

Timberline Resources Announces Gold and Copper Assay Results for the Elder Creek Project, Battle Mountain District, Nevada

Coeur d'Alene, Idaho – June 18, 2018 – **Timberline Resources Corporation (OTCQB: TLRS; TSX-V: TBR)** (“Timberline” or the “Company”) announced today that geologic mapping, surface sampling, and an aeromagnetic survey have defined a large porphyry copper target on the Elder Creek project in the Battle Mountain District of Nevada. Timberline has entered into a purchase and sale agreement with Americas Gold Exploration, Inc. pursuant to which it may obtain the right to acquire a 65% interest in the 41 km² property by spending US\$5.1 million over 6 years through an earn-in joint venture agreement with McEwen Mining Inc. Additional details of the transaction are available in a previous new release dated May 24, 2018 at <http://timberlineresources.co/press-releases>.

Rock geochemical sampling results (Table 1), along with geologic (Figures 1 and 2), and geophysical (Figure 3) characteristics evident at Elder Creek are common to major porphyry copper deposits. The core of the Elder Creek porphyry target (Figure 1) covers approximately 4.5 sq km, and has at least three intrusive phases which form two granodiorite porphyry centers that are similar in age (35-37 million years) to the intrusive rocks at Newmont's Phoenix gold-copper mine 18 km to the south. The core is characterized by intense quartz veining and elevated copper and molybdenum values, and is flanked by proximal potassic alteration and distal biotite-pyrite-pyrrhotite hornfels. The porphyry core forms a pronounced magnetic low that is ringed by a strongly magnetic high “donut” (Figure 3) of hornfels. Large target areas of gold-copper veining occur within the hornfels to the south and east of the porphyry core. Most of the approximately 100 historic drill holes are less than 150 meters deep and tested some of the areas of polymetallic veining within the hornfels on the eastern portion of the property and encountered multiple intercepts of both copper oxide and sulphide, and gold mineralization. Only two shallow holes were drilled in the main porphyry copper target area, leaving it relatively untested both areally and to depth.

SAMPLING RESULTS

The Company recently collected twelve (12) surface grab samples to complement 41 rock samples collected in 2013 (Table 1) across the Elder Creek project area (Figures 1 and 2). Twenty-five (25) of the samples contain elevated copper mineralization (>1,000 ppm), with thirteen (13) of those over 1% copper (>10,000 ppm) and reaching a maximum of 17% in a sample taken from a copper-oxide mineralized outcrop. Gold assays in excess of 1 gram per tonne (g/t) (1,000 ppb) were also noted in multiple locations, with elevated levels of indicator minerals, including bismuth, molybdenum, and arsenic, present in many samples as well. These assay results corroborate those from over 1,100 rock samples that have been documented from the same area, including numerous duplicate samples from individual outcrops. Additional metallogenic associations, together with the Company's new interpretive exploration models are presented and further described at <http://timberlineresources.co/projects/ElderCreek>.

Timberline's President and CEO, Steve Osterberg commented, “The occurrence of copper and gold in outcrop over such large areas, combined with our extensive geologic, geochemical, and geophysical data sets, supports our belief that a major, mineralized system developed at Elder Creek.”

