


The logo for Timberline Resources features a stylized 'T' in a gold square followed by the word 'Timberline' in a white sans-serif font, with 'RESOURCES' in a smaller white sans-serif font below it.

Timberline

RESOURCES

OTCQB: **TLRS** | TSX.V: **TBR**

A wide-angle photograph of a mining site in Nevada. The foreground shows a dirt road and a fence line. The middle ground is dominated by a large, terraced hillside of earth and rock, showing signs of excavation and mining activity. The background consists of more rugged, rocky hills under a bright blue sky with scattered white clouds.

Gold Focused in Nevada

September 2016

DISCOVERING | DEVELOPING | DELIVERING

Forward Looking Statements



OTCQB: **TLRS** | TSX.V: **TBR**

Forward Looking Statements

Statements contained herein that are not based upon current or historical fact are forward-looking in nature and constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements reflect the Company's expectations about its future operating results, performance and opportunities that involve substantial risks and uncertainties. These statements include but are not limited to: statements regarding the potential near-term gold production and economics of the Talapoosa project as contained in the PEA, including but not limited to statements regarding After-Tax NPV, IRR, Initial Capital Costs, After-Tax Net Cash Flow, gold production, sustaining costs, and all-in costs, the low-risk, pro-mining jurisdiction of Nevada, future optimization, de-risking, resource expansion and potential upgrade, future metallurgical testing, timing and contents of a completed pre-feasibility study and feasibility study, future permitting requirements and the ability to update past permits, mineral resource estimates, Appaloosa Zone targeted sampling timeframe, exploration potential, projected budget to reach production decision, potential exercise of the Talapoosa option, and other similar statements regarding the future potential of the Talapoosa project, statements regarding the Eureka Project resources and exploration targets, statements regarding future extraction operations, monetizing non-core assets, enhancing management team and board, and leveraging dual listing. When used herein, the words "anticipate," "believe," "estimate," "upcoming," "plan," "target," "intend" and "expect" and similar expressions, as they relate to Timberline Resources Corporation, its subsidiaries, or its management, are intended to identify such forward-looking statements. These forward-looking statements are based on information currently available to the Company and are subject to a number of risks, uncertainties, and other factors that could cause the Company's actual results, performance, prospects, and opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those risks set forth in our press release dated April 27, 2015 relating to the results of the PEA under the heading "Risks", risks related to exploration projects, risks related to mining activities, risks related to potential future transactions, risks related to the Company continuing as a going concern, risks related to the ability to finance any payment due at the exercise of the Talapoosa option, risks related to project development decisions, risks related to mineral resource estimates and other such factors, including risk factors discussed in the Company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Except as required by Federal Securities law, the Company does not undertake any obligation to release publicly any revisions to any forward-looking statements..

Cautionary Statements

Cautionary note to United States Investors Regarding Estimates of Resources: This presentation uses the terms "Measured Resources", "Indicated Resources", "Measured & Indicated Resources" and "Inferred Resources". We advise U.S. investors that while these terms are defined in and required by Canadian regulations under Canadian National Instrument 43-101, these terms are not defined terms under United States Securities and Exchange Commission ("SEC") Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and all necessary permits and governmental authorizations must be filed with the appropriate governmental authority. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures.

The PEA is not a definitive feasibility study and our projects currently do not contain any known proven or probable ore reserves under SEC Industry Guide 7 reporting standards.

The results of the PEA disclosed in this presentation are preliminary in nature and include Inferred Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the results of the PEA will be realized.

For Talapoosa resources, refer to Technical Report and Resource Estimate on the Talapoosa Project, Nevada effective March 24, 2015 and filed on SEDAR on April 1, 2015. For Lookout Mountain resources, refer to Updated Technical Report on the Lookout Mountain Project effective March 1, 2013 and filed on SEDAR April 12, 2013.

Steven Osterberg, Ph.D., P.G., Timberline's President and CEO, is a Qualified Person as defined by NI 43-101 and has reviewed and approved the technical contents of this presentation.

Investment Highlights

- ✓ **Strong Management and Board**
- ✓ **Tight Capital Structure**
- ✓ **World-Class Mining Jurisdiction - Nevada**
- ✓ **Near-Term Gold Production**
- ✓ **Advanced Permitting Status**
- ✓ **Significant Exploration Upside**

Strong Management and Board



Steven Osterberg, President, CEO & Director

- Over 25 years of domestic and international minerals exploration, permitting, development, and closure experience with precious and base metal deposits
- Senior technical and management positions with Knight Piesold, Tetra Tech, and BHP Minerals International



Leigh Freeman, Director, Chairman

- Over 35 years of mining industry experience in technical and executive positions
- Co-founder of Orvana Minerals and currently CEO of Blue Sun Energy. Advisor to MT Tech, University of Arizona, and South Dakota School of Mines



Giulio Bonifacio, Director

- Chartered Professional Accountant with over 30 years in the mining industry with extensive experience in mergers and acquisitions, securities matters and capital markets arranging over US\$400 million of project related equity and debt financings.
- Founder, President & CEO of Nevada Copper, and past senior executive roles at Getty Resources, TOTAL S.A., and Vengold Inc.



