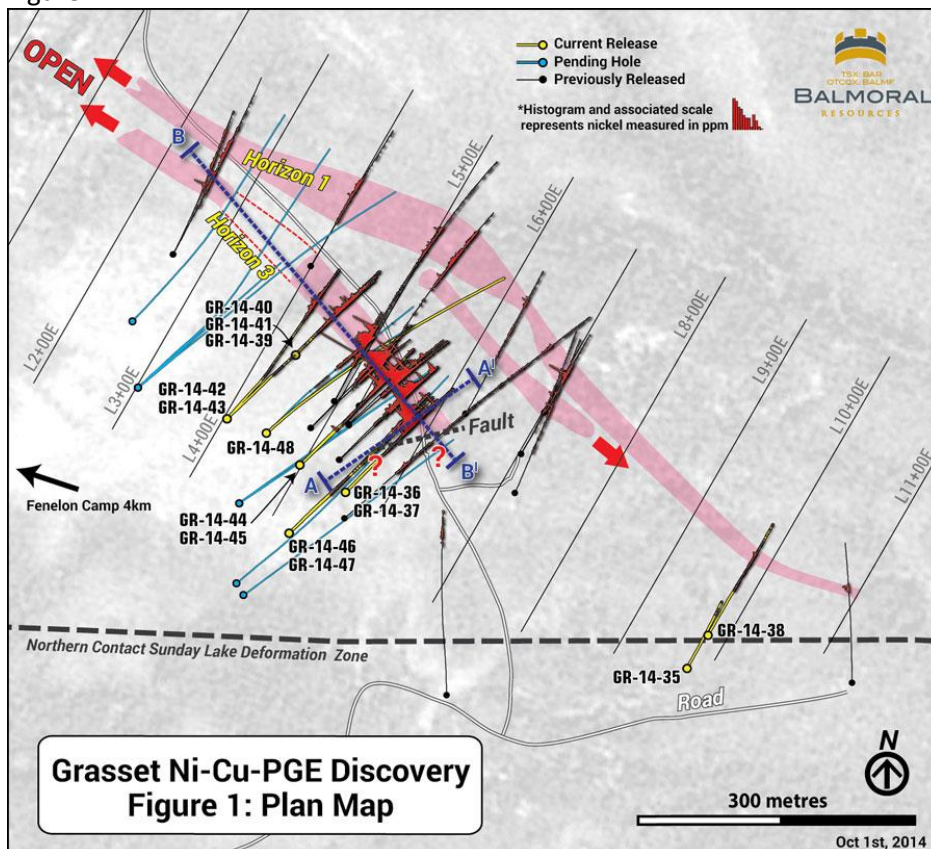


**BALMORAL INTERSECTS 44.97 METRES GRADING 1.53% Ni, 0.16% Cu, 0.37 g/t Pt and 0.86 g/t Pd; CONTINUES EXPANSION OF GRASSET DISCOVERY**

- More than doubles strike/depth extent of Horizon 3 mineralized zone, remains open
  - High-grade core continues, deepest hole yields 21.89 metres grading 2.21% Ni
  - Footwall vein returns 2.58% Ni, 2.90 % Cu, 1.92 g/t Pt, 12.00 g/t Pd and 5.13 g/t Au
    - Three pending holes yield massive sulphide intercepts

(Vancouver, October 1, 2014) Balmoral Resources Ltd. (“Balmoral” or the “Company”) (TSX: BAR; OTCQX: BALMF) reported results for on-going testing of the Horizon 3 nickel-copper-PGE discovery on the Company’s wholly owned Grasset Property in Quebec. Drilling continues to rapidly expand the size of the Ni-Cu-PGE mineralized zone. Results from 12 recently completed holes, and several pending intercepts, imply more than a doubling of both the strike and down-dip extent of the Horizon 3 discovery. The Horizon 3 sulphide zone remains open to depth and to the northwest (see [Figure 1](#)).

Figure 1:



The Company also reported the first intersections of high-grade “Footwall-Style” Ni-Cu-PGE-Au veining, reported that it has intersected massive sulphide mineralization in three recently completed holes and reported several high-grade gold intercepts from altered volcanic and intrusive rocks in the hanging wall to Horizon 3.

