MEADOW BAY GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED JUNE 30, 2011

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. When used in this document, the words "anticipate", "estimate", 'believe", "expect", and similar expressions, as they relate to Meadow Bay or its management, are intended to identify forward-looking statements. 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

September 28, 2011

This Management Discussion and Analysis (MD&A) is intended to help the reader understand the Meadow Bay Gold Corp (Meadow Bay) financial statements. Management of Meadow Bay Gold Corporation 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 the MD&A, is complete and reliable. 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, 2011 and 2010.

The financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) 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 Gold Corp ("Meadow Bay" or the “Company”) 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.V as a tier 2 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.

OVERALL PERFORMANCE

In June 2010, the Company completed a non-brokered private placement of 6,380,000 units at a price of $0.08 per unit for gross proceeds of $510,400. 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 $0.10 until June 17, 2015.

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.

Desert Hawk is a mining and exploration company with three gold projects in Nevada including the former producing Atlanta Gold and Silver Mine, and the option on the Colorback Gold Project and the Spruce Mountain Molybdenum, Copper, Silver Project. The Atlanta Mine produced 1.5 million tons of ore containing 0.09 ounces gold/ton and 1.25 ounces silver/ton and recovered 121,000 ounces of gold and 800,000 ounces of silver during the period 1975 to 1985 based on historical records. The remaining indicated and inferred resource of 464,000 ounces of gold has been estimated by previous workers which is not compliant with standards as set out in National Instrument 43-101. The mine development plan will include substantial pit expansion and capital expenditures to refurbish the mining equipment and near term production potential. In addition to the excellent near-term development aspect of the project, the Company considers the Atlanta Mine to offer excellent exploration and development upside by drilling extensions to the known mineralization and larger scale production than previous mining through both pit-extension and possibly underground mining.

The Colorback Gold Project is on the Battle Mountain trend 12 miles north of Pipeline. The property is host to both surface gold targets and a lower-plate Carlin-Style gold system.

Previous surface sampling contains gold values as high as 1 ounce per ton and near surface intercepts in upper plate chart considered leakage from the deeper system.

The Spruce Mountain Gold and Silver Project is located in Elko County, Nevada and is comprised of 63 unpatented lode claims adjacent and overlapping with a 100 million ton copper-molybdenum resource. The property is a porphyry mily deposit with a silver skarn on the west side and a porphyry copper deposit in the centre of the project. The silver skarn and the copper deposit are untested to date.

SELECTED ANNUAL INFORMATION

	Year ended March 31, 2011 $	Year ended March 31, 2010 $	Year ended March 31, 2009 $
Total revenues	-	-	-
Net loss for the year	(4,268,159)	(1,333,584)	43,539
Net loss per share, basic and diluted		(0.29)	0.01
Total assets	21,385,261	64,997	1,229,197
Total working capital	4,404,315	40,893	(131,429)
Shareholder's equity	20,977,274	40,893	1,027,357

RESULT OF OPERATIONS

Total comprehensive loss for the quarter ending June 30, 2011 amounted to $530,812 compared to $33,580 for the quarter ended June 30, 2010. Significant expenses included consulting expense of $146,092 compared to $800 in the quarter ending June 30, 2010. This is the result of the hiring of geologists and engineers regarding the plan to carry out land acquisition, staking, and surface geology in preparation for a drilling program. In the quarter ending June 30, 2010, the Company was not actively involved in exploration activities.

Professional fees amounted to $37,194 vs. $4,155 at June 30, 2010 because of increased audit, legal and financing fees from both the acquisition of Desert Hawk Resources Inc. and the private placement financing that completed on March 1, 2011.

Promotion and investor relations costs were incurred in the amount of $49,766 vs. nil in the quarter ending June 30, 2010 as the Company commenced a program of market awareness regarding the Atlanta mine and the plans to revive a mine with previous production.