Randal Hardy, Chief Financial Officer

- Over 25 years of financial and executive-level management experience in precious metals exploration, mining, and manufacturing
- Executive positions with HuntMountain Resources, Sunshine Minting, and Sunshine Mining & Refining Co.



Paul Dirksen, Director

- Over 35 years in precious metals world-wide exploration, development, and mining
- Senior management positions with Orvana Minerals, Lacana Gold, the Cordex Syndicate, Brett Resources and Bravo Venture Group



Bob Martinez, Director

- Metallurgical engineer with over 35 years of experience in mining project development and management
- Former General Manager of Coeur Rochester Mine, Nevada
- Senior positions with Metallica Resources Inc., Zacoro Metals, Amselco, and Coeur d'Alene Mines



Paul Zink, Director

- Over 35 years as a natural resources professional managing financial, investor relations, and business development
- Senior management positions with Rare Earth Element Resources, International Royalty Corp., Americas Bullion Royalty Corp., and Eurasian Capital



Strong Execution Capabilities

**Capital Markets, Exploration, Development,
Permitting & Production**

Capital Structure

Capital Structure	Common Shares
Common Shares Outstanding	24.1 M
Options (US\$0.56 average exercise price)	2.1 M
Warrants: (US\$0.25 strike price)	10.0 M
Fully Diluted	36.2 M

Ownership	%
Gunpoint Exploration Ltd.	8
Management & Directors	9
Management & Directors (fully diluted)	15

Market and Financial Information (US\$ except volume)	
Market Capitalization	\$ 8 million
52-week Closing Price Range	\$ 0.11 - \$ 0.45
3-Month Avg. Daily Volume	85,000

Nevada Gold Project Pipeline

■ Nevada: World-class gold mining

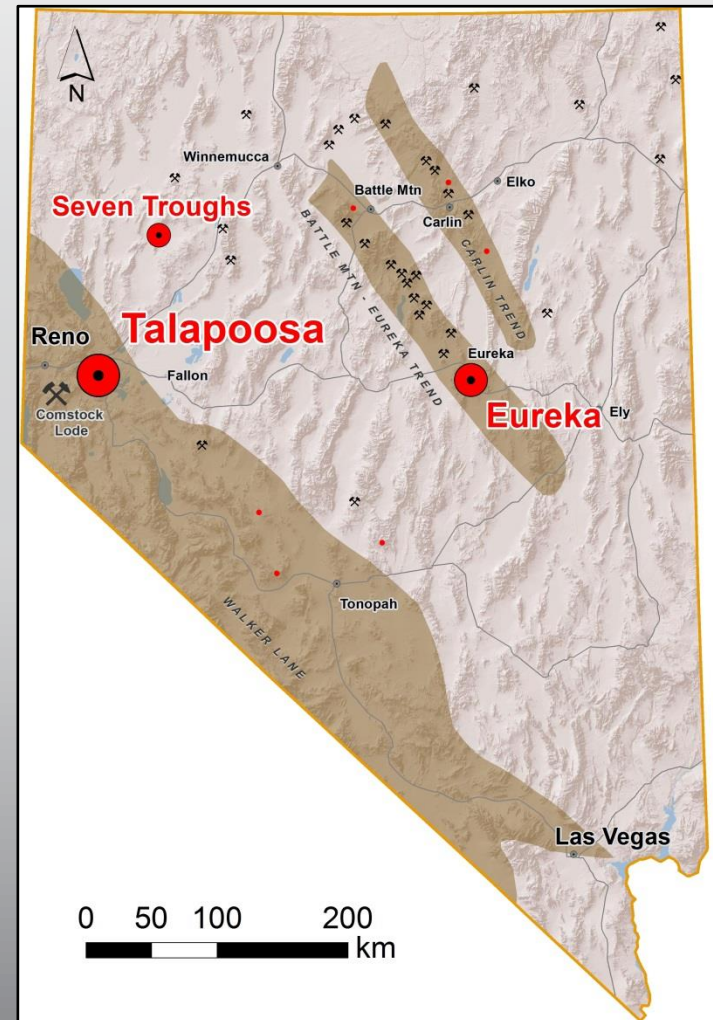
- One of the top ranked global mining investment jurisdictions
- 23 major gold mines, producing 5 million oz. annually
- Second largest gold reserves in the world
- Stable legal, political, and social structures

■ District - scale gold properties pipeline

- Talapoosa – Pre-development
- Eureka – Advanced exploration with significant upside
- Seven Troughs – Exploration