Table 1. Assay results from Elder Creek Project Rock Sampling* **

SAMPLE	UTM-E	UTM-N	Au (ppb)	Cu (ppm)	SAMPLE	UTM-E	UTM-N	Au (ppb)	Cu (ppm)
18EC-001	492628	4504621	25	12,900	RDEC-16-1	492518	4502986	25	337
18EC-002	492628	4504621	63	8,990	RDEC-16-2	492523	4502977	156	845
18EC-003	492322	4503406	6	269	RDEC-17	492139	4503487	10	551
18EC-004	492255	4503167	15	363	RDEC-18	492279	4504871	27	481
18EC-005	492262	4503072	12	78,700	RDEC-19	492216	4504713	141	488
18EC-006	493037	4503669	47	9,640	RDEC-20	492130	4504610	66	60,070
18EC-007	493054	4503757	9	649	RDEC-21	492040	4504533	9	1,700
18EC-008	493279	4504045	9	109	RDEC-22	492135	4504519	5	513
18EC-009	493500	4503999	28	287	RDEC-23	492085	4503735	84	454
18EC-010	493196	4502887	17	530	RDEC-24	492004	4503793	<5	255
18EC-011	493226	4501796	2710	2,340	RDEC-25	491954	4503906	<5	1,060
18EC-012	492796	4501693	278	17,000	RDEC-26	491544	4503338	<5	196
RDEC0-1	492595	4504614	34	10,300	RDEC-27	491657	4503379	<5	91
RDEC-02	492942	4503703	<5	332	RDEC-28	491770	4503297	<5	44
RDEC-03	492915	4503600	83	15,300	RDEC-29	492658	4502247	23	6,060
RDEC-04	493325	4504253	12	101,000	RDEC-30	493077	4502242	<5	179
RDEC-05	493438	4503974	51	343	RREH-01	494169	4503559	13	19,500
RDEC-06	492338	4503987	<5	617	RREH-02	494160	4503622	36	27,700
RDEC-07	492261	4503753	<5	125	RREH-03	493916	4503189	295	2,700
RDEC-08	493668	4503279	1340	1,080	RREH-04	493719	4503456	18	539
RDEC-09	493673	4503288	366	2,560	RREH-05	494113	4501959	1950	3,940
RDEC-10	493695	4503140	24	689	RREH-06	494115	4501906	173	17,100
RDEC-11	493623	4502932	41	778	RREH-07	493222	4501929	2960	1,290
RDEC-12	493492	4502716	46	8,150	RREH-08	493027	4501524	402	163
RDEC-13	493889	4502413	465	83,700	RREH-09	492781	4501738	5	67,700
RDEC-14	493461	4503545	6	3,720	RREH-10	492801	4501738	66	-
RDEC-15	493325	4503392	5	447					

*Grab samples are selective and do not represent the true mineralization of the prospect

**The above assays were determined by ALS USA Inc. from grab samples. The samples were crushed and pulverized and a fraction was selected for analyses. Gold was determined by 30 g Fire Assay with an Atomic Adsorption finish. Samples assaying over 10 ppm gold were re-assayed and completed with a gravimetric finish. Silver and base metals concentrations were analysed using Aqua Regia ICP-AES.

Cautionary Statement

Apart from recent sampling disclosed in Table 1, all other geochemical data is considered “historical” and does not conform to NI 43-101 standards. These data include historical drill information for which assay certificates from industry standard laboratories are available and compiled in a database including UTM coordinates for each sample site. UTM sample location coordinates are also available for all historic rock grab samples from which a representative group have been field verified.

Mr. Osterberg continued, “Most of the project area remains completely untested by drilling. Under-tested targets of this magnitude are rare in established, world-class mining jurisdictions such as Nevada’s Battle Mountain District, and we intend to test the vast exploration opportunity at the Elder Creek project”.