Results for the eight most recent quarters ending with the last quarter for the three months ending on June 30, 2011 are:

	For the Three Months Ending							
	Fiscal 2011				**Fiscal 2010**			
	Jun 30 2011	**Mar 31 2011**	**Dec 31 2010**	**Sept. 30 2010**	**Jun 30 2010**	**Mar 31 2010**	**Dec 31 2009**	**Sept. 30 2009**
	($)	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**
Income Statement Data								
Total Revenues	-	-	-	-	-	-	-	-
Income (loss) before discontinued operations and extraordinary items	(479,004)	(4,278,897)	(28,126)	(54,993)	(33,580)	(80,154)	(1,205,994)	(27,434)

Net income (loss)	(530,812)	(4,278,897)	(28,126)	(54,993)	(33,580)	(80,154)	(1,205,994)	(27,434)
Income (loss) per common share outstanding – basic and diluted								
Income (loss) before discontinued operations and extraordinary items	(0.01)	(0.38)	(0.00)	(0.00)	(0.00)	(0.02)	(0.23)	(0.01)
Net income (loss) per share	(0.01)	(0.38)	(0.00)	(0.00)	(0.00)	(0.02)	(0.23)	(0.01)

Three month period ended June 30, 2011

For the three months ended June 30, 2011, the Company incurred a net loss of $479,004 compared to a net loss of $33,580 incurred in the three months ended June 30, 2010. The loss in the current period is primarily attributed to the acquisition of Desert Hawk Resources Inc. and startup costs incurred re commencement of exploration at the Atlanta minesite in preparation for drilling. There were also related professional fees incurred, the investor relations fees incurred, consulting fees, wages and travel costs incurred in the quarter ending June 30, 2011. In the quarter ending June 30, 2010, there was little activity in the Company as it was seeking out potential projects.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2011, the Company had a cash and cash equivalents of $3,403,115 compared to $506,530 as at June 30, 2010. The Company had working capital of $3,127,142 as at June 30, 2011 compared to working capital of $ 535,530 as at June 30, 2010. The Company completed a private placement financing in the amount of $11,313,750US, being the issuance of common shares at $1.00US. This private placement financing completed March 1, 2011 and included the payment to the vendor of $6,000,000US re the purchase of the Atlanta Mine.

The financing included the issuance of broker warrants of 7% of $11,028,750US of the private placement. The warrants number 772,013 and the exercise price is $1.00, expiring December 31, 2012.

The Company has no debt other than current accounts payable and management believes that the Company has sufficient capital resources to meet its initial capital requirements for the current year.

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 ended June 30, 2011:

a) Consulting fees paid to the President/CEO of $30,000 at June 30, 2011.

b) Rent paid to an officer of $2,750 vs. nil at June 30, 2011.

c) Consulting fees paid to a director $1,000 vs. nil at June 30, 2011.

d) Consulting fees paid to the Chief Financial Officer of the Company, $4,000 vs. nil at June 30, 2011.

FINANCIAL INSTRUMENTS

The Company classified its cash and cash equivalents as held for trading, which are measured at fair value. Receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and accounts payable to related parties are classified as other financial liabilities, which are measured at amortized cost. The carrying values of accounts payable and accrued liabilities, and accounts payable to related parties approximate their fair values due to the relatively short period to maturity of these financial instruments. The fair value of cash and cash equivalents is measured using level 1 inputs.

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 June 30, 2011, the Company had funds on hand of $3,403,115 while the federally insured limit is $100,000. Receivables mainly consist of harmonized sale tax due from the federal government.

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 June 30, 2011, the Company had a cash balance of $3,403,115 to settle current liabilities of $384,045. 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.

Fair Value

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data.

Financial instruments measured at fair value on the balance sheet are summarized in levels of fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$3,403,115	$ -	$ -	$ 3,403,115
Total	$ 3,403,115	$ -	$ -	$ 3,403,115

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	36,776,928
Stock option	3,660,000

Warrants	772,013
	41,208,941

Escrowed shares

As of March 31, 2011, the company had 100,000 shares held in escrow pursuant to an escrow agreement dated August 4, 2006 in which 10% would be released on August 22, 2008, the date the qualifying transaction was completed and 15% every 6 months thereafter up to August 22, 2011.