■ Advanced Gold Resources (NI 43-101) ⁽¹⁾⁽²⁾

- M&I: 1.5 M oz. Au and 13.6 M oz. Ag
- Inferred: 375 K oz. Au and 2.2 M oz. Ag

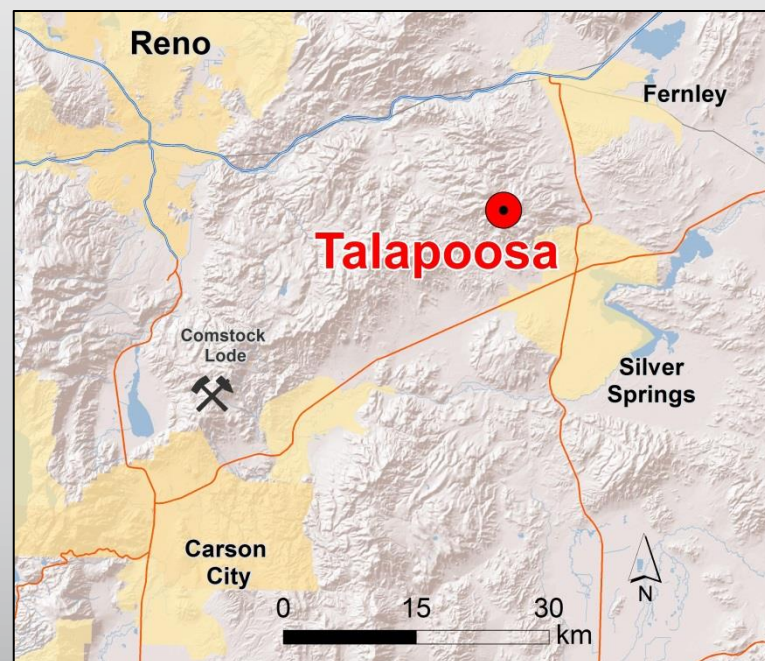


⁽¹⁾ Refer to Updated Technical Report on the Talapoosa Project, WSP Canada, Inc. Effective March 24, 2015, Filed on SEDAR April 1, 2015

⁽²⁾ Refer to Updated Technical Report on the Lookout Mountain Project, MDA, Effective March 1, 2013, Filed on SEDAR April 12, 2013

Talapoosa Gold Project

- **Excellent infrastructure: 45 km east of Reno, NV**
- **Pre – Development stage: Robust Preliminary Economic Assessment completed, April 2015**
- **Low risk, partially permitted, open-pit, heap leach project**
- **District scale: 100% control of 14,870 acres**
- **NI 43-101 Gold Resources⁽¹⁾:**
 - 1,012,802 oz (M&I) (28.4 M tonnes @ 1.11 g/t)
 - 233,532 oz (Inferred) (10.2 M tonnes @ 0.72 g/t)
- **Exploration blue-sky**
 - Deposit expansion
 - Adjacent Appaloosa zone
 - Proximity to world-class Comstock Lode



⁽¹⁾ Refer to Updated Technical Report on the Talapoosa Project, WSP Canada, Inc. Effective March 24, 2015, Filed on SEDAR April 1, 2015

Talapoosa Economics

2015 Preliminary Economic Assessment⁽¹⁾: Robust economics using conservative metals price assumptions

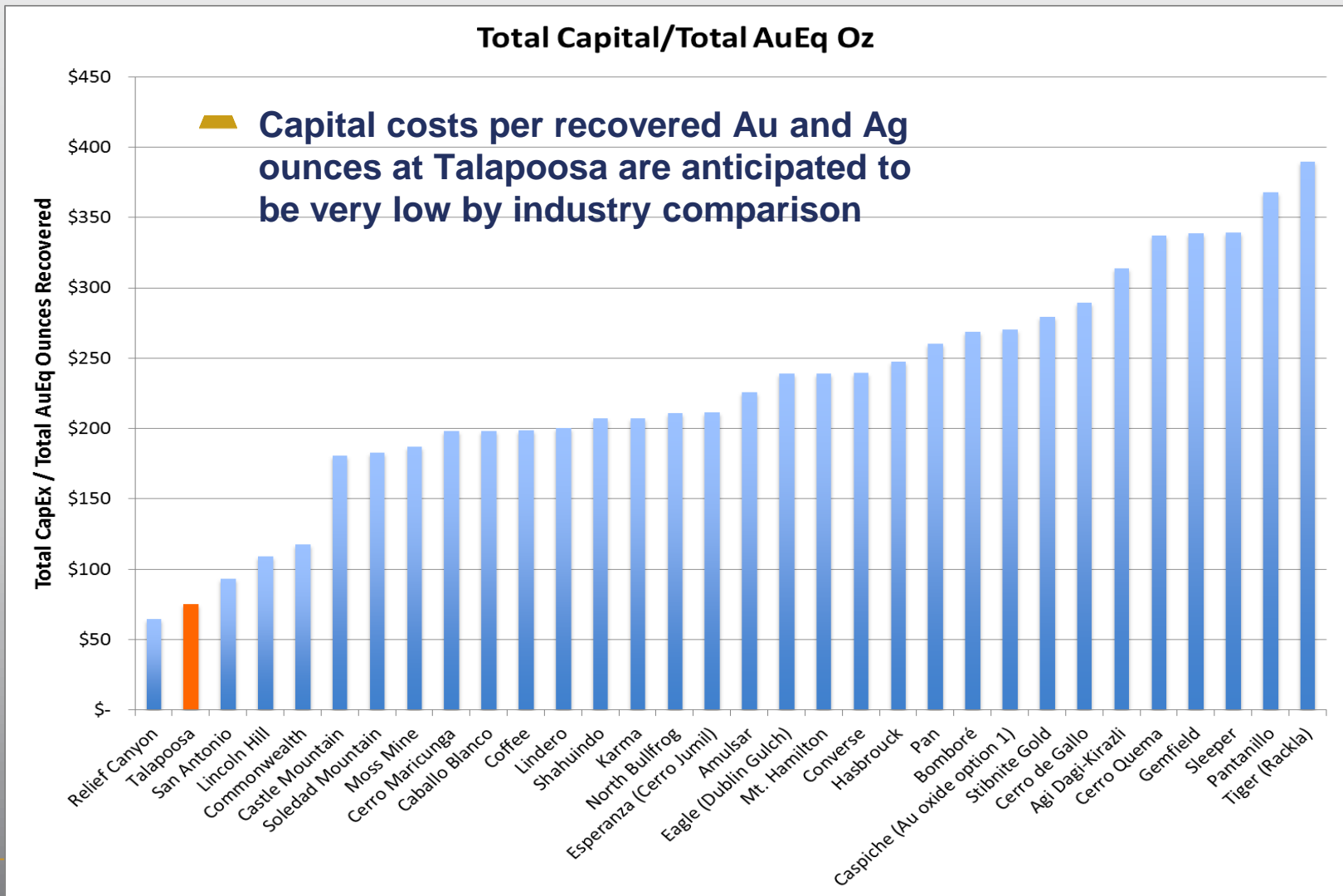
	Commodity Price Assumption (US\$)			Operating Assumptions/Highlights <i>(US\$ unless otherwise indicated)</i>
	Downside Case	Base Case	Upside Case	
Gold Price	\$1,000/oz	\$1,150/oz	\$1,300/oz	Mine Life 10.8 years
Silver Price	\$14.50/oz	\$16.00/oz	\$17.50/oz	Strip Ratio 1.47 : 1
After-Tax:				Processing Rate 3.5 M tonnes/yr
Net Cash Flow	\$138 million	\$209 million	\$278 million	Total Recovered Gold Ounces 593,000
NPV @ 5%	\$84 million	\$136 million	\$188 million	Average Gold Production 55,000 oz/yr
IRR	25.4%	38.8%	52.6%	Total Recovered Silver Ounces 7,365,000
Payback Period	5.5 years	3.1 years	1.0 years	Average Silver Production 679,000 oz/yr
				Initial Capital Cost \$51.2 million
				All-In Sustaining Cost (net of silver) \$599/oz Au
				After-Tax Net Cash Flow \$209 million

