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NEWS RELEASE

GUNPOINT EXTENDS TALAPOOSA OPTION AGREEMENT

Gunpoint Exploration Ltd. (“Gunpoint” or the “Company”) is pleased to announce that the Company has agreed to a restructuring and extension of the option agreement (“Option Agreement”) with Timberline Resources Corporation (TSX-V: TBR; OTCQB: TLRS) (“Timberline”) to acquire a 100% interest in Gunpoint’s Talapoosa gold project (“Talapoosa”) located in Nevada, USA.

Pursuant to the Option Agreement dated March 12, 2015 (see news release dated March 17, 2015), Timberline had the option to acquire a 100% interest in Talapoosa by paying Gunpoint US\$10 million by September 12, 2017. In consideration for extending the Option exercise period by approximately 18 months from September 12, 2017 to March 31, 2019 (“Option Exercise Closing Date”), Timberline will now pay an additional US\$1 million and issue an additional 3.5 million common shares to Gunpoint. In addition, Timberline’s repurchase option for Gunpoint’s 1% net smelter return royalty (“NSR”) on Talapoosa has been eliminated.

The amended terms of the Option Agreement are as follows:

- Payment of US\$1 million and one million common shares of Timberline by March 31, 2017.
- Payment of US\$2 million and one million common shares of Timberline by March 31, 2018.
- A final payment of US\$8 million and 1.5 million common shares of Timberline by March 31, 2019.
- Timberline undertakes cumulative project expenditures of a minimum of US\$7.5 million by December 31, 2018.
- Elimination of Timberline’s US\$3 million purchase option of the 1% NSR retained by Gunpoint upon Timberline’s acquisition of Talapoosa.
- The contingent payment based on escalating gold prices has been amended such that if gold prices average greater than or equal to US\$1,600 over any 90 day period (“Trigger Event”) within a 5-year period commencing on the Option Exercise Closing Date, Timberline will pay Gunpoint an additional US\$10 million of which a minimum of US\$5 million will be payable within six months of the Trigger Event, and the remaining US\$5 million payable within twelve months of the Trigger Event, with both payments payable in cash or, at Timberline’s discretion, up to 50% in shares.

Upon exercise of the Option Agreement, Timberline will have paid US\$11.3 million and issued 5.5 million shares to Gunpoint to acquire a 100% interest in Talapoosa. Gunpoint will retain a 1% NSR in Talapoosa.

“Timberline’s commitment to fast track the development as an open-pit heap leach operation will provide our shareholders the opportunity to gain significant value from Talapoosa. Besides Talapoosa’s known resource of over 1 million ounces of gold, regional exploration indicates promising district-scale potential. Future success would be realized in Gunpoint’s equity position and 1% NSR. We also believe in a rising trend for the gold price which could provide additional leverage and further shareholder reward,” said Gunpoint’s President, Randy Reifel.

About Gunpoint Exploration

Gunpoint Exploration Ltd. owns the Talapoosa gold project in Nevada. In Mexico, Gunpoint owns the La Cecilia gold project in Sonora state and a 75% interest in the La Gitana gold project in Oaxaca state. Gunpoint also owns the El Escorpion gold-silver project in Guatemala located 7 kilometres southwest and along trend of Tahoe Resources Inc's Escobal mine. Tahoe's Escobal land package surrounds Gunpoint's El Escorpion project.

For more information on Gunpoint, please contact investor relations at (604) 731-1094.

GUNPOINT EXPLORATION LTD.

"P. Randy Reifel"

P. Randy Reifel
President

This news release contains forward-looking statements that address future events and conditions and are subject to various risks and uncertainties in relation to the Company. Specifically, the exercise of the Option by Timberline and its completion of terms of the Option, the value of the shares of common stock of Timberline, future exploration and development plans for the Talapoosa project, Timberline's reasonable efforts to complete a feasibility study on the Talapoosa project are forward-looking statements and subject to a number of assumptions, including, without limitation, Timberline's financial resources and position, ability to complete the Option conditions, results of exploration and development work, the state of financial markets and precious metals prices. There can be no assurance that the Option will be exercised as proposed or at all or that Gunpoint will realize the expected value of the Timberline shares. Forward-looking statements are based on the expectations and opinions of the management of the Company on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on 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.

