

THUNDER MOUNTAIN GOLD INC
Form 10-K
April 01, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the fiscal year ended December 31, 2018

OR

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____

Commission file number: 001-08429

Thunder Mountain Gold, Inc.

(Exact Name of Registrant as Specified in its Charter)

Nevada

(State of other jurisdiction of incorporation or organization)

11770 W. President Dr., Ste. F

Boise, Idaho

(Address of Principal Executive Offices)

91-1031015

(I.R.S. Employer
Identification No.)

83713

(Zip Code)

(208) 658-1037

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(Registrant's Telephone Number, including Area Code)

SECURITIES REGISTERED PURSUANT TO SECTION 12 (b) OF THE ACT: None

SECURITIES REGISTERED PURSUANT TO SECTION 12 (g) OF THE ACT: Common stock, Par Value \$0.001

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of III of this Form 10-K or any amendment to the Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company Emerging Growth Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrants most recently completed second fiscal quarter: \$ 5,709,944 as of June 30, 2018.

The number of shares of the Registrant's Common Stock outstanding as of March 14, 2019, was 57,633,879

THUNDER MOUNTAIN GOLD, INC.

Form 10-K

December 31, 2018

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PART I

Cautionary Statement about Forward-Looking Statements

This Annual Report on Form 10-K includes certain statements that may be deemed to be “forward-looking statements.” All statements, other than statements of historical facts, included in this Form 10-K that address activities, events or developments that our management expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements include discussion of such matters as:

The amount and nature of future capital, development and exploration expenditures;

The timing of exploration activities, and;

Business strategies and development of our Operational Plans.

Forward-looking statements also typically include words such as “anticipate”, “estimate”, “expect”, “potential”, “could” similar words suggesting future outcomes. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, including such factors as the volatility and level of metal prices, uncertainties in cash flow, expected acquisition benefits, exploration, mining and operating risks, competition, litigation, environmental matters, the potential impact of government regulations, many of which are beyond our control. Readers are cautioned that forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those expressed or implied in the forward-looking statements. Except as required by law, we undertake no obligation to revise or update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Management's Discussion and Analysis is intended to be read in conjunction with the Company's financial statements and the integral notes (“Notes”) thereto for the fiscal year ending December 31, 2018. The following statements may be forward looking in nature and actual results may differ materially.

ITEM 1 - DESCRIPTION OF BUSINESS

Company History

The Company was originally incorporated under the laws of the State of Idaho on November 9, 1935, under the name of Montgomery Mines, Inc. In April 1978 controlling interest in the Montgomery Mines Corporation was obtained by a group of the Thunder Mountain property holders who then changed the corporate name to Thunder Mountain Gold, Inc. with the primary goal to further develop their holdings in the Thunder Mountain Mining District, Valley County, Idaho.

Change in Situs and Authorized Capital

The Company moved its situs from Idaho to Nevada, but maintains its corporate offices in Garden City, Idaho. On December 10, 2007, articles of incorporation were filed with the Secretary of State in Nevada for Thunder Mountain Gold, Inc., a Nevada Corporation. The Directors of Thunder Mountain Gold, Inc. (Nevada) were the same as for Thunder Mountain Gold, Inc. (Idaho).

On January 25, 2008, the shareholders approved the merger of Thunder Mountain Gold, Inc. (Idaho) with Thunder Mountain Gold, Inc. (Nevada), which was completed by a share for share exchange of common stock. The terms of the merger were such that the Nevada Corporation was the surviving entity. The number of authorized shares for the Nevada Corporation is 200,000,000 shares of common stock with a par value of \$0.001 per share and 5,000,000 shares of preferred stock with a par value of \$0.0001 per share.

The Company is structured as follows: The Company owns 100% of the outstanding stock of Thunder Mountain Resources, Inc., a Nevada Corporation. Thunder Mountain Resources, Inc. owns 100% of the outstanding stock of South Mountain Mines, Inc., an Idaho Corporation. South Mountain Mines, Inc. owns 75% of Owyhee Gold Territory, LLC.

We have no patents, licenses, franchises or concessions which are considered by the Company to be of importance. The business is not of a seasonal nature. Since the potential products are traded in the open market, we have no control over the competitive conditions in the industry. There is no backlog of orders.

There are numerous Federal and State laws and regulation related to environmental protection, which have direct application to mining and milling activities. The more significant of these laws deal with mined land reclamation and wastewater discharge from mines and milling operations. We do not believe that these laws and regulations as presently enacted will have a direct material adverse effect on our operations.

Subsidiary Companies

On May 21, 2007, the Company filed Articles of Incorporation with the Secretary of State in Nevada for Thunder Mountain Resources, Inc., a wholly-owned subsidiary of Thunder Mountain Gold, Inc. The financial information for the new subsidiary is included in the consolidated financial statements.

On September 27, 2007, Thunder Mountain Resources, Inc., a wholly-owned subsidiary of Thunder Mountain Gold, Inc., completed the purchase of all the outstanding stock of South Mountain Mines, Inc., an Idaho corporation. On November 8, 2012, South Mountain Mines, Inc., (“SMMI”) a wholly owned subsidiary of Thunder Mountain Resources, Inc., which in turn is a wholly owned subsidiary of the Company, and Idaho State Gold Company II LLC (“ISGC”) formed Owyhee Gold Territory LLC (“OGT”) (aka Owyhee Gold Trust, LLC) a limited liability company (LLC).

On November 4, 2016, the Company entered into a Settlement Agreement between ISGC II and, SMMI. This Settlement was judicially-ratified on November 9, 2016. SMMI is the Manager and controlling Member and has 75% ownership in the OGT with ISGC II retaining 25% ownership, with a capped at \$5 million net returns royalty, with SMMI maintaining total management control over the Project.

The South Mountain Property consists of 17 patented mining claims encompassing approximately 326 acres, 21 unpatented mining lode claims covering approximately 290 acres, and approximately 489 acres of leased private land. In addition, the project owns 360 acres of private land (mill site) not contiguous with the mining claims.

Current Operations

Thunder Mountain Gold is a mineral exploration stage company with no producing mines. The Company intends to remain in the business of exploring for mining properties that have the potential to produce gold, silver, base metals and other commodities.

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp., a British Columbia corporation (“BeMetals”), and BeMetals USA Corp., a Delaware corporation (“BMET USA”), a wholly owned subsidiary of BeMetals. Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of SMMI from TMRI, both wholly owned subsidiaries of the Company. The term of the agreement is for two years, upon certain conditions extendable to three years, with BeMetals required to issue a preliminary economic assessment ("PEA") completed by a mutually agreed third-party engineering firm. Upon Tranche 2, BeMetals will issue 10 million BMET common shares (Consideration Shares) to TMRI, and BeMetals will also purchase of 2.5 million shares of the Company’s common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement. BeMetals will make cash payments of \$1,100,000 over the 24 months of the Option Agreement. The first Tranche of \$100,000 has been paid to the Company. The exercise of the Option Agreement price can be paid in combination with cash and BeMetals common shares. The calculation of the purchase price is an amount equal to the lesser of 50% of the market capitalization of BeMetals at the time; and the greater of either:

A. \$10 million; or

B. 20% the net present value of the South Mountain Project as calculated in a PEA

Payment may be satisfied by through the delivery of BMET common shares (Consideration Shares), a cash payment or a combination of Consideration Shares and cash. The BMET common shares will be issued at a deemed value based on the 5-day VWAP of Consideration Shares immediately prior to the date that BMET USA gives notice of its intention to exercise the option.

Payment(s) may be accelerated to exercise the Option Agreement, and restrictions will exist on resale of BeMetals common shares. The Company will not be granted any anti-dilution rights in respect of the Consideration Shares. The Company will provide additional information to shareholders of the Company regarding the BeMetals Option Agreement in either a Schedule 14A proxy circular or a Schedule 14C information statement to be prepared in connection with obtaining the required shareholder approval to the BeMetals Option Agreement. There is no assurance that the transactions contemplated under the BeMetals Option Agreement will be completed.

Reports to Security Holders

The Registrant does not issue annual or quarterly reports to security holders other than the annual Form 10-K and quarterly Forms 10-Q as electronically filed with the SEC. Electronically filed reports may be accessed at www.sec.gov. Information may be obtained on the operation of the Public Reference Room by calling the SEC at 1 (800) SEC-0330.

ITEM 1A - RISK FACTORS

Our business, operations, and financial condition are subject to various risks. This is particularly true since we are in the business of conducting exploration for mineral properties that have the potential for discovery of economic mineral resources. We urge you to consider the following risk factors in addition to the other information contained in, or incorporated by reference into, this Annual Report on Form 10-K.

We have no income and resources and we expect losses to continue for at least the next two years.

Our only continuing source of funds is through sales of equity positions received from investors, which may not be sufficient to sustain our operations. Any additional funds required would have to come from the issuance of debt, the sale of our common stock, or sale of a property interest. There is no guarantee that funds would be available from either source. If we are unsuccessful in raising additional funds, we will not be able to develop our properties and will be forced to liquidate assets.

We have no proven reserves.

We have no proven reserves at any of our properties. We only have indicated and inferred, along with assay samples at South Mountain; and assay samples at some of our other exploration properties.

We believe that we have the ability to continue as a going concern

We have never generated net income from our exploration efforts, and we have incurred significant net losses in each year since inception. Our accumulated deficit as of December 31, 2018, was \$6,833,610. We expect to continue to incur substantial additional losses for the foreseeable future, and we may never become profitable. Our ability to achieve and maintain profitability and positive cash flow is dependent upon our ability to locate and ultimately extract our proven or probable precious metals reserves, if any, our ability to generate positive net revenues and our ability to reduce our operating costs.

Based upon current plans, Thunder Mountain Gold management is confident that the Company will have the financial strength and opportunities to meet its financial obligations for the next 12 months. Factors considered substantiating this conclusion include:

- A.** The recent Option Agreement for the South Mountain Project with BeMetals Corp. positions the Company for cash infusions, as well as equity considerations, that will more than cover the Company's financial obligations for the next 12 months, and
- B.** The ability to raise additional equity capital based upon the success of the exploration and development conducted by BeMetals during this option period, and
- C.** The Officers of the Company and their willingness to fund any liabilities not currently covered by the Company, and finally,
- D.** The potential for additional strategic partnerships and funding surrounding the Company's Trout Creek Project in Nevada, by which discussions are currently being held.

While there is much work to do, it is important to note that in the event that the BeMetals Corp. does not exercise their Option under the agreement in the next 24 – 36 months, that there is a backup interest in financing from other entities that have been evaluating the Project.

Our financial statements, for the year ended December 31, 2018 were audited by our independent registered public accountants, whose report includes an explanatory paragraph stating that the financial statements have been prepared assuming we will continue as a going concern and that we have incurred operating losses since inception.

We believe that there is no doubt about our ability to continue as a going concern, even though our total accumulated deficit of \$6,833,610 as of December 31, 2018. Our plans for our continuation as a going concern include financing our operations through sales of unregistered common stock and the exercising of stock options by our officers, directors and originators. If we are not successful with our plans, equity holders could then lose all or a substantial portion of their investment.

At December 31, 2018, we had current assets of \$33,135. We are planning to raise additional funds in 2019 to meet our current operating and capital requirements for the next 12 months and beyond. However, we have based this estimate on assumptions that may prove to be wrong, and we cannot assure that estimates and assumptions will remain unchanged. For the year ended December 31, 2018 net cash used for operating activities was \$280,323. Our future liquidity and capital requirements will depend on many factors, including timing, cost and progress of our exploration efforts, our evaluation of, and decisions with respect to, our strategic alternatives, and costs associated with the regulatory approvals. If it turns out that we do not have enough money to complete our exploration programs, we will try to raise additional funds from public offerings, private placements or loans.

We know that additional financing will be required in the future to fund our planned operations. We do not know whether additional financing will be available when needed or on acceptable terms, if at all. If we are unable to raise additional financing when necessary, we may have to delay our exploration efforts or any property acquisitions or be forced to cease operations. Collaborative arrangements may require us to relinquish our rights to certain of our mining

claims.

Our exploration efforts may be adversely affected by metals price volatility causing us to cease exploration efforts.

We have no earnings. However, the success of any exploration efforts is derived from the price of metal prices that are affected by numerous factors including: 1) expectations for inflation; 2) investor speculative activities; 3) relative exchange rate of the U.S. dollar to other currencies; 4) global and regional demand and production; 5) global and regional political and economic conditions; and 6) production costs in major producing regions. These factors are beyond our control and are impossible for us to predict.

There is no guarantee that current favorable prices for metals and other commodities will be sustained. If the market prices for these commodities weaken, we will temporarily suspend or cease exploration efforts.

The BeMetals Option Agreement may be adversely affected by exploration results, or adversely affected by metals price volatility causing us to cease exploration efforts. Consideration to be received by the Company is highly contingent upon future events.

There is no guarantee that the BeMetals Option Agreement will be exercised. This Agreement, and associated payments to the Company, are a contingent consideration, and may be terminated at any time by BeMetals during the Option period. The completion and exercise of the BeMetals Option Agreement is affected by the success of BeMetals exploration efforts is contingent upon 1) certain conditions precedent; 2) the price of metals that are affected by numerous factors including inflation, investor speculative activities, relative exchange rate of the U.S. dollar to other currencies, global and regional demand and production, global and regional political and economic conditions, and production costs in major producing regions. These factors are beyond our control and are impossible for us to predict.

There is no guarantee that the BeMetals consideration shares, in the event BeMetals Corp. elects to use its shares as consideration, that may be issued to the Company will be tradeable or liquid, and the future valuation is subject to significant uncertainty and cannot be determined at this time. The amount of consideration shares is dependent upon the results of BeMetals Corp. exploration results, and the corresponding Preliminary Economic Analysis (PEA) that BeMetals Corp. will produce. The Company will provide additional information to shareholders of the Company regarding the BeMetals Option Agreement in either a Schedule 14A proxy circular or a Schedule 14C information statement to be prepared in connection with obtaining the required shareholder approval to the BeMetals Option Agreement.

There is no guarantee that current prices for metals and other commodities will be sustained. If the market prices for these commodities weaken, then the BeMetals Option Agreement may not be exercised.

Our mineral exploration efforts may not be successful.

