

## Timberline Updates Permitting Progress at Butte Highlands Gold Project in Montana

Coeur d'Alene, Idaho – June 19, 2014 – **Timberline Resources Corporation (NYSE MKT: TLR; TSX-V: TBR)** (“Timberline” or the “Company”) announced today that progress continues toward completion of the final Hard Rock Operating Permit (“Final HROP”) and approval of the Plan of Operations for material haulage by the Beaverhead-Deerlodge National Forest (“BDNF”).

Currently, the Montana Department of Environmental Quality (“MDEQ”) and an independent contractor are developing responses to comments on the Draft Environmental Impact Statement (“Draft EIS”) which was published in October, 2013 following the issuance of the Draft Hard Rock Operating Permit in December, 2012. The primary items under review include potential impacts related to groundwater and surface waters.

Butte Highlands JV, LLC (“BHJV”), the operator of the project, has proposed additional water monitoring at strategic sites as early warning indicators of potential groundwater and surface water impacts. In addition, mitigation measures have been developed in consultation with the MDEQ and in consideration of the interests of the City and County of Butte-Silver Bow (“BSB”).

As part of their process, the MDEQ appointed a new EIS coordinator in the first quarter of 2014 to direct completion of the Final Environmental Impact Statement (“Final EIS”) and the Final HROP. The MDEQ’s schedule for the release of the Final EIS, a Record of Decision (“ROD”), and the Final HROP is dependent upon the completion of MDEQ’s evaluation of the public comments and development of mitigation measures.

The United States Forest Service (“USFS”) administers the BDNF, which continues to evaluate comments and develop responses to the Draft Environmental Assessment (“Draft EA”) which was published in March 2014 on the proposed Plan of Operations for haul road usage. Responses are being developed in coordination with the MDEQ.

BSB has recently emphasized to BDNF that the overall development of mine production and mining activities are consistent with the BSB Growth Plan. To further support the project’s haulage plan for mineralized material, BSB has reaffirmed a 2006 resolution adopting the proposed haul road as a county road. In addition, BSB has indicated their intent to obtain an official Forest Road and Trail Act (“FRTA”) easement to formalize jurisdictional control of the road.

Progress continues to be made, however, neither the MDEQ nor BDNF have provided updated timelines for completion of the final permits. Based upon the progress to date and the remaining items to be finalized, BHJV anticipates final RODs on the Final HROP and the Plan of Operations for haul road usage late in the third quarter of 2014. A schedule update is expected from the MDEQ in the near future.

Timberline owns a 50-percent carried-to-production interest in BHJV, which owns the Butte Highlands Gold Project where mining is expected to commence following the issuance of the Final HROP and the USFS approval of a road-use plan of operations for material haulage. Timberline’s joint venture partner

has and is expected to continue to fund all mine development costs through to commercial production with Timberline's share of those costs to be repaid from proceeds of future mine production.

### **About Timberline Resources**

Timberline Resources Corporation is exploring and developing advanced-stage gold properties in the western United States. Timberline holds a 50-percent carried interest ownership stake in the Butte Highlands Joint Venture in Montana. Timberline's exploration is primarily focused on the major gold districts of Nevada, where it is advancing its flagship Lookout Mountain Project toward a production decision while exploring a pipeline of quality earlier-stage projects at its South Eureka Property and elsewhere. Timberline management has a proven track record of discovering economic mineral deposits that are developed into profitable mines.

Timberline is listed on the NYSE MKT where it trades under the symbol "TLR" 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 the Company's expected permits and timing of permits and records of decision by the MDEQ and/or USFS at Butte Highlands, progress and timing of evaluations being done by MDEQ and/or USFS, commencement and timing of production at Butte Highlands, and the continuation of development and funding by the Company's JV partner at Butte Highlands. 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, whether or not the Company completes the acquisition of Wolfpack US, risks related to obtaining shareholder and regulatory approvals, market risks, risks and uncertainties related to mineral estimates, risks related to the inherently dangerous activity of mining, and other such factors, including risk factors discussed in the Company's Annual Report on Form 10-K for the year ended September 30, 2012. Except as required by Federal Securities 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) accepts responsibility for the adequacy or accuracy of this release.

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