⁽¹⁾ Refer to Preliminary Economic Assessment of the Talapoosa Project, WSP Canada, Inc. May, 2015, Filed on SEDAR

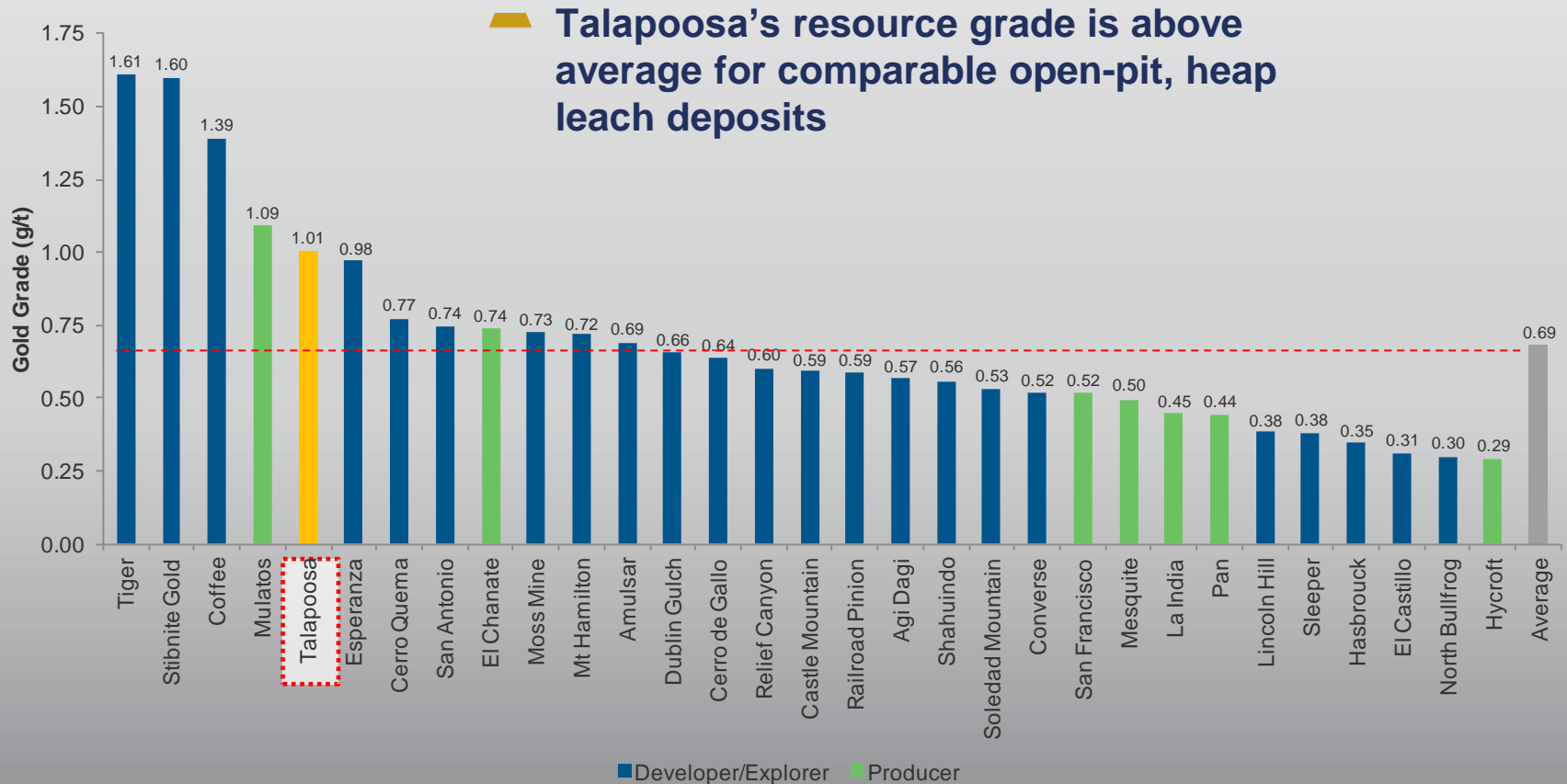
Talapoosa Permitting Head Start

Agency	Permit	Timeline
<i>U.S. Bureau of Land Management (BLM)</i>	<i>Record of Decision on EIS Approved 1996</i>	✓ Valid
<i>Nevada Division of Environmental Protection (NDEP)</i>	<i>Nevada Reclamation Permit Approved 1996</i>	✓ Valid