Today’s results were highlighted by holes GR-14-44 and GR-14-47, the latter being the deepest intercept reported to date. Hole GR-14-44 returned a **44.87 metre intercept grading 1.53% nickel, 0.16% copper, 0.37 g/t platinum and 0.86 g/t palladium** with a higher grade core returning **12.57 metre grading 2.91% Ni, 0.44% Cu, 0.74 g/t Pt and 1.84 g/t Pd**. Hole GR-14-47 returned a similarly broad intercept returning **49.25 metres grading 1.28% Ni, 0.13% Cu, 0.31 g/t Pt and 0.76 g/t Pd**, which includes a high grade core of **21.89 metres grading 2.21% Ni, 0.23% Cu, 0.57 g/t Pt and 1.42 g/t Pd** (see [Figure 2](#) and [Figure 3](#)).

Figure 2:

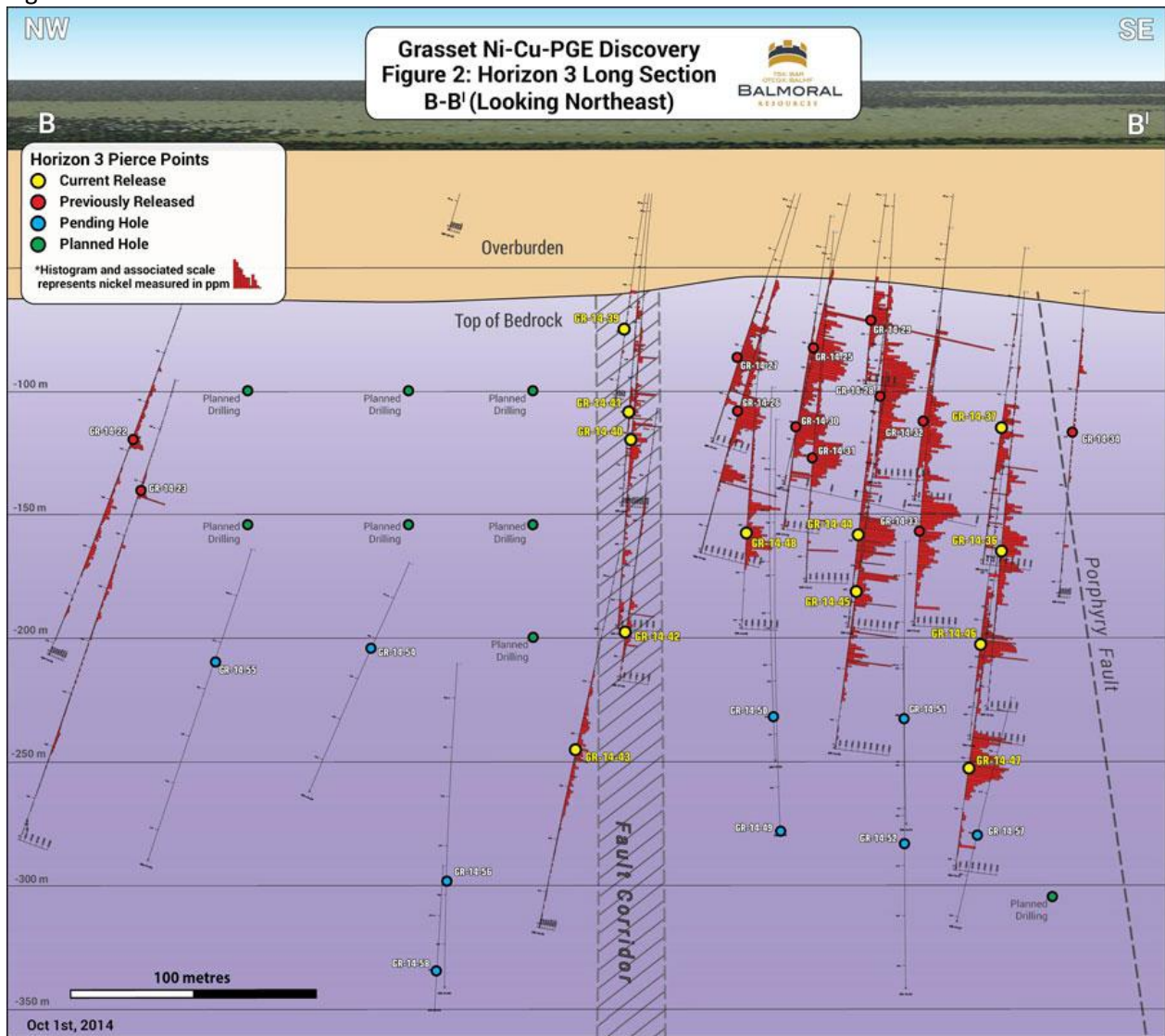
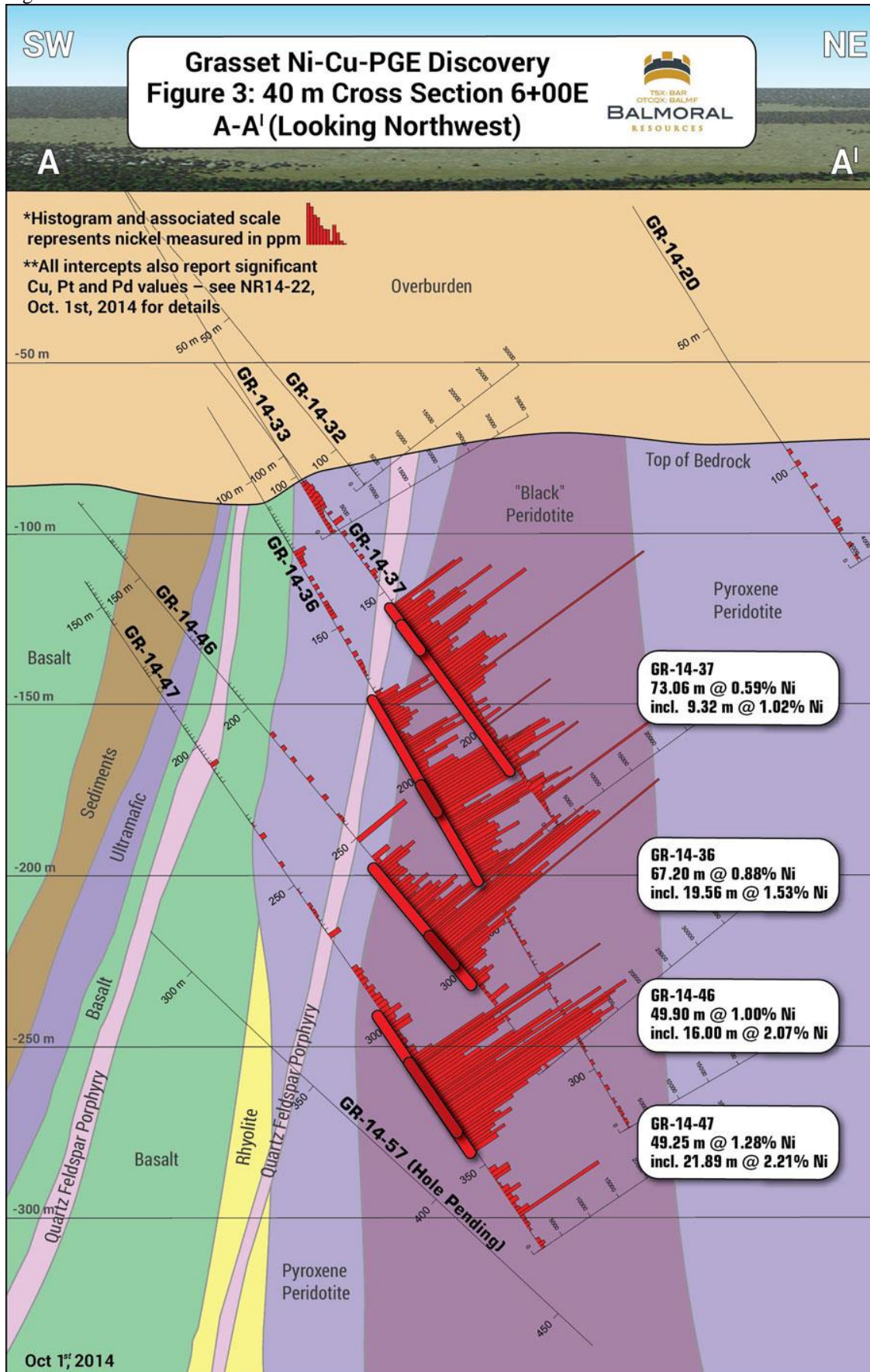


