

Timberline Resources Re-initiates Eureka Project Exploration and Relinquishes Talapoosa Property Option

Coeur d’Alene, Idaho – April 3, 2018 – **Timberline Resources Corporation (OTCQB: TLRS; TSX-V: TBR)** (“Timberline” or the “Company”) announces that it is refocusing its exploration efforts on advancing the Windfall and Lookout Mountain projects at its Eureka property, concurrent with relinquishing its option to acquire the Talapoosa project. Eureka is a district-scale exploration property in Nevada’s prolific Battle Mountain – Eureka gold trend that hosts numerous world-class gold deposits.

Timberline’s President and CEO, Steve Osterberg commented, “We are excited about returning our focus to the Eureka project. While we investigated numerous financing alternatives in the current market environment, we were unable to meet the significant payment obligations related to the Talapoosa option. We believe that current and future available resources will be better directed toward advancing our substantial gold resources at Lookout Mountain and the very promising Windfall target at Eureka.”

Eureka Project: Windfall Target

Timberline intends to resume exploration activities at the Eureka Property this field season with particular emphasis on the Windfall Target. At Windfall, historic gold production exceeded 100,000 ounces, with historic drilling including an intercept of 75 feet which returned 0.153 opt gold (22.9 metres of 5.24 g/t gold). Recent drilling of six holes in 2015 successfully tested on-strike, offset, and down-dip extensions of the historic gold mineralization that was mined in the 1980’s by a previous operator.

The six drill holes completed (BHWF-036 to 041) tested a strike length of approximately 3,000 feet and intersected gold mineralization consistent with results from over 600 historic drill holes.

Results of the 2015 drill program at Windfall are presented in the table below:

Drill Hole	From (feet)	Length (feet) ⁽¹⁾	Gold (opt)	From (meters)	Length (meters) ⁽¹⁾	Gold (g/t)
BHWF-036	290	40	0.04	88.4	12.2	1.26
BHWF-037	185	90	0.06	56.4	27.4	2.20
<i>including</i>	185	45	0.11	56.4	13.7	3.68
BHWF-038	420	80	0.01	128.0	24.4	0.32
<i>including</i>	495	5	0.045	150.9	1.52	1.45
BHWF-039	380	35	0.01	115.8	10.7	0.46
BHWF-040	290	80	0.09	88.4	24.4	3.04
<i>including</i>	305	20	0.26	93.0	6.1	8.79
BHWF-041	230	60	0.04	70.1	18.3	1.24

The company anticipates calculation of an estimated NI 43-101 resource on the Windfall trend, which is expected to confirm the Company's exploration target potential and to augment the total gold resource at the Eureka property. Additional field studies are planned to include geologic and geochemical surveys for target expansion.

Eureka Project: Lookout Mountain Resource and Technical Information

Timberline's current gold resource estimate at Lookout Mountain, which was prepared by Mine Development Associates ("MDA") of Reno, Nevada, consists of:

Resource Category	Lookout Mountain Gold Resource ⁽¹⁾⁽²⁾⁽³⁾				
	Short Tons	Metric Tonnes	Ounces of Gold per Ton (opt)	Grams of Gold per Tonne (g/t)	Gold Ounces
Measured	3,043,000	2,761,000	0.035	1.20	106,000
Indicated	<u>25,897,000</u>	<u>23,493,000</u>	<u>0.016</u>	<u>0.55</u>	<u>402,000</u>
Measured & Indicated	28,940,000	26,254,000	0.018	0.62	508,000
Inferred	11,709,000	10,622,000	0.012	0.41	141,000

Notes:

- 1) 0.006 opt (0.21 g/t) cut-off applied to oxidized material to capture mineralization potentially available to open pit extraction and heap leach processing. 0.030 opt (1.03 g/t) cut-off applied to unoxidized material to capture mineralization potentially available to open pit extraction and lower heap leach recoveries or sulfide processing.
- 2) Rounding may cause apparent discrepancies.
- 3) Refer to Updated Technical Report on the Lookout Mountain Project, MDA, Effective March 1, 2013, Filed on SEDAR April 12, 2013.

Refer to Timberline's website for the full MDA Resource Estimate with various cut-off grades.

About Timberline Resources

Timberline Resources Corporation is focused on advancing district-scale gold exploration and development projects in Nevada, including its 23 square-mile Eureka project lying on the Battle Mountain-Eureka gold trend. At Eureka, the Company continues to advance its Lookout Mountain and Windfall project areas. Exploration potential occurs within three separate structural-stratigraphic trends defined by distinct geochemical gold anomalies. Timberline also owns the Seven Troughs property in northern Nevada, known to be one of the state's highest grade, former producers.

Timberline is listed on the OTCQB where it trades under the symbol "TLRS" and on the TSX Venture Exchange where it trades under the symbol "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 re-establishing focus on advancing the Windfall and Lookout Mountain projects at the Eureka property, future available resources being better directed toward advancing the gold resources at Eureka, advancement of the gold resources at Lookout Mountain, promising Windfall targets, intentions to resume exploration activities at the Eureka Property this field season, calculation of an estimated NI 43-101 resource on the Windfall trend, confirmation of the Company's exploration target potential, augmentation of the total gold resource at the Eureka property, additional field studies to include geologic and geochemical surveys for target expansion, the advancement of projects, and exploration potential. 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, risks related to changes in the Company's business and other factors, including risk factors discussed in the Company's Annual Report on Form 10-K for the year ended September 30, 2017. Except as required by law, the Company does not undertake any obligation to release publicly any revisions to any forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.

Cautionary Note to U.S. Investors Regarding Mineral Reserve and Resource Estimates

Certain of the technical information referenced in this press release uses the terms "mineral resource," "measured mineral resource," "indicated mineral resource" and "inferred mineral resource". We advise investors that these terms are defined in and required to be disclosed in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") – *CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended; however, these terms are not defined terms under the United States Securities and Exchange Commission's (the "SEC") Industry Guide 7 ("Guide 7") and are normally not permitted to be used in reports and registration statements filed with the SEC. Under 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 the primary environmental analysis or report must be filed with the appropriate governmental authority. 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 Guide 7 standards as in place tonnage and grade without reference to unit measures. "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. As a reporting issuer in Canada, we are required to prepare reports on our mineral properties in accordance with NI 43-101. Investors are cautioned not to assume that any part or all of mineral deposits in the above categories will ever be converted into Guide 7 compliant reserves.

For Further Information Please Contact:

[Steven A. Osterberg](#)
[President and CEO](#)
[Tel: 208-664-4859](#)
[E-mail: info@timberline-resources.com](mailto:info@timberline-resources.com)

Website: www.timberline-resources.com