Federal	Permits for Power and Water Routes	4 - 6 months
State/Federal	Water Pollution Control Permit	8 - 14 months
	Reclamation Cost Estimate Bond	4 - 6 months
State	Air Quality and Mercury Operating Permits	6 - 9 months
	Water Rights	9 - 12 months
County	County Special Use Permit	6 - 8 months

Talapoosa: Capital Efficiency



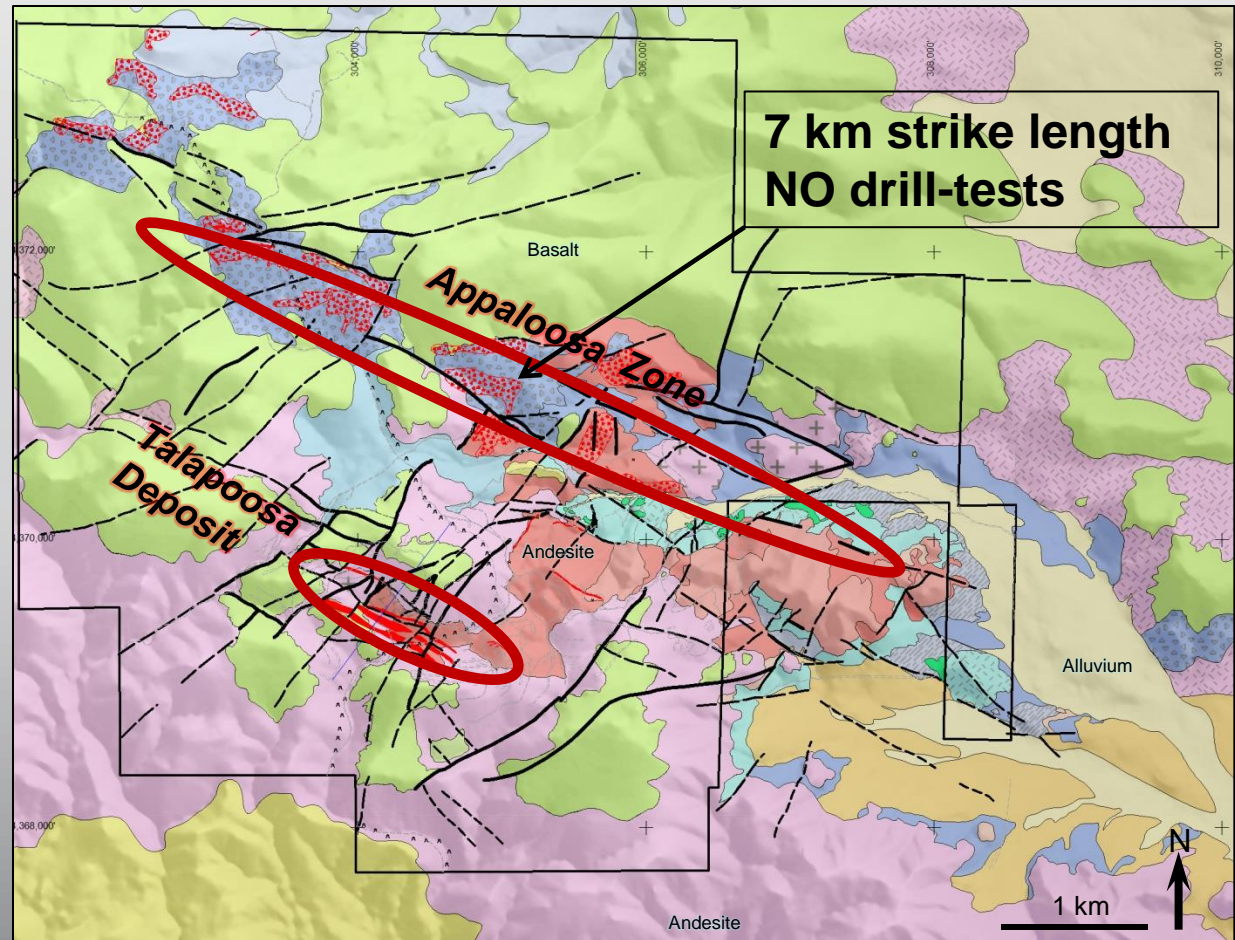
Comparable Open-Pit, Heap Leach Gold Projects



