

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

# Timberline

## RESOURCES

NYSE MKT: **TLR** | TSX.V: **TBR**

A wide-angle photograph of a desert landscape. In the foreground, there is a flat, sandy area. In the middle ground, a large, rounded hill rises, its surface covered in sparse, dry vegetation and patches of light-colored soil. A dirt road or path winds across the base of the hill. The background shows more distant hills under a bright blue sky with scattered white clouds.

**Gold** Focused in Nevada

2015 Precious Metals Summit Colorado

DISCOVERING | DEVELOPING | **DELIVERING**

# Forward Looking Statements



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## 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 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 and resource expansion and potential upgrade, 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 exploration potential, and other similar statements regarding the future potential of the Talapoosa project, projected budget to reach production decision, statements regarding the Eureka Project resources and exploration targets, and statements regarding Butte Highlands future extraction operations. 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 Annual Report on Form 10-K for the year ended September 30, 2014. 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

The Company's JV partner at Butte Highlands has decided that it may advance the project into production without first establishing NI 43-101 mineral resources supported by an independent technical report or completing a feasibility study. A production decision without the benefit of a technical report independently establishing mineral resources or reserves and any feasibility study demonstrating economic and technical viability creates increased uncertainty and heightens economic and technical risks of failure.

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 Talapoosa PEA, refer to Preliminary Economic Assessment on the Talapoosa Project, Nevada effective April 27, 2015 and re-filed on SEDAR on August 10, 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. For Butte Highlands, refer to Technical Report on the Butte Highlands Gold Project effective May 10, 2013 and filed on SEDAR on May 23, 2013.

*Steven Osterberg, Ph.D., P.G., Timberline's Vice-President of Exploration, 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

- Combines Nevada technical expertise with proven access to capital markets

## Tight Capital Structure: 12 million shares I/O

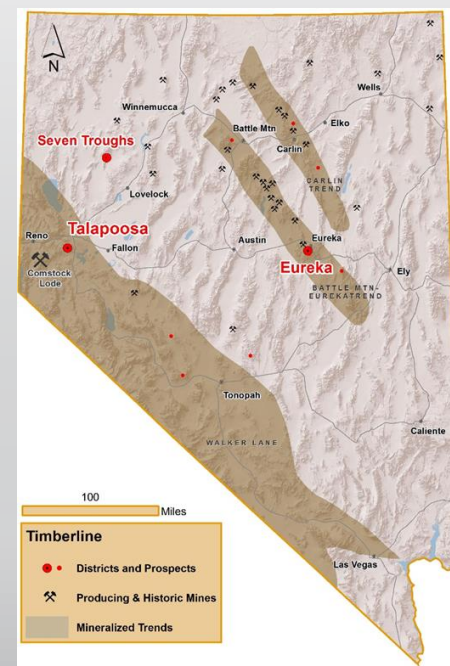
## Nevada Focus: World-Class Gold Jurisdiction

## Talapoosa Project, Nevada (*Advanced Development*)

- Low risk:** partially permitted, open pit, heap leach gold project
- NI 43-101 gold resource containing 1.01 Moz (M&I) and 0.23 Moz (Inferred)
- Robust Preliminary Economic Assessment (PEA) announced in April 2015:
  - After-tax NPV<sub>5%</sub> of \$136 million and 39% IRR at \$1,150/oz Au and \$16/oz Ag
  - Production of 55,000 oz/yr Au and 679,000 oz/yr Ag over an 11-year mine life
  - All-in sustaining cash costs of \$599/oz Au (net of Ag)
  - Low Initial Capital Requirement of \$51 million to achieve production

## Eureka Project, Nevada (*Advanced Exploration*)

- High upside:** district-scale property, historic production, 6 km S of Barrick's Ruby Hill Mine
- NI 43-101 gold resource containing 508,000 oz (M&I) and 141,000 oz (Inferred)



# Strong Management and Board



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## **Kiran Patankar, President, CEO & Director**

- Combined 12 years of investment banking, operations management, and geological engineering experience
- BS in Geological Engineering from Colorado School of Mines and MBA from Yale School of Management



## **Bill Sheriff, Director, Chairman**

- Entrepreneur with over 30 years of mineral exploration experience
- Chairman/CEO of Till Capital Ltd., Chairman of Silver Predator, Golden Predator, and enCore Energy Corp.



