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For Immediate Release

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NR17-03

BALMORAL INTERSECTS 11.66 METRES GRADING 6.25 G/T GOLD, INCLUDING 5.47 METRES GRADING 12.48 G/T GOLD, IN FOURTH NEW DISCOVERY OF FALL 2016 PROGRAM, MARTINIÈRE PROPERTY, QUEBEC

(Vancouver, February 2, 2017) Balmoral Resources Ltd. (“Balmoral” or the “Company”) (TSX: BAR; OTCQX: BALMF) today announced the discovery of a new near surface zone of high grade gold mineralization, the fourth new discovery from the summer/fall 2016 drill program, on its Martinière Property in Quebec. The new discovery returned an intercept of 11.66 metres grading 6.25 g/t gold. This includes a higher grade core of 5.47 metres grading 12.48 g/t gold. The new discovery is located 250 to 300 metres east of the projection of the main Bug Lake Gold Trend in a largely untested area of the property (See Figure 1).

The Company also announced a number of new intercepts from the Bug Lower Steep gold deposit (see Table 2). These results are highlighted by intercepts of:

- 8.22 metres grading 4.13 g/t gold, including 2.02 metres grading 15.28 g/t gold
- 43.61 metres grading 1.93 g/t, including 17.68 metres grading 3.49 g/t gold
 - 51.28 m @ 1.19 g/t gold, including 1.17 metres grading 7.52 g/t gold
- 28.44 metres grading 1.08 g/t gold, including 0.76 metres grading 30.20 g/t gold

The four holes reported from testing of the Lower Steep deposit span approximately 200 metres of down plunge, and 150 metres of vertical, extent. They further demonstrate the continuity of the gold mineralized zones which comprise the Lower Steep deposit. The Lower Steep is the least tested of the four principal gold deposits on the property. Gold mineralization has now been intersected along the Lower Steep for 850 metres down-plunge from the bedrock surface in 32 broadly spaced drill holes.

“This new discovery further broadens the footprint of the Martinière gold system and opens up exciting new opportunities on the exploration/growth front proximal to the expanding deposits along the Bug Lake Gold Trend” said Darin Wagner, President and CEO of Balmoral. “Along with continued strong results from the Bug South deposit (see NR 17-02; Jan. 23, 2017) and today’s positive results from the Bug Lower Steep deposit the scale and scope of the opportunity at Martinière has taken some major steps forward over the last few months. We are excited to be rolling the drills back out imminently”.

Table 1 – Bug Southeast

Hole Number	Northing	Easting	Dip (Degrees)	From (Metres)	To (Metres)	Interval* (Metres)	Gold (g/t)	Zone
MDE-16-237 <i>including</i>	9+70S	0+70E	-47	97.15 98.24	108.81 103.71	11.66 5.47	6.25 12.48	New "

* 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. All values presented uncapped.

Drill hole MDE-16-237 targeted the extension of the Bug Southeast gold zone. A new zone of breccia/vein hosted gold mineralization was intersected at a vertical depth of approximately 70 metres. MDE-16-237 did not intersect the Bug Lake porphyry suggesting that the porphyry, and associated gold mineralized trend, occurs west of the termination of the hole.

This new zone of high grade gold mineralization is located approximately 1,000 metres south of the recently reported discovery of near surface, high grade mineralization - 5.80 metres grading 10.51 g/t gold - in hole BLD-16-03 (see NR17-01; Jan. 11, 2017). Both discoveries are located a similar distance east of the main Bug Lake Gold Trend. Large, untested areas are present between these two discoveries.

Follow-up testing of both new discoveries, and testing to the west of MDE-16-237 to intersect the main Bug Lake Gold Trend, are planned as part of the imminent winter drill program set to commence in the next 7 days.