Mineral exploration is highly speculative. It involves many risks and often does not produce positive results. Even if we find a valuable mineral deposit, it may take many additional years or more before production is possible because of the need for additional detailed exploration, pre-production studies, permitting, financing, construction and start up.

During that time, it may not be economically feasible to produce those minerals. Establishing ore reserves requires us to make substantial capital expenditures and, in the case of new properties, to construct mining and processing facilities. As a result of these costs and uncertainties, we will not be able to develop any potentially economic mineral deposits.

We face strong competition from other mining companies for the acquisition of new properties.

If we do find an economic mineral reserve, and it is put into production, it should be noted that mines have limited lives and as a result, we need to continually seek to find new properties. In addition, there is a limited supply of

desirable mineral lands available in the United States or elsewhere where we would consider conducting exploration activities. Because we face strong competition for new properties from other exploration and mining companies, some of whom have greater financial resources than we do, we may be unable to acquire attractive new mining properties on terms that we consider acceptable.

Mining operations may be adversely affected by risks and hazards associated with the mining industry.

Mining operations involve a number of risks and hazards including: 1) environmental hazards; 2) political and country risks; 3) industrial accidents; 4) labor disputes; 5) unusual or unexpected geologic formations; 6) high wall failures, cave-ins or explosive rock failures, and; 7) flooding and periodic interruptions due to inclement or hazardous weather conditions. Such risks could result in: 1) damage to or destruction of mineral properties or producing facilities; 2) personal injury; 3) environmental damage; 4) delays in exploration efforts; 5) monetary losses, and; 6) legal liability.

We have no insurance against any of these risks. To the extent we are subject to environmental liabilities, we would have to pay for these liabilities. Moreover, in the event that we ever become an operator of a mine, and unable to fully pay for the cost of remedying an environmental problem, should it occur, we might be required to suspend operations or enter into other interim compliance measures.

Because we are small and do not have much capital, we must limit our exploration. This may prevent us from realizing any revenues, thus reducing the value of the stock and you may lose your investment as a result.

Because our Company is small and does not have much capital, we must limit the time and money we expend on exploration of interests in our properties. In particular, we may not be able to: 1) devote the time we would like to exploring our properties; 2) spend as much money as we would like to exploring our properties; 3) rent the quality of equipment or hire the contractors we would like to have for exploration; and 4) have the number of people working on our properties that we would like to have. By limiting our operations, it may take longer to explore our properties. There are other larger exploration companies that could and may spend more time and money exploring the properties that we have acquired.

We will have to suspend our exploration plans if we do not have access to all the supplies and materials we need.

Competition and unforeseen limited sources of supplies in the industry could result in occasional spot shortages of supplies, like dynamite, and equipment like bulldozers and excavators that we might need to conduct exploration. We have not attempted to locate or negotiate with any suppliers of products, equipment or materials. We will attempt to locate products, equipment and materials after we have conducted preliminary exploration activities on our properties. If we cannot find the products and equipment we need in a timely manner, we will have to delay or suspend our exploration plans until we do find the products and equipment we need.

We face substantial governmental regulation and environmental risks, which could prevent us from exploring or developing our properties.

Our business is subject to extensive federal, state and local laws and regulations governing mining exploration development, production, labor standards, occupational health, waste disposal, use of toxic substances, environmental regulations, mine safety and other matters. New legislation and regulations may be adopted at any time that results in additional operating expense, capital expenditures or restrictions and delays in the exploration, mining, production or development of our properties.

The Company has recorded \$65,000 of liabilities in Accrued Reclamation cost regarding the South Mountain Mine project. Various laws and permits require that financial assurances be in place for certain environmental and reclamation obligations and other potential liabilities. Once we undertake any trenching or drilling activities, a reclamation bond and a permit will be required under applicable laws. Currently, we have no obligations for financial assurances of any kind, and are unable to undertake any trenching, drilling, or development on any of our properties until we obtain financial assurances pursuant to applicable regulations to cover potential liabilities.

If we fail to maintain an effective system of internal controls, we may not be able to detect fraud or report our financial results accurately, which could harm our business and we could be subject to regulatory scrutiny.

Internal control systems provide only reasonable assurance that fraud and errors will be detected within the normal course of operations. Company's management believes that its internal controls are effective and commensurate for the size and scope of the business being conducted by the Company. The Company realizes the need to be proactive in this area and continues to evaluate ways for improving internal controls and weaknesses that are practical and cost effective for the size, structure, and future existence of our organization. The Company's Chief Financial Officer initiates and records all transactions. The transactions are reviewed and approved by the Company's President and CEO and reviewed by the Company's Audit Committee. Capital Items and expenditures more than \$5,000 must be approved by the Board of Directors, even if it is a line item in a Board Approved Budget. In addition, The Company has a Corporate Code of Business Conduct and Ethics (the "Code") which is acknowledged by officers and directors. This Corporate Governance applies to Thunder Mountain Gold Inc. and its subsidiaries (collectively, the "Company").

ITEM 1B - UNRESOLVED STAFF COMMENTS

Not required for smaller reporting companies.

ITEM 2 - DESCRIPTION OF PROPERTIES

The Company, including its subsidiaries, owns rights to claims and properties in the mining areas of Nevada and Idaho, which includes its South Mountain Property in Idaho, and its Trout Creek Property in Nevada.

The Company owns 100% of the outstanding stock of Thunder Mountain Resources, Inc., a Nevada Corporation. Thunder Mountain Resources, Inc. owns 100% of the outstanding stock of South Mountain Mines, Inc. (SMMI), an Idaho Corporation., Inc. Thunder Mountain Resources, Inc. completed the direct purchase of 100% ownership of South Mountain Mines, Inc. on September 27, 2007, which consisted of 17 patented mining claims (approximately 327 acres) located in Owyhee County in southwestern Idaho. After the purchase, Thunder Mountain Resources staked 21 unpatented lode mining claims and obtained mineral leases on 545 acres of adjoining private ranch land.

The current land package at South Mountain consists of 17 patented mining claims encompassing approximately 326 acres, 21 unpatented mining lode claims covering approximately 290 acres, and approximately 489 acres of leased private land. In addition, the project owns 360 acres of private land (mill site) not contiguous with the mining claims.

All holdings are in the South Mountain Mining District, Owyhee County, Idaho.

The Company's plan of operation for the next twelve months, subject to business conditions, will be to continue to advance the South Mountain Project, including continued baseline environmental and engineering work necessary to complete a Preliminary Economic Analysis, and work on advancing the Trout Creek Project, Lander County, Nevada.

South Mountain Project, Owyhee County, Idaho

The South Mountain Project is considered an advanced stage, high-grade zinc-silver exploration or pre-development project. The land package at South Mountain consists of a total of 17 patented mining claims encompassing approximately 326 acres, 21 unpatented mining lode claims covering approximately 290 acres, and approximately 489 acres of leased private land. In addition, the project owns 360 acres of private land (mill site) not contiguous with the mining claims. All holdings are located in the South Mountain Mining District, Owyhee County, Idaho.

The property is located approximately 70 air miles southwest of Boise, Idaho and approximately 24 miles southeast of Jordan Valley, Oregon. It is accessible by highway 95 driving south from the Boise area to Jordan Valley Oregon, then by traveling southeast approximately 22 miles back into Idaho, via Owyhee County road that is dirt and improved to within 4 miles of historic mine site. The last 4 miles up the South Mountain Mine road are unimproved dirt road. The property is accessible year-round to within 4 miles of the property, where the property is accessible from May thru October without plowing snow. There is power distribution within 4 miles of the site as well. The climate is

considered high desert. The Company has water rights on the property, and there is a potable spring on the property that once supplied water to the main camp.

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp., a British Columbia corporation (“BeMetals”), and BeMetals USA Corp., a Delaware corporation (“BMET USA”), a wholly owned subsidiary of BeMetals. Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of SMMI from TMRI, both wholly owned subsidiaries of the Company. The term of the agreement is for two years with BeMetals completing a preliminary economic assessment (“PEA”), prepared by a mutually agreed third-party engineering firm. BeMetals will issue 10 million BMET common shares (Consideration Shares) to TMRI. BeMetals will also purchase of 2.5 million shares of the Company’s common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement. BeMetals will make cash payments of \$850,000 over the 24 months of the agreement and another \$250,000 upon exercise of the Option Agreement. The exercise of the Option Agreement price can be paid in combination with cash and BeMetals common shares.

Property History

The limited historic production peaked during World War II when, based on smelter receipts, the production of direct shipped ore totaled 53,653 tons containing 3,118 ounces of gold, 566,439 ounces of silver, 13,932 pounds of copper, 2,562,318 pounds of lead and 15,593,061 pounds of zinc. In addition to the direct-ship ore, a flotation mill was constructed and operated during the late-1940s and early-1950s.

Metal	Grade	Total Metal
Gold	0.058 opt	3,120 ozs
Silver	10.6 opt	566,440 ozs
Copper	1.4%	1,485,200 lbs
Lead	2.4%	2,562,300 lbs
Zinc	14.5%	15,593,100 lbs

Anaconda Crude Ore Shipments: 1941-1953 Total Tons: 53,653

South Mountain Mines Inc. (an Idaho Corporation) owned the patented claims from 1975 to the time the Company purchased the entity in 2007. They conducted extensive exploration work including extending the Sonneman Level by approximately 1,500 feet to intercept the down-dip extension of the Texas sulfide mineralization mined on the Laxey Level approximately 400 feet up-dip from the Sonneman. High grade sulfide mineralization was intercepted and confirmed on the Sonneman Extension. In 1985 South Mountain Mines Inc. completed a feasibility study based on historic and newly developed ore zones exposed in their underground workings and drilling. This resulted in a historic resource of approximately 470,000 tons containing 23,500 ounces of gold, 3,530,000 ounces of silver, 8,339,000 pounds of copper, 13,157,000 pounds of lead and 91,817,000 pounds of zinc. Although they determined positive economics, and that the resource was still open at depth with a large upside potential, the project was shut down and placed into care and maintenance.

In 2008, the Company contracted Kleinfelder, Inc., a nationwide engineering and consulting firm, to complete a technical report "Resources Data Evaluation, South Mountain Property, South Mountain Mining District, Owyhee County, Idaho". The technical report was commissioned by Thunder Mountain Resources, Inc. to evaluate all the existing data available on the South Mountain property. Kleinfelder utilized a panel modeling method using this data to determine potential mineralized material remaining and to make a comparison with the resource determined by South Mountain Mines in the mid-1980s.

Additional drilling and sampling will be necessary before the resource can be classified as a mineable reserve, but Kleinfelder's calculations provided a potential resource number that is consistent with South Mountain Mines' (Bowes 1985) reserve model.

Late in 2009, the Company contracted with Northwestern Groundwater & Geology to incorporate all the new drill and sampling data into an NI 43-101 Technical Report. This report was completed as part of the Company's dual listing on the TSX Venture Exchange in 2010.

In January of 2018, the Company engaged Hard Rock Consulting LLC (HRC) from Denver Colorado to update the South Mountain Project 43-101. HRC concluded that significant potential exists to increase the known mineral resource with additional drilling, as well as to upgrade existing mineral resource classifications with additional infill drilling. HRC also determined that the conceptual geologic model is sound, and, in conjunction with drilling results, indicates that mineralization is essentially open in all directions, and is continuous between underground levels and extends to the surface.

HRC also noted that:

THMG technical staff has thorough understanding of the geology of the South Mountain Project, and that the appropriate deposit model is being applied for exploration.

Because the Project is largely located on and surrounded by private land, it greatly simplifies Project approvals compared to mining projects involving public lands.

Initial metallurgical testing demonstrates that the South Mountain massive sulfide/skarn mineralization is amenable to differential flotation and concentration.

The current mineral resource at the South Mountain Project more than sufficient to warrant continued planning and development to further advance the Project.

The Technical Report was authored by Ms. J.J. Brown, P.G., SME-RM, Mr. Jeffrey Choquette, P.E., and Mr. Randy Martin, SME-RM, all of Hard Rock Consulting, each of whom is an independent qualified person for the purposes of NI 43-101. The NI 43-101 Technical Report has an effective date of April 7, 2018 and has been filed in Canada on SEDAR in accordance with NI 43-101. The Report can be reviewed on the Company's website at www.thundermountaingold.com.

Note to United States investors concerning estimates of measured, indicated and inferred resources.

Disclosure of the NI-43-101 has been prepared in accordance with the requirements of Canadian securities laws, including Canadian National Instrument 43-101 ("NI 43-101"), which differ from the current requirements of the U.S. Securities and Exchange Commission ("SEC") set out in Industry Guide 7. The Highlights of South Mountain NI-43-101 section refers to "mineral resources," "measured mineral resources," "indicated mineral resources," and "inferred mineral resources." While these categories of mineralization are recognized and required by Canadian securities laws, they are not recognized by Industry Guide 7 and are not normally permitted to be disclosed in SEC filings. United States investors are cautioned not to assume that all or any of measured, indicated or inferred mineral resources will ever be converted into mineral reserves. Under Industry Guide 7, mineralization may not be classified as a "reserve" unless the mineralization can be economically or legally extracted at the time the "reserve" determination is made. "Inferred mineral resources" have a great amount of uncertainty as to their existence and 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. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian reporting standards; however, Industry Guide 7 normally only permits issuers to report mineralization that does not constitute "reserves" by Industry Guide 7 standards as in-place tonnage and grade without reference to unit measures. Accordingly, information contained in this 10-k containing descriptions of South Mountain's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of Industry Guide 7.

Highlights of South Mountain NI-43-101 Report:

The most recent THMG drilling program was successful in defining the geometry and confirming the grades of the DMEA and Texas massive sulfide zones. Confirmed intercepts within the model include:

DMEA core hole DM2UC13-13, returned a 91.5-foot true width intercept of 13.79% Zn, 12.75 o.p.t. Ag, 0.08 o.p.t. Au, 0.45% Cu, and 7.07% Pb;

Texas core hole TX13-03 drilled from the surface across the zone, returned 11.8 feet true width, assaying 14.08% Zn, 9.01 o.p.t. Ag, 0.01 o.p.t. Au, 1.43% Cu, and 0.35% Pb

DMEA core hole DM2UC13-17, includes a 42-foot true width intercept of 17.86% Zn, 2.98 o.p.t. Ag, 0.13 o.p.t. Au, 0.18% Cu, and 0.47% Pb;

Rib channel samples across the DMEA zone on the Sonneman of 130 feet true width, assaying 16.76% Zn, 4.11 o.p.t. Ag, 0.09 o.p.t. Au, 0.78% Cu, and 0.38% Pb (pg.38 of the report), including 60 feet true width intercept assaying 25.00% Zn, 3.80 o.p.t. Ag, 0.130 o.p.t. Au, 0.38% Cu, and 0.41% Pb

Details of the Technical Report:

The Table below outlines the Mineral Resource Statement for the South Mountain Project as of April 7, 2018.

