

Timberline

RESOURCES

Capital Structure As of September 30, 2010	Average Price (US\$)	
Common Shares		55.6 M
Convertible Debt	\$1.50	3.3 M
Total Options	\$0.96	6.2 M
Total Warrants (expire 2011)	\$3.00	8.1 M
Fully Diluted		73.2 M

- Focused Exploration and Development
- Early Results with Substantial Upside
- Butte Highlands Income Targeted for Q1 2012
- Proven Management Track Record
- Current and Future Positive Cash Flow



Delaware Corporation

Corporate office in Coeur d'Alene, Idaho

Flagship Advanced Exploration Property

South Eureka Property in Nevada's Battle Mountain – Eureka gold trend including Lookout Mountain Project

Current aggressive exploration program to further define reported 544,885 ounces M&I, and 336,270 ounces Inferred

Major Investments

Butte Highlands Joint Venture

50% carried-to-production interest

Currently in development with gold production targeted in early Q1 2012

Timberline Drilling, Inc. wholly-owned subsidiary providing priority drill access and positive cash flow

Business Model

Acquire and develop advanced-stage precious metals properties in mining-friendly locations

Add substantial value through prudent exploration

Monetize projects by retaining an interest through joint venture, outright sale, option or royalty agreement, or advancing to production

Key Financial Data (US\$ millions) As of September 30, 2010

Cash and Cash Equivalents	\$4.64
Working Capital	\$2.83
Total Assets	\$31.27
Long-term Debt	\$6.76
Stockholder's Equity	\$19.43

Market Information

Recent Price (USD)	\$1.02
Range (USD)	\$0.73 - \$1.47
Average Daily Volume (3 mo.)	507,850
Market Capitalization (USD)	\$57 million



Paul Dircksen, Chairman, VP Exploration

- Over 35 years in exploration and mine development
- Member on seven discoveries/acquisitions leading to production

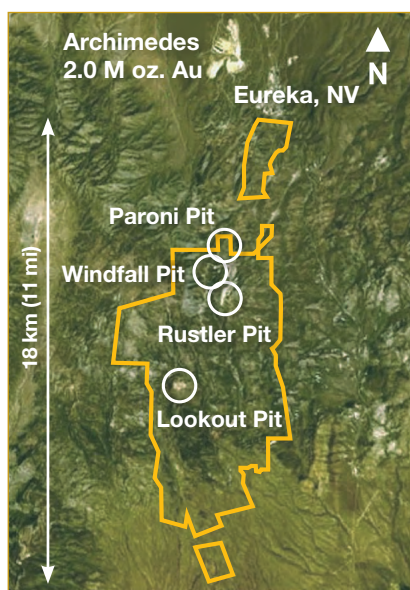


Randy Hardy, CEO, CFO

- Over 20 years of finance and operations
- Experience in precious metals exploration, mining, and manufacturing

South Eureka Property - Nevada

- ▀ **One of the largest undeveloped exploration properties in Nevada**
- ▀ **Acquired in 2010 for \$17.54 per ounce of gold resource**
 544,885 ounces M&I, and 336,270 ounces Inferred NI 43-101 reported gold resource
- ▀ **Executing aggressive exploration program for timely results**
 30,000 feet of RC and 5,000 feet of core drilling, metallurgical testing, geochemistry, and geophysics
- ▀ **Goal to release updated NI 43-101 resource early 2011**
- ▀ **Actively testing other targets at South Eureka with results expected in 2011**
- ▀ **Preliminary Economic Assessment targeted for June 2011**



South end of the prolific gold producing Battle Mountain/Eureka trend

Advantageous mining jurisdiction

Existing reported gold resource at Lookout Mountain Project

Metallurgical characteristics amenable to low-cost heap leach operation

Multiple prospective exploration targets

Windfall-Hoosac, South Ratto Ridge, Secret Canyon-Hamburg Ridge and New York Canyon

Approximately 15,000 acres (23 mi²)

Excellent potential for exploration and near-term gold production

	2010					2011					
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Drilling	█										
Sampling	█										
Assay results		█									
Geophysics			█								
Metallurgical Study				█							
Update NI 43-101 Resource						█					
Preliminary Economic Assessment						█					

Cautionary Statements: This document contains forward-looking statements within the meaning of U.S. securities laws. Such forward-looking statements include, but are not limited to, statements regarding the timing and anticipated results of the Company's exploration program at the South Eureka Property, the timing for the release of updated resource estimates, a preliminary economic assessment and the results of testing other targets at the South Eureka Property, targeted gold production for the Butte Highlands JV, and anticipated cash flow from Timberline Drilling. Such statements reflect management's best estimates based on current information, involve substantial risks and uncertainties, including those described in the Company's annual report on Form 10-K for the fiscal year ended September 30, 2010, as filed with the United States Securities and Exchange Commission on December 20, 2010 and the Company's other periodic reports as filed with the SEC. Actual results may differ materially from these forward-looking statements. All mineral resource estimates contained in this document, including the terms "measured" "indicated" and "inferred" mineral resources, have been prepared in accordance with Canadian standards, and these standards differ significantly from the requirements of the SEC. U.S. investors are cautioned not to assume that all or any part of such mineral resources will ever be converted into SEC compliant reserves, or any part of an inferred mineral resource exists.