Bug Lower Steep Deposit

Table 2 – Bug Lower Steep Deposit

Hole Number	Northing	Easting	Dip	From (Metres)	To (Metres)	Interval* (Metres)	Gold (g/t)	Zone
MDE-16-238 <i>including which includes</i> <i>including</i>	0+75N	2+25W	-65	26.23**	54.67	28.44	1.08	Lower Bug " " Upper Bug
				37.36	42.70	5.34	4.95	
				38.54	39.30	0.76	30.20	
				148.30	149.30	1.00	3.06	
				217.74	269.02	51.28	1.19	
				228.82	238.24	9.42	2.99	
				252.03	253.20	1.17	7.52	
293.43	305.83	12.40	0.27					
MDE-16-239 <i>including</i> <i>including</i> <i>including and and</i>	0+75N	2+25W	-77	30.86	47.70	16.84	0.12	Lower Bug " " " Upper Bug " " "
				169.84	170.42	0.58	7.12	
				299.80	308.02	8.22	4.13	
				301.95	303.97	2.02	15.28	
				330.76	358.35	27.59	1.00	
				354.31	358.35	4.04	2.91	
				381.33	397.72	16.39	0.86	
				382.52	383.39	0.87	3.17	
				390.33	391.07	0.74	4.37	
396.73	397.72	0.99	4.16					
MDE-16-241 <i>including</i> <i>including</i> <i>including and</i> <i>including and</i>	0+60N	2+80W	-63	39.16	50.82	11.66	1.49	Bug North HW " " Lower Bug " " Upper Bug " "
				46.37	49.43	3.06	3.66	
				239.23	246.20	6.97	1.50	
				240.91	243.95	3.04	2.93	
				286.40	345.83	59.43	0.54	
				304.77	306.10	1.33	3.10	
				329.01	329.72	0.71	10.50	
				370.27	399.71	29.44	1.14	
				370.27	375.55	5.28	3.36	
380.81	383.39	2.58	3.07					

Hole Number	Northing	Easting	Dip	From (Metres)	To (Metres)	Interval* (Metres)	Gold (g/t)	Zone	
MDE-16-256	0+15S	2+70W	-65	90.70	91.88	1.18	3.06		
				98.55	130.91	32.36	0.96		
				<i>including</i>	119.61	120.73	1.12	3.75	
				<i>and</i>	127.30	128.20	0.90	9.75	
					235.33	242.82	7.49	1.04	
					296.97	340.58	43.61	1.93	Lower Bug
				<i>including</i>	322.90	340.58	17.68	3.49	"
				<i>which includes</i>	322.90	324.34	1.44	10.10	"
				<i>and</i>	335.96	337.40	1.44	20.80	"
				<i>and</i>	339.34	340.58	1.24	10.90	"
					354.69	370.51	15.82	1.69	Lower Bug
				<i>including</i>	363.42	366.51	3.09	3.88	"
				<i>which includes</i>	363.42	364.16	0.74	8.28	"
	399.90	418.95	19.05	1.39	Upper Bug				
<i>including</i>	402.66	407.39	4.73	4.27	"				
<i>which includes</i>	406.48	407.39	0.91	9.32	"				
	455.62	456.63	1.01	3.55	"				

* 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. All values presented uncapped.

** Collared into gold mineralized zone

Four holes tested the Bug Lower Steep gold deposit at vertical depths of between 150 and 300 metres and across 200 metres of down-plunge extent, successfully intersecting the deposit in all holes. As is typical of the northern portion of the trend, the most extensive gold mineralization is present along the western ("Lower") margin of the Bug Lake porphyry.

Additional results from the fall drill program on the Martiniere Property, and on Balmoral's Detour East Property, remain pending. Work on the winter road into the Martiniere camp has been slowed due to unusually warm winter conditions, however drilling is still expected to commence within the next 7 days.

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 Quebec based 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 a series of high-grade gold deposits on its Martiniere Property located within the prolific Abitibi greenstone belts in Quebec, Canada. The Martiniere Property is just one of several large, highly prospective properties comprising the Company's wholly owned, 1,000 km² Detour Gold Trend Project. 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 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 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; timing of receipt of assay results from third party analytical facilities; 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.