Source: Company filings

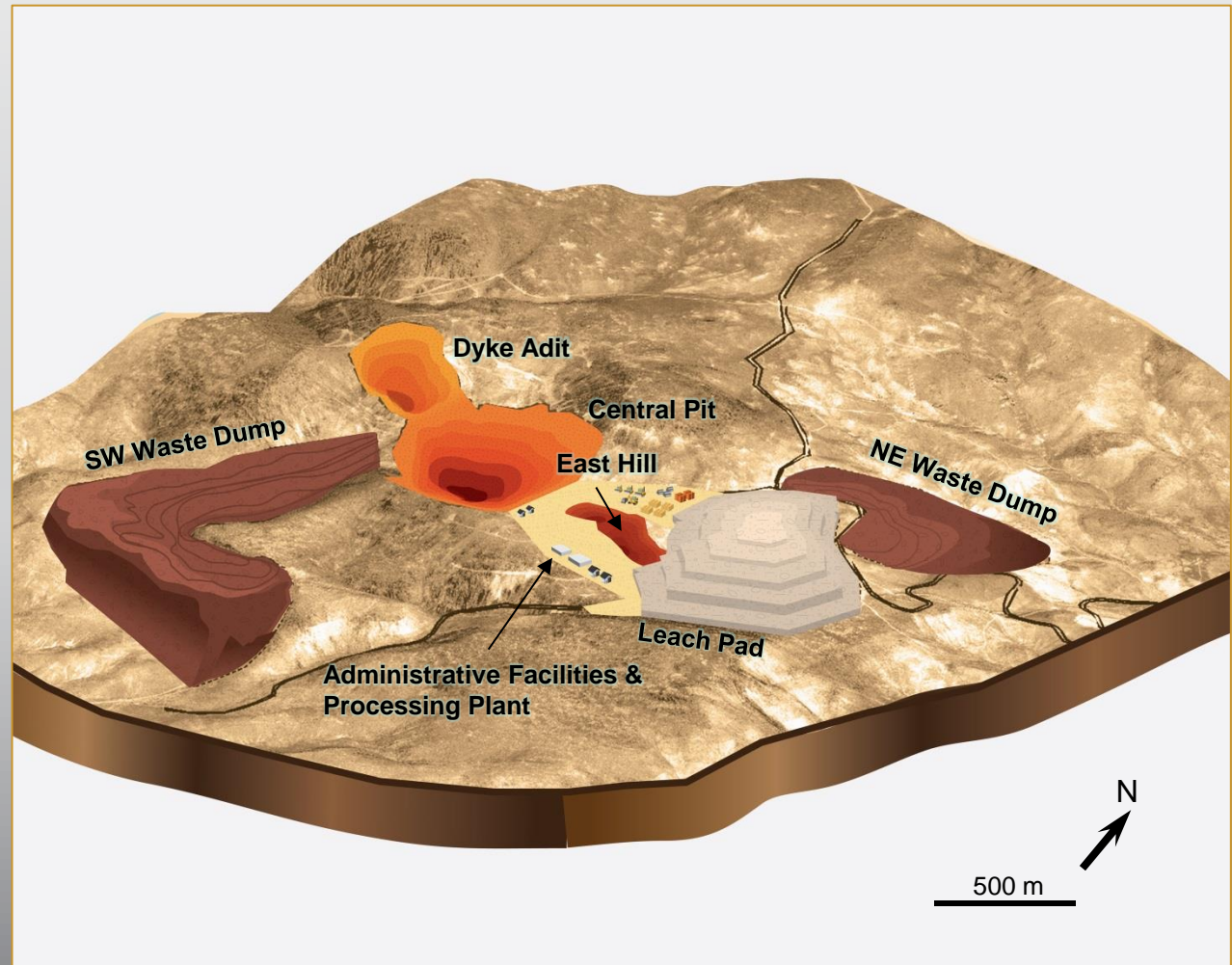
Talapoosa Resource Upside

- Talapoosa deposit open to expansion on-strike and down-dip
- Appaloosa zone is entirely untested
- Geology is directly analogous to the historic Comstock Lode (~35 km SW of Talapoosa)
 - ~8 M oz Au produced
 - ~250 M oz Ag produced



Talapoosa: Pre-development

- ▶ Partially permitted open - pit, heap leach gold mine
- ▶ PEA design closely approximates historic Feasibility-Study Plan of Operations
- ▶ Optimization studies in progress
- ▶ Planned Feasibility Study



Talapoosa: Milestones

- **Phase I: Drilling and resource expansion, complete Phase I metallurgy**
- **Phase II: Complete feasibility-level metallurgical and geotechnical testing and engineering update environmental baseline data and permitting**

24-Month Preliminary Timeline								
Task	2016	2017				2018		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	Phase I							
Geology								
Resource Drilling								
Metallurgical Drilling								
Metallurgical Testing-Phase I								
Resource Up-grade								
	Phase II							
Metallurgical Testing-Phase II								
Geotechnical Foundation Testing								
Environmental Baseline Updates								
Feasibility Engineering								
Permitting								