Exploration Planning

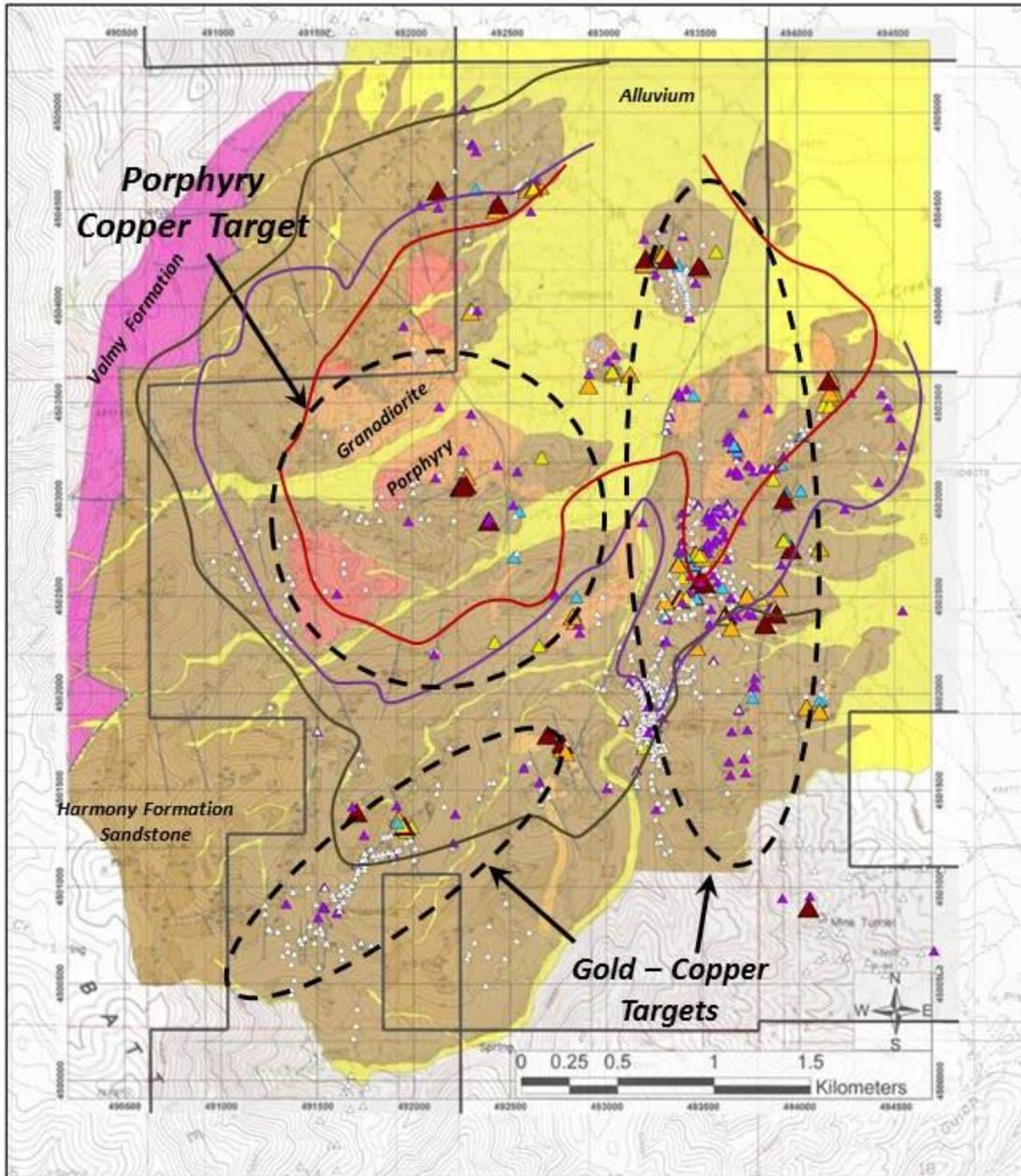
The Company is continuing its review of historical exploration data, including approximately 14,100 soil samples collected by previous explorers of the property, and results from approximately 100 historic drill holes. Historical geophysical data including gravity and IP/Resistivity data are currently being re-evaluated in the context of the current geologic model.

Exploration plans include completion of additional geophysical surveys to better assess distribution of sulphide mineralization, continued geologic mapping, and an initial fence of drill holes across priority targets, including copper oxide mineralization identified in outcrops.

Further technical details of the Elder Creek project may be viewed at:
<http://timberlineresources.co/projects/ElderCreek>.

Steven Osterberg, Ph.D., P.G., Timberline's President and Chief Executive Officer, is a Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the technical contents of this release.

Figure 1. Elder Creek Distribution of Copper in Rock Samples over Geology and Alteration Zoning



Copper in Rocks (ppm)

- | | |
|-----------------|--------------------|
| △ 0 - 500 | ▲ 5,000 - 10,000 |
| ▲ 500 - 2,500 | ▲ 10,000 - 25,000 |
| ▲ 2,500 - 5,000 | ▲ 25,000 - 101,000 |

- Porphyry-style Quartz Veins
- Hydrothermal Biotite (mod-strong)
- Limit of Biotite
- Mineralized Target Areas

Figure 2. Elder Creek Distribution of Gold in Rock Samples over Geology and Alteration Zoning