Classification	Mineral Resources at 6.04% ZnEq Cut-off												
	Zinc Equivalent Resource						Contained Metal						
	Short Tons x1000	ZnEq lbs x1000	ZnEq %	Zn lbs x1000	Zn %	Ag oz x1000	Ag opt	Au oz x1000	Au opt	Pb lbs x1000	Pb %	Cu lbs x1000	Cu %
Measured	63.2	22,200	17.57	14,700	11.64	237	3.745	4.0	0.063	600	0.483	700	0.566
Indicated	106.7	37,800	17.72	21,500	10.08	576	5.398	7.0	0.066	2,100	0.983	1,600	0.766
Measured + Indicated	169.9	60,000	17.66	36,200	10.66	813	4.783	11.0	0.065	2,700	0.797	2,300	0.692

Inferred massive sulfide 363.2 120,800 16.63 70,500 9.70 2,029 5.585 16.3 0.045 8,700 1.202 5,200 0.696
Notes:

- 1 . The effective date of the mineral resource estimate is April 7th, 2018. The QP for the estimate is Mr. Randall K. Martin, of Hard Rock Consulting, LLC. and is independent of THMG.
- 2 . Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are that part of the mineral resource for which quantity and grade or quality are estimated on the basis of limited geologic evidence and sampling, which is sufficient to imply but not verify grade or quality continuity. Inferred mineral resources may not be converted to mineral reserves. It is reasonably expected, though not guaranteed, that the majority of Inferred mineral resources could be upgraded to Indicated mineral resources with continued exploration.
- 3 . The mineral resource is reported at an underground mining cutoff of 6.04% Zinc Equivalent Grade (“ZnEq”) within coherent wireframe models. The ZnEq calculation and cutoff is based on the following assumptions: an Au price of \$1,231/oz, Ag price of \$16.62/oz, Pb price of \$0.93/lb., Zn price of \$1.10/lb. and Cu price of \$2.54/lb.; metallurgical recoveries of 75% for Au, 70% for Ag, 87% for Pb, 96% for Zn and 56% for Cu, assumed mining cost of \$70/ton, process costs of \$25/ton, general and administrative costs of \$7.5/ton, smelting and refining costs of \$25/ton. Based on the stated prices and recoveries the ZnEq formula is calculated as follows; $ZnEq = (Au\ grade * 43.71) + (Ag\ grade * 0.55) + (Pb\ grade * 0.77) + (Cu\ grade * 1.35) + (Zn\ grade)$
- 4 . Rounding may result in apparent differences when summing tons, grade and contained metal content. Tonnage and grade measurements are in imperial units.

The updated resource model does not include any of the remaining polymetallic massive sulfide left in the upper part of the Laxey zone. Available historic smelter records indicate that approximately 53,642 tons of polymetallic massive sulfide were mined and direct shipped, mostly from this Zone. Historical smelter records indicate zinc values averaging 14.5%, lead 2.4%, copper 1.4%, silver at 10.6 opt, and gold at 0.058 opt (Table 6-2 of the Technical Report).

Long Section View of Modeled Estimation Domains. *The deposit remains open along strike and down dip in the Laxey marble as shown in Figure 7-4 of the updated NI 43-101 Report.*

Schematic Long Section of South Mountain Skarn Deposits

Underground Pre-Development Work Completed Since the Previous Technical Reports

The reconstruction of the Sonneman and Laxey drifts continued successfully until January 2014 when the Project went into care and maintenance. The Sonneman Level advanced 2,711 feet from the portal and is constructed to 12 feet by 12 feet for future development and mining. Approximately 350 feet of drift remains to be rehabilitated to reach the historic Texas massive sulfide zone located at the end of the old workings. This advance through this zone will allow for the drill stations and underground drilling to further define the high-grade resource encountered by William Bowes group in the 1980s.

The historic 2,200-foot long Laxey Level drift has been rehabilitated to 10 feet by 10 feet for approximately 720 feet. At that point the old tunnel had recently collapsed at an intrusive dike and preparations were being made to advance through the caved area. This old tunnel was rehabilitated and accessed along its full length in 2008, at which point it intercepted the Texas massive sulfide zone, one of many that had limited mining during and after the World War II period. Excellent high-grade massive sulfide is exposed in this area, and the core drilling during 2013 proved its continuity between the Laxey Level and the surface, an up-dip distance of nearly 400 feet.

During the development of the Sonneman Level during 2012-2013 several massive sulfide mineralized zones were mined through. Detailed rib sampling along some of these zones yielded the following results:

Significant THMG Channel Sample Intervals – Sonneman Drift

ID	From	To	Length	Ag (opt)	Zn %	Au (opt)	Cu %	Pb %
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OGT161671-02	30.0	160.0	130.00	4.11	16.76	0.09	0.78	0.38
OGT161671-02	209.2	230.2	21.00	3.14	14.02	0.26	0.31	0.37
OGT161671-02	270.2	275.0	4.80	3.21	13.80	0.24	0.14	1.10
OGT161714-22	9.0	32.0	23.00	7.18	14.69	0.01	1.17	0.65
OGT161714-22	76.9	92.0	15.10	8.24	14.04	0.01	2.30	0.59
OGT161735-9	0.0	40.0	40.00	13.97	16.44	0.02	0.70	0.86
OGT161724-30	0.0	40.0	40.00	5.80	5.63	0.00	0.28	2.83

Underground core drilling is planned for extending and upgrading the South Mountain resource - testing the continuity and down-dip extensions of the high-grade polymetallic massive sulfide zones. The Company plans to core drill the DMEA and Laxey zones to complete the confirmation and extensional drilling. Another core drill may be mobilized to focus primarily on the Texas zone to extend resources at depth beyond the current inferred resource area. In addition, there are plans to retrieve bulk samples for metallurgical test work. More than 15,000 feet (4,500 meters) have been

drilled at South Mountain and included in the model. The South Mountain historic ore zones remain open down-dip on the zones encountered. The successful drilling and development work prove that the South Mountain resource continues to grow with potential to increase the resource substantially.

HRC also reviewed the data on the anomalous gold-bearing multilithic breccia that was identified by THMG conducting reconnaissance work at South Mountain. In 2010, five holes were drilled in the anomaly for a total footage of 3,530 feet, and 705 total samples taken every five feet of drill hole. Of the 705 samples taken, 686 samples contained anomalous gold, or 97% of the samples. The highest-grade intercept ran 0.038 ounce per ton. HRC reviewed the reports done on the breccia completed by both Kinross and Newmont; of note was Newmont's comparison of the geology to the Battle Mountain Complex in Nevada.

Qualified Person – Edward D. Fields is the Qualified Person as defined by National Instrument 43-101 responsible for the technical data reported in this news release.

This property is without known reserves and the proposed program is exploratory in nature according to Instruction 3 to paragraph (b)(5) of Industry Guide 7. There are currently no permits required for conducting exploration in accordance with the Company's current board approved exploration plan.

Trout Creek Project, Lander County, Nevada

The Trout Creek gold exploration project is a pediment target located along the western flank of the Shoshone Mountain Range in the Reese River Valley in Lander County, Nevada. The claim package consists of 78 unpatented mining claims (approximately 1560 acres) that are situated along a recognizable structural zone in the Eureka-Battle Mountain mineralized gold trend. Thunder Mountain maintained a joint venture agreement with Newmont Mining on some of their adjoining mineral rights sections and aliquot parcels from 2011 thru 2016. On October 27, 2016 the Company terminated the exploration agreement with Newmont Mining Corporation to concentrate their efforts on the South Mountain Project. The Company retained the 78-claim package by paying annual fees to BLM of \$3,255 and Lander County \$940 fees.

The Project is located approximately 155 air miles northeast of Reno, Nevada, or approximately 20 miles south of Battle Mountain, Nevada, in Sections 10, 11, 14, 16, 21, 22, 27; T.29N.; R.44E. Mount Diablo Baseline & Meridian, Lander County, Nevada. Latitude: 40° 23' 36" North, Longitude: 117° 00' 58" West. The property is accessible by traveling south from Battle Mountain Nevada on state highway 305, which is paved. The project is generally accessible year-round and there are no improvements on the property.

The Trout Creek target is anchored by a regional gravity anomaly on a well-defined northwest-southeast trending break in the alluvial fill thickness and underlying bedrock. Previous geophysical work in the 1980s revealed an airborne magnetic anomaly associated with the same structure, and this was further verified and outlined in 2008 by Company personnel using a ground magnetometer. The target is covered by alluvial fan deposits of generally unknown thickness, shed from the adjacent Shoshone Range, a fault block mountain range composed of Paleozoic sediments of both upper and lower plate rocks of the Roberts Mountains thrust.

An extensive data package on the area was made available to Thunder Mountain Gold by Newmont during the joint exploration agreement period (2011-2016) that significantly enhanced the target area. This, along with fieldwork consisting of mapping and sampling the altered and mineralized structures that can be followed through the Shoshone Range. Of importance is that these structures align with the Cortez-Pipeline deposits and the Phoenix deposit (part of the Eureka-Battle Mountain-Getchell Trend).

In addition to the geologic fieldwork, Wright Geophysics conducted a ground gravity survey and CSMAT over the pediment target area and this provided insight into the gravel-bedrock contact as well as defining the favorable structural setting within the buried bedrock. An untested drill target was identified under the gravel pediment along these structures, and the geophysics showed that the bedrock was within 500 feet of the surface, which is reasonable depth for exploration drilling and potential mining if a significant mineralization is encountered.

The ongoing exploration field work, including claim maintenance and assessment, is financed by the Company through sales of unregistered common stock using private placements with accredited investors. Future work will be funded in the same manner or through a strategic partnership with another mining company.

There are currently no environmental permits required for the planned exploration work on the property. In the future, a notice of intent may be required with the Bureau of Land Management. This property is without known reserves and the proposed program is exploratory in nature according to Instruction 3 to paragraph (b)(5) of Industry Guide 7.

Competition

We are an exploration stage company. We compete with other mineral resource exploration and development companies for financing and for the acquisition of new mineral properties. Many of the mineral resource exploration and development companies with whom we compete have greater financial and technical resources than us. Accordingly, these competitors may be able to spend greater amounts on acquisitions of mineral properties of merit, on exploration of their mineral properties and on development of their mineral properties. In addition, they may be able to afford greater geological expertise in the targeting and exploration of mineral properties. This competition could result in competitors having mineral properties of greater quality and interest to prospective investors who may finance additional exploration and development. This competition could adversely impact on our ability to finance further exploration and to achieve the financing necessary for us to develop our mineral properties.

Employees

Three of the Company's officers have been deferring compensation for services. At December 31, 2018, SMMI has deferred payroll of \$1,041,500. These salaries were earned in accordance with SMMI's management of the OGT LLC operating agreement. OGT management includes SMMI's Eric Jones, Jim Collord, and Larry Thackery as CFO. On July 31, 2018 the Company stopped expensing deferred compensation for the three Company officers. There will be no recognized officer salaries until available funds are raised.

Item 3. Legal Proceedings.

None

Item 4. Mine Safety Disclosures

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities.

During the three months and nine-month periods ended December 31, 2018, the Company did not have any operating mines and therefore had no such specified health and safety violations, orders or citations, related assessments or legal actions, mining-related fatalities, or similar events in relation to the Company’s United States operations requiring disclosure pursuant to Section 1503(a) of the Dodd-Frank Act.

PART II

ITEM 5 - MARKET FOR REGISTRANT'S COMMON STOCK, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information:

Our common stock is traded on the over-the-counter bulletin board (OTCQB) market regulated by the Financial Industry Regulatory Authority (FINRA) under the symbol "THMG". The OTCQB quotations do not reflect inter-dealer prices, retail mark-ups, commissions or actual transactions.

On September 24, 2010, the Company's common stock also began trading on the Toronto Stock Exchange Venture Exchange ("TSX-V") in Canada and is quoted under the trading symbol "THM".

Holder:

As of December 31, 2018, there were approximately 1,509 shareholders of record of the Company's common stock with an unknown number of additional shareholders who hold shares through brokerage firms.

Transfer Agent:

Our independent stock transfer agent in the United States is Computershare Shareholder Services, located at 8742 Lucent Blvd., Suite 225, Highlands Ranch, CO 80129. In Canada, our Agent is Computershare, TORU - Toronto, University Ave, 100 University Ave, 8th Floor, Toronto, ON M5J 2Y1, CANADA

Dividends:

No dividends were paid by the Registrant in 2018 or 2017, and the Company has no plans to pay a dividend in the foreseeable future. Dividends undertaken by the Company are solely at the discretion of the Board of Directors.

Securities Authorized for Issuance under Equity Compensation Plans:

On July 17, 2011, the Company Shareholders approved the Company's Stock Incentive Plan (SIP). The SIP has a fixed maximum percentage of 10% of the Company's outstanding shares that are eligible for the plan pool, whereby the number of Shares under the SIP increase automatically with increases in the total number of shares. This "Evergreen" provision permits the reloading of shares that make up the available pool for the SIP, once the options granted have been exercised. The number of shares available for issuance under the SIP automatically increases as the total number of shares outstanding increase, including those shares issued upon exercise of options granted under the SIP, which become re-available for grant after exercise of option grants. The number of shares subject to the SIP and any outstanding awards under the SIP will be adjusted appropriately by the Board of Directors if the Company's common stock is affected through a reorganization, merger, consolidation, recapitalization, restructuring, reclassification, dividend (other than quarterly cash dividends) or other distribution, stock split, spin-off or sale of substantially all the Company's assets.