Figure 3:



“Today’s results demonstrate a rapid expansion of the Horizon 3 discovery both along strike and to depth, increasing our confidence in the potential of both the Horizon 3 discovery and the Grasset Ultramafic Complex as a whole” said Darin Wagner, President and CEO of Balmoral. “On-going drilling has continued to intersect net-textured style sulphide mineralization along the projection of Horizon 3 northwest of and beneath the holes reported today. We are also encouraged to see the development of massive sulphide mineralization, both at depth and to the northwest, in a series of pending holes.”

Hole Number	North	West	Azi	Dip	From (Metres)	To (Metres)	Interval* (M)	Ni (%)	Cu (%)	Pt g/t	Pd g/t	Horizon
GR-14-36 <i>including which includes</i>	2+20S	5+60E	47	-60	171.76	238.96	67.20	0.88	0.09	0.17	0.42	3
					188.64	236.27	47.63	1.04	0.11	0.21	0.52	"
					201.43	220.99	19.56	1.53	0.18	0.33	0.84	"
GR-14-37 <i>including which includes and</i>	2+20S	5+60E	47	-53	154.48	227.54	73.06	0.59	0.08	0.12	0.35	3
					154.48	189.24	34.76	0.87	0.10	0.19	0.47	"
					161.39	170.71	9.32	1.02	0.12	0.25	0.62	"
					226.92**	227.54	0.62	2.58	2.90	1.92	12.00	5.13 Au
GR-14-39	1+20S	4+30E	48.3	-50	<i>No Significant Results - Eroded?</i>						3FC	
GR-14-40 <i>including and and</i>	1+20S	4+30E	46.5	-64	102.24	209.07	106.83	0.42	0.04	Pending		3FC
					115.28	118.08	2.80	0.88	0.08	0.18	0.44	"
					131.58	132.59	1.01	1.72	0.10	0.47	1.54	"
					145.17	161.50	16.33	0.84	0.08	0.15	0.41	"
					224.65	239.16	14.51	0.37	0.03	Pending		"
GR-14-41 <i>including</i>	1+20S	4+30E	46.5	-57.5	96.90	105.54	8.64	0.40	0.04	0.08	0.18	3FC
					115.97	122.21	6.24	0.52	0.05	Pending		"
					137.98	153.27	15.29	0.47	0.04	0.08	0.19	"
					151.08	152.90	1.82	0.96	0.08	0.14	0.41	"
GR-14-42 <i>including</i>	2+20S	4+00E	46	-51	264.25	302.54	38.29	0.42	0.02	Pending		3FC
					281.69	293.58	11.89	0.55	0.03	Pending		
GR-14-43 <i>including</i>	2+20S	4+00E	46	-59	277.29	339.04	61.75	0.48	0.04	Pending		3FC
					292.33	312.21	19.88	0.66	0.07	0.17	0.41	
GR-14-44 <i>including which includes which includes</i>	2+20S	5+00E	47.3	-51	184.07	239.20	55.13	1.32	0.13	0.32	0.74	3
					194.23	239.20	44.97	1.53	0.16	0.37	0.86	"
					212.48	233.94	21.46	2.46	0.25	0.59	1.45	"
					213.18	225.75	12.57	2.91	0.44	0.74	1.84	"
					255.76**	256.11	0.35	3.83	0.94	0.91	2.22	1.05 Au
GR-14-45 <i>including and and</i>	2+20S	5+00E	48.3	-59	103.07	104.19	1.12	1.38	0.09	Pending		4?
					209.86	290.31	80.45	0.69	0.07	0.15	0.37	3
					227.00	244.34	17.34	1.40	0.15	0.36	0.89	"
					256.60	257.02	0.42	4.01	0.51	1.19	3.61	"
					263.58	272.38	8.80	1.36	0.17	0.32	0.75	"
GR-14-46 <i>including which includes</i>	2+90S	5+25E	48	-50	257.00	306.90	49.90	1.00	0.14	0.21	0.55	3
					273.50	301.00	27.50	1.48	0.22	0.32	0.85	"
					281.00	297.00	16.00	2.07	0.32	0.44	1.20	"
GR-14-47 <i>including</i>	2+90S	5+25E	48	-57	296.00	345.25	49.25	1.28	0.13	0.31	0.76	3
					312.36	345.25	32.89	1.77	0.19	0.44	1.09	"