## **Randy 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 and Refining Co.



## **Leigh Freeman, Director**

- 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



## **Steve Osterberg, Ph.D., P.G., Q.P., VP Exploration**

- Over 25 years of domestic and international minerals exploration, permitting and development experience with Carlin, epithermal, and mesothermal gold deposits
- Senior technical and consulting positions with Knight Piésold, Tetra Tech, and BHP Minerals International



## **Bob Martinez, Director**

- Metallurgical engineer with over 35 years of experience in mining project development and management
- Senior positions with Metallica Resources Inc., Zacoro Metals, Amselco, and Coeur d'Alene Mines; Director of TrueGold Mining



## **Paul Dirksen, VP, Business Development, 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



## **John Watson, Director**

- Mining executive with over 30 years of experience with exploration and producing companies
- Currently President/CEO of NV Gold Corporation, and a Director of Prospero Silver Corp. Former President of Pan-Nevada Gold and Horizon Gold Corporation

# Talapoosa Project Overview

- **100% control of 14,870 acres**
- **45 Km east of Reno, Nevada**
- **Excellent Infrastructure:** road access, power, water
- **1970's to 1990's:** 12 previous explorers completed 100,000m of drilling, metallurgy, and mine planning
- **1996 and 1997:** Miramar Mining Corporation obtained full permits for an open pit, heap leach operation with the BLM and State of Nevada
- **2010 to 2014:** Gunpoint Exploration completed 5,300m of drilling, geologic modeling, NI 43-101 resource estimate, metallurgy
- **Current:** Robust PEA completed in April 2015 – within scope of previously permitted operation, with a valid BLM Record of Decision on Plan of Operations

# Talapoosa PEA Results

Operating Assumptions/Highlights	(US\$ unless otherwise indicated)
Mine Life	10.8 years
Strip Ratio	1.47 : 1
Processing Rate	3.8 Mtpa
Average Gold Head Grade	0.74 g/t
LOM Average Gold Recovery	66%
Total Recovered Gold Ounces	593,000 oz
Average Gold Production	55,000 oz/yr
Average Silver Head Grade	11.6 g/t
LOM Average Silver Recovery	52%
Total Recovered Silver Ounces	7,365,000 oz
Average Silver Production	679,000 oz/yr
Initial Capital Cost <sup>(1)</sup>	\$51.2 million
All-In Sustaining Cost (net of silver) <sup>(2)</sup>	\$599/oz Au
After-Tax Net Cash Flow	\$209 million
After-Tax NPV 5%	\$136 million
After-Tax IRR	38.8%
Payback Period	3.1 years

Note: All estimates using \$1,150/oz gold price, \$16/oz silver price; after-tax estimates include a 1% NSR royalty, 5% NV net profits tax, depreciation and depletion, and a 35% US Federal income tax

<sup>(1)</sup>Includes \$2 million reclamation bond and \$6 million in contingency costs

<sup>(2)</sup>Cash operating cost plus royalties, refining costs, NV net proceeds tax, and sustaining capex

## Independent QPs:

- ▲ WSP Canada Inc.
- ▲ Mineral Property Development Inc.
- ▲ McClelland Laboratories Inc.
- ▲ Enviroscientists Inc.
- ▲ DOWL

*The PEA is preliminary in nature and includes inferred mineral 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. There is no certainty that the PEA will be realized.*

For Talapoosa PEA results, refer to Preliminary Economic Assessment on the Talapoosa Project, Nevada effective April 27, 2015 and re-filed on SEDAR on August 10, 2015.

# Talapoosa Resource Estimate

NI 43-101 Technical Report prepared by WSP Canada Inc. was published on April 1, 2015:

