, 2008, the Company completed its Qualifying Transaction by acquiring the Molybdenite Creek property from In-Dex Minerals Corp. In December 2009, the Company entered into an option agreement to acquire a 30% interest in the Mag property. During the year ended March 31, 2010, the Company returned both the Molybdenite Creek and Mag properties back to the optionors and thus, wrote off acquisition and deferred exploration costs of $1,221,215.

In March 2010, the Company completed a share consolidation on the basis of one new common share for every three old common shares. All share and per share amounts have been retroactively restated to reflect the share consolidation.

On January 21, 2011 the Company entered into a Letter of Intent ("LOI") to acquire all of the issued and outstanding common stock of Desert Hawk Resources Inc. ("Desert Hawk"), a private Delaware corporation. The Company also launched a private placement financing that closed March 1, 2011 with the sale of 11,313,750 common shares at $1.00US. A portion of the financing, $6,000,000US, was used to complete the payment to the previous owner of the Atlanta Mine. The purchase of Desert Hawk Resources Inc. was completed on March 1, 2011.

OVERALL PERFORMANCE

Meadow Bay Gold Corporation is a Canadian-based mineral exploration Company that owns through its wholly owned subsidiary Desert Hawk Resources Inc, the Atlanta Gold Mine located in eastern Nevada. The Atlanta mine is an advanced stage exploration project that was acquired March 1, 2011 for a cash consideration of $6 million. Meadow Bay's strategy is to carry out an extensive drill program to enhance the existing resource base well beyond existing levels. The mine site already has infrastructure on site – with power, water, road access, and accommodation which can house approximately 20 people. The Company has added significantly to the land base since acquiring the mine site with current acreage in excess of 12,000 acres compared to about 1,000 acres at time of acquisition.

Desert Hawk also had two other gold projects in Nevada, the Colorback Gold Project and the Spruce Mountain Molybdenum, Copper, Silver Project.

Both these properties were acquired under a lease/purchase arrangement wherein annual payments were required to maintain their interest.

After a review of both properties, the Company has decided to terminate its lease/purchase contract with both properties and all costs incurred on both properties have been expensed.

SELECTED ANNUAL INFORMATION

	Year ended March 31, 2012 $	Year ended March 31, 2011 $	Year ended March 31, 2010 $
Total revenues	-	-	-
Net loss for the year	(3,884,579)	(4,278,897)	(1,333,584)
Net loss per share, basic and diluted	(0.10)	(0.29)	(0.29)
Total assets	23,576,559	21,474,523	64,997
Total working capital	1,000,939	4,404,315	40,893
Shareholder's equity	23,196,310	21,066,536	40,893

RESULT OF OPERATIONS

Total operating expenses before other items in the quarter ending September 30, 2012 amounted to $692,422 vs. $853,233 in the quarter ending September 30, 2011. If one ignores stock based compensation (a non-cash item) in the quarter ending September 30, 2012, operating expenses amounted to $536,540 vs $853,233 for the quarter ending September 30, 2011. After sundry adjustments, including a translation loss adjustment of $411,156, (compared to a translation gain for the period ending September 30, 2011 of $439,269), comprehensive loss for the period ending September 30, 2012 amounted to $1,176,970 vs $405,686 at September 30, 2011. On a cash basis, comprehensive loss for the period ending September 30, 2012 amounted to $521,409 vs. $832,506 at September 30, 2011 as cash expenses were significantly lower in the quarter ending September 30, 2012 vs. September 30, 2011.

For the six months ending September 30, 2012, the operating loss was $1,201,467 vs. $1,342,390 at September 30, 2011 but if the non cash expense of stock compensation expense and other non cash items are removed, the loss was $1,016,636 vs. $1,354,939. Because of the strong Canadian dollar, a translation loss of $194,475 was incurred in the six month period ending September 30, 2012 vs a translation gain for September 30, 2011 of $387,461.

Expenses generally are lower in the quarter ending September 30, 2012 vs September 30, 2011 as there was no drilling expense in the current quarter compared to last year when drilling was ongoing. Administration expenses were $67,038 at September 30, 2012 vs. $146,368 at September 30, 2011 because the decrease in costs at the mine site, specifically automobile, office and supplies costs decreased from $123,665 as at September 30, 2011 to $53,347 as at September 30, 2012.

