

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

July 12, 2017

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 dated July 12, 2017. The news release was issued in Vancouver, British Columbia through Nasdaq and filed via SEDAR.

Item 4. Summary of Material Change

Balmoral Resources Ltd. released the final drill results from the Company's spring drill program on its Detour Gold Trend Project in Quebec. A series of holes testing the Bug South gold deposit, on its wholly owned Martiniere Property successfully extended the Bug South deposit to a vertical depth of approximately 385 metres with a broad intercept of 14.28 metres grading 3.51 g/t gold, including a very high grade interval of 0.46 metres grading 66.60 g/t gold. The Bug South deposit remains open down-plunge to the south-southeast. Drilling is currently focused on additional expansion of the deposit to depth. The near surface continuity of broad zones of gold mineralization at Bug South was further confirmed with intercepts of 48.70 metres grading 1.26 g/t gold and 38.78 metres grading 1.77 g/t gold in two infill holes testing the deposit between 150 and 200 metres vertical depth. Both intercepts (in holes MDE-17-287B and MDE-17-288) contain several higher grade sub-intervals.

Item 5. Full Description of Material Change

See News Release dated July 12, 2017.

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

July 12, 2017.