The SIP also has terms and limitations, including without limitation that the exercise price for stock options and stock appreciation rights granted under the SIP must equal the stock's fair market value, based on the closing price per share of common stock, at the time the stock option or stock appreciation right is granted. The SIP is also subject to other limitation including; a limited exception for certain stock options assumed in corporate transactions; stock options and stock appreciation rights granted under the SIP may not be "re-priced" without shareholder approval; stock-based awards under the SIP are subject to either three-year or one-year minimum vesting requirements, subject to exceptions for death, disability or termination of employment of an employee or upon a change of control; and shareholder approval is required for certain types of amendments to the SIP.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities:

On April 27, 2018, Thunder Mountain Gold, Inc. (the “Company”) closed a private offering solely to accredited investors. The Company sold, in the aggregate, 2,550,000 Units, consisting of 2,550,000 shares of Common Stock, par value \$0.001, together with a Warrant to purchase an aggregate of 1,275,000 shares of Common Stock at an exercise price of \$0.20 per share. The Unit price is \$0.14 per Unit, consisting of the one share of Common Stock and Warrant to purchase one-half of a share of Common Stock. (with a minimum purchase of one share). The Warrants have a one-year term and are immediately exercisable. There is no minimum offering. There is no placement agent fee paid in the offering, and no accountable or unaccountable expense allowance.

Paul Beckman, an insider of the Company, purchased 1,000,000 Units under the Placement. Upon completion of the Placement, Mr. Beckman holds 12,133,645 common shares or approximately 21% of the total common shares issued and outstanding of the Company.

Purchases of Equity Securities by the Company and Affiliated Purchasers

During the fiscal year ended December 31, 2017, the Company had purchases of 415,000 shares of common stock from stock options that were exercised. Several insiders purchased shares as “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock, the only class of our equity securities registered pursuant to section 12 of the Exchange Act.

ITEM 6 - SELECTED FINANCIAL DATA

Not required for smaller reporting companies.

ITEM 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management’s Discussion and Analysis of Financial Condition and Results of Operation (“MD&A”) is intended to help the reader understand our financial condition. MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying integral notes (“Notes”) thereto. The following statements may be forward-looking in nature and actual results may differ materially.

Plan of Operation:

FORWARD LOOKING STATEMENTS: The following discussion may contain forward-looking statements that involve a number of risks and uncertainties. Factors that could cause actual results to differ materially include the following: inability to locate property with mineralization, lack of financing for exploration efforts, competition to acquire mining properties; risks inherent in the mining industry, and risk factors that are listed in the Company's reports and registration statements filed with the Securities and Exchange Commission.

The Company operated on a limited budget during 2018, while funding the maintenance of the South Mountain Project, and continuing to search for additional financing for the Project. Late in 2018, the Company initiated discussions with BeMetals Corp. – Vancouver B.C. (TSX-V: BMET) – for an option to complete the pre-development work and produce a preliminary economic analysis (PEA). The Company's plan of operation for the next twelve months will be to provide support to BeMetals Corp. during their option period and help ensure that the South Mountain PEA is completed on schedule and within budget.

While South Mountain is the Company's main focus, work on the Trout Creek Project may continue in 2019 as time and available capital allows.

Results of Operations:

The Company recognized no revenues and had no production for the year ending December 31, 2018. Total operating expenses for the year ended December 31, 2018 of \$607,793 decreased from the same respective time frame ending 2017 by \$80,403 or 12%. Exploration expenses for the twelve months ended December 31, 2018 increased by \$12,747 when compared to same period in 2017. This increase can be attributed to the engagement of Hard Rock Consulting LLC to update the NI 43-101. Legal and accounting costs increased from the same period in 2017 by \$54,409 for a total of \$117,802. The Company engages Baird Hanson LLP (“Baird”), a company owned by one of the Company’s directors, to provide legal services. During the period ended December 31, 2018, the Company incurred \$65,530 in legal expense with Mr. Baird. There was no expense for the comparable periods in 2017. Management and administrative expense decreased by \$124,712 or 35% mostly due to stock options compensation of \$53,557 issued to our directors in March 2017 and the discontinued deferred salaries.

Liquidity and Capital Resources:

The consolidated financial statements for the year ended December 31, 2018 have been prepared under the assumption that we will continue as a going concern. Such assumption contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the consolidated financial statements for the period ended December 31, 2018, we did not have sufficient cash reserves to cover normal operating expenditures for the following 12 months.

The liquidity of the Company was enhanced on February 27, 2019, when the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp., a British Columbia corporation (“BeMetals”), and BeMetals USA Corp., a Delaware corporation (“BMET USA”), a wholly owned subsidiary of BeMetals. Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of SMMI from TMRI, both wholly owned subsidiaries of the Company. The term of the agreement is for two years with BeMetals completing a preliminary economic assessment (“PEA”) completed by a mutually agreed third-party engineering firm. BeMetals will issue 10 million BMET common shares (Consideration Shares) to TMRI. BeMetals will also purchase of 2.5 million shares of the Company’s common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement. BeMetals will make cash payments of \$850,000 over the 24 months of the agreement and another \$250,000 upon exercise of the Option Agreement, for total cash payments to the Company of \$1,100,000, in addition to the private placement. The exercise of the Option Agreement price can be paid in combination with cash and BeMetals common shares.

The first payment of \$100,000 under the BeMetals Option Agreement was received by the Company on March 1, 2019. BeMetals Corp. will purchase the 2.5 million THMG shares in a private placement upon the Companies completing certain conditions related to the option agreement. The overall consideration to THMG and its shareholders will be an amount equal to the lesser of 50% of the market capitalization of BeMetals at the time of option exercise, and the greater of either \$10 million; or 20% the net present value of the South Mountain Project as calculated in a PEA

Payment may be satisfied by through the delivery of BMET common shares (Consideration Shares), a cash payment or a combination of Consideration Shares and cash. The BMET common shares will be issued at a deemed value based on the 5-day VWAP of Consideration Shares immediately prior to the date that BMET USA gives notice of its intention to exercise the option. BMET trades on the TSX-V under the ticker symbol BMET.

Potential additional sources of cash, or relief of demand for cash, include additional external debt, the sale of shares of our stock, or alternative methods such as mergers or sale of our assets. No assurances can be given, however, that we will be able to obtain any of these potential sources of cash. We currently require additional cash funding from outside sources to sustain existing operations and to meet current obligations and ongoing capital requirements.

Our plans for the long-term continuation as a going concern include financing our future operations through sales of our common stock and/or debt and the eventual profitable exploitation of our mining properties. Our plans may also, at some future point, include the formation of mining joint ventures with senior mining company partners on specific mineral properties whereby the joint venture partner would provide the necessary financing in return for equity in the property.

In addition to the BeMetals Corp. option agreement, we believe that the Company will be able to meet its financial obligations by the following:

March 7, 2019, we had \$15,669 cash in our bank accounts.

Management and the Board have not undertaken plans or commitments that exceed the cash available to the Company beyond December 31, 2018. We do not include in this consideration any additional investment funds mentioned below. Management is committed to manage expenses of all types to not exceed the on-hand cash resources of the Company at any point in time, now or in the future.

The Company will also consider other sources of funding, including potential mergers and/or additional farm-out of its other exploration property.

For the year ended December 31, 2018, net cash used for operating activities was \$280,323, consisting of net loss of \$632,687 reduced by non-cash expenses and changes in current assets and current liabilities. Cash provided by financing activities for year ended December 31, 2018 totaled \$247,579 principally from the sale of our common stock.

Our future liquidity and capital requirements will depend on many factors, including timing, cost and progress of our exploration efforts, our evaluation of, and decisions with respect to, our strategic alternatives, and costs associated with the regulatory approvals. If it turns out that we do not have enough money to complete our exploration programs, we will attempt to raise additional funds from a public offering, a private placement, mergers, farm-outs or loans.

We know that additional financing will be required in the future to fund our planned operations. We do not know whether additional financing will be available when needed or on acceptable terms, if at all. If we are unable to raise additional financing when necessary, we may have to delay our exploration efforts or any property acquisitions or be forced to cease operations. Collaborative arrangements may require us to relinquish our rights to certain of our mining claims.

Private Placement

On April 27, 2018, Thunder Mountain Gold, Inc. (the “Company”) closed a private offering solely to accredited investors. The Company sold, in the aggregate, 2,550,000 Units, consisting of 2,550,000 shares of Common Stock, par value \$0.001, together with a Warrant to purchase an aggregate of 1,275,000 shares of Common Stock at an exercise price of \$0.20 per share. The Unit price is \$0.14 per Unit, consisting of the one share of Common Stock and Warrant to purchase one-half of a share of Common Stock. (with a minimum purchase of one share). The Warrants have a

one-year term and are immediately exercisable. There is no minimum offering. There is no placement agent fee paid in the offering, and no accountable or unaccountable expense allowance.

Paul Beckman, an insider of the Company, purchased 1,000,000 Units under the Placement. Upon completion of the Placement, Mr. Beckman holds 12,133,645 common shares or approximately 21% of the total common shares issued and outstanding of the Company.

The offering is believed exempt from registration pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(6) the Securities Act of 1933, as amended. The securities offered, sold, and to be issued in connection with the private placement have not been or are not registered under the Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission or an applicable exemption from the registration requirements.

Subsequent Events

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp., a British Columbia corporation (“BeMetals”), and BeMetals USA Corp., a Delaware corporation (“BMET USA”), a wholly owned subsidiary of BeMetals. Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of SMMI from TMRI, both wholly owned subsidiaries of the Company. The term of the agreement is for two years with BeMetals completing a preliminary economic assessment ("PEA") completed by a mutually agreed third-party engineering firm. BeMetals

will issue 10 million BMET common shares (Consideration Shares) to TMRI. BeMetals will also purchase of 2.5 million shares of the Company's common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement. BeMetals will make cash payments of \$850,000 over the 24 months of the agreement and another \$250,000 upon exercise of the Option Agreement. The exercise of the Option Agreement price can be paid in combination with cash and BeMetals common shares. The calculation of the purchase price is an amount equal to the lesser of 50% of the market capitalization of BeMetals at the time; and the greater of either \$10 million; or 20% of the net present value of the South Mountain Project as calculated in a PEA that BeMetals Corp. will complete under the option agreement.

Payment may be satisfied by through the delivery of BMET common shares (Consideration Shares), a cash payment or a combination of Consideration Shares and cash. The BMET common shares will be issued at a deemed value based on the 5-day VWAP of Consideration Shares immediately prior to the date that BMET USA gives notice of its intention to exercise the option.

Payment(s) may be accelerated to exercise the Option Agreement, and restrictions will exist on resale of BeMetals common shares. The Company will not be granted any anti-dilution rights in respect of the Consideration Shares. The Company will provide additional information to shareholders of the Company regarding the BeMetals Option Agreement in either a Schedule 14A proxy circular or a Schedule 14C information statement to be prepared in connection with obtaining the required shareholder approval to the BeMetals Option Agreement. There is no assurance that the transactions contemplated under the BeMetals Option Agreement will be completed.

Off Balance-Sheet Arrangements:

During the year ended December 31, 2018 and 2017, the Company had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Policies

We have identified our critical accounting policies, the application of which may materially affect the financial statements, either because of the significance of the financials statement item to which they relate, or because they require management's judgment in making estimates and assumptions in measuring, at a specific point in time, events which will be settled in the future. The critical accounting policies, judgments and estimates which management believes have the most significant effect on the financial statements are set forth below:

a) Estimates. Our management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increase,

these judgments become even more subjective and complex. Although we believe that our estimates and assumptions are reasonable, actual results may differ significantly from these estimates. Changes in estimates and assumptions based upon actual results may have a material impact on our results of operation and/or financial condition.

b) Stock-based Compensation. The Company records stock-based compensation in accordance with ASC 718, “Compensation – Stock Compensation” using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

c) Income Taxes. We have current income tax assets recorded in our financial statements that are based on our estimates relating to federal and state income tax benefits. Our judgments regarding federal and state income tax rates, items that may or may not be deductible for income tax purposes and income tax regulations themselves are critical to the Company’s financial statement income tax items.

d) Investments. In a joint venture where the Company holds more than 50% of the voting interest and has significant influence, the joint venture is consolidated with the presentation of non-controlling interest. In determining whether significant influences exist, the Company considers its participation in policy-making decisions and its representation on the venture's management committee.

ITEM 7A - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required for smaller reporting companies.

ITEM 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of Thunder Mountain Gold, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Thunder Mountain Gold, Inc. (the "Company") as of December 31, 2018 and 2017, the related consolidated statements of operations, changes in stockholders' equity (deficit) and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/DeCoria, Maichel & Teague, P.S./

DeCoria, Maichel & Teague, P.S.

We have served as the Company's independent auditor since 2005.

Spokane, Washington

March 26, 2019

Thunder Mountain Gold, Inc.**Consolidated Balance Sheets***December 31, 2018 and December 31, 2017*

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,710	\$ 36,454
Prepaid expenses and other assets	29,425	28,473
Total current assets	33,135	64,927
Property and Equipment:		
Land	280,333	280,333
Equipment, net of accumulated depreciation of \$124,384 and \$75,959, respectively	58,221	106,646
Total property and equipment	338,554	386,979
Mineral interests (Note 3)	479,477	479,477
Total assets	\$ 851,166	\$ 931,383
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 138,092	\$ 92,311
Accrued related party liability (Note 5)	241,685	181,313
Accrued interest payable to related parties (Note 5)	52,787	36,949
Deferred compensation (Note 6)	1,041,500	871,500
Related parties notes payable, net of discount (Note 5)	126,576	217,688
Total current liabilities	1,600,640	1,399,761
Accrued reclamation costs	65,000	65,000
Total liabilities	1,665,640	1,464,761
Commitments and Contingencies (Notes 2 and 3)		
Stockholders' equity (deficit):		
Preferred stock; \$0.0001 par value, 5,000,000 shares authorized;	-	-

no shares issued or outstanding

Common stock; \$0.001 par value; 200,000,000 shares

authorized, 57,645,579 and 55,095,579, respectively shares issued

and outstanding	57,646	55,096
Additional paid-in capital	5,811,988	5,457,538
Less: 11,700 shares of treasury stock, at cost	(24,200)	(24,200)
Accumulated deficit	(6,833,610)	(6,195,923)
Total Thunder Mountain Gold, Inc stockholders' equity (deficit)	(988,176)	(707,489)
Noncontrolling interest in Owyhee Gold Trust (Note 3)	173,702	174,111
Total stockholders' equity (deficit)	(814,474)	(533,378)
Total liabilities and stockholders' equity (deficit)	\$ 851,166	\$ 931,383

The accompanying notes are an integral part of these consolidated financial statements.