Eureka Project

Gold Trends, and Target Areas

Three gold trends with > 5 km strike length

Lookout Mountain Gold Resources⁽¹⁾

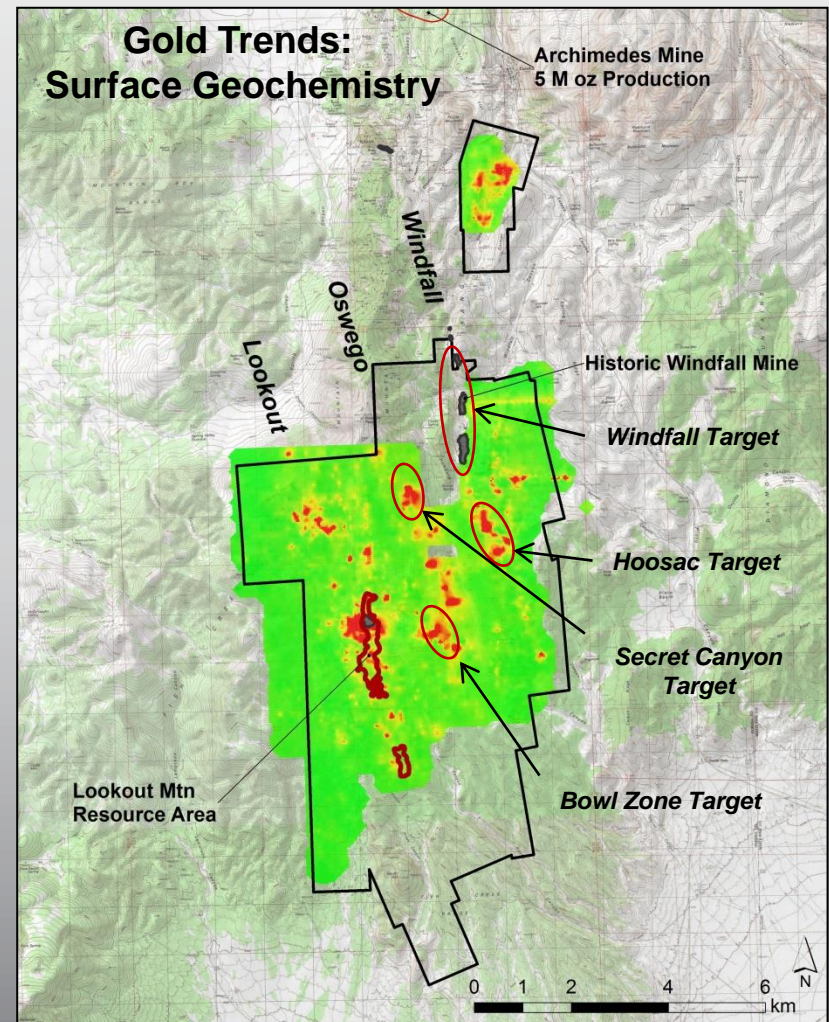
- Measured **106,000 ounces** (2,761,000 tonnes @ 1.20 g/t)
- Indicated **402,000 ounces** (23,493,000 tonnes @ 0.55 g/t)
- Inferred **141,000 ounces** (10,622,000 tonnes @ 0.41 g/t)

Windfall Trend:

- Historic gold production: 32,000 ounces
- 2015 near surface >1 g/t and deeper high-grade drill intercepts⁽²⁾
- Priority Targets: Expansion of historic Windfall Mine, Hoosac

Oswego Trend

- Only 11 drill holes over 4 km trend
- Priority targets: Bowl Zone, Secret Canyon

