Balmoral’s Nickel Sulphide Portfolio Expands With Confirmation of Precious Metal Rich Nickel Discovery at Bluenose, Rum Project, Quebec

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VANCOUVER, Oct. 21, 2019 - Balmoral Resources Ltd. (“Balmoral” or the “Company”) (TSX: BAR; OTCQX: BALMF) controls a portfolio of highly prospective nickel sulphide projects located in the greenstone belts of Ontario and Quebec. The Company recently announced the first indications of nickel sulphide mineralization on its RUM project in Quebec (see NR19-13 - July 30, 2019).

Balmoral is pleased to advise that follow-up hand stripping and sampling has significantly expanded the Bluenose Nickel-Copper-Gold-PGE Zone and has confirmed the precious metal rich nature of this new nickel sulphide discovery (see Table 1 below). The Bluenose discovery is located on Balmoral’s 100% held RUM North Property in the Lac Rocher nickel district of Quebec (see Figure 1). Bluenose is one of 16 untested magmatic nickel sulphide targets recently acquired by Balmoral in the Lac Rocher district.

Bluenose Nickel-Copper-Gold-Platinum-Palladium Zone

Mapping of the stripped and washed discovery outcrop at Bluenose (see Photo 1) has outlined clear magmatic zoning/layering within the host intrusion. Disseminated sulphide mineralization occurs throughout the outcrop with 5 to 50 cm wide bands of more concentrated nickel-copper-gold-PGE bearing sulphide mineralization occurring at the contact between individual magmatic layers.

Overall the intrusion becomes more olivine rich to the south/southwest and disseminated sulphide content, which appears to correlate well with grade, also increases toward the south/southwest. A zone of interstitial to “blebby” nickel sulphide mineralization (see Photo 2) occurs at the west-southwest edge of the outcrop as it dives under the overburden cover. The coarse interstitial and blebby sulphide mineralization, which are the typical precursors to massive sulphide development in magmatic nickel sulphide systems like the one being outlined at Bluenose, occurs proximal to untested EM anomalies located along the southwestern margin of the Bluenose intrusion. A similar EM anomaly occurs along the southeastern margin of the intrusion (see Figure 2).

Table 1: Saw Cut 30 cm grab sample results

Sample Number	Ni %	Cu %	Co ppm	Au g/t	Pt g/t	Pd g/t	3E g/t	S %
I101851	0.44	0.21	0.02	0.16	0.50	0.56	1.23	1.06
I101852	0.43	0.16	0.02	0.18	0.51	0.71	1.39	1.10
I101853	0.28	0.17	0.01	0.06	0.29	0.28	0.64	0.63
I101854	0.31	0.16	0.02	0.07	0.29	0.46	0.81	0.80
I101855	0.22	0.50	0.01	0.16	0.70	0.81	1.66	0.81
I101856	0.20	0.05	0.01	0.01	0.09	0.13	0.23	0.31
I101857	0.24	0.20	0.01	0.10	0.39	0.39	0.87	0.61
I101858	0.38	0.23	0.02	0.15	0.35	0.51	1.00	0.96

“Our mapping and sampling of the available outcrop at Bluenose provides clear evidence for magmatic layering, multiple phases of sulphide precipitation, and a gravitational vector for the settling of olivine and sulphides. The interpreted direction of sulphide settling appears to correlate well with the conductors outlined by the airborne survey,” said Michael Tucker, Exploration Manager for Balmoral. “The comparisons with the Lac Rocher deposit are obvious and, given the strength of the EM

anomalies at Bluenose, we are looking forward to both the initial drill testing of this new discovery and evaluating the numerous similar targets we control in the district.”

Figure 2 compares the geophysical anomalies and discovery sample results from Balmoral’s Bluenose discovery to those from the Lac Rocher nickel-copper deposit located 25 km to the southwest. The Bluenose discovery exhibits similar nickel and copper grades to those observed on surface at Lac Rocher, but with a significantly higher precious metal content (gold, platinum, and palladium). Drilling of low-level EM anomalies at Lac Rocher intersected massive nickel-copper sulphide mineralization which returned grades of 7 to 11% nickel. Similar - but stronger - untested EM anomalies flank the Bluenose intrusion proximal to the new discovery.

Mapping has also identified a previously unknown mafic/ultramafic intrusion on the recently staked RUM Northwest Property. This is the sixth new intrusions identified by Balmoral in the district, with the majority of the other magnetic targets recently staked by the Company being completely covered by overburden.

Once final results are received from the recently completed channel sampling program, Balmoral will look to undertake additional ground geophysical work on several of the RUM targets, including Bluenose, prior to initial drill testing.

Balmoral’s Nickel Project Portfolio

The RUM Project is one of three, district scale nickel sulphide projects wholly owned by Balmoral. The Company’s Grasset Ultramafic Complex Project in west-central Quebec hosts the multi-million tonne, high-grade Grasset Ni-Cu-Co-PGE deposit and recently discovered high-grade GUC Central Zones. In Ontario the Company controls the Gargoyle Ni-Cu-PGE project which feature a new, 1,000+ meter long nickel sulphide discovery. This outcropping discovery is intimately associated with an extensive series of EM anomalies – none of which have ever been drill tested.

With nickel inventories at multi-year lows, and nickel prices near multi-year highs Balmoral’s nickel project portfolio provides exposure to a suite of active, high-grade resource to discovery stage nickel sulphide opportunities in Canada, including the largest, high-grade, open-ended nickel resource in Canada’s vast Abitibi region.

The Company will be active on all three projects over the months ahead with first pass and/or expansion drill testing planned on each of the projects in 2020.

Qualified Person and QA/QC

Mr. Michael Tucker (M.Sc., P.Geo. B.C., Ontario, Temp. Permit, Quebec), is the non-independent qualified person for the technical disclosure contained in this news release. Mr. Tucker supervised the RUM field program and reported exploration activities at Bluenose, reviewed the reported sample results and associated QAQC data and approved of the technical information contained within this release.

Base metal analyses were initially obtained via multi-element ICP-AES with four acid digestion via ALS Canada Ltd. Nickel values in excess of 10,000 ppm are reanalyzed using a sodium peroxide fusion followed by ICP-AES finish. PGE values were obtained via industry standard fire assay with ICP-AES finish using 30 g aliquots. Gold analyses are obtained via industry standard fire assay with atomic absorption finish using 30 g aliquots. ALS Canada is ISO 9001:2015 certified and ISO 17025:2005 accredited.

About Balmoral Resources Ltd. – www.balmoralresources.com

Balmoral is a multi-award winning Canadian-focused exploration company actively exploring a portfolio of gold and base metal properties located within the prolific Abitibi greenstone belt. The Company’s flagship, 1,000 km^2 Detour Gold Trend Project hosts the resource stage Bug and Martiniere West gold deposits and the Grasset nickel-copper-cobalt-PGE deposit. Employing an aggressive, drill focused exploration style in one of the world’s preeminent mining jurisdictions, Balmoral is following an

established formula with a goal of maximizing shareholder value through the 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

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This news release contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties are not indicative of mineral deposits on the Company’s properties.

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