	Tons	Au (oz/ton)	Ag (oz/ton)	Tonnes	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
Oxide Measured	3,126,050	0.038	0.553	2,835,890	1.29	18.96	117,253	1,728,323
Sulphide Measured	14,044,820	0.036	0.481	12,741,180	1.22	16.50	501,215	6,760,763
<b>Total Measured</b>	<b>17,170,870</b>	<b>0.036</b>	<b>0.494</b>	<b>15,577,070</b>	<b>1.23</b>	<b>16.95</b>	<b>618,468</b>	<b>8,489,086</b>
Oxide Indicated	1,412,000	0.032	0.416	1,280,900	1.10	14.25	45,328	586,999
Sulphide Indicated	12,681,600	0.028	0.361	11,504,500	0.94	12.36	349,005	4,573,274
<b>Total Indicated</b>	<b>14,093,600</b>	<b>0.028</b>	<b>0.366</b>	<b>12,785,400</b>	<b>0.96</b>	<b>12.55</b>	<b>394,334</b>	<b>5,160,273</b>
<b>Total M&amp;I</b>	<b>31,264,470</b>	<b>0.032</b>	<b>0.437</b>	<b>28,362,470</b>	<b>1.11</b>	<b>14.97</b>	<b>1,012,802</b>	<b>13,649,358</b>
Oxide Inferred	1,762,000	0.027	0.065	1,598,000	0.93	2.24	47,745	115,115
Sulphide Inferred	9,436,000	0.02	0.218	8,560,000	0.68	7.48	185,787	2,057,651
<b>Total Inferred</b>	<b>11,198,000</b>	<b>0.021</b>	<b>0.194</b>	<b>10,158,000</b>	<b>0.72</b>	<b>6.65</b>	<b>233,532</b>	<b>2,172,766</b>

*Note: resources estimated using a gold cut-off = 0.013 oz/ton (0.45 g/t), totals may not add due to rounding*

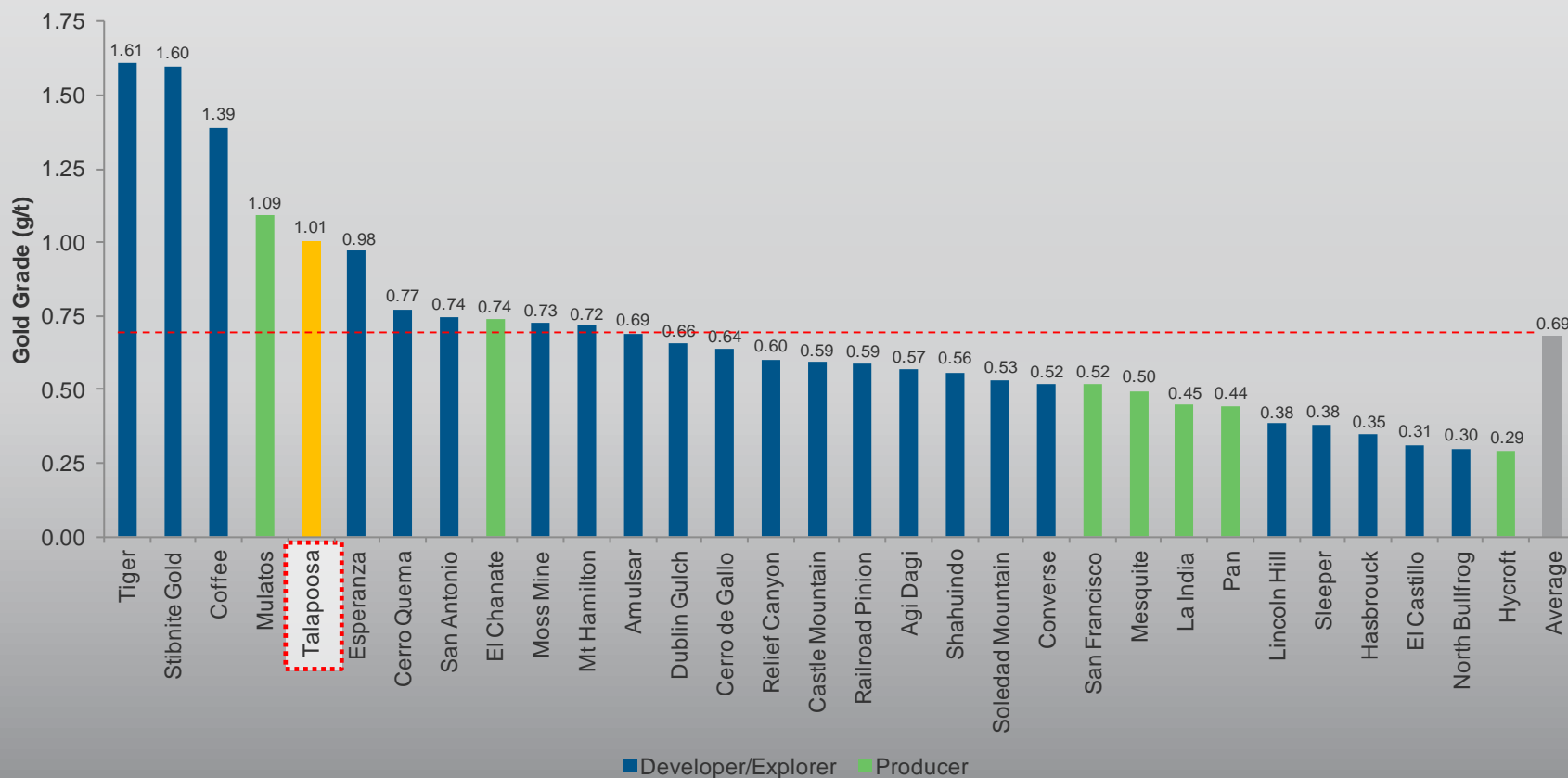
*Refer to Technical Report and Resource Estimate on the Talapoosa Project, Nevada, WSP Canada Inc., Effective March 24, 2015, Filed on SEDAR on April 1, 2015*

