MEADOW BAY GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED DECEMBER 31, 2015

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

February 12, 2016

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 first nine months of fiscal year ending March 31, 2016, and comparing results to the corresponding period for the previous year. 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, 2015 and 2014.

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.”

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

During the nine months ended December 31, 2015, the Company incurred a net loss for the period of $1,349,292 (2014 - $798,934). After consideration for a currency translation adjustment, of $1,545,066 (2014 - $684,898) there was a comprehensive income of $195,774 (2014 – loss of $114,036).

Desert Hawk Resources Inc., a wholly owned subsidiary of Meadow Bay Gold Corporation, is a mining and exploration company with a gold project in Nevada called the Atlanta Gold and Silver Mine, a former producing gold and silver mine. 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. A National Instrument 43-101 resource estimation was prepared by Gustavson LLC and subsequently filed on SEDAR.

SELECTED ANNUAL INFORMATION

	Year ended March 31, 2015 $	Year ended March 31, 2014 $	Year ended March 31, 2013 $
Total revenues	-	-	-
Net loss for the year	(1,568,381)	(1,539,488)	(1,753,033)
Net loss per share, basic and diluted	(0.03)	(0.03)	(0.04)
Total assets	27,070,658	25,064,598	23,491,948
Total working capital (deficit)	3,685	535,115	(71,570)
Shareholder's equity	26,775,092	24,922,173	22,491,948

For each of the past three years the financial statements were prepared using International Financial Reporting Standards (“IFRS”) and the Canadian dollar as the presentation and functional currency.

The results show little variation in net loss, certainly between the 2015 and the 2014 years. In 2013, the costs for trade show and investor relations was approximately $404,000, while in 2015 and 2014, that item was not more than $220,000. The decrease in the past two years reflects the difficult market for small resource companies and management's decision to spend less in promotion as it did not result in higher share value in 2013.

RESULTS OF OPERATIONS

For the quarter ended December 31, 2015 compared to the same quarter for the previous year – December 31, 2014

Total operating expenses for the quarter ended December 31, 2015 (referred to as "Q3 2016") amounted to $458,746 compared to $169,193 for the quarter ended December 31, 2014 (referred to as "Q3 2015"). Once the difference of $289,553 is reduced by the share-based compensation of $225,000 (which arose from the one –time issuance of 1,250,000 shares to directors) the difference for comparative purposes amounts to $64,553. A significant reason for the increase is the exchange rate between the Canadian and US dollar. The average exchange rate in Q3 2016 was 19% lower than the average rate in Q3 2015.

Claim maintenance fees, were $6,554 in Q3 2016 compared to $8,591 for Q3 2015. Consulting fees were 9,000 in Q3 2016 compared to $39,000 in Q3 2015. Wages and benefits in Q3 2016 amounted to $39,087 compared to $30,251 in Q3 2015. Trade shows and investor relations amounted to $69,931 in Q3 2016 vs. $42,530 in Q3 2015. Office and administrative services were $64,480 in Q3 2016 compared to $52,424 for Q3 2015. Depreciation was up marginally to $12,614 in Q3 2016 from $10,573 in Q3 2015. Professional fees increased to $21,801 in Q3 2016 compared to $12,202 in Q3 2015. Transfer agent and filing fees decreased to $401 in Q3 2016 compared to $13,243 in Q3 2015. Travel increased to $18,143 in Q3 2016 vs. $nil in Q3 2015. Finally, there was a small gain on foreign exchange in Q3 2016 of $170 vs. $nil in Q3 2015.

