Madison Minerals Inc.

FORM 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED APRIL 30, 2011

Introduction and Overview

Madison Minerals Inc. is a junior mineral exploration company listed on the TSX Venture Exchange under the trading symbol "MMR" and on the U.S. OTC Bulletin Board under the symbol "MMRSF". Madison's current exploration focus is the Lewis Gold Project in the Battle Mountain District of Nevada.

Madison is in the business of the acquisition, exploration, exploration management and sale of mineral properties, with the primary aim of advancing them to a stage where they can be exploited at a profit. We do not currently have any producing properties and our current operations are exploratory searches for mineable deposits of minerals. The Lewis Gold Project has been Madison's primary focus since 2005.

This MD&A is dated June 24, 2011 and discloses specified information up to that date. Madison is classified as a "venture issuer" for the purposes of National Instrument 51-102. The Company's adoption date for International Financial Reporting Standards (IFRS) will be November 1, 2011; accordingly, these financial statements are prepared in accordance with generally accepted accounting principles applicable in Canada *prior to the adoption of IFRS* and are expressed in Canadian dollars. The discussion and analysis should be read together with the consolidated financial statements for the six months ended April 30, 2011 and related notes attached thereto (the "Interim Financial Statements"). Throughout this report we refer from time to time to "Madison", "the Company", "we", "us", "our" or "its". All these terms are used in respect of Madison Minerals Inc. which is the reporting issuer in this document. ***We recommend that readers consult the "Cautionary Statement" on the last page of this document.***

Overall Performance

The following summarizes the significant events and transactions in the Lewis project and our financing activities during and subsequent to the two most recent fiscal quarters, November 2010 to April 2011, with emphasis on the three months February to April 2011. It should be noted that in March and April 2011 we completed two private placement financings generating gross proceeds of $395,000. These financings are the principal cause of our working capital position at the fiscal quarter end April 30, 2011 being $436,180 upon which we base our operations and activities for the fiscal year currently under way.

Lewis Gold Project, Nevada

During 2011's first two fiscal quarters, as in the prior year, the joint venture decided to minimize expenditures on the Lewis project, reflecting our uncertainty about market and financing conditions. Notably, however, we expended some $41,200 in December 2010 as our portion of the advance royalty payment for 2011. Including this advance royalty, during the 2011 fiscal quarter we expended approximately $43,000 on our 60 per cent portion of JV costs. These costs are set out in Note 5 to the Interim Financial Statements. Other than the advance royalty payment, the principal other cost was for assay and storage costs associated with the Lewis claims.

Our December 2010 payment of the advance royalty for 2011 indicates the intention of the joint venture partners to continue with our tenure and development of the Lewis Project. It is the intention of the joint venture to make claim maintenance payments of US $54,180 during the third fiscal quarter, of which the Company's 60% portion is US $32,508. This further illustrates our intention to maintain this project.

Other projects

There have been no changes to the information set out in Note 5 to our October 31, 2009 annual audited financial statements about the Belencillo project in Panama or the Mount Kare project in Papua New Guinea. This latter project remains in liquidation.

Comment on the nature of and presumption of continuance of our operations

As set out in Note 1 to the Interim Financial Statements, our financial reporting assumes continuing operations in the normal course of business. We believe this presumption is supported by the current financings set out in Note 6.

At this stage of development, Madison does not generate cash flow and consumes significant cash resources in carrying on its exploration business. Readers should note that in 2011's second fiscal quarter the Company augmented ts total cash resources by $296,868 as set out in the Statement of Cash Flows, and that as at April 30, 2011 the Company's working capital was $436,180 – up by 94 per cent from the October 31, 2010 year end date. This is of course attributable to the March and April financings, net of drawdowns arising from operations.