*Mineral resources that are not mineral reserves do not have demonstrated economic viability*

■ **81% of known gold ounces are in the M&I Resource categories**

# Comparable OP/HL Deposits



Talapoosa's resource grade is above average for comparable open pit, heap leach deposits



Source: Company filings



# Permitting Head Start

Agency	Permit	Status	Timeline
<b><i>U.S. Bureau of Land Management (BLM)</i></b>	<b><i>Record of Decision on EIS for 42Mt open-pit, heap leach operation</i></b>	<b><i>Approved in 1996; remains valid for life of project</i></b>	
<b><i>U.S. BLM</i></b>	<b><i>Nevada Reclamation Permit</i></b>	<b><i>Approved in 1996; remains valid for life of project</i></b>	
U.S. BLM	Right-of-Way Permit for power and water pipeline	Required; possible Environmental Assessment Required	Up to 6 months
Nevada Bureau of Mining Regulation and Reclamation (BMRR)	Water Pollution Control Permit	Re-application to include updated waste rock characterization, and closure plan	8-14 months
BMRR/BLM (joint)	Reclamation Cost Estimate Bonding	Updated bond to be determined from re-submitted closure plan	4 months
Nevada Bureau of Air Pollution Control	Air Quality and Mercury Operating Permits	Re-application	6-9 months
Nevada Division of Water Resources	Water Rights	Requires lease or purchase of water rights	9-12 months after lease or purchase
Lyon County, Nevada	County Special Use Permit	Required	Approximately 6 months
Various (Federal and State)	Ten minor ministerial permits and notifications	Required before or during construction	Up to 180 days

# Comparable OP/HL Projects



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Project	Talapoosa		Lincoln Hill	Commonwealth	Castle Mountain	Hasbrouck	Mt. Hamilton
Company	<b>Timberline Resources</b>		Rye Patch Gold	Marlin Gold	Castle Mountain Mining	West Kirkland Mining	Waterton Global Resources
Location	<b>Nevada</b>		Nevada	Arizona	California	Nevada	Nevada
Development Stage	<b>PEA</b>		PEA	PEA	PEA	Pre-Feasibility	Feasibility
Gold Price (US\$/oz)	<b>1,150</b>	<b>1,300</b>	1,350	1,350	1,300	1,225	1,300
Silver Price (US\$/oz)	<b>16.00</b>	<b>17.50</b>	22.00	22.50	n/a	17.50	20.00
Throughput (Mtpa)	<b>3.8</b>		1.8	4.0	8.1	6.1	3.5
Strip Ratio (W : O)	<b>1.5 : 1</b>		0.5 : 1	1.0 : 1	6.9 : 1	1.1 : 1	2.5 : 1
Mine Life (Years)	<b>11</b>		5	9	17	8	7
LOM Average AuEq* Production (koz/yr)	<b>64</b>		45	57	176	71	73
Average Gold Head Grade (g/t)	<b>0.74</b>		0.65	0.39	0.85	0.58	0.82
Gold Recovery (%)	<b>66</b>		64	80	83	74	76
Initial Capital (US\$M)	<b>51</b>		26	27	98	54	92
Sustaining Capital (US\$M)	<b>1</b>		4	21	423	83	30
LOM Avg. All-in AuEq* Sustaining Cost (US\$/oz)	<b>680</b>	<b>692</b>	759	872	949	779	833
NPV @ 5% (US\$M)	<b>136</b>	<b>188</b>	41	101	352	75	79
IRR (%)	<b>39</b>	<b>53</b>	53	58	20	26	26
Payback (Years)	<b>3.1</b>	<b>1.0</b>	1.6	1.6	2.6	3.7	2.9

