

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

May 11, 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 May 11, 2016. The news release was issued in Vancouver, British Columbia through Marketwired and filed via SEDAR.

Item 4. Summary of Material Change

Balmoral Resources today reported the initial results from the winter 2016 drill program on the Company's Detour Trend Project in Quebec. Results were highlighted by intercepts of 14.08 g/t gold over 12.56 metres including 199.00 g/t gold over 0.85 metres, 11.55 g/t gold over 4.47 metres and 3.31 g/t gold over 15.42 metres, including a higher grade core of 6.08 g/t over 5.30 metres, from the first three holes testing the southern portion of the Bug Lake Gold Trend on the Company's Martiniere Property. All three holes confirm and expand on a series of high-grade gold intercepts from initial, widely spaced drilling along this portion of the Trend.

Winter drilling on the Grasset Property tested two gold targets. Holes GR-16-100 and GR-16-101 were drilled to confirm the presence of a new gold bearing shear zone in the hanging wall to the Grasset Nickel Deposit. Both holes successfully intersected a sequence of strongly deformed, sericite altered and variably quartz-carbonate veined volcanic rocks returning anomalous gold mineralization over greater than 6.0 metre widths. These two holes were drilled lateral to, and above, discovery hole GR-15-89 which returned 10.04 g/t gold over 3.80 metres from the same target.

Item 5. Full Description of Material Change

See News Release dated May 11, 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

May 11, 2016