Thunder Mountain Gold, Inc.**Consolidated Statements of Operations**

	Years Ended December 31,	
	2018	2017
Operating expenses:		
Exploration	\$ 205,814	\$ 193,067
Legal and accounting	117,802	63,393
Management and administrative	235,752	360,464
Loss on sale of equipment	-	1,021
Depreciation	48,425	70,251
Total operating expenses	607,793	688,196
Other income (expense):		
Interest expense, related parties	(28,739)	(23,672)
Miscellaneous income	4,298	1,200
Foreign currency exchange gain (loss)	(453)	(40)
Total other income (expense)	(24,894)	(22,512)
Net Loss	(632,687)	(710,708)
Net Income – noncontrolling interest in Owyhee Gold Trust	5,000	409
Net Loss – Thunder Mountain Gold, Inc.	\$ (637,687)	\$ (711,117)
Net Loss per common share-basic and diluted	\$ (0.01)	\$ (0.01)
Weighted average common shares		
outstanding-basic and diluted	57,208,045	54,868,182

The accompanying notes are an integral part of these consolidated financial statements.

Thunder Mountain Gold, Inc.
Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2018	2017
Cash flows from operating activities:		
Net loss	\$ (632,687)	\$ (710,708)
Adjustments to reconcile net loss to net cash used by		
operating activities:		
Depreciation	48,425	70,251
Loss on sale of equipment	-	1,021
Stock options issued for services	-	53,557
Amortization of related party notes payable discount	8,889	4,445
Change in:		
Prepaid expenses and other assets	(952)	5,430
Accounts payable and other accrued liabilities	45,781	5,498
Accrued related party liability	60,372	-
Accrued interest payable to related parties	19,849	19,226
Deferred compensation	170,000	303,000
Net cash used by operating activities	(280,323)	(248,280)
Cash flows from investing activities:		
Proceeds from sale of equipment	-	41,000
Net cash provided by investing activities	-	41,000
Cash flows from financing activities:		
Proceeds from sale of common stock	252,988	-
Proceeds from exercise of common stock options	-	20,550
Distribution to noncontrolling interest	(5,409)	(5,000)
Borrowing on related parties notes payable	-	120,000
Net cash provided by financing activities	247,579	135,550
Net increase (decrease) in cash and cash equivalents	(32,744)	(71,730)
Cash and cash equivalents, beginning of year	36,454	108,184
Cash and cash equivalents, end of year	\$ 3,710	\$ 36,454
Noncash financing and investing activities:		
Common stock and warrants issued for payment of related parties notes payable and accrued interest	\$ 104,012	\$ -

Stock options exercised in satisfaction of related parties notes payable	-	20,000
Beneficial conversion feature on related party convertible notes payable	-	13,333

The accompanying notes are an integral part of these consolidated financial statements.

Thunder Mountain Gold, Inc.**Consolidated Statements of Changes in Stockholders' Equity (Deficit)**

For the years ended December 31, 2018 and 2017

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Non-Controlling Interest in OGT	Total
Balances at December 31, 2016	54,680,579	\$54,681	\$5,350,513	\$(24,200)	\$(5,484,806)	178,702	\$ 74,890
Shares issued for exercise of stock							
options	415,000	415	40,135	-	-	-	40,550
Stock options issued for services	-	-	53,557	-	-	-	53,557
Beneficial conversion feature on	-	-					
related party note payable			13,333	-	-	-	13,333
Distribution to noncontrolling interest	-	-	-	-	-	(5,000)	(5,000)
Net income (loss)	-	-	-	-	(711,117)	409	(710,708)
Balances at December 31, 2017	55,095,579	\$ 55,096	\$ 5,457,538	\$(24,200)	\$(6,195,923)	\$ 174,111	\$ (533,378)
Shares and warrants issued for cash	1,807,057	1,807	251,181	-	-	-	252,988
Shares and warrants issued for payment of related parties notes payable and accrued interest	742,943	743	103,269				104,012
Distribution to noncontrolling interest	-	-	-	-	-	(5,409)	(5,409)
Net income (loss)	-	-	-	-	(637,687)	5,000	(632,687)
	57,645,579		\$ 5,811,988	\$(24,200)	\$(6,833,610)	\$ 173,702	

Balances at	\$	\$
December 31, 2018	57,646	(814,474)

The accompanying notes are an integral part of these consolidated financial statements.

1. Summary of Significant Accounting Policies and Business Operations

Business Operations

Thunder Mountain Gold, Inc. (“Thunder Mountain” or “the Company”) was originally incorporated under the laws of the State of Idaho on November 9, 1935, under the name of Montgomery Mines, Inc. In April 1978, the Montgomery Mines Corporation was obtained by a group of the Thunder Mountain property holders and changed its name to Thunder Mountain Gold, Inc., with the primary goal to further develop their holdings in the Thunder Mountain Mining District, located in Valley County, Idaho. Thunder Mountain Gold, Inc. takes its name from the Thunder Mountain Mining District, where its principal lode mining claims were located. For several years, the Company’s activities were restricted to maintaining its property position and exploration activities. During 2005, the Company sold its holdings in the Thunder Mountain Mining District. During 2007, the Company acquired the South Mountain Mines property in southwest Idaho and initiated exploration activities on that property, which continue today.

Basis of Presentation and Going Concern

The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company has historically incurred losses and does not have sufficient cash at December 31, 2018 to fund normal operations for the next 12 months. The Company has no recurring source of revenue and its ability to continue as a going concern is dependent on the Company’s ability to raise capital to fund its future exploration and working capital requirements. The Company’s plans for the long-term continuation as a going concern include financing the Company’s future operations through sales of its common stock and/or debt and the eventual profitable exploitation of its mining properties. Additionally, the current capital markets and general economic conditions in the United States are significant obstacles to raising the required funds.

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of South Mountain Mines, Inc. (“SMMI”) from Thunder Mountain Resources, Inc. (“TMRI”), both wholly owned subsidiaries of the Company. The term of the agreement is for two years with BeMetals completing a preliminary economic assessment (“PEA”) completed by a mutually agreed third-party engineering firm. This agreement requires payments to the Company of \$850,000 over its term. In the event that BeMetals decides not to proceed with the South Mountain Project following, BeMetals will not be obligated to make any additional payments.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis was not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

Reclassifications

Certain reclassifications have been made to conform prior period's data to the current presentation. These reclassifications have no effect on previously reported operations, stockholders' equity (deficit) or cash flows.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company; its wholly owned subsidiaries, Thunder Mountain Resources, Inc. ("TMRI") and South Mountain Mines, Inc. ("SMMI"); and a company in which the Company has majority control, Owyhee Gold Trust, LLC ("OGT"). Intercompany accounts are eliminated in consolidation.

The Company has established 75% ownership and full management of OGT. Thus, OGT's financial information is included 100% in the Company's consolidated financial statements as of December 31, 2016. The Company's consolidated financial statements reflect the other investor's 25% non-controlling, capped interest in OGT.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions include the carrying value of properties and mineral interests, environmental remediation liabilities, deferred tax assets, and stock-based compensation. Management's estimates and assumptions are based on historical experience and other assumptions believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Cash and cash equivalents

For the purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent.

Income Taxes

The Company recognizes deferred income tax liabilities or assets at the end of each period using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of the deferred tax assets will not be realized.

Fair Value Measurements

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in

earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date. The Company has no financial assets or liabilities that are adjusted to fair value on a recurring basis.

Financial Instruments

The Company's financial instruments include cash and cash equivalents and related party notes payable the carrying value of which approximates fair value based on the nature of those instruments.

Mineral Interests

The Company capitalizes costs for acquiring mineral interests and expenses costs to maintain mineral rights and leases as incurred. Exploration costs are expensed in the period in which they occur. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method based on periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

Investments in Joint Venture

The Company's accounting policy for joint ventures is as follows:

1. The Company uses the cost method when it does not have joint control or significant influence in a joint venture. Under the cost method, these investments are carried at cost. If other than temporary impairment in value is determined, it would then be charged to current net income or loss.
2. If the Company enters into a joint venture in which there is joint control between the parties or the Company has significant influence, the equity method is utilized whereby the Company's share of the venture's earnings and losses is included in the statement of operations as earnings in joint ventures and its investments therein are adjusted by a similar amount. If other than temporary impairment in value is determined, it would then be charged to current net income or loss.
3. In a joint venture where the Company holds more than 50% of the voting interest and has significant influence, the joint venture is typically consolidated with the presentation of non-controlling interest. In determining whether significant influences exist, the Company considers its participation in policy-making decisions and its representation on the venture's management committee. See Note 3 regarding the Company's investment in Owyhee Gold Trust, LLC.

Reclamation and Remediation

The Company's operations have been, and are subject to, standards for mine reclamation that have been established by various governmental agencies. The Company would record the fair value of an asset retirement obligation as a liability in the period in which the Company incurred a legal obligation for the retirement of tangible long-lived assets. A corresponding asset would also be recorded and depreciated over the life of the asset.

After the initial measurement of the asset retirement obligation, the liability is adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation.

Determination of any amounts recognized upon adoption is based upon numerous estimates and assumptions, including future retirement costs, future inflation rates and the credit-adjusted risk-free interest rates.

For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred, and they are reasonably estimable. Such costs are based on management's estimate of amounts expected to be incurred when the remediation work is performed.

Share-Based Compensation

Share-based payments to employees and directors, including grants of employee stock options, are measured at fair value and expensed in the statement of operations over the vesting period.

Recent Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-15 Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. The update provides guidance on classification for cash receipts and payments related to eight specific issues. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with early adoption permitted. The adoption of this update on January 1, 2018 had no impact on the Company's consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18 Statement of Cash Flows (Topic 230): Restricted Cash. The update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with early adoption permitted. The adoption of this update on January 1, 2018 had no impact on the Company's consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01 Business Combinations (Topic 805): Clarifying the Definition of a Business. The update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company will apply the provisions of the update to potential future acquisitions occurring after January 1, 2018.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

Net Income (Loss) Per Share

The Company is required to have dual presentation of basic earnings per share ("EPS") and diluted EPS. Basic EPS is computed as net income divided by the weighted average number of common shares outstanding for the period. Diluted EPS is calculated based on the weighted average number of common shares outstanding during the period plus the effect of potentially dilutive common stock equivalents, including options and warrants to purchase the Company's common stock. As of December 31, 2018, and 2017, potentially dilutive common stock equivalents not included in the calculation of diluted earnings per share as their effect would have been anti-dilutive are:

For year ended December 31,	2018	2017
Stock options	3,710,000	4,700,000
Warrants	1,275,000	666,667
Total possible dilution	4,985,000	5,366,667

2. Commitments

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The Company has two lease arrangements with land owners that own land parcels adjacent to the Company's South Mountain patented and unpatented mining claims. The leases were originally for a seven-year period, with annual payments of \$20 per acre. The leases were renewed for an additional 10 years at \$30 per acre paid annually; committed payments are listed in the table below. The lease payments have no work requirements.

	Annual Payment
Acree Lease (June)	\$ 3,390
Lowry Lease (October)	11,280
Total	\$14,670

The Company has 78 unpatented claims (1,600 acres) in the Trout Creek area and 21 unpatented claims in the South Mountain area. The claim fees are paid on these unpatented claims annually as follows:

Target Area	2018
Trout Creek -State of Nevada	\$12,090
Trout Creek -Lander County	940
South Mountain-State of Idaho	3,255
Total	\$16,285

3 . South Mountain Project

The Company's wholly-owned subsidiary SMMI is the sole manager of the South Mountain Project in its entirety through a separate Mining Lease with Option to Purchase ("Lease Option") with the Company's majority-owned subsidiary OGT. The Lease Option includes a capped \$5 million less, net returns royalties paid through the date of exercise. The Lease Option expires in November 2026. If SMMI exercises the option, the option payment of \$5 million less advance royalties will be distributed 100% by OGT to OGT's minority member. Under the Lease Option, SMMI pays an advance \$5,000 net returns royalty to OGT annually on November 4 which is distributed to OGT's minority member.

OGT's financial information is included 100% in the Company's consolidated financial statements and reflects its minority member's non-controlling interest. Changes in the non-controlling interest equity balance is as follows:

		Years Ended	
		December 31,	
		2018	2017
Balance at beginning of period	\$	174,111	\$ 178,702
Distribution to non-controlling interest		(5,409)	(5,000)
Net income (loss) attributable to noncontrolling interest		5,000	409
Balance at end of period	\$	173,702	\$ 174,111

4. Property and Equipment

The Company's property and equipment are as follows:

		December 31,	
		2018	December 31, 2017
Vehicles	\$	22,441	\$ 22,441
Buildings		65,071	65,071
Construction Equipment		36,447	36,447
Mining Equipment		58,646	58,646
		182,605	182,605
Accumulated Depreciation		(124,384)	(75,959)
		58,221	106,646
Land		280,333	280,333
Total Property and Equipment	\$	338,554	\$ 386,979

5. Related Parties Notes Payable

At both December 31, 2018 and December 31, 2017, the Company had notes payable balances of \$56,768 and \$69,808 with Eric Jones, the Company's President and Chief Executive Officer and Jim Collard, the Company's Vice President and Chief Operating Officer, respectively. These notes, as amended, are due December 31, 2019.

On October 25, 2017 the Company received \$100,000 from Paul Beckman, a director of the Company, under a convertible promissory note. Terms of the note called for interest at 1% per month, with the entire balance of principal and interest due in full on April 24, 2018. The convertible promissory note contained the option for the holder to convert any portion of the principal and interest into Company common stock at \$0.15 per common share (a total of 666,667 shares). At inception, the market price for the Company's common stock was \$0.17 per common share which exceeded the conversion price. As such, the convertible note contained a beneficial conversion feature of \$13,333 which was recognized as a discount on the note on the date of issuance. The discount was being amortized over the note term using the straight-line method, which approximates the effective interest method.

On February 26, 2018, Mr. Beckman participated in the Company's Private Placement (see Note 7) and acquired 1,000,000 Units for \$140,000. A portion of this amount was in exchange for retirement of Mr. Beckman's convertible note payable of \$100,000 and accrued interest payable of \$4,012. Upon the retirement of Mr. Beckman's convertible promissory note, the Company recognized the unamortized portion of the discount of \$5,100 as interest expense.