The following is a summary of quarterly results for the past 8 quarters:

	Dec 31 2015 $	Sept 30 2015 $	June 30 2015 $	March 31 2015 $
Income Statement Data				
Total Revenues	Nil	Nil	Nil	Nil
Income (loss) before discontinued operations and extraordinary items	(457,957)	(618,081)	(272,677)	(769,695)
Net income (loss)	(457,957)	(618,081)	(272,677)	(769,695)
Income (loss) per common share outstanding				
Income (loss) per share before discontinued operations and extraordinary items	(0.01)	(0.01)	0.00	(0.01)
Net income (loss) per share	(0.01)	(0.01)	0.00	(0.01)

	Dec 31 2014 $	Sept 30 2014 $	June 30 2014 $	March 31 2014 $
Income Statement Data				
Total Revenues	Nil	Nil	Nil	Nil
Income (loss) before discontinued operations and extraordinary items	(169,193)	(415,714)	(213,779)	(357,363)
Net income (loss)	(169,193)	(415,714)	(213,779)	(357,363)
Income (loss) per common share outstanding				
Income (loss) per share before discontinued operations and extraordinary items	0.00	(0.01)	0.00	0.00
Net income (loss) per share	0.00	(0.01)	0.00	0.00

For the nine months ended December 31, 2015 ("2015") compared to the same period for the previous year – December 31, 2014 ("2014")

In the nine months ended December 31, 2015, the Canadian dollar averaged 17% less than the US dollar compared to the same period in 2014. There has been an increase in activity, for both exploration expenses and operating expenses. The result is that most costs were up in 2015 compared to 2014.

For the nine months ended December 31, 2015, capitalized exploration costs on resource properties amounted to $559,023 compared to $93,035 in 2014.

For operating expenses, claim maintenance was $132,126 in 2015 compared to 98,708 in 2014. Consulting was $152,500 more in 2015 than in 2014. Trade shows and investor relations was $113,311 more in 2015. Travel was $48,828 in 2015 compared to $3,807 in 2014. Wages and benefits were $11,586 in 2015 compared to $60,605. Professional fees were $65,250 in 2015 and $35,108 in 2014. These were the areas where costs were significantly greater in 2015 compared to 2014.

Other areas experienced less increase and some areas even had a reduction. Depreciation was $36,160 in 2015 compared to $29,624 in 2014. Office and administration was $174,769 in 2015 and $167,707 in 2014. Transfer agent and filing was less in 2015; $44,531 in 2015 compared to $49,704 in 2014. Foreign exchange was negligible in both years. Finally, share based compensation, a non-cash item, was $292,290 in 2015 compared to $174,700 in 2014.

EXPLORATION PROGRAM

During the period ended December 31, 2015, the Company commenced an extensive exploration program at its Atlanta Mine in Nevada. The program consists of an exploration budget of US$500,000 with a two part work program. The first part was a drill program in the current resource area designed to upgrade (confidence level) and expand the existing resource at the Atlanta Porphyry and Shear Zone.

The second part of the program was designed to test new targets at the Western Knolls area of the Atlanta Mine Gold Project. Two holes were drilled, prior to the onset of winter weather. The results of this drilling were released on February 1, 2016 and may be found on the Company's website. It confirmed that this is a conducive environment for precious metal mineralization. The Company plans to complete the drill program in the summer of 2016.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2015, the Company had cash and cash equivalents of $13,080 compared to $275,477 as at December 31, 2014. The Company had a working capital deficit of $358,770 at December 31, 2015 compared to working capital of $286,942 as at December 31, 2014.

During the nine months ending December 31, 2015, the Company completed the following share transactions:

a) On April 4, 2015, a shareholder exercised options to purchase 30,000 common shares at $0.15 for proceeds of $4,500.

b) On April 8, 2015, 600,000 warrants were exercised; 400,000 at $0.25 and 200,000 at $0.15 for total proceeds of $130,000.

c) On July 10, 2015, the Company completed the first tranche of a non-brokered private placement by issuing 3,360,500 units at $0.20 each for gross proceeds of $672,100. 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 $0.25 per share. The Company paid finders' fees of $15,806 cash and 79,030 brokers' warrants, with each finder's warrant entitling the holder to purchase one common share of the Company under the same conditions as the warrants issued with the unit. The warrants were valued at $6,995 using a Black Scholes option pricing model, as the value of the services performed was not readily verifiable. The assumptions used for in the model were as follows: risk free interest rate – .05%, expected life – 2 years, dividend nil and annualized volatility – 101.86%.

d) On August 27, 2015, the Company completed the second and final tranche of the non-brokered private placement issuing 2,360,000 units for gross proceeds of $472,000. The Company paid finders' fees of $27,090 cash and 135,450 brokers' warrants, with each finder's warrant entitling the holder to purchase one common share of the Company under the same conditions as the warrants issued with the unit. The warrants were valued at $13,324 using a Black Scholes option pricing model, as the value of the services performed was not readily verifiable. The assumptions used for in the model were as follows: risk free interest rate – .04%, expected life – 2 years, dividend nil and annualized volatility – 104.84%.