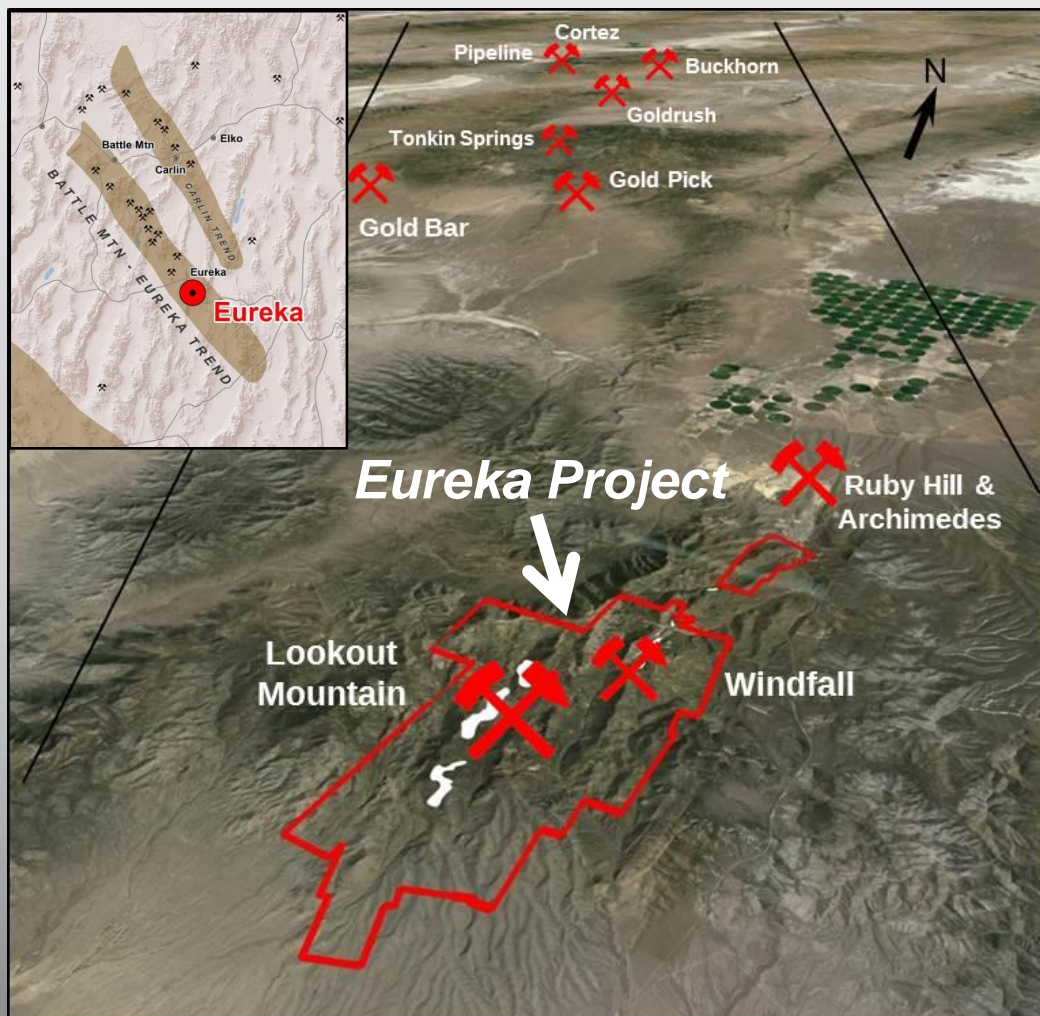


⁽¹⁾ Refer to Updated Technical Report on the Lookout Mountain Project, MDA, Effective March 1, 2013, Filed on SEDAR April 12, 2013

⁽²⁾ Refer to Timberline Press Release dated April 20, 2015

Eureka Project

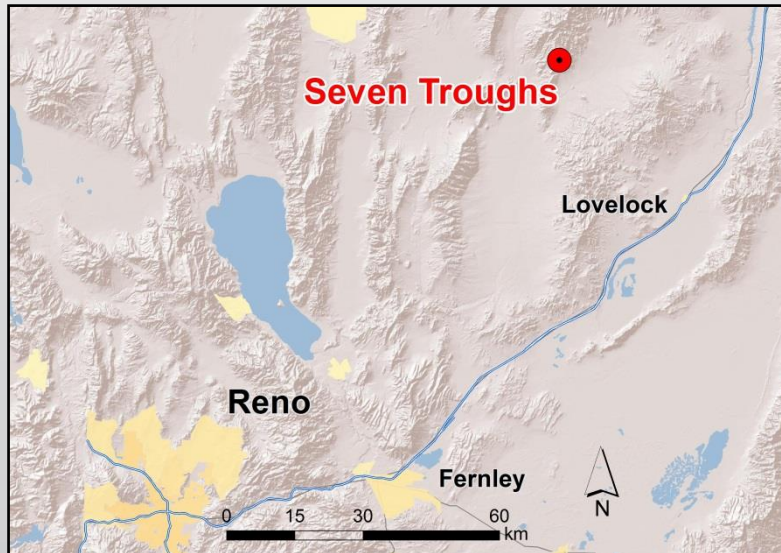
Gold Mining and Resources: Battle Mountain — Eureka Trend



World-Class Gold Endowment

- Pipeline/Cortez:
 - 18 M oz past production
 - 11.1 M oz P&P reserves
- Goldrush:
 - 8.56 M oz M&I resources
- Tonkin Springs:
 - 1.8 M oz produced
- Gold Bar:
 - 307 K oz produced
 - 611 K oz M&I resources
 - 419 K oz P&P reserves
- Ruby Hill/Archimedes:
 - 3.9 M oz produced
 - 2.5 M oz resources

Seven Troughs Project



- 3,900-acre district
- Epithermal gold/silver district with some of the highest-grade gold production in Nevada mining history
- 150,000 ounces of historic gold production grading 41 g/t gold and 137 g/t silver



Key Success Factors

- ✓ **Management/Board with strong execution capabilities, and technical and capital markets expertise**
- ✓ **Tight share structure: 24 million shares outstanding**
- ✓ **Nevada focus: World-class gold jurisdiction**
- ✓ **Advanced gold development project with clear path to permitting and production**
- ✓ **High-quality advanced development and exploration project pipeline with measured and indicated gold resources totaling 1,012,802 oz., and inferred resources of 233,532 oz.**

The image features the Timberline Resources logo at the top, with a stylized 'T' in a gold square followed by the word 'Timberline' in white and 'RESOURCES' in white capital letters below it. The background is a wide-angle photograph of a rugged, brown, rocky landscape under a blue sky with scattered white clouds. The terrain appears to be a large-scale mining or construction site, with visible tracks and a fence line in the foreground.

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