

High Grade Sub-Zones Continue, Highlighted By 18.26m Grading 5.41 g/t Gold

VANCOUVER, BC--(Marketwired - September 07, 2016) - [Balmoral Resources Ltd.](#) ("Balmoral" or the "Company") (TSX: BAR) (OTCQX: BALMF) today reported that ongoing drilling has demonstrated a rapid increase in the width of the Bug South Gold Deposit on the Company's Martiniere Property in Quebec.

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 (see table below). The four holes intersected the Upper Bug Zone at vertical depths of 110 to 145 metres, 50 to 100 metres below and lateral to previous drilling (see Figure 1 - Bug South Deposit, Upper Bug Zone Long Section). The rapid increase in the width of the gold mineralized zone is apparent in Figure 2, a cross-section through holes MDE-16-217 and MDE-16-218. The deposit remains open to depth and down plunge.

Gold mineralization within the Bug South Deposit, while primarily contained within the Upper Bug Zone, is also associated with the Lower Bug, HWP, and Zinc Zones. As with previous drilling the broader gold mineralized intervals contain higher grade sub-zones highlighted by the following intercepts:

- 5.41 g/t gold over 18.26 metres (including 9.34 g/t gold over 8.49 metres) from the Upper Bug - HWP Wedge in hole MDE-16-216 (see Figure 3)
- 22.20 g/t gold over 3.64 metres from the Lower Bug Zone in hole MDE-16-214
- 4.17 g/t gold over 10.75 metres from the Upper Bug Zone in hole MDE-16-219
- 3.73 g/t gold over 10.75 metres from the Upper Bug Zone in hole MDE-16-218
- 8.79 g/t gold over 2.83 metres from the Upper Bug Zone in hole MDE-16-215

"The rapid expansion of the Bug South Deposit and the strengthening of the mineralized system apparent from today's results are potential game-changers for the Bug Lake South area. With Bug North and Martiniere West there are now three near-surface gold deposits on the Martiniere Property (see Figure 4). All three are open at relatively shallow depths for expansion, and a number of other prospective zones and exploration targets can add to this list" said Darin Wagner, President and CEO of Balmoral. "Permits for a series of holes which will allow for the continued testing of the Bug South Deposit along strike from, and to depth beneath, the holes announced today were recently received and one drill is already active in this area. A second is anticipated to move from testing the Lower Steep Zone to this area within the next several days."

Hole Number	Northing	Easting	Dip	From (Metres)	To (Metres)	Interval* (Metres)	Gold (g/t)	Zone
MDE-16-214	3+00S	2+70W	-48	87.95	94.95	7.00	0.38	Zinc Zone
				121.36	139.53	18.17	1.40	Upper Bug
<i>including</i>				125.42	125.88	0.46	5.18	"
<i>and</i>				130.85	134.15	3.30	3.32	"
				161.96	165.60	3.64	22.20	Lower Bug
<i>including</i>				163.10	164.64	1.54	51.34	"
MDE-16-215	2+50S	2+75W	-47	53.00	59.26	6.26	0.46	
				92.78	115.6	22.82	2.55	HWP + U Bug
<i>including</i>				94.35	95.74	1.39	4.36	"
<i>and</i>				98.72	103.18	4.46	2.92	"
<i>and</i>				107.30	114.65	7.35	4.22	"
<i>which includes</i>				111.82	114.65	2.83	8.79	"
				133.38	136.16	2.78	0.88	Lower Bug
MDE-16-216	3+25S	1+75W	-49	154.07	157.20	3.13	0.20	Zinc Zone
				206.40	238.69	32.29	3.39	HWP + U Bug
<i>including</i>				206.40	224.66	18.26	5.41	"
<i>which includes</i>				210.19	211.92	1.73	5.01	"
<i>and</i>				216.17	224.66	8.49	9.34	"
<i>which includes</i>				216.17	220.98	4.81	11.97	"
				255.91	256.84	0.93	2.88	Footwall
MDE-16-217	2+00S	2+40W	-48	75.38	155.55	80.17	0.96	Upper Bug
<i>including</i>				86.40	86.77	0.37	3.27	"
<i>and</i>				101.95	102.60	0.65	4.57	"
<i>and</i>				116.09	117.02	0.93	3.10	"
				Lower Bug Zone incompletely sampled; results pending				
				216.85	221.00	4.15	0.59	Footwall
MDE-16-218	2+00S	2+40W	-57	74.05	189.50	115.45**	1.40	Upper Bug
<i>including</i>				148.70	189.50	40.80	2.82	"
<i>which includes</i>				150.00	162.20	12.20	3.33	"
<i>including</i>				151.00	152.70	1.70	5.17	"

and			160.50	162.20	1.70	5.77	"	
and including			177.25	188.00	10.75	3.73	"	
including			177.25	178.30	1.05	8.25		
and			186.40	188.00	1.60	8.03	"	
			222.80	227.35	4.55	1.20	Lower	Bug
including			222.80	225.05	2.25	2.18	"	
			257.00	260.00	3.00	0.56	Footwall	
MDE-16-219	2+25S	2+40W -57	71.05	72.80	1.75	7.45	HWP	
			84.65	87.00	2.35	0.49	HWP	
			166.55	192.45	25.90	2.73	Upper	Bug
including			181.25	192.00	10.75	4.17	"	
			209.40	213.30	3.90	0.20	Lower	Bug
			277.80	278.20	0.40	14.90		
MDE-16-220	2+25S	2+40W -47	97.25	105.65	8.40	0.30	HWP	
			139.33	170.30	30.97	1.28	Upper	Bug
including			153.55	159.30	5.75	3.36	"	
			178.71	180.65	1.94	1.51	Lower	Bug