   Certain officers of the Company participated in this private placement in the amount of $189,000, of which $89,000 was for services rendered and applied against amounts owing to related parties.

e) On September 29, 2015, directors were awarded a total of 1,250,000 shares

During the year ending March 31, 2015, the Company completed the following share transactions:

a) On February 11, 2015, the Company completed a non-brokered private placement by issuing 1,700,000 units issued for $0.10 for gross proceeds of $170,000. 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 $0.15 per share.

b) On December 19, 2014, the Company completed a non-brokered private placement by issuing 5,500,000 units issued for $0.10 for gross proceeds of $550,000. 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 $0.15 per share. The Company paid finders' fees of $31,549 cash and 312,200 finders' warrants, with each finder's warrant entitling the holder to purchase one common share of the Company under the same conditions as the unit holders. The warrants were valued at $20,586 using a Black Scholes option pricing model, as the value of the services performed was not readily verifiable. The assumptions used for in the model were as follows: risk free interest rate – 1.01%, expected life – 2 years, dividend nil and annualized volatility 103.54%.

   Certain officers of the Company participated in this private placement in the amount of $55,000, which was applied against amounts owing to related parties.

c) Shareholders exercised the following warrants:
   - 500,000 warrants were exercised on February 24, 2015 at $0.15 per share
   - 350,000 warrants were exercised on March 10, 2015 at $0.15 per share

The Company has no debt other than current accounts payable and amount due to related parties of $388,627 at December 31, 2015 ($246,670 as at December 31, 2014). 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 and complete equity funding. 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.

The following is a summary of the use of financing during the past nine months

Private placements	Cash Proceeds	Proposed Usage	Actual Usage	
		Ongoing exploration Activities	Ongoing exploration Activities	Working Capital
July 10, 2015	$ 405,700	$ 405,700		
August 27, 2015	472,000	472,000		
	$ 877,700	$ 877,700	$ 359,959	$ 517,741

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 nine months ended December 31, 2015 (with comparisons for the quarter ended December 31, 2014):

a) Consulting fees paid or accrued to Robert Dinning, the Chairman of the Board and former CEO, of $90,000 (2015 - $90,000).

b) Consulting fees paid or accrued to Chris Crupi, the current CEO, of $57,500 (2014 - $Nil)

c) Consulting fees paid or accrued to Keith Margetson, the CFO, of $27,000 (2014 - $27,000)

d) Geological fees paid or accrued to Doug Oliver, a former officer, in the amount of $43,900 (2014 - $38,971)

The Company owed the following related parties as at the period end:

	December 31, 2015	December 31, 2014
Robert Dinning	$ 75,475	$ 14,700
Chris Crupi	56,471	-
Keith Margetson	-	750
Doug Oliver	-	60,260

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 classified its cash and cash equivalents as loans and receivables and are carried at amortized cost. Receivables, 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 the Company's financial assets and liabilities approximate their fair value due to the relatively short periods to maturity of these investments.

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 December 31, 2015, the Company had funds on hand of $13,080 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 December 31, 2015, the Company had a cash balance of $13,800 to settle current liabilities of $388,627. 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	74,990,295
Stock options	5,820,000
Warrants	24,045,042
	104,855,337

RISK AND UNCERTAINTIES

The Company is in the business of acquiring and exploring natural resource 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 early stages of exploration, the following risk factors, amongst others, apply:

Negative Operating Cash Flow

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.

Mining Industry

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.

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 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.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Chief Financial Officer and Chief Executive Officer have evaluated the effectiveness of the Company's disclosure controls as of December 31, 2015. 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.