

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **December 31, 2020**

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

91-1031015

(State of other jurisdiction of incorporation or organization)

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

11770 W. President Dr., Ste. F

Boise, ID

83713

(Address of Principal Executive Offices)

(Zip Code)

(208) 658-1037

(Registrant's Telephone Number, including Area Code)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
NONE	NONE	NONE

Securities registered under Section 12(g) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	THMG THM	OTCQB TSX-V

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. []

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: \$ 2,597,392 as of June 30, 2020.

The number of shares of the Registrant's Common Stock outstanding as of March 20, 2021, was 60,145,579.

THUNDER MOUNTAIN GOLD, INC.
Form 10-K
December 31, 2020

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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” or 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 ended December 31, 2020. 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. (TMRI), 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. (TMRI), a wholly owned subsidiary of Thunder Mountain Gold, Inc. (THMG), 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, SMMI was granted Managing Member and controlling Member of OGT, through a judicially ratified settlement with ISGC II.

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 original term of the agreement was for two years, but was extended on May 18, 2020, by three months from the existing BeMetals Option Agreement date, due to the COVID-19 pandemic, and business conditions surrounding restricted international travel, and corresponding access to capital markets. The BeMetals Option Agreement is allowed to be extended to three years, under certain conditions, with BeMetals required to issue a preliminary economic assessment (“PEA”) that is completed by a mutually agreed to third-party engineering firm by the end of the period. Upon Tranche 2, BeMetals issued 10 million BMET common shares (Consideration Shares) to TMRI, and BeMetals also purchase 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. Over its term, this Agreement requires cash payments to the Company of \$1,100,000. Through December 31, 2020, cash payments of \$600,000, along with \$250,000 in exchange for shares of the Company’s common stock have been received. BeMetals also agreed to pay the Company \$25,000 per month for management services. The exercise of the Option Agreement price can be paid in a 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. There is no assurance that the transactions contemplated under the BeMetals Option Agreement will be completed. For the years ended December 31, 2020 and 2019 BeMetals spent respectively \$1,732,027 and \$1,312,462 on exploration of the South Mountain Mines property.

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

COVID-19

Thunder Mountain Gold, Inc. is subject to risks and uncertainties as a result of the COVID-19 pandemic. The extent of the future impact of the COVID-19 pandemic on Thunder Mountain Gold's business is uncertain and difficult to predict. The rapid spread of the outbreak caused significant disruptions in the U.S. and global economies and capital markets during 2020, and the impact is expected to continue to be significant during 2021. Such economic disruptions could have a material adverse effect on Thunder Mountain Gold business due to the negative financial impact.

The severity of the impact of the COVID-19 pandemic, and related government responses could have disruptions to the "BeMetals Option Agreement. If BeMetals decides not to proceed with the South Mountain Project, BeMetals will not be obligated to make any additional payments. The COVID-19 outbreak could have a variety of adverse impacts to the Company, including their ability to continue operations of their exploration under the BeMetals Operation Agreement. As of December 31, 2020, there were no material adverse impacts to the Company's' operations due to COVID-19.

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 limited income and resources.

The Company has historically incurred losses, however, under the BeMetals Option Agreement, the Company now has a recurring source of revenue, and recorded net income in 2020, and 2019. The Company's ability to continue as a going concern is no longer just dependent on equity capital raises and borrowings. In 2019 in connection with the BeMetals Option Agreement (see Note 3), the Company received 10,000,000 shares of BeMetals Corp. common stock that had a fair value of \$1,883,875. At December 31, 2020, the fair value of the shares is \$3,018,634, and are unrestricted. The Company does have the option of selling these shares. The Company continues to have the ability to raise capital in order 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.

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 measured, indicated and inferred, along with assay samples at South Mountain; and assay samples at some of our other exploration properties.

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

The liquidity of the Company was enhanced on February 27, 2019 when the Company entered into the BeMetals Option Agreement with BeMetals Corporation. The Company generated net income of \$1,221,681 for the year ended December 31, 2020. This net income is the result of the payments, and the stock issuance under the BeMetals Option Agreement. In prior periods, we have incurred significant net losses in each year since inception. Our accumulated deficit as of December 31, 2020 and 2019, was \$4,534,847 and \$5,751,527, respectfully. We expect to continue to incur profits for the remaining term of the BeMetals contract. However, we may incur losses in the future.

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. The Company received 10,000,000 shares of BeMetals Corp. common stock in connection with the BeMetals Option Agreement. At December 31, 2020, the fair value of the shares is \$3,018,634, and are unrestricted. The Company does have the option of selling these shares., with BeMetals having first option of purchase. No assurances can be given, however, that we will be able to obtain any of these potential sources of cash. We historically required cash funding from outside sources to sustain existing operations, to meet current obligations and to fund ongoing capital requirements and may be required to do so in the future.

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 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.
- E. In 2019 in connection with the BeMetals Option Agreement (see Note 3), the Company received 