Results of Operations – Summary of Quarterly Results

	Three Months Ended April 30, 2011	Three Months Ended January 31, 2011	Three Months Ended October 31, 2010	Three Months Ended July 31, 2010	Three Months Ended April 30, 2010	Three Months Ended January 31, 2010	Three Months Ended October 31, 2009	Three Months Ended July 31, 2009
Total assets	$ 8,573,440	$ 8,275,964	$ 8,287,255	$ 8,296,762	$ 8,304,797	$ 8,405,901	$ 8,461,520	$ 8,238,304
Resource properties	7,891,393	7,893,042	7,848,051	7,810,421	7,804,556	7,794,305	7,737,693	7,734,940
Working capital	436,180	138,983	225,216	304,448	384,127	454,193	565,237	372,244
Shareholders' equity	8,354,855	8,062,542	8,107,020	8,151,857	8,228,907	8,291,957	8,349,625	8,157,114
Revenues	nil	nil	nil	nil	nil	nil	nil	nil
Net income (loss)	(96,907)	(44,478)	(47,727)	(74,160)	(64,495)	(53,333)	(87,290)	(74,830)
Earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Discussion of quarterly results

Madison's management believes that the financial analysis of a resource exploration company is best focused on the statement of cash flows. This statement demonstrates our ability to raise and maintain the necessary funding to pursue our exploration targets and to administer the company while doing so. For the six months ended April 30, 2011 we increased cash resources by $250,000 made up of the following: $395,000 in cash proceeds of financings; $43,000 expended on the Lewis Gold Project; and $103,000 on operations. In the comparable 2009 period, we drew down cash resources by $170,000 made up of the following: $67,000 expended on the Lewis Gold Project, net cash inflows of $50,000 from our joint venture partner, and $153,000 on operations.

In the 2011 fiscal first and second quarters, the principal components of our expenditures on the Lewis Project were $41,000 for the advance royalty payment and $9,000 in land, legal and other costs, reduced by the refund of a reclamation bond from earlier years of $7,000. In the 2010 first and second fiscal quarters, the principal components of our expenditures on the Lewis Project were $44,000 for the advance royalty payment and $23,000 in land, legal and other costs. Details of the fiscal 2011 costs are set out in Note 5 to the Interim Financial Statements.

Because of the proceeds of the two financings completed in March and April 2011, Madison concluded the 2011 second quarter adequately funded, with a cash balance of $557,000, a commodity tax receivable of $73,000, $219,000 in current liabilities and no long term debt.

Administrative costs for the 2011 first and second quarters were 24 per cent greater than in 2010. The principal reduction is in audit and accounting costs related to diminished expected costs of complying with Sarbanes-Oxley legislation in the U.S, and the principal increase is in legal costs, an inherently variable cost centre. We expect costs in fiscal 2011 to be similar to or less than in 2010 as our cost-saving measures continue. We will be required to incur certain costs later in the current fiscal year associated with the adoption of IFRS in the next fiscal year.

The operating results of junior exploration companies typically demonstrate wide variations from period to period. These variances arise from fluctuations in such costs as stock-based compensation, exploration costs expensed or written down, professional and consulting fees, transfer and filing fees, public relations costs and general office expense. Management of Madison does not believe that much meaningful information about our operations can be derived from an analysis of quarterly fluctuations in more detail than presented in the quarterly and annual financial statements. Commencing two years ago, the Company embarked upon a program of reducing general and administrative costs, in keeping with reduced funding balances and diminishing levels of exploration activity on the Lewis gold project. This has resulted in significant reductions across most major cost centres. Recent quarter-by-quarter costs are now stabilizing at relatively modest levels. Operating expenses for the quarter ended April 30, 2011 were $94,819 compared to $60,202 in the prior fiscal year's first fiscal quarter. The decrease is prinicpally attributable to the decrease in audit and accounting costs and the increase in legal costs described above.

The significant changes in Madison's key financial data over the eight quarters scheduled above can be attributed principally to exploration expenditures on the Lewis Property in Nevada, to related administrative effort in support of this, and to financings carried out.

Liquidity

Based on its period-end working capital of $436,000, Madison has sufficient funds to meet its general and administrative expenses and its share of the probable costs of the next phases of exploration on the Lewis Property for the current fiscal year. Programs and budgets for 2011 for the Lewis Property will conform to the funds available. The two financings completed in March and April 2011 confirm our ability to finance under current market conditions.