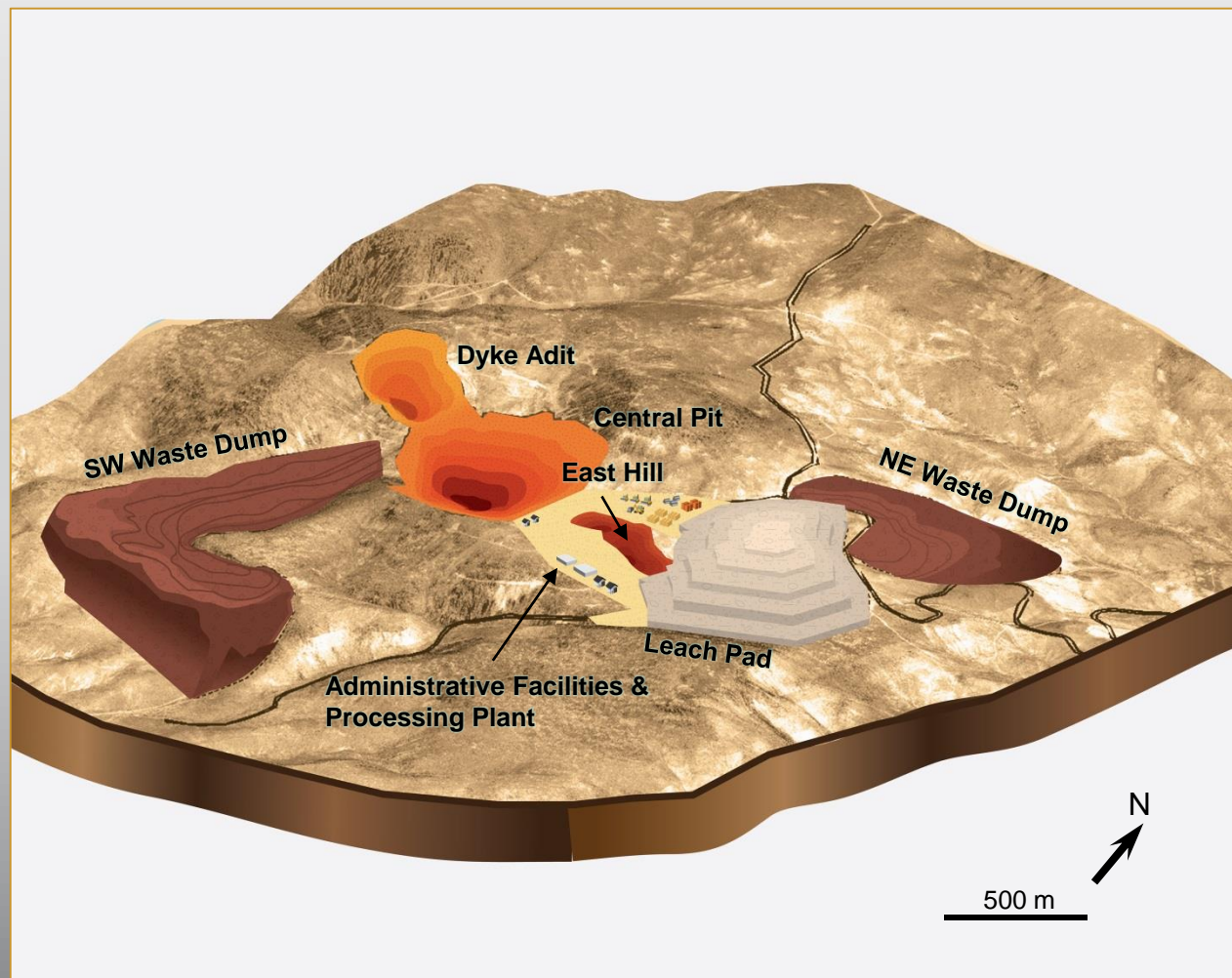
\*Note: AuEq based on project-specific metals price assumptions  
Source: Company filings