SUMMARY OF QUARTERLY RESULTS:

	Sept 30 2012	June 30 2012	Mar 31 2012	Dec 31 2011	Sept 30 2011	Jun 30 2011	Mar. 31 2011	Dec. 31 2010
	$	**$**	**$**	**$**	**$**	**$**	**($)**	**($)**
Income Statement Data								
Total Revenues		-	-	-	-	-	-	-
Income (loss) before discontinued operations and extraordinary items	(765,814)	(506,301)	(1,381,699)	(1,571,580)	(844,955)	(479,004)	(4,157,503)	(28,126)
Net income (loss)	(765,814)	(506,301)	(1,381,699)	(1,571,580)	(844,955)	(479,004)	(4,157,503)	(28,126)
Income (loss) per common share outstanding – basic and diluted								
Income (loss) before discontinued operations and extraordinary items	(0.03)	(0.01)	(0.03)	(0.04)	(0.02)	(0.01)	(0.29)	(0.00)
Net income (loss) per share	(0.03)	(0.01)	(0.03)	(0.04)	(0.02)	(0.01)	(0.29)	(0.00)

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2012, the Company had cash and cash equivalents of $529,865 compared to $1,224,142 at March 31, 2012, and $1,710,217 as at September 30, 2011. The Company had working capital of $277,408 as at September 30, 2012 compared to working capital of $1,000,939 as at March 31, 2012 and $1,500,684 as at September 30, 2011.

On June 19, 2012, the Company completed the first tranche of a non-brokered private placement of 415,000 units at a price of US$0.60 per unit for gross proceeds of US$249,000. Each unit is comprised of one common share and one share purchase warrant; each share purchase warrant entitles the holder to acquire one additional common share at a price of US$0.75 until June 19, 2014. The Company paid finders' fees of US$14,940 cash and 24,900 finders' warrants, with each finder's warrant entitling the holder to purchase one common share of the Company for a period of 2 years at an exercise price of US$0.75 per share. The warrants were valued at $8,387 using a Black Scholes option pricing model, as the value of the services performed was not readily verifiable.

Further tranches of 668,333 units for $396,938 were also received during the period. A further 156,667 units for gross proceeds of $94,000 were also received subsequent to the period. There were neither finders' fees incurred nor finders' warrants issued with respect to these issuances.

During the year fiscal ended March 31, 2012, the Company completed two financings, closing the first one on October 6, 2011 for $2,057,460 being 2,286,066 shares at $0.90 per share. The second financing closed on November 14, 2011 for $2,366,000 shares at $1.00 per share.

In both cases, the proceeds were used to continue the drilling program which was started in June 2011, and the first phase completed December 20, 2011. Drilling recommenced in November 2012.

Drilling in the first year of operations was completed on December 20, 2011 and drill results were released early in 2012 on a total of 39 holes completed. This testing of the Atlanta Fault Zone mineralization during the drill program discovered porphyry hosted gold mineralization to the west of the historic Atlanta open pit. This porphyry hosted mineralization is distinctly different than the gold-silver mineralization within the jasperoid breccias of the Atlanta Fault. A subsequent IP survey was conducted recently and the result was an indication that the porphyry is larger than previously interpreted and it extends further to the north. The Company will be pursuing these developments in the coming year as it becomes clearer that there are more exploration targets than originally anticipated.

During the period ending September 30, 2012, the Company completed an IP/resistivity survey covering both the Atlanta Porphyry and the Western Knolls area. The results are quite encouraging and several chargeability anomalies showed up in the Western Knolls, and in some cases – right at surface. While initial drilling will be in the Atlanta Porphyry, the Company intends to carry out some drilling in the Western Knolls area. The Company is also in negotiations with the BLM regarding permitting of certain areas on the property, including the Western Knolls.

The Company has no debt other than current accounts payable of $237,862 at September 30, 2012 and an unsecured payable to a related party of $32,758 and management believes that the Company has sufficient capital resources to meet its initial capital requirements for the current year. As well, management fully expects to raise additional capital as required.