After this transaction, the Company had no remaining obligation under the convertible note agreement with Mr. Beckman.

During the years ended December 31, 2018 and 2017, the Company recognized a total of \$28,739 and \$23,672 respectively, in interest expense for the notes discussed above. Accrued interest payable was \$52,787 and \$36,949 at December 31, 2018 and 2017, respectively.

6. Related Party Transactions

In addition to the related parties notes payable discussed in Note 5, the Company had the following related party transactions.

Three of the Company's officers had been deferring compensation for services. The officers' balances at December 31, 2018 are as follows: Eric Jones, President and Chief Executive Officer - \$420,000 (December 31, 2017 - \$350,000), Jim Collord, Vice President and Chief Operating Officer - \$420,000 (December 31, 2017 - \$350,000), and Larry Thackery, Chief Financial Officer - \$201,500 (December 31, 2017 - \$171,500). On July 31, 2018, the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project.

The Company engages Baird Hanson LLP ("Baird"), a company owned by one of the Company's directors, to provide legal services. During the year ended December 31, 2018, the Company incurred \$65,530 in legal expense with Mr. Baird. There was no expense for the comparable periods in 2017. At December 31, 2018 and December 31, 2017, the balance due to Baird was \$241,685 and \$181,313, respectively.

On December 18, 2018, Eric Jones advanced funds to the Company for operating expenses in the amount of \$10,000, and during 2017 advanced the company \$10,971. The balance of Mr. Jones' advances at December 31, 2018 was \$20,971 and is included in accounts payable and other accrued liabilities on the consolidated balance sheet. At December 31, 2018 and December 31, 2017, the Company has a payable to Jim Collord of \$33,167 and \$30,978, respectively, attributed to reimbursement of expenses for South Mountain Project. The balance is included in accounts payable and other accrued liabilities on the consolidated balance sheet.

7. Stockholders' Equity

The Company's common stock has a par value of \$0.001 with 200,000,000 shares authorized. The Company also has 5,000,000 authorized shares of preferred stock with a par value of \$0.0001.

On February 20, 2018, the Board of Directors approved a Private Placement financing of up to \$750,000 from the sale of equity units at a price of \$0.14 per unit. Each unit consisted of one share of the Company's common stock and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional share of common stock of the Company at a price of \$0.20 for a period of 12 months. On April 27, 2018 the Company closed its Private Placement. The Company sold Units representing a total of 2,550,000 shares of common stock and 1,275,000 common stock purchase warrants for total proceeds of \$357,000. Of this amount, \$252,988 was received in cash and \$104,012 was in exchange for retirement of Mr. Beckman's convertible note payable and related accrued interest payable. See Note 5.

At December 31, 2018, the Company has outstanding warrants for 1,275,000 shares of common stock with an exercise price of \$0.20 that expires in 2019. There were no outstanding warrants at December 31, 2017.

8 . Stock Options

In March 2017, the Company granted 600,000 stock options to three directors of the Company. The options are exercisable on or before March 31, 2022 at a price of \$0.10 for 200,000 shares, and at a price of \$0.09 for the remaining 400,000 shares. The fair value of the options was determined to be \$53,557 using the Black Scholes model. The options were fully vested upon grant and the entire fair value was recognized as compensation expense during the three and nine months ended December 31, 2017.

On July 19, 2017, Paul Beckman exercised stock options representing 275,000 shares of common stock for total consideration of \$28,275 which was in the form of the balance due on his note and interest expense of \$20,000 and \$125, respectively, and \$8,150 in cash. Additionally, Larry Thackery exercised stock options for 140,000 shares of common stock for \$12,400 in cash. The intrinsic value these options was approximately \$5,000.

In 2017, the fair value of each option award was estimated on the date of the grant using the assumptions noted in the following table:

Number of Options	600,000
Stock price	\$0.09 - \$0.10
Exercise price	\$0.09 - \$0.10
Expected volatility	235.5%
Expected dividends	-
Expected terms (in years)	5.0
Risk-free rate	1.96%

The following is a summary of the Company's options issued under the Stock Option Incentive Plan:

	Shares	Weighted Average Exercise Price
Outstanding and exercisable at December 31, 2016	4,515,000	\$0.08
Granted	600,000	0.09
Exercised	(415,000)	0.10
Outstanding and exercisable at December 31, 2017	4,700,000	0.09
Granted	-	-
Expired	(990,000)	(0.07)
Outstanding and exercisable at December 31, 2018	3,710,000	\$0.09

The average remaining contractual term of the options outstanding and exercisable at December 31, 2018 was 2.24 years. As of December 31, 2018, options outstanding and exercisable had an aggregate intrinsic value of approximately \$28,800 based on the Company's stock price of \$0.09.

9. Income Taxes

The Company did not recognize a tax provision or benefit for the years ended December 31, 2018 and 2017 due to ongoing net losses. At December 31, 2018 and 2017, the Company had net deferred tax assets which were fully reserved by valuation allowances due to the likelihood of expiration of these deferred tax benefits.

At December 31, 2018 and 2017, net deferred tax assets were calculated based on expected blended future tax rates of 27% and 38%, respectively, including both federal and Idaho state components. Significant components of net deferred tax assets at December 31, 2018 and 2017 are as follows:

	2018	2017
Deferred tax assets:		
Net operating loss carryforwards	\$ 1,935,200	\$ 1,836,000
Share-based compensation	59,500	59,000
Deferred salaries	278,000	232,600
Exploration costs	89,700	67,000
	2,362,400	2,194,600
Deferred tax liabilities:		
Investment in OGT LLC	(146,500)	(146,000)
Net deferred tax assets	2,215,900	2,048,600
Less valuation allowance	(2,215,900)	(2,048,600)
Net deferred tax asset	\$ -	\$ -

As of December 31, 2018, the Company has approximately \$7.2 million of federal and state net operating loss carryforwards, approximately \$6.7 million of which will expire between 2028 through 2036. The remaining balance of approximately \$0.5 million will never expire but whose utilization is limited to 80% of taxable income in any future year.

The income tax benefit shown in the financial statements for the years ended December 31, 2018 and 2017 differs from the federal statutory rate as follows:

	2018		2017	
(Provision) benefit at statutory rates	\$ 132,900	21.0%	\$ 249,000	35.0%
State taxes	7,500	1.2	34,100	4.8
Miscellaneous permanent differences	500	0.1	600	0.1
Change in prior year estimates	26,400	4.1	-	-
Impact of change in tax rates	-	-	(882,400)	(124.2)
Change in valuation allowance	(167,300)	(26.4)	598,700	84.2
Total	\$ -	- %	\$ -	- %

On December 22, 2017, the United States enacted the Tax Cuts and Jobs Act (the "Act") resulting in significant modifications to existing law. The Company completed the accounting for the effects of the Act during the quarter ended December 31, 2017. The Company did not incur any income tax benefit or provision for the year ended December 31, 2017 as a result of the changes to tax laws and tax rates under the Act. The Company's net deferred tax asset was reduced by \$882,400 during the year ended December 31, 2017, which consisted primarily of the re-measurement of federal deferred tax assets and liabilities from the previous rate of 35% to the newly enacted rate of 21%.

The Company has analyzed its filing positions in all jurisdictions where it is required to file income tax returns and found no positions that would require a liability for uncertain income tax benefits to be recognized. The Company is subject to possible tax examinations for the years 2014 through 2018. Prior year tax attributes could be adjusted by taxing authorities. If applicable, the Company will deduct interest and penalties as interest expense on the financial statements.

10. Subsequent Events

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corp., a British Columbia corporation (“BeMetals”), and BeMetals USA Corp., a Delaware corporation (“BMET USA”), a wholly owned subsidiary of BeMetals. Under the terms of the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the issued and outstanding shares of SMMI from TMRI, both wholly owned subsidiaries of the Company. The term of the agreement is for two years with BeMetals completing a preliminary economic assessment (“PEA”) completed by a mutually agreed third-party engineering firm. BeMetals will issue 10 million BMET common shares (Consideration Shares) to TMRI. BeMetals will also purchase of 2.5 million shares of the Company’s common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement. BeMetals will make cash payments of \$850,000 over the 24 months of the agreement and another \$250,000 upon exercise of the Option Agreement. The exercise of the Option Agreement price can be paid in combination with cash and BeMetals common shares. The calculation of the purchase price is an amount equal to the lesser of 50% of the market capitalization of BeMetals at the time, and the greater of either \$10 million; or 20% the net present value of the South Mountain Project as calculated in a PEA that BMET will complete on the Project.

Payment may be satisfied by through the delivery of BMET common shares (Consideration Shares), a cash payment or a combination of Consideration Shares and cash. The BMET common shares will be issued at a deemed value based on the 5-day VWAP of Consideration Shares immediately prior to the date that BMET USA gives notice of its intention to exercise the option.

Payment(s) may be accelerated to exercise the Option Agreement, and restrictions will exist on resale of BeMetals common shares. The Company will not be granted any anti-dilution rights in respect of the Consideration Shares. The Company will provide additional information to shareholders of the Company regarding the BeMetals Option Agreement in either a Schedule 14A proxy circular or a Schedule 14C information statement to be prepared in connection with obtaining the required shareholder approval to the BeMetals Option Agreement. There is no assurance that the transactions contemplated under the BeMetals Option Agreement will be completed. On March 4, 2019 the Company received shareholder approval of the Option Agreement meeting the precedent condition for the Tranche 1 payment. On March 5, 2019, the Company received \$100,000 from BeMetals.

ITEM 9 – CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

During the year ended December 31, 2018, there were no changes in independent audit firms or consulting firms who provide accounting assistance.

During the year ended December 31, 2018, there were no disagreements between the Company and its independent certified public accountants concerning accounting and financial disclosure.

ITEM 9A - CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

At the end of the period covered by this report, an evaluation was carried out under the supervision of, and with the participation of, the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) of the Securities and Exchange Act of 1934, as amended). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were adequately designed and effective in ensuring that information required to be disclosed by the Company in its reports that it files or submits to the SEC under the Exchange Act, is recorded, processed, summarized and reported within the time specified in applicable rules and forms.

Our Chief Executive Officer and Chief Financial Officer have also determined that the disclosure controls and procedures are effective to ensure that material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow for accurate required disclosure to be made on a timely basis.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of its Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external reporting in accordance with

accounting principles generally accepted in the United States of America. Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2018, using criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and concluded that we have maintained effective internal control over financial reporting as of December 31, 2018, based on these criteria.

Changes in internal controls over financial reporting

During the quarter ended December 31, 2018, there have been no changes in the Company’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting

ITEM 9B - OTHER INFORMATION

None.

PART III
ITEM 10 - DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

This section sets forth certain information with respect to the Company's current directors and executive officers, as well as information about appointments subsequent to the fiscal year ended December 31, 2017.

Directors and Executive Officers:

Name	Age	Office with the Company	Appointed to Office
Eric T. Jones	56	President, Chief Executive Officer, Director	March, 2006
E. James Collord	72	Vice-President, Chief Operating Officer	Since 1978
Paul Beckman	65	Director	February 2017
Ralph Noyes	71	Director	May 2016
Douglas J. Glaspey	66	Director	June 2008
Joseph H. Baird	64	Director	January, 2014
Larry D. Kornze	68	Director	January 2013
James A. Sabala	64	Director	October 2016
Larry Thackery	60	CFO	January 2013

Background and experience:

Eric T. Jones – President and Chief Executive Officer - has over 30 years of mining, and financial experience, with a B.S. in Geological Engineering from the University of Idaho. Mr. Jones joined the Board of Thunder Mountain Gold in 2006, and the Board appointed him to the position of Secretary/Treasurer in 2007. In February 2008, Mr. Jones joined the management of Thunder Mountain Gold, Inc. as Chief Financial Officer, and Vice President of Investor Relations. In 2011 Mr. Jones was appointed President and Chief Executive Officer. Mr. Jones was General Mine Manager at Dakota Mining's Stibnite Mine gold heap leach operation in central Idaho. He has held management positions for Hecla Mining at their Yellow Pine Mine, Stibnite, Idaho, and Environmental Manager at their Rosebud Mine, Lovelock, Nevada. Prior to working with Hecla, Eric was the mine engineer at the Cactus Gold Mine in southern California and has worked throughout the western U.S. in both precious metals and oil and gas exploration.

E. James Collord has a MS degree in exploration geology from the Mackay School of Mines, University of Nevada, Reno (1980). He has been a mining professional for 37 years, employed in a variety of capacities, including mill construction superintendent, exploration geologist, mine construction and reclamation manager, and in environmental and lands management. During the period 1975 through 1997, Mr. Collord worked for Freeport Exploration where he worked with a successful exploration team that discovered several Nevada mines. Later in his Freeport career, he managed mining operations and lead permitting efforts. For the period 1997 through 2005, Mr. Collord was Environmental and Lands Superintendent at Cortez Gold Mines, a large Nevada mine that was a joint venture between Placer Dome and Kennecott Minerals. After retirement from Cortez, and until his employment by Thunder Mountain Gold, Inc. in April 2007, he managed the Elko offices for environmental and hydrogeologic consulting groups. He is the grandson of Daniel C. McRae, the original locator of the gold prospects in the Thunder Mountain Gold Mining District in the early 1900s.

Paul Beckman is an entrepreneur and owner of Bella Vista Farms, in Eagle Idaho. Paul serves as Manager and Consultant to the Camille Beckman Corporation where he oversees technology, accounting systems, and daily facility operations. He currently serves on the Board of the Camille Beckman Foundation, and is the co-owner of two small gold mines in central Idaho. Paul attained the rank of Lieutenant Colonel in the United States Air Force where he was a Director - Contracting Automation Systems, managing over 150 personnel responsible for Air Force Contracting Systems. During his service he consolidated two major commands and served as a Missile Launch Officer, Pilot, and Contracting Officer. Paul earned his M.A., in Administration at Webster College, and a B.Sc. in Agricultural Economics from the University of Idaho.

Ralph Noyes was appointed as Director on April 10, 2015. Mr. Noyes brings over 40 years of experience in exploration, mine and project management, executive management, junior mining company boards, and including 15 years in investment portfolio management with Salomon Smith Barney, then Wells Fargo Advisors. Ralph has a wealth of operational experience, most notably Manager of Mines and Vice President of Metal Mining with Hecla Mining Company. Ralph oversaw all of Hecla's operating mines in Idaho, Washington, Alaska, Utah, Nevada, and Mexico. Mr. Noyes took a temporary leave from the Company's Board on February 17, 2016 due to a conflict that was brought to his attention by a previous employer. He was reinstated on the Board in May of 2016.