As of March 31, 2011, the company had 70,406 shares held in escrow pursuant to an escrow agreement dated August 1, 2008 in which 10% would be released on August 22, 2008, the date the qualifying transaction was completed and 15% every 6 months thereafter up to August 22, 2011.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Transition to IFRS

These are the Company's first financial statements prepared in accordance with IFRS. The accounting policies set out in Note 2 of the financial statements have been applied in preparing the financial statements for the three months ended June 30, 2011, the comparative information presented in these financial statements for the three months ended June 30, 2011, and in the preparation of an opening IFRS statement of financial position as at April 1, 2010 (the Company's date of transition).

First Time Adoption of IFRS

The Company has adopted IFRS on April 1, 2011 with a transition date of April 1, 2010. Under IFRS 1, "First Time Adoption of International Financial Reporting Standards" ("IFRS"), the IFRS standards are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to deficit, with IFRS providing certain optional and mandatory exemptions to this principle.

The Company has elected to apply the following optional exemptions

Share-based payment transactions

IFRS encourages, but does not require, first-time adopters to apply IFRS 2, "Share-based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2992 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to April 1, 2010.

Reconciliation to previously reported financial statements

In preparing the opening IFRS statement of financial position and the financial statements for the interim period ended June 30, 2011, the Company identified certain adjustments to the amounts reported previously in the financial statements in accordance with Canadian GAAP. IFRS requires an entity to reconcile equity, comprehensive loss, and cash flows for prior periods. The adjustments were as follows:

(1) Deferred (Future) income taxes

A deferred tax liability shall not be recognized upon the recognition of assets and liabilities in a business combination. To conform with IFRS, the Company had to reverse a previously booked liability. As a result, deferred income tax liability, recognized in the year ended March 31, 2011 has been reduced by $5,481,776; resource property has been reduced by $5,335,446; property plant and equipment has been reduced by $151,025 and deferred income tax recovery of $4,695, previously recognized in the March 31, 2011 statement of loss, has been eliminated.

(2) Option payments on resource properties

Payments made to acquire an option to purchase are to be expensed as only resource mineral claims that are owned may be capitalized. To conform with IFRS, the Company had to expense claims previously recorded as resources properties in the year ended March 31, 2011. As a result, resource property was reduced by $89,292 and a corresponding charge was made to the statement of operations for that period.

3) Translation of foreign subsidiaries

Assets and liabilities of foreign entities are to be translated at the closing rate at the date of the statement of financial position. Income and expenses are to be translated at the rates at the dates of the transaction. Resulting exchange differences are recognized as other accumulated income. As the Company had recorded the acquisition of non-monetary assets as at the transaction date, an adjustment was required to translate the amounts using the statement of financial position date. As a result, as at March 31, 2011 resource properties were reduced by $28,800 and other comprehensive loss of that amount was recognized during the year ended March 31, 2011.

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended June 30, 2011, and have not been applied in preparing these financial statements.

(i) Effective for annual periods beginning on or after July 1, 2011:

Amendments to IFRS 7, "Financial Instruments: Disclosures"

Increase in disclosure with regards to the transfer of financial assets, especially if there is a disproportionate amount of transfer transactions that take place around the end of a reporting period.

(ii) Effective for annual periods beginning on or after January 1, 2013:

New standard IFRS 9, "Financial Instruments"

Partial replacement of IAS 39, "Financial Instruments: Recognition and Measurement"

New standard IFRS 13, "Fair Value Measurement"

IFRS 13 replaces the fair value measurement guidance currently dispersed across different IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements.

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the financial statements.

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, which is at very early stages of exploration, 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, have an impact on the economic viability of a mineral deposit.

<u>Equity Market Risk</u>

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. These factors are beyond the control of management.

<u>Reliance on Management</u>

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.

<u>Title</u>

There is no guarantee that title to properties in which 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. Before a number of claims under option can be recorded in Company's name, the underlying title holder has to assign title to the Company once the Company satisfies its option agreement obligations. There are no assurances that the underlying title holder will assign title.

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 June 30, 2011, the Company on September 24, 2011, the Company announced a private placement financing in the amount of $2,000,000 Cdn. This was a non-brokered private placement financing consisting of 2,250,000 common shares at $0.90 per share.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Chief Financial Officer and Chief Executive Officer have evaluated the effectiveness of the Company's disclosure controls as of June 30 2011. 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 300 - 905 West Pender Street, Vancouver, BC, V6C 1L6; phone 604-641-4450; fax 1-855-557-4622