

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

BALMORAL RESOURCES LTD. (the "Issuer")
1750-700 West Pender Street
Vancouver, BC V6C 1G8

Item 2. Date of Material Change

September 7, 2016

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 September 7, 2016. The news release was issued in Vancouver, British Columbia through Marketwired and filed via SEDAR.

Item 4. Summary of Material Change

Balmoral Resources announced results from the first seven holes of the 2016 summer drill program which included a number of intercepts broader in nature than those previously intersected from the Bug South Deposit. Specifically drill holes MDE-16-217 to MDE-16-220 returned gold mineralized down hole intercepts ranging from 25.90 metres to 115.45 metres at average grades of 0.96 to 2.73 g/t gold from the Upper Bug Zone of the Bug South Deposit. The four holes intersected the Upper Bug Zone at vertical depths of 110 to 145 metres

Item 5. Full Description of Material Change

See News Release dated September 7, 2016.

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

September 9, 2016