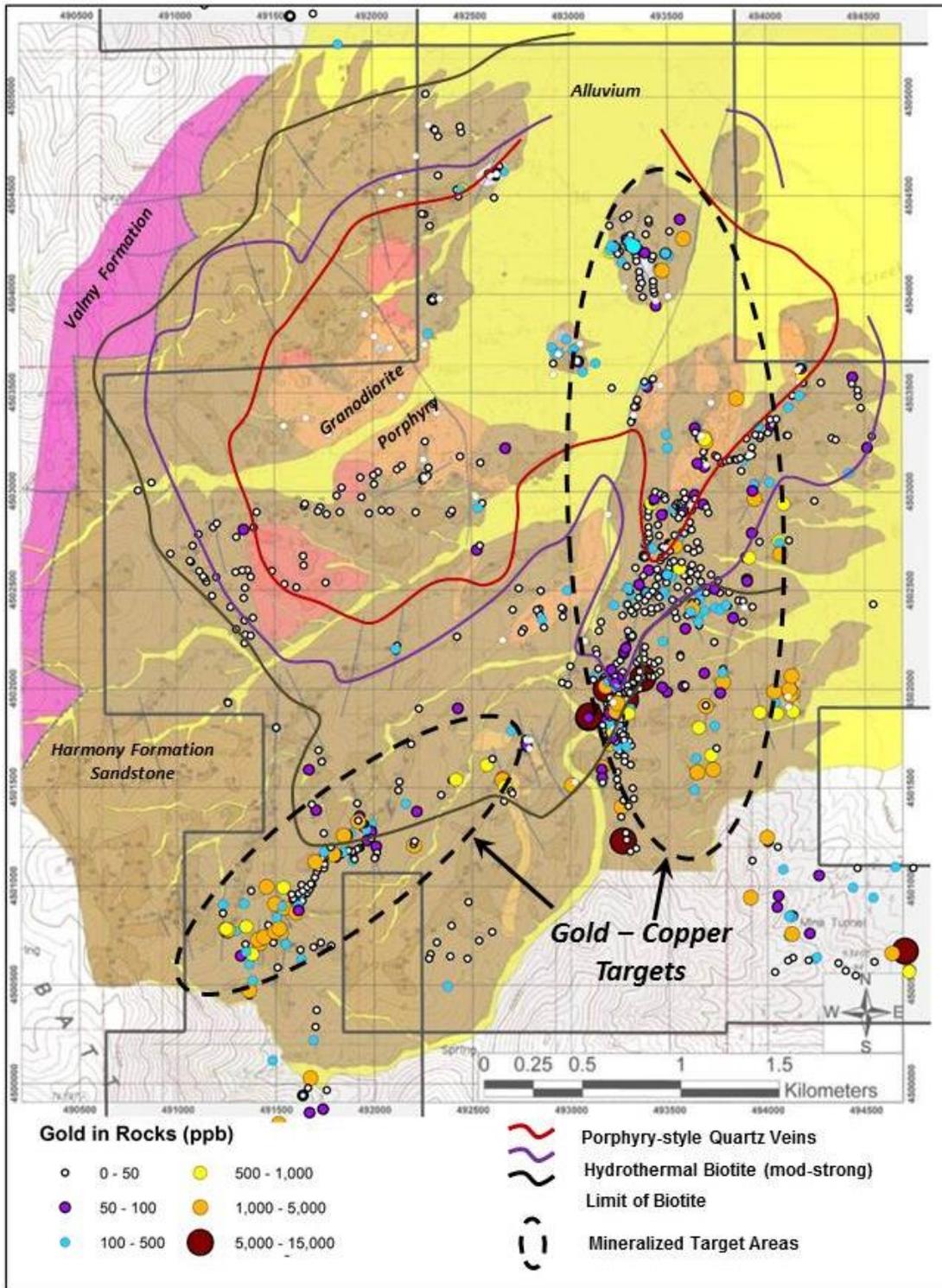
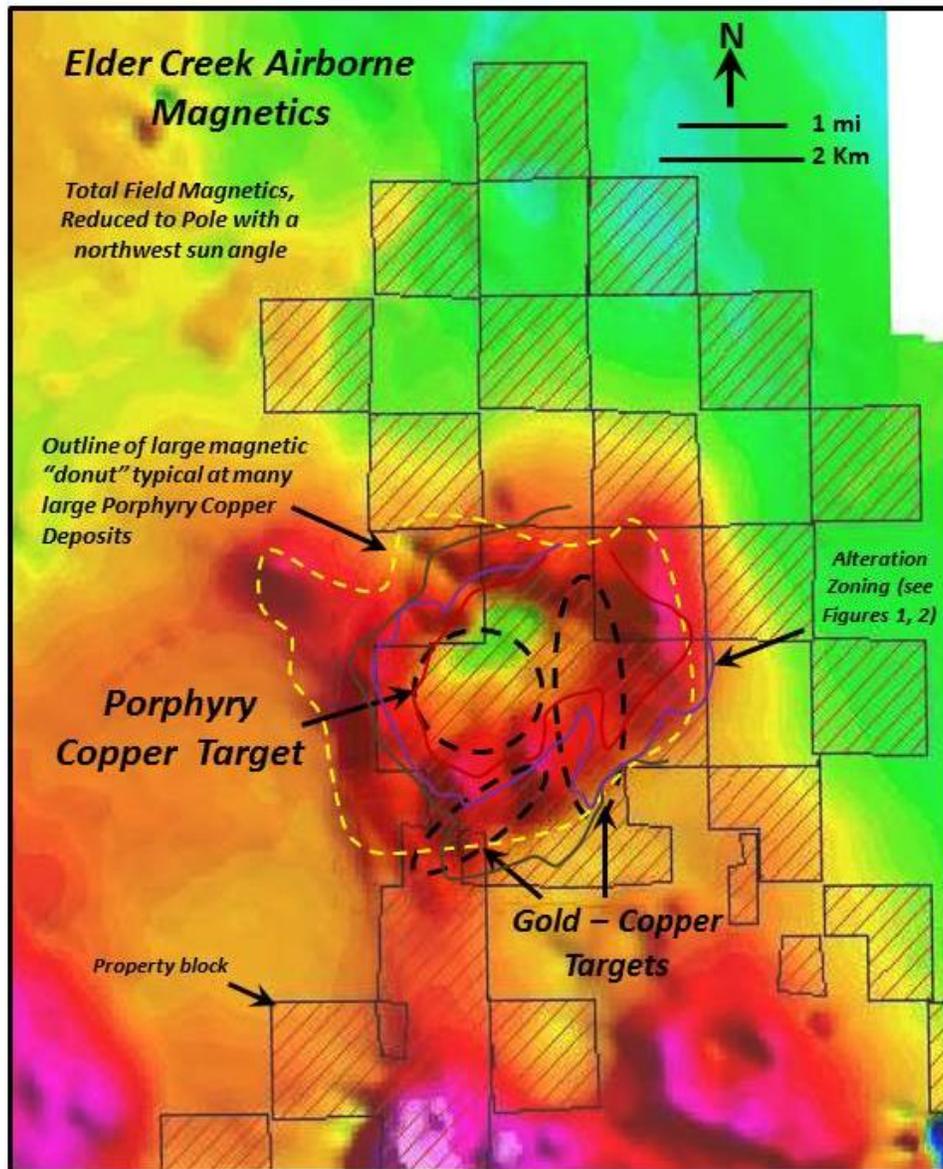