Douglas J. Glaspey was formerly President, Chief Operating Officer and a Director of U.S. Geothermal Inc. which was purchased in April 2018. Mr. Glaspey has 38 years of operating and management experience with experience in production management, planning and directing resource exploration programs, preparing feasibility studies and environmental permitting. He was Sinter Plant Superintendent for ASARCO at the Glover Lead Smelter in Missouri, Chief Metallurgist at Earth Resources Company at the DeLamar Silver Mine in Idaho, Chief Metallurgist for Asamera Minerals at the Cannon Gold Mine in Washington, Project Manager for Atlanta Gold Corporation at the Atlanta Project in Idaho and Ramrod Gold Corporation in Nevada. He formed and served as an executive officer of several private resource companies in the U.S., including Drumlummon Gold Mines Corporation and Black Diamond Corporation. He founded U.S. Cobalt Inc. in 1998 and took the company public on the TSX Venture Exchange in March 2000. In December 2003, he led a Reverse Take Over and transformed the company to U.S. Geothermal Inc. changing the business from mineral exploration to geothermal development. US Geothermal was traded on the NYSE MKT exchange. He holds a BS degree in Mineral Processing Engineering and an Associate of Science in Engineering Science.

Joseph H. Baird was appointed as Director on January 9, 2014. Mr. Baird brings over 30 years of mineral law experience to Thunder Mountain Gold. Mr. Baird is currently a partner in the Boise, Idaho law firm of Baird Hanson LLP, which firm has been lead counsel for permitting more mining projects in Idaho than any other law firm. Mr. Baird has provided environmental and mining counsel to a wide variety of New York Stock Exchange, Toronto Stock Exchange and venture capital mineral companies, including base and precious metal production companies, industrial mineral producers, exploration and mineral land management companies. He currently sits on the Board of the American CuMo Mining Corporation, which is advancing the "largest un-mined molybdenum deposit in the world" in Boise County, Idaho. Mr. Baird was President of the Northwest Mining Association (now the "American Exploration & Mining Association") in 2011, which during his tenure, he represented the Mining Industry before the United States Congress regarding U.S. Critical Materials production and Environmental regulation. In 2013, Mr. Baird was awarded the 120-year-old American Exploration & Mining Association highest individual honor, the "Life Member Award" for lifetime achievement. Mr. Baird's experience includes positions with the Law Departments of American Mining Congress in Washington, D.C., Exxon Minerals Company, USA in Houston, Texas, and Union Pacific Resources in Denver, Colorado. Mr. Baird was also an Environmental Protection Scientist for the United States Environmental Protection Agency in Washington, D.C. Mr. Baird has been a frequent author of publications on mining and environmental protection over his illustrious career.

Larry D. Kornze, B.Sc. joined the Board in January 2013, and is geological engineer with over 45-years' experience in the precious metals industry. Mr. Kornze was the General Manager of Exploration and U.S. Exploration Manager for Barrick Gold Corporation (NYSE: ABX) from 1987 to 2001, on projects ranging from the Americas to International projects, including Mexico, Central America, China, Philippines, Myanmar, Ethiopia, Uzbekistan, Kyrgyzstan, Indonesia, Peru, Bolivia, Ecuador, Venezuela, and Dominican Republic. Mr. Kornze directed mine site

exploration activities for the Barrick Goldstrike Mine, and the Betze, Meikle, Deepstar, Screamer, and Rodeo deposits. He managed the Betze/Deep Post reserve development drilling and reserve estimation, along with general U.S. exploration. Mr. Kornze was Chief Geologist for Operations and New Projects at Barrick Mercur Gold Mines, Inc. from 1985 – 1986. Prior to working for Barrick, Mr. Kornze was Chief Geologist for Newmont Mines Ltd., Similkameen Division, B.C., and Newmont Mining Corporation (NYSE: NEM) of Canada from 1968 to 1981. Mr. Kornze has a B.Sc. Geological Engineering, Colorado School of Mines, and is a Professional Engineer of the Province of British Columbia. He also serves as a director of other Toronto Stock Exchange Venture listed mining companies.

James A. Sabala was appointed as Director on October 27, 2016. Mr. Sabala brings 38 years of financial mining experience, graduated from the University of Idaho with a B.S. Business, Summa Cum Laude in 1978, and currently resides near Coeur d'Alene, Idaho. Prior to his retirement in May, 2016, Mr. Sabala was Senior Vice President and Chief Financial Officer of Hecla Mining Company, a silver, gold, lead and zinc mining company with operations throughout North America and Mexico. Mr. Sabala was appointed Chief Financial Officer in May 2008 and Senior Vice President in March 2008. Prior to his employment with Hecla Mining Company, Mr. Sabala was Executive Vice President – Chief Financial Officer of Coeur Mining from 2003 to February 2008. Mr. Sabala also served as Vice President-Chief Financial Officer of Stillwater Mining Company from 1998 to 2002. Mr. Sabala has served as a director of Arch Coal (NYSE:ACI) since February, 2015 until October 2016, and currently serves as a director of Dolly Varden Silver (TSX-V: DV).

Larry Thackery has a Bachelor of Science in Accountancy from Weber State University, and over thirty years' experience of a progressive accounting/operations career. On January 8, 2013, the Company appointed Larry Thackery as its Chief Financial Officer. Mr. Thackery brings a wide array of experience/knowledge from different industries, including work in retail with Mrs. Fields Cookies and Snug Co, to distribution with Idacold, and manufacturing with Baseline Inc., and NxEdge Inc. Mr. Thackery has a background in corporate planning, financial analysis, and financial reporting. He is an experienced accounting controller and operations manager with strong analytical skills, computer experience, and proven successful operations development. Hands on experience with the overall operations process, inventory system, variance reporting, budgeting, and forecasting financial analysis of multimillion-dollar corporations. Mr. Thackery brings knowledge with several ERP, MRP, packages, and statistical analysis. Strong P&L track record with functional management experience developing and managing operating budgets.

Directorships in reporting companies:

James Sabala is the only director of the Registrant that is a director of another corporation subject to the requirements of Section 12 or Section 15(d) of the Exchange Act of 1934.

Significant Employees:

Three of the Company's officers had been deferring compensation for services. The officer's balances at December 31, 2018 are as follows: Eric Jones, President and Chief Executive Officer - \$420,000 (December 31, 2017 – \$350,000), Jim Collord, Vice President and Chief Operating Officer - \$420,000 (December 31, 2017 – \$350,000), and Larry Thackery, Chief Financial Officer - \$201,500 (December 31, 2017 – \$171,500). On July 31, 2018 the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project.

Family Relationships:

None.

Involvement in Certain Legal Proceedings:

None of the officers and directors of the Registrant have been involved in any bankruptcy, insolvency, or receivership proceedings as an individual or member of any partnership or corporation; none have ever been convicted in a criminal proceeding or is the subject of a criminal proceeding presently pending. None have been involved in proceedings concerning his ability to act as an investment advisor, underwriter, broker, or dealer in securities, or to act in a responsible capacity for an investment company, bank savings and loan association, or insurance company or limiting his activity in connection with the purchase and sale of any security or engaging in any type business practice. None have been enjoined from engaging in any activity in connection with any violation of federal or state securities laws nor been involved in a civil action regarding the violation of such laws.

Section 16(a) Beneficial Ownership Reporting Compliance:

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers and persons who beneficially owns more than ten percent of a registered class of the Company's equity securities to file with the SEC initial reports of ownership and reports of change in ownership of common stock and other equity securities of the Company. Officers, directors and greater than ten percent shareholders are required by SEC

regulations to furnish the Company with copies of all Section 16(a) forms they file. To our knowledge, no persons failed to file on a timely basis, the identified reports required by Section 16(a) of the Exchange Act during fiscal year ended December 31, 2015.

Audit Committee:

The Company's Board of Directors is responsible for the oversight and management of the Company. On January 28, 2010, an Audit Committee was designated from members of the Board and currently consists of Douglas Glaspey, Ralph Noyes, and James Sabala as independent members of the committee. In April of 2015, Ralph Noyes became a member of the Board of Directors of the Company and joined the Audit committee as its Chairman. Mr. Noyes took a temporary leave from the Company's Board on February 17, 2016 for personal reasons. Mr. Noyes was reinstated as the committee chairman in May of 2016.

Compensation Committee:

The Purpose of the Compensation Committee is to conduct an annual review to determine whether the Company's executive compensation program is meeting the goals and objectives set by the Board of Directors. The Compensation Committee recommends for approval by the Board of Directors the compensation for the Chief Executive Officer and directors, including salaries, incentive compensation levels and stock awards, and reviews and approves compensation proposals made for the other executive officers. During Fiscal 2018, The Compensation Committee consists of the following members: Doug Glaspey and Ralph Noyes. Mr. Glaspey was appointed as Chair of the Compensation Committee. The Board first appointed the Compensation Committee in May of 2012 and met once in 2018.

Special Committee:

The Purpose of the Special Committee is to review and analyze the issues pertaining to potential strategic alternatives for Thunder Mountain Gold Inc. and its subsidiary(ies) (together, the "Company"), which analysis should include, but not be limited to, the advantages and disadvantages of any strategic alternatives available to the Company, and the appropriateness and form of any consideration in relation to the Company's stockholders in connection with any proposed transaction which should also be considered. The Special Committee directs the Company management to take any actions on the part of the Company, in addition to those normally undertaken by management (such as instructions to the professional advisers of the Company), if the Committee considers that such actions are necessary or advisable. The Committee, appointed by the Board, is comprised of three independent directors; Jim Sabala (Chairman), Ralph Noyes, and Paul Beckman. Each member meets the independence requirements of the relevant securities exchanges and regulatory agencies as may apply from time to time and is independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a committee member.

Code of Ethics:

The Board of Directors has formally adopted a Code of Ethics in 2010. This Code of Ethics is published on the Company's website.

Indemnification of Directors and Officers:

The Company's By-Laws address indemnification of Directors and Officers. Nevada law provides that Nevada corporations may include within their articles of incorporation provisions eliminating or limiting the personal liability of their directors and officers in shareholder actions brought to obtain damages for alleged breaches of fiduciary duties, as long as the alleged acts or omissions did not involve intentional misconduct, fraud, a knowing violation of law or payment of dividends in violation of the Nevada statutes. Nevada law also allows Nevada corporations to include in their Articles of Incorporation or Bylaws provisions to the effect that expenses of officers and directors incurred in defending a civil or criminal action must be paid by the corporation as they are incurred, subject to an undertaking on behalf of the officer or director that he or she will repay such expenses if it is ultimately determined by a court of competent jurisdiction that such officer or director is not entitled to be indemnified by the corporation because such officer or director did not act in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation.

The Company's Articles of Incorporation provide that a director or officer is not personally liable to the Company or its shareholders for damages for any breach of fiduciary duty as a director or officer, except for liability for: (i) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law, or (ii) the payment of distributions in violation of Nevada Revised Statutes, §78.300. In addition, Nevada Revised Statutes §78.751 and Article VII of the Company's Bylaws, under certain circumstances, provide for the indemnification of the officers and directors of the Company against liabilities which they may incur in such capacities.

ITEM 11 - EXECUTIVE COMPENSATION

Summary Compensation

Compensation to directors also included reimbursement of out-of-pocket expenses that are incurred in connection with the Directors' duties associated with the Company's business. There are currently no other compensation arrangements for the Company's Directors. The following table provides certain summary information for the fiscal year ended December 31, 2018, 2017, 2016, 2015, 2014 and 2013 concerning compensation awarded to, earned by or paid to our Chief Executive Officer, Chief Financial Officer and three other highest paid executive officers, including the Directors of the Company:

Name and Position	Year	Salary (\$US)	Bonus (\$US)	Stock Awards (\$US)	Option Awards (\$US)	Incentive Plan Compensation (\$US)	Deferred Compensation Earnings (\$US)	All Other Compensation/ Directors Fee (\$US)	Total (\$US)
Jim Collord, V.P./COO	2018	70,000			-				\$ 70,000
	2017	120,000							\$ 120,000
	2016	120,000			50,000				\$ 170,000
	2015	110,000			9,000				\$ 119,000
	2013	36,510	-	18,000	-	-	-	-	\$ 54,510
Eric T. Jones President/CEO	2018	70,000			-				\$ 70,000
	2017	120,000			-				\$ 120,000
	2016	120,000			50,000				\$ 170,000
	2015	110,000			9,000				\$ 119,000
	2013	29,966	-	18,000	-	-	-	-	

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										\$
										47,966
Paul Beckman	2017	-	-	-	20,000	-	-	-	\$	20,000
Director										
Larry Thackery	2018	42,000			-					\$
										42,000
CFO	2017	72,000			-					\$
										72,000
	2016	72,000			30,000					\$
										102,000
	2015	54,000	-	-	2,400	-	-	-		\$
										56,400
Doug Glaspey	2017				-					-
Director	2016				20,000					\$
										20,000
	2015				5,700					\$
										5,700
	2013	-	-	9,000	-	-	-	-		\$
										9,000
Edward Fields	2016				20,000					\$
										20,000
Director/Advisor	2015				5,700					\$
										5,700
	2013	-	-	9,000	-	-	-	-		\$
										9,000
Larry Kornze	2017				-					-
Director	2016				20,000					\$
										20,000
	2015				4,800					\$
										4,800
	2013	-	-	9,000	-	-	-	-		\$
										9,000
Joseph Baird	2017				-					-
Director	2016				25,000					\$
										25,000
	2015	-	-	-	9,000	-	-	-		\$
										9,000
	2014	-	-	9,000	-	-	-	-		

									\$
									9,000
Ralph Noyes	2017				-				-
Director	2016				15,000				\$
	2015	-	-	-	6,000	-	-	-	\$
									6,000
James A. Sabala	2017	-	-	-	22,500	-	-		\$
Director									22,500

There are no compensatory plans or arrangements for compensation of any Director in the event of his termination of office, resignation or retirement.

Exercise of Options:

On July 19, 2017, Paul Beckman exercised stock options representing 275,000 shares of common stock for total consideration of \$28,275 which was in the form of the balance due on his note and interest expense of \$20,000 and \$125, respectively, and \$8,150 in cash. Additionally, Larry Thackery exercised stock options for 140,000 shares of common stock for \$12,400 in cash. The intrinsic value these options was approximately \$5,000.

