



TSX: BAR / OTCQX: BALMF
For Immediate Release

October 19, 2016
NR16-21

BALMORAL COMPLETES SALE OF FENELON GOLD MINE PROPERTY

(Vancouver, October 19, 2016) Balmoral Resources Ltd. ("**Balmoral**" or the "**Company**") (TSX: BAR; OTCQX: BALMF) reports that it has received the final cash payment of \$2,500,000 and completed the sale of the Fenelon Gold Mine Property to Wallbridge Mining Company Limited (TSX:WM) ("**Wallbridge**"). Balmoral received, in total, cash payments of \$3,500,000, 2,381,575 common shares of Wallbridge and retains a 1% NSR royalty on all future production from the property.

"We are pleased to have completed the sale, topping up our treasury in a non-dilutive manner to our shareholders, and look forward to participating through our share position and royalty interest in the future of the Fenelon Gold Mine Property" said Darin Wagner, President and CEO of Balmoral.

The Fenelon Gold Mine Property is a 10.5 square kilometre subdivision of Balmoral's larger Fenelon Property which forms part of the 700+ square kilometre Detour Trend Project in west-central Quebec. The Fenelon Gold Mine Property is located approximately 7 kilometres west of Balmoral's Grasset Ni-Cu-Co-PGE deposit. Infrastructure upgrades during the proposed development of Fenelon have potential to positively impact the outlook for Grasset and Balmoral's on-going exploration activities throughout its extensive holdings along the Detour Gold Trend.

Northshore Property Update

Balmoral has been advised by partner GTA Resources and Mining Inc. ("**GTA**"; TSXV:GTA) that the Phase 2 summer 2016 drill program on the Northshore Gold Property near Schreiber, Ontario has been completed.

This Phase 2 program was designed to follow-up on the positive results from the Phase 1 program (see NR16-17, Aug. 22, 2016) which included intercepts of 23.73 g/t gold over 9.00 metres and 4.06 g/t gold over 23.00 metres from the Audney and Caly veins system located in the core of the Afric Gold Zone. Drilling also tested the nearby Gino vein system which appears to parallel the trend of the former producing Northshore Mine on the property. Previous testing of the Gino Vein indicated the presence of high-grade gold mineralization, including intercepts of 46.40 g/t gold and 41.60 g/t gold over 1.00 metre core lengths (see NR13-31, Dec. 10, 2013).

The Northshore Property is a joint venture between Balmoral and GTA. GTA is the current operator of the joint venture. Prior to the commencement of the 2016 summer program, Balmoral held a 48.6% interest in the Northshore Property. Partial funding for the current program will come through the Ontario government's Junior Exploration Assistance Plan ("**JEAP**"), with GTA providing the balance of the funding.

Qualified Person

Mr. Darin Wagner (P.Ge.), President and CEO of the Company, is the non-independent qualified person for the technical disclosure contained in this news release. Mr. Wagner has, on behalf of Balmoral, reviewed the previous work programs on the Northshore, visited the properties on multiple occasions, discussed and reviewed the results with senior on-site geological staff including the Qualified Person for GTA and reviewed the information provided to the Company by GTA. All reported intercepts are reported as core lengths and not true widths. At this time there is insufficient drill data to accurately calculate true dimensions.

About Balmoral Resources Ltd. – www.balmoralresources.com

Balmoral is a well-funded, Canadian-based company actively delineating and expanding the high-grade Bug Lake Gold Trend on its wholly owned, 700 square kilometre Detour Trend Project in Quebec, Canada. Employing an award winning exploration team, Balmoral has a philosophy of creating value through the drill bit. By focusing our efforts in proven productive precious/base metal belts 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

For further information contact:

John Foulkes, Vice-President, Corporate Development

Tel: (604) 638-5815 / Toll Free: (877) 838-3664

E-mail: jfoulkes@balmoralresources.com

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 timing of the transfer of the Fenelon Gold Mine Property claims and lease and business and financing plans and trends, 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.