Acquired for US\$11M  
in May 2015

Acquired for US\$30M  
in August 2015

# Talapoosa Conceptual Design

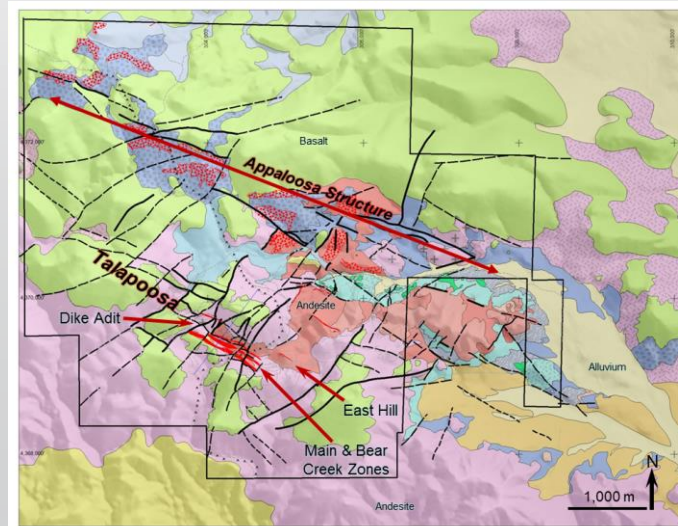
- Approximates mine configuration originally permitted by Miramar Mining Corp.
- Compact footprint minimizes haulage distances



# Talapoosa Blue Sky Potential

## ■ Appaloosa Zone Exploration

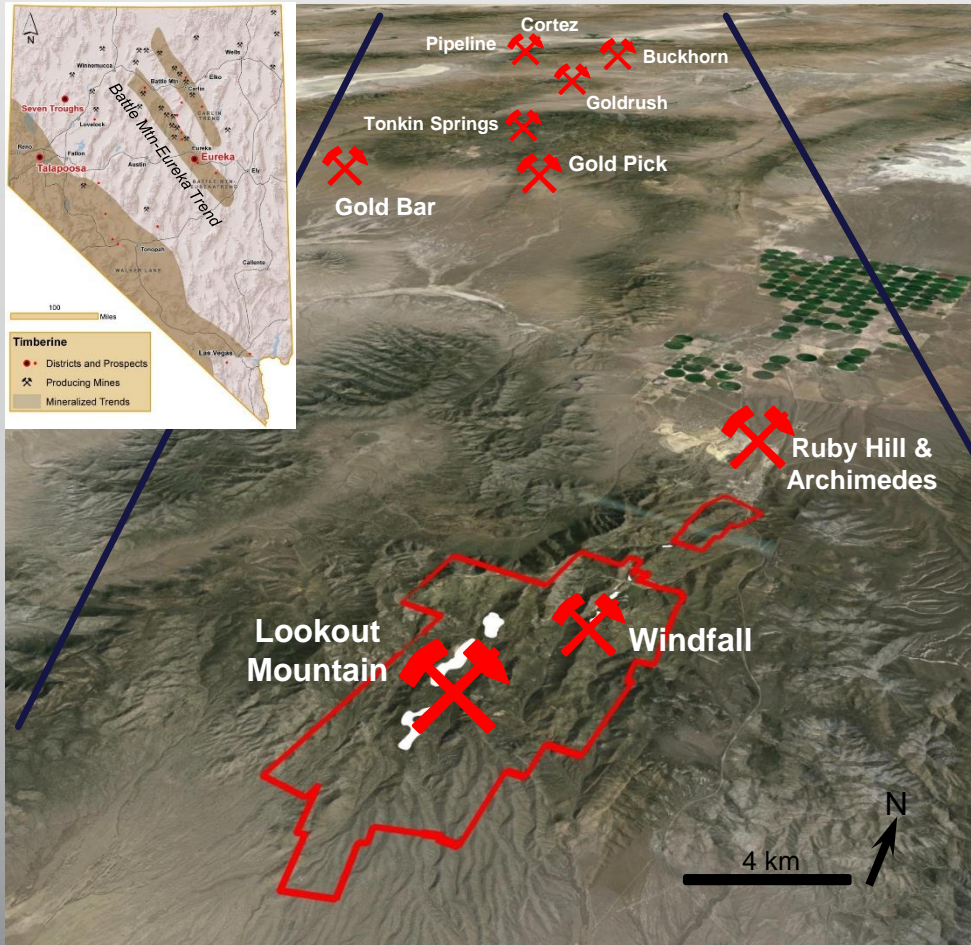
- Parallel structural zone located 1.5 km north of Talapoosa
- 7 km untested strike length
- District-scale footprint, similar to Comstock Lode
- Outcropping epithermal sinter, and breccia with mineralized vein fragments
- More deeply eroded SE portion is mineralized at surface
- Applicable geophysical tools: IP/resistivity and magnetics
- Targeted sampling planned for 2015