** Reported drill intercepts are not true widths. At this time there is insufficient data with respect to the shape of the mineralization to calculate true orientations in space although they are estimated to range between approximately 60 and 77% of true thickness. All values presented uncapped.*

*** Three internal intervals within this composite, 107.50-110.70 metres, 121.00-125.00 metres and 139.20-147.20 metres (an aggregate of 12.20 metres), were not initially sampled and have been assigned zero value for purposes of computing the composite. Subsequent visual inspection of the core, and nearby hole MDE-16-217, by the Company's qualified person suggests the mineralized system continues through each of these intervals. These intervals are currently being sampled and analyzed and the final results will be reported in an upcoming release.*

Thirty additional holes have now been completed on the Martiniere Property with results pending and two drills active. Drilling will continue to focus on the expansion of the Bug South Gold Deposit in the near-term. Testing of several gold exploration targets on the Company's nearby Detour East Property is still tentatively slated for later in September pending receipt of drill permits.

Quality Control

Mr. Darin Wagner (P.Geo.), President and CEO of the Company, is the non-independent qualified person for the technical disclosure contained in this news release. Mr. Wagner has supervised the work programs on the Martiniere Property since inception, visited the property on multiple occasions, examined the drill core from the holes summarized in this release, discussed, reviewed the results with senior on-site geological staff and reviewed the available analytical and quality control results.

Balmoral has implemented a quality control program for all of its drill programs, to ensure best practice in the sampling and analysis of the drill core, which includes the insertion of blind blanks, duplicates and certified standards into sample stream. NQ sized drill core is saw cut with half of the drill core sampled at intervals based on geological criteria including lithology, visual mineralization and alteration. The remaining half of the core is stored on-site at the Company's Martiniere field camp in Central Quebec. Drill core samples are transported in sealed bags to ALS Minerals' Val d'Or, Quebec analytical facilities. Gold analyses are obtained via industry standard fire assay with atomic absorption finish using 30 g aliquots. For samples returning greater than 5.00 g/t gold follow-up fire assay analysis with a gravimetric finish is completed. The Company has also requested that any samples returning greater than 10.00 g/t gold undergo screen metallic fire assay. Following receipt of assays, visual analysis of mineralized intercepts is conducted and additional analysis may be requested. ALS Minerals is ISO 9001:2008 certified and the Val d'Or facilities are ISO 17025 certified for gold analysis.

About Balmoral Resources Ltd. - www.balmoralresources.com

Balmoral is a well-funded, Canadian-based company actively delineating and expanding multiple targets along the Bug Lake Gold Trend on its wholly owned, 700 square kilometre Detour Trend Project in Quebec, Canada. The Project also hosts Balmoral's Grasset Ni-Cu-Co-PGE deposit and numerous additional base metal occurrences. Employing an aggressive, drill focused exploration style in one of the world's pre-eminent geological and mining jurisdictions, Balmoral is following an established formula with a goal of maximizing shareholder value through discovery and definition of high-grade, Canadian gold and base metal assets.

On behalf of the board of directors of

BALMORAL RESOURCES LTD.

"Darin Wagner"

President and CEO

This press release contains forward-looking statements and forward-looking information (collectively, "forward looking statements") within the meaning of applicable Canadian and United States securities laws. All statements, other than statements of historical fact, included herein, including statements regarding the anticipated content, commencement, duration and cost of exploration programs, anticipated exploration program results, the discovery and delineation of mineral deposits/resources/reserves, the timing of the receipt of assay results, the visual continuity of certain mineralized intervals and business and financing plans and trends, the potentially open nature of the mineralized zones on the property and the potential for future discoveries of additional mineralization on the property are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions or are those which, by their nature, refer to future events. Although the Company believes that such statements are reasonable, there can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward-looking statements. Important factors that could cause actual events and results to differ materially from the Company's expectations include those related to weather, equipment and staff availability; performance of third parties; risks related to the exploration stage of the Company's projects; market fluctuations in prices for securities of exploration stage companies and in commodity prices; and uncertainties about the availability of additional financing; risks related to the Company's ability to identify one or more economic deposits on the properties, and variations in the nature, quality and quantity of any mineral deposits that may be located on the properties; risks related to the Company's ability to obtain any necessary permits, consents or authorizations required for its activities on the properties; and risks related to the Company's ability to produce minerals from the properties successfully or profitably. Trading in the securities of the Company should be considered highly speculative. All of the Company's public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the latest technical reports filed with respect to the Company's mineral properties.

This press release is not, and is not to be construed in any way as, an offer to buy or sell securities in the United States.

Image Available:

http://www.marketwire.com/library/MwGo/2016/9/7/11G113123/Images/2016_09_01_Bug_Lake_Drill_and_Surveying_cropped_4x-2

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