Hole Number	North	West	Azi	Dip	From (Metres)	To (Metres)	Interval* (M)	Ni (%)	Cu (%)	Pt g/t	Pd g/t	Horizon
<i>which includes</i>					313.11 367.50	335.00 368.50	21.89 1.00	2.21 1.54	0.23 0.28	0.57 0.52	1.42 0.96	"
<b>GR-14-48</b>	<b>2+10S</b>	<b>4+50E</b>	<b>48</b>	<b>-50</b>	165.39	248.34	82.95	0.64	0.07	0.14	0.34	<b>3</b>
<i>including</i>					212.8	241.28	28.48	1.23	0.15	0.29	0.71	"
<i>which includes</i>					212.8	216.86	4.06	1.90	0.27	0.48	1.19	"
<i>and</i>					225.31	241.28	15.97	1.44	0.17	0.34	0.84	"

\* All intercepts reported are down hole lengths, not true thicknesses. Insufficient drilling has been completed to date to define the orientation of the mineralized zone in space

\*\* Footwall Vein

3FC = Fault modified Horizon 3 style mineralization

Reported drill intercepts have traced the Horizon 3 discovery to a vertical depth of 250 metres and for a minimum of 125 metres along strike. On-going drilling has successfully intersected disseminated, net textured and lesser massive sulphide mineralization along Horizon 3 Zone to vertical depths of over 300 metres, below which it remains open. Pending holes are interpreted to extend Horizon 3 along strike for approximately 350 metres with it remaining open to the northwest. The Horizon 3 sulphide zone can be traced from the Porphyry Fault in the southwest, through the recently identified fault corridor (see Holes 39-43, see below and [Figure 2](#)) northwest to holes GR-14-22 and -23. The area southeast of the Porphyry Fault (see [Figure 2](#)) remains to be tested for Horizon 3 style mineralization pending receipt of a recently completed airborne survey.

### High Grade Footwall Veins

Reported holes 37 and 44 each intersected "Footwall-Style" veining characterized by strongly elevated copper and precious metal grades. This style of veining is a common feature of magmatic nickel-copper-PGE systems. The best known examples of this Footwall vein and vein breccia mineralization occur in the Sudbury region of Ontario where similar vein sets and related breccia bodies locally form very high-grade copper-precious metal rich orebodies. The footwall vein in GR-14-37 is the best example to date of this style of mineralization at Grasset, returning an intercept of **2.58% nickel, 2.90% copper, 1.92 g/t platinum, 12.00 g/t palladium and 5.13 g/t gold over 0.62 metres.**

### 39-43 Fault Corridor

The northwestern-most drill section reported today, which features holes GR14-39 to -43, intersected what is interpreted to be a near vertical, potentially east-west trending, corridor of faulting and mafic dyking which locally disrupts Horizon 3. The Horizon 3 mineralized zone is present in all holes along this section, save for the shallowest hole (GR-14-39) where it may have been removed by erosion. Hole GR-14-43, the deepest, and most northwesterly hole on this section, displays significantly less disruption and a mineralized sequence/textures similar to those observed southeast of the fault. Subsequent drilling has confirmed the continuation of the Horizon 3 sulphide zone across this fault corridor with only minor horizontal offset (see below) across the corridor. Additional, closer spaced drilling will be required to determine the extent of the area disturbed by this corridor.

### Hanging Wall Gold Mineralization

High-grade gold mineralization, developed in sheared and strongly altered volcanic rock in the hanging wall (SW) to, or within the uppermost portion of, the Grasset Ultramafic Complex ("GUC") was intersected in three reported holes (see Table 2 below). Gold mineralization occurs in quartz+/-

carbonate veins within a sequence of sericite-carbonate-fuschsite-silica altered mafic and felsic volcanic rocks immediately in the hanging wall to GUC or in isolated quartz-carbonate-talc veins cutting the GUC. Similar high-grade gold mineralization occurs at the Company's Fenelon gold zone located 6 km to the west of the area currently being tested where it also associated with an ultramafic sill.

