FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

BALMORAL RESOURCES LTD. (the "Issuer")
2300-1177 West Hastings Street
Vancouver, BC V6E 2K3

Item 2. Date of Material Change

December 10, 2015

Item 3. News Release

The date of the news release issued pursuant to section 7.1 of National Instrument 51-102 with respect to the material change disclosed in this report is December 10, 2015. The news release was issued in Vancouver, British Columbia through Marketwired and filed via SEDAR.

Item 4. Summary of Material Change

Balmoral Resources today announced that gold recoveries of 91.4% and silver recoveries of 80.2% have been achieved in preliminary metallurgical testing conducted on a composite sample comprised of material from the four principal gold bearing zones located along the Bug Lake Trend on the Company's Martiniere Property in Quebec. Results were achieved by standard flotation followed by cyanide leaching of the flotation concentrate and tails.

Item 5. Full Description of Material Change

See News Release dated December 10, 2015.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential.

Item 8. Executive Officer

The following Executive officer of the Issuer is knowledgeable about the material change disclosed in this report. Darin Wagner, President & CEO; Business Telephone No.: (604) 638-3664.

Item 9. Date of Report

December 10, 2015