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. In order to continue as a going concern and to meet its corporate objectives, which primarily consist of exploration work on its mineral properties, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control. The annual and interim financial statements do not include any adjustments to the recoverability and classification of reduced asset amounts and classification of liabilities that might be necessary should the Company be unable to continue operations. These adjustments could be material. The Company is not subject to material externally-imposed capital constraints.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the quarter ending September 30, 2012:

a) Consulting fees paid or accrued to CEO of Company $30,000 vs. $30,000 at Sept 30, 2011

b) Consulting fees paid to CFO of $9,000 vs. $10,000 at Sep 30, 2011.

c) Geological fees paid to a director of $ 3,000 vs. $20,400 at Sept 30, 2011.

d) Rent paid to secretary of $nil vs. $2,750 for the quarter ended Sept 30, 2011.

e) Consulting fees paid to a director of $nil vs. $1,000 for the quarter ended Sept 30, 2011.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Significant areas requiring the use of management estimates relate to determination of stock-based compensation, impairment of assets, and future income taxes. Actual results could differ from these estimates.

FUTURE ACCOUNTING CHANGES

The Company adopts new pronouncements relating to generally accepted accounting principles applicable to the Company as they are issued, which may be in advance of their effective date. Management does not believe that any recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on the accompanying financial statements.

FINANCIAL INSTRUMENTS

The Company classifies its cash and cash equivalents and prepaid expenses and advances as loans and receivables and carried them at amortized cost. Receivables, accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The carrying values of the Company's financial assets and liabilities approximate their fair value due to the relatively short periods to maturity of these instruments.

The Company's financial instruments and risk exposures are summarized below.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk with respect to its cash and cash equivalents is minimal as they are held with a high-credit quality financial institution. As at September 30, 2012, the Company had funds on hand of $529,865 while the federally insured limit is $100,000.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2012, the Company had a cash balance of $529,865 to settle current liabilities of $270,620. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The interest rate risks on cash and cash equivalents are not considered significant.

(b) Foreign exchange rate risk

Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have material transactions designated in a foreign currency and therefore management considers the foreign exchange risk to be minimal.

OUTSTANDING SHARE DATA

The Company had the following common shares, stock options and warrants outstanding as at the date of this report:

Issued and Outstanding Common shares	45,526,094
Stock option	4,155,000
Warrants	2,122,013
	51,803,107

RISK AND UNCERTAINTIES

The Company is in the business of acquiring and exploring natural mineral properties. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral property, the following risk factors, amongst others, apply:

<u>Negative Operating Cash Flow</u>

Since inception, the Company has had negative operating cash flow. The Company has incurred losses since its inception. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on the exploration program on the Properties and administrative costs. The Company cannot predict when it will reach positive operating cash flow.

<u>Mining Industry</u>

The Company is engaged in the exploration for and development of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases, eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations also have an impact on the economic viability of a mineral deposit.

Equity Market Risk

The Company raises money in the equity markets which can fluctuate significantly. If the appetite for equity financing is curtailed it may be difficult or impossible to raise additional equity. This could have a negative effect on the Company and its ability to operate. These factors are beyond the control of management.

Reliance on Management

The Company relies on its management to execute its business plan. If members of the management team should become unavailable for any reason the Company could experience difficulties in executing its plans.

Title

There is no guarantee that title to properties in which the Company has a material interest will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking information and statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions as at the date of this MD&A. The words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets", "may", "will" and similar expressions identify forward-looking statements. Information concerning the interpretation of drill results may also be considered a forward-looking statement; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information. Readers are cautioned not to place undue reliance on these statements as they are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, such forward-looking statements. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

SUBSEQUENT EVENTS

Subsequent to September 30, 2012, the Company received a further US$94,000 of gross proceeds on its private placement, representing 156,667 units at US$0.60 per unit. Each unit comprised one share and one share warrant, entitling the holder to purchase one additional share for a period of 2 years from the date of closing at a price of US$0.75 per share. On October 8, 2012 the Board of Directors granted 800,000 options to officers, directors, and contractors. Each option allows the holder to purchase one common share for $0.55 for a period of 5 years.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Chief Financial Officer and Chief Executive Officer have evaluated the effectiveness of the Company's disclosure controls as of September 30, 2012. They have concluded that the Company's disclosure controls and procedures provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company, particularly during the period during which this report was being made.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com. Additional financial information concerning the Company is provided in its audited comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year. Copies of this information are available by contacting the Company at its offices located at Suite 210 - 905 West Pender Street, Vancouver, BC, V6C 1L6; phone 604-641-4450 or 604-682-2928; fax 1-855-557-4622 or 604-685-6905.