Capital Resources

At April 30, 2011 and to the date of this report, Madison has a reasonable cash and working capital position. The company expects to pay USD $32,508 by July 31, 2011 for its share of claim maintenance costs at the Lewis project in Nevada. To fulfill the advance royalty commitment at the fourth anniversary, a payment of approximately USD $43,000 will be required in December 2011. The Company and the joint venture have no commitments for capital expenditures. The Company has a non-capital commitment for the lease of rental office space as set out in Note 13 to the annual audited financial statements. We expect virtually all of these lease amounts will be funded by a related company as also set out therein. That entity is well funded.

Related Party Transactions

During the six months ended April 30, 2011, Madison accrued salaries and benefits of $36,140 to Chet Idziszek, the Chairman of the Board and Chief Executive Officer for executive management services, paid or accrued a director's fee of $3,000 to each of directors Vivian Danielson and Robert Sibthorpe, and accrued $23,450 to a law firm controlled by J. G. Stewart, Corporate Secretary and a Director, for legal services. As at April 30, 2011, accounts payable and accrued liabilities included $108,190 due to Mr. Idziszek for accrued unpaid salary and $72,100 to Mr. Stewart's law firm for accrued and unbilled legal fees. These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the Company and the related parties.

Accounting Standards

The Company has not adopted nor does it expect to adopt any new accounting standards pursuant to Canadian GAAP for the current fiscal year which commenced November 1, 2010.

International Financial Reporting Standards ("IFRS") Implementation Plan

Also as described in Note 3 to the annual audited financial statements, 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Madison Minerals Inc. will publish its first financial statements under IFRS for its interim fiscal quarter ending January 31, 2012. Those statements will include comparative amounts, determined under IFRS, from our prior fiscal year ended October 31, 2011; in order to provide this comparative information, we will need to restate our balance sheets under IFRS as at October 31, 2010 and 2011 as part of the preparation of the January 2012 disclosure. The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required.

While an analysis will be required for all current accounting policies, the initial key areas of assessment include:

- Exploration and development expenditures;
- Property, plant and equipment (measurement and valuation);

- Provisions, including asset retirement obligations and possible impairment;
- Stock-based compensation;
- Accounting for joint ventures;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of the Company's IFRS implementation plan will also be addressed, including the implication of changes to accounting policies and processes; financial statement note disclosures; information technology; internal controls; contractual arrangements; and employee training.

The following table summarizes the expected timing of activities related to the Company's transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	In progress now
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	By July 31, 2011
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	By July 31, 2011
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	By October 31, 2011
Resolution of the accounting policy change implications on information technology, internal controls and contractual agreements.	By October 31, 2011
Management and employee education and training.	Throughout the transition process
Quantification of the Financial Statements impact of changes in accounting policies.	By October 31, 2011

The Company expects to fully meet the IFRS conversion requirements on a timely basis.

Financial Instruments

Madison's material financial instruments consist of cash, marketable securities, receivables (including amounts receivable from our joint venture partner), and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that we are not exposed to significant interest, currency or credit risks arising from these financial instruments. Cash is carried at fair value using a Level 1 fair value measurement. The fair value of our other financial instruments is approximately equal to their carrying values due to short maturity terms or, in the case of marketable securities, readily available active market prices. As at April 30, 2011, of our total current assets of $654,765 the amount of $29,952 or five per cent represented the translated value of U.S. dollar bank holdings and a U.S. dollar receivable, exposing the Company, on an accounting basis, to a modest foreign exchange risk. At April 30, 2011 we did not have material payable balances denominated in U.S. dollars. Madison has to date not entered into the use of derivative instruments or foreign exchange contracts to hedge against gains or losses arising from foreign exchange fluctuations. Our marketable securities are measured at fair value based on quoted market prices, using the closing bid price at the balance sheet date. This is consistent with level 1 of the fair value hierarchy described in Note 14 to our annual audited financial statements.