**Table 2: Hanging Wall Gold Intercepts**

Hole Number	North	West	From (Metres)	To (Metres)	Interval* (Metres)	Gold g/t
GR-14-44	2+20S	5+00E	153.98	155.00	1.02	3.94
GR-14-47	2+90S	5+25E	136.50	138.00	1.50	6.45
GR-14-48	2+10S	4+50E	180.54	181.08	0.54	5.56

*\* All intercepts reported are down hole lengths, not true thicknesses. Insufficient drilling has been completed to date to define the orientation of the mineralized zone in space*

**GR-14-35 and -38**

GR-14-35 (which was lost at shallow depths) and GR-14-38 were collared in the extreme southeast portion of the GUC, approximately 100 metres northwest of discovery hole GR-12-09, to test a conductive feature identified by the Company's 2011 airborne survey and subsequent ground work. Hole GR-14-38 successfully intersected Ni-Cu-PGE mineralization along Horizon 1 of the GUC (8.32 metres grading 0.42% Ni, 0.04% Cu, 0.08 g/t Pt and 0.19 g/t Pd) but no conductive source was identified. Additional work to source the targeted conductor will be postponed until results of the recently completed 2014 airborne survey, which was conducted in greater detail than the 2011 survey, are received.

**Pending Results and On-Going Drilling**

An additional 13 holes have now been completed and two drills continue to turn at Grasset. On-going drilling has continued to successfully intersect Horizon 3 mineralization to depth and to the NW of the 39-43 fault corridor. Holes 51, 56 and 57 have intersected semi-massive to massive sulphide intercepts of 0.45, 0.82 and 1.50 metres respectively. Each of the massive sulphide intercepts is associated with much broader zones of disseminated to net-textured sulphide mineralization. These represent the first intercepts of massive sulphide mineralization along Horizon 3 since discovery hole GR-14-25 (**0.62 metres grading 14.35% nickel, 0.51% copper, 2.32 g/t platinum and 6.70 g/t palladium; see NR14-11, May 20, 2014**). Photos from the massive sulphide intercept in hole GR-14-57 and a particularly strong interval of net-textured sulphide from hole GR-14-54 are available on the Company's website at [www.balmoralresources.com](http://www.balmoralresources.com). It is anticipated that the current phase of drilling will be completed prior to the end of October and that the winter drilling program will commence once ground conditions permit.

**QP and Quality Control**

Mr. Darin Wagner (P.Geo.), President and CEO of the Company, is the non-independent qualified person who has approved the scientific and technical information contained in this news release. Mr. Wagner has supervised the work programs on the Grasset Property, visited the property on multiple occasions, has examined the drill core or photos of same from the holes summarized in this release, reviewed the results with senior on-site geological staff and reviewed the available analytical and quality control results.

Balmoral employs a quality control program for all of its drill programs, to ensure best practice in the sampling and analysis of drill core. This includes the insertion of blind blanks, duplicates and certified

standards into the 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 Fenelon field camp in Central Quebec. Drill core samples are transported in sealed bags to ALS Minerals Val d'Or, Quebec analytical facilities. Base metal analyses were initially obtained via ICP-AES with both Aqua Regia and 4 Acid digestion employed. The two digestion methods show good correlation. 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. Following receipt of assays, visual analysis of mineralized intercepts is conducted and additional analysis may be requested. ALS Minerals is ISO 9001:2008 certified.

About Balmoral Resources Ltd. – [www.balmoralresources.com](http://www.balmoralresources.com)

Balmoral is a Canadian-based discovery company focused on high-grade gold and nickel discoveries on its wholly owned, 700 square kilometre Detour Trend Project in Quebec, Canada. With a philosophy of creating value through the drill bit and a focus on proven productive precious/base metal belts, 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 prospective nature of the Company’s land holdings, the nature and style of the mineralization discussed and its interpreted continuity, the length of the current drill program, interest of investors in the results generated by the Company’s exploration activities and business and financing plans and trends, 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 uncertain nature and interpretation of geological and geophysical models, 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](http://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.*