Long-term Incentives:

On July 17, 2011, the shareholders approved a Stock Incentive Plan (the "SIP"). The SIP was again approved by the Shareholders on January 20, 2015, and April 25, 2017. The SIP will be administered by the Compensation Committee or Board of Directors and provides for the grant of stock options, incentive stock options, stock appreciation rights, restricted stock awards, and incentive awards to eligible individuals including directors, executive officers and advisors that have furnished bona fide services to the Company not related to the sale of securities in a capital-raising transaction.

The SIP has a fixed maximum percentage of 10% of the Company's outstanding shares that are eligible for the plan pool, whereby the number of Shares under the SIP increase automatically with increases in the total number of shares. This "Evergreen" provision permits the reloading of shares that make up the available pool for the SIP, once the options granted have been exercised. The number of shares available for issuance under the SIP automatically increases as the total number of shares outstanding increase, including those shares issued upon exercise of options granted under the SIP, which become re-available for grant subsequent to exercise of option grants. The number of shares subject to the SIP and any outstanding awards under the SIP will be adjusted appropriately by the Board of Directors if the Company's common stock is affected through a reorganization, merger, consolidation, recapitalization, restructuring, reclassification, dividend (other than quarterly cash dividends) or other distribution, stock split, spin-off or sale of substantially all of the Company's assets.

The SIP also has terms and limitations, including that the exercise price for stock options and stock appreciation rights granted under the SIP must equal the stock's fair market value, based on the closing price per share of common stock, at the time the stock option or stock appreciation right is granted. The SIP is also subject to other limitation including; a limited exception for certain stock options assumed in corporate transactions; stock options and stock appreciation rights granted under the SIP may not be "re-priced" without shareholder approval; stock-based awards under the SIP are subject to either three-year or one-year minimum vesting requirements, subject to exceptions for death, disability or termination of employment of an employee or upon a change of control; and shareholder approval is required for certain types of amendments to the SIP.

Employment Contracts:

During 2018, there were three Company employees - Eric Jones, Jim Collord, and Larry Thackery. They were employed per resolution of the Board and other than a monthly salary, plus normal burden, there are no other contractual understandings in the resolutions. Each is reimbursed for the use of personal office equipment and phones, and Jim and Eric are reimbursed for health insurance and related costs up to a set maximum amount, when the Company is financially able to cover the reimbursements.

Share-Based Payments:

In March 2017 the Company granted 600,000 stock options to three Directors of the Company. The options are exercisable on or before March 31, 2022 at a price of \$0.10 for 200,000 shares, and at a price of \$0.09 for the remaining 400,000 shares. The fair value of the options was determined to be \$53,557 using the Black Scholes model. The options were fully vested upon grant and recognized as compensation expense during the year ended December 31, 2017.

The Company did not grant any stock options in the year ended December 31, 2018.

Employment Contracts and Termination of Employment or Change of Control

We have no plans or arrangements in respect of remuneration received or that may be received by our executive officers to compensate such officers in the event of termination of employment (as a result of resignation or retirement) or change of control transaction.

ITEM 12 - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information regarding the beneficial ownership of shares of the Company's common stock as of December 31, 2018, by:

the Company's named executive officers;

the Company's directors;

all of the Company's executive officers and directors as a group; and each person who is known to beneficially own more than 5% of the Company's issued and outstanding shares of common stock.

Name of Shareholder	Amount and Nature	Percent of Class(1)	Amount Stock Option Ownership	Percent of Stock Options
	of Beneficial Ownership			
Directors and Executive Officers				
E. James Collord – VP/COO/Dir	2,260,705 ⁽²⁾⁽³⁾	3.96%	650,000	17.52%
Eric T. Jones – President/CEO/Dir	2,330,000 ⁽²⁾	4.08%	650,000	17.52%
Paul Beckman - Dir	9,825,000 ⁽⁴⁾	17.19%	-	0.00%
Doug Glaspey - Dir	150,000 ⁽²⁾	0.26%	295,000	7.95%
Larry D. Kornze - Dir	-	-	280,000	7.55%
James A. Sabala - Dir	-	-	250,000	6.74%
Joseph H. Baird - Dir	2,000,000 ⁽²⁾	3.50%	400,000	10.78%
Ralph Noyes - Dir	-	-	400,000	10.78%
Larry Thackery - CFO	290,000 ⁽²⁾	0.51%	200,000	5.39%
All current executive officers and directors as a group	16,855,705	29.50%	3,125,000	84.23%

- (1) Based on 57,645,579 shares of common stock issued and outstanding as of December 31, 2018.
- (2) Sole voting and investment power.
- (3) Includes 50,000 shares held in trust for Mr. Collord's son, Jerritt Collord.
- (4) Includes 5,000,000 shares held in P & F Development, a Private Company.

As of December 31, 2018, the number of shares of common stock that can be sold by officers, directors, principal shareholders, and others pursuant to Rule 144 was 57,645,579. As a condition to our listing on the TSX-V in 2010, our officers and directors were required to deposit their common stock totaling 4,799,239 shares, into an escrow account with Computershare Investor Services, Inc. Those escrowed shares were subject to the TSX-V's Tier 1 escrow requirement at that time. Those requirements provide for an 18-month escrow release mechanism with 25% of the escrowed securities being released on September 24, 2010 (the date our common shares commenced trading on the TSX-V), and 25% of the escrowed securities to be released every 6 months thereafter. As of December 31, 2018, all of the escrowed shares have been released back to the officers and directors.

Changes in Control:

The Board of Directors is aware of no circumstances which may result in a change of control of the Company.

ITEM 13 - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Transactions with Management and Others:

During the year ended December 31, 2017, we had the following transactions with related parties:

On June 21, 2017, the Company originated a short-term promissory note payable to a Director of the Company, Paul Beckman. The note had a principal amount of \$20,000 with simple interest calculated at 1% per month. On July 19, 2017, Mr. Beckman exercised stock options for 275,000 shares of common stock for total consideration of \$28,275 which was in the form of the balance due on his note and interest expense of \$20,000 and \$125, respectively, and \$8,150 in cash.

On October 25, 2017 the Company received \$100,000 from Mr. Beckman under a convertible promissory note. Terms of the note called for interest at 1% per month, with the entire balance of principal and interest due in full on April 24, 2018. The convertible promissory note contained the option for the holder to convert any portion of the principal and interest into Company common stock at \$0.15 per common share (a total of 666,667 shares).

On that date, the market price for the Company's common stock was \$0.17 per common share which exceeded the conversion price. As such, the convertible note contained a beneficial conversion feature of \$13,333 which was recognized as a discount on the note on the date of issuance. The discount is being amortized over the note term using the straight-line method, which approximates the effective interest method. For the year ended December 31, 2017, the Company recorded \$4,445 in interest expense related to the amortization of the discount.

During December 31, 2017 and 2016, the Company recognized \$23,672 and \$17,723, respectively, in interest expense for these notes. Accrued interest payable was \$36,949 at December 31, 2017.

Three of the Company's officers are deferring compensation for services. The officers' balances at December 31, 2017 are as follows: Eric Jones, President and Chief Executive Officer - \$350,000, Jim Collord, Vice President and Chief Operating Officer - \$350,000, and Larry Thackery, Chief Financial Officer - \$171,500.

The Company engages Baird Hanson LLP ("Baird"), a company owned by one of the Company's directors, to provide legal services. Baird had no legal expenses in 2017. At December 31, 2017 the balance due to Baird is \$181,313.

During 2017, Jim Collord and Eric Jones advanced funds to the Company for operating expenses. On November 22, 2017, Mr. Collord's advance of \$5,035 was paid in full. Through December 31, 2017, Mr. Jones had advanced \$10,971 which is included in Accounts payable and other accrued liabilities on the consolidated balance sheet.

During the year ended December 31, 2018, we had the following transactions with related parties:

Three of the Company's officers had been deferring compensation for services. The officer's balances at December 31, 2018 are as follows: Eric Jones, President and Chief Executive Officer - \$420,000 (December 31, 2017 - \$350,000), Jim Collord, Vice President and Chief Operating Officer - \$420,000 (December 31, 2017 - \$350,000), and Larry Thackery, Chief Financial Officer - \$201,500 (December 31, 2017 - \$171,500). On July 31, 2018 the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project.

The Company engages Baird Hanson LLP ("Baird"), a company owned by one of the Company's directors, to provide legal services. During the year ended December 31, 2018, the Company incurred \$65,530 in legal expense with Mr. Baird. There was no expense for the comparable periods in 2017. At December 31, 2018 and December 31, 2017, the balance due to Baird was \$241,685 and \$181,313, respectively.

On December 18, 2018 Eric Jones advanced funds to the Company for operating expenses in the amount of \$10,000. The balance of Mr. Jones' advances at December 31, 2018 was \$20,971 and is included in accounts payable and other accrued liabilities on the consolidated balance sheet.

Certain Business Relationships:

There have been no unusual business relationships during the last fiscal year of the Registrant between the Registrant and affiliates as described in Item 404 (b) (1-6) of the Regulation S-K.

Indebtedness of Management:

No Director or executive officer or nominee for Director, or any member of the immediate family of such has been indebted to the Company during the past year.

Directors' Stock Purchases

Stock transactions for directors and officers were reported on Form 4 or Form 5 and are available on the SEC website.

Director Independence

On December 31, 2018 Douglas Glaspey, Larry Kornze, James A. Sabala, Ralph Noyes, and Paul Beckman are independent Members of the Board of Thunder Mountain Gold Inc.

ITEM 14 - PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit and Non-Audit Fees

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The following table presents fees billed to the Company relating to the audit of the Financial Statements at December 31, 2018, as provided by DeCoria, Maichel and Teague, P.S. We expect that DeCoria, Maichel and Teague, P.S. will serve as our auditors for fiscal year 2019. DM-T has served as an independent auditor for the Corporation since the fiscal year ended December 31, 2005. This firm is experienced in the field of accounting and is well qualified to act in the capacity of auditors.

Year Ended	December 31, 2018	December 31, 2017
Audit fees (1)	\$36,764	\$39,030
Audit-related fees (2)	-	1,608
Tax fees (3)	8,240	9,895
All other fees (4)	-	40
Total Fees	\$45,004	\$50,573

(1) Audit fees consist of fees billed for professional services provided in

connection with the audit of the Company's financial statements, and assistance

with reviews of documents filed with the SEC.

(2) Audit-related fees consist of assurance and related services that include, but

are not limited to, internal control reviews, attest services not required by statute

or regulation and consultation concerning financial accounting and reporting

standards.

(3) Tax fees consist of the aggregate fees billed for professional services for tax

compliance, tax advice, and tax planning. These services include preparation of

federal income tax returns.

(4) All other fees consist of fees billed for products and services other than the services reported above.

The Company's Board of Directors reviewed the audit services rendered by DeCoria, Maichel and Teague, P.S. and concluded that such services were compatible with maintaining the auditors' independence. All audit, non-audit, tax services, and other services performed by the independent accountants are pre-approved by the Board of Directors to assure that such services do not impair the auditors' independence from the Company. The Company does not use DeCoria, Maichel and Teague, P.S. for financial information system design and implementation. We do not engage DeCoria, Maichel and Teague, P.S to provide compliance outsourcing services.

PART IV

ITEM 15 – EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Documents filed as part of this report on Form 10-K or incorporated by reference:

- (1) Our financial statements can be found in Item 8 of this report.
- (2) Financial Statement Schedules (omitted because they are either not required, are not applicable, or the required information is disclosed in the notes to the financial statements or related notes).
- (3) The following exhibits are filed with this Annual Report on Form 10-K or incorporated by reference:

EXHIBITS

Exhibit Number	Description of Exhibits
3.1*	<u>Articles of Incorporation of Montgomery Mines Inc, October 30, 1935</u>
3.2*	<u>Articles of Amendment, Montgomery Mines Inc., April 12, 1948</u>
3.3*	<u>Articles of Amendment, Montgomery Mines Inc., February 6, 1970</u>
3.4*	<u>Articles of Amendment, Montgomery Mines Inc., April 10, 1978</u>
3.5*	<u>Articles of Amendment, Thunder Mountain Gold, August 26, 1985</u>
3.6*	<u>Articles of Amendment, Thunder Mountain Gold, October 17, 1985</u>
3.7*	<u>Articles of Incorporation, Thunder Mountain Gold Inc. (Nevada), December 11, 2007</u>
3.8*	<u>Bylaws, Montgomery Mines Inc.</u>
3.9*	<u>Bylaws, Thunder Mountain Gold Inc. (Nevada)</u>
10.1*	<u>Agreement and Plan of Merger, Thunder Mountain Gold (Nevada)</u>
21.1**	<u>Subsidiaries of the Registrant</u>
31.1**	<u>Certification of Chief Executive Officer of Periodic Report pursuant to Rule 13a-14(a) and Rule 15d-14(a)(Section 302 of the Sarbanes- Oxley Act of 2002).</u>
31.2**	<u>Certification of Chief Financial Officer of Periodic Report pursuant to Rule 13a-14(a) and Rule 15d-14(a)(Section 302 of the Sarbanes- Oxley Act of 2002).</u>

- 32.1** Certificate of Principal Executive Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).
- 32.2** Certificate of Principal Financial Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).
- 101** The following financial information from our Annual Report on Form 10-K for the year ended December 31, 2018 formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Cash Flows, (iv) the Consolidated Statements of Changes in Stockholders' Equity (Deficit) and (v) Notes to Financial Statements

* Previously filed as an exhibit to Form 10-KSB, filed on April 16, 2008, SEC File No. 001-08429.

** Filed herewith.

DOCUMENTS INCORPORATED BY REFERENCE

None

SIGNATURES

Pursuant to the requirements of Section 143 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf of the undersigned, thereunto duly authorized.

THUNDER MOUNTAIN GOLD, INC.

/s/ Eric T. Jones

By

Eric T. Jones

President, Director and Chief Executive Officer

Date: April 1, 2019

Pursuant to the requirements of the Securities Act of 1934 this report signed below by the following person on behalf of the Registrant and in the capacities on the date indicated.

/s/ Larry Thackery

By

Larry Thackery

Chief Financial Officer

Date: April 1, 2019