# Eureka Project

## District-Scale on the Battle Mountain-Eureka Gold Trend



### Lookout Mountain

NI 43-101 Gold Resource<sup>(1)</sup>:

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

### Carlin-type gold system

**23 mi<sup>2</sup> land package remains largely untested**

### Trend Hosts Several Multi-Million Ounce Gold Mines

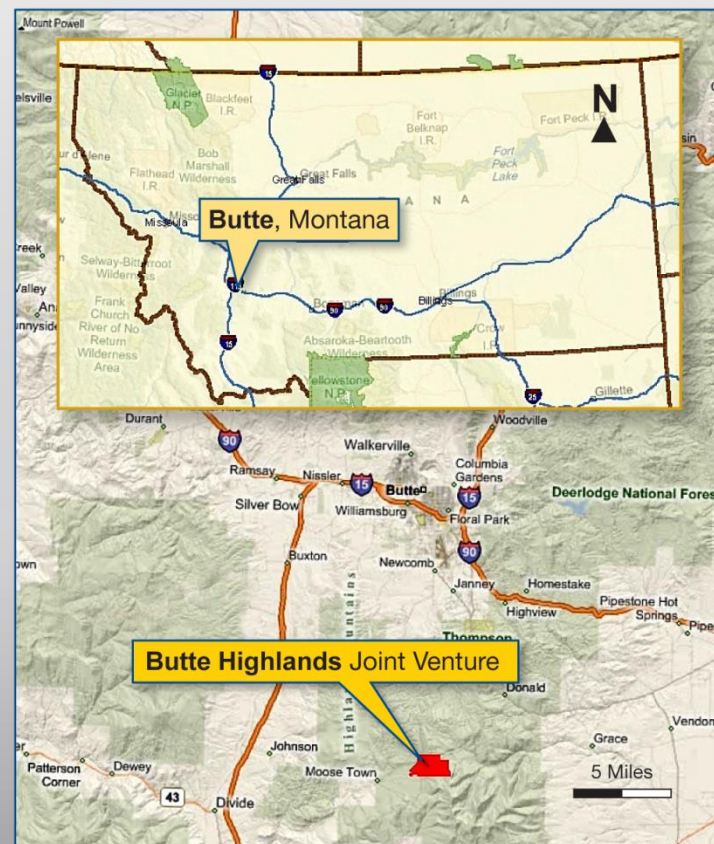
- Cortez/Pipeline Complex
- Goldrush Prospect
- Ruby Hill / Archimedes

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



# Butte Highlands JV, Montana

- Located ~15 miles south of Butte, Montana in prolific gold mining region
- 50% Carried-to-Production interest
- \$30+ million of completed underground and surface development paid for by JV partner
- Final Permits Issued:
  - ✓ Hard Rock Operating Permit EIS, Record of Decision – January 2015
  - ✓ MPDES Water Discharge Permit – June 2013
  - ✓ EPA UIC – September 2013
- Permits Pending:
  - USFS Road Use Permit – expected August 2015
- High grade feed in demand at nearby mills



## **Butte Highlands Cautionary Note:**

The Company's JV partner at Butte Highlands has decided to advance the project into production without first establishing mineral resources supported by an independent technical report or completing a feasibility study. A production decision without the benefit of a technical report independently establishing mineral resources or reserves and any feasibility study demonstrating economic and technical viability creates increased uncertainty and heightens economic and technical risks of failure.

# Other Significant Projects

## ■ Seven Troughs

- 3,900-acre district near Lovelock, Nevada
- Epithermal gold/silver district with some of the highest-grade gold production in Nevada mining history
- 150,000 ounces of historic gold production grading 1.2 opt (41.1 g/t) gold and 4.0 opt (137 g/t) silver

## ■ Other early stage projects

- High upside with low holding costs



# Key Success Factors

- **Management/Board with Technical and Capital Markets Expertise**
- **Tight Share Structure: 12 million shares I/O**
- **Nevada Focus: World-Class Gold Jurisdiction**
- **Advanced Gold Development Project with **Permitting Head Start****
- **High-Quality Gold Project Pipeline**
- **Value-Accretive Transactions and Capital Discipline**



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