Risk Factors

The following is a brief summary of certain risk factors for which adverse occurrences may have a material impact on the Company's future financial performance. The factors set out below represent only those risks which in management's judgment constitute the most serious risk threats.

Risks of the Company's exploration efforts failing to establish a viable mining project

The Company is engaged in the business of acquiring interests in mineral properties in the hope of locating mineral reserves. The Company's property interests are in the exploration stage only and are without a known body of commercial ore. Accordingly, there is little likelihood that the Company will realise any profits in the short to medium term. Any profitability in the future from the Company's business will be dependent upon locating mineral reserves, which itself is subject to numerous risk factors. The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. In exploring its mineral deposits, the Company will be subjected to an array of complex economic factors and accordingly there is no assurance that a positive feasibility study or any projected results contained in a feasibility study of a mineral deposit will be attained. Technical considerations, delays in obtaining governmental approvals, inability to obtain financing or other factors could cause delays in exploring properties. Such delays could materially adversely affect the financial performance of the Company.

Risks to investors of significant fluctuations in share prices and share price volatility

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, the per share price of the Company's common stock fluctuated from a high of $0.22 to a low of $0.075 in the period beginning November 1, 2009 and ending on the date of this report. It is probable that such price fluctuations will continue to occur, and there can be no assurance that the market price for the Company's shares will improve from current valuations.

Risks of failing to meet additional substantial funding requirements

The Company has not received cash flow from operations in the past and cash flow is not expected in the next few years to satisfy the Company's operational requirements and cash commitments. In the past, the Company has relied on sales of equity securities to meet most of its cash requirements, together with management fees, property payments and sales or joint ventures of properties. There can be no assurance that funding from these sources will be sufficient in the future to satisfy operational requirements and cash commitments.

The Company presently has sufficient financial resources to undertake its share of the cost of the next phases of exploration on its Lewis Property for the coming year only if the scope of expenditure remains similarly modest as in fiscal 2009-2010 and 2008-2009, a scope which is significantly reduced from that which was conducted in the two financial years 2007-2008 and 2006-2007. Further significant exploration programs, if adopted in the current or future years, will require additional financing to proceed. The exploration of the Company's properties depends upon the Company's ability to obtain financing through any or all of the joint venturing of projects, debt financing, equity financing or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to obtain additional financing on a timely basis could cause the Company to forfeit all or a portion of its interest in its properties or reduce or terminate its operations on such properties.

Statutory Disclosure

Important additional information about Madison, including previous financial statements, news releases and material change reports, is available on the SEDAR website – www.sedar.com .

Disclosure by venture issuer without significant revenue

Analyses of the material components of Madison's general and administrative expenses and of the material components of the acquisition and deferred exploration costs of our mineral properties for the current fiscal year to date are provided in the financial statements to which this MD&A relates. The largest components of the reduced general and administrative expenses between fiscal 2010's and 2011's first and second fiscal quarters are reduced audit and accounting expense and increased legal expense as set out on page 2 above.

Outstanding Share Data

The authorized share capital of the Company is an unlimited number of common shares without par value of which 40,906,727 were outstanding at April 30, 2011 and as at the date hereof.

At April 30, 2011 and the date of this report Madison had 2,637,616 incentive stock options outstanding as set out in Note 7 to the Interim Financial statements, exercisable at prices ranging from $0.25 to $1.10 per share for terms expiring between October 20, 2011 and April 14, 2013.

At April 30, 2011 and the date of this report Madison had 4,484,833 share purchase warrants outstanding as set out in Note 7 to the Interim Financial Statements, exercisable at prices ranging from $0.15 to $0.25 per share for terms expiring between October 31, 2011 and April 14, 2013.

Vancouver, British Columbia June 24, 2011

Cautionary Statement

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price and other volatility in the financial markets and in the mineral commodities we seek, and operational and political risks. We recommend that users of this document do not place undue reliance on forward-looking statements.