Figure 3. Elder Creek Airborne Total Field Magnetics with Alteration Zoning



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 property, comprised of the Lookout Mountain, Windfall, and Oswego projects which lie along three separate structural stratigraphic trends defined by distinct geochemical gold anomalies; and as operator of two joint venture projects - the Paiute project joint venture with a subsidiary of Barrick Gold, and the Elder Creek project joint venture with McEwen Mining. All of these properties lie on the prolific Battle Mountain-Eureka gold trend. Timberline also owns the Seven Troughs property in northern Nevada, known to be one of the state's highest grade, former producers. Timberline has increased its owned and controlled mineral rights in

Nevada to over 43 square miles (24,500 acres). Detailed maps and NI 43-101 estimated resource information for the Eureka property may be viewed at <http://timberlineresources.co/>.

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".

Cautionary note to U.S. investors concerning estimates of resources: This press release may use the terms "resources", "measured resources", "indicated resources", "inferred resources" and "measured & indicated resources." We advise U.S. investors that while these terms are defined in and required by Canadian regulations, 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. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into SEC Industry Guide 7 reserves.

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 confirmation of the presence of porphyry copper and copper-gold targets of substantial size located in the Elder Creek project area which are similar to that at Newmont's Copper Basin Project, and testing targets with initial drilling to follow-up on the historical results. References to Newmont's Phoenix mine are for information only and there are no assurances that the Company will achieve the same results at Elder Creek. 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. The Company's earn-in to the Elder Creek project joint venture has not yet closed, there are a number of conditions precedent to such closing, and there are no assurances that the Company will complete the earn-in as contemplated or at all. 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.

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