

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

October 4, 2012

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 October 4, 2012. The news release was issued in Vancouver, British Columbia through Marketwire and filed with TSX Venture Exchange, British Columbia and Alberta Securities Commissions via SEDAR.

Item 4. Summary of Material Change

Balmoral announces that it has closed the previously announced (see NR12-22 and NR12-23 both dated September 12, 2012) flow-through bought deal private placement with a syndicate of underwriters led by Canaccord Genuity Corp. and including Cormark Securities Inc. and Laurentian Bank Securities Inc. (collectively, the "Underwriters"). With full subscription of the over-allotment option granted to the Underwriters, the Company has issued 6,960,000 flow-through common shares at a price of \$1.15 per flow-through common share for gross proceeds \$8,004,000.

Item 5. Full Description of Material Change

See News Release dated October 4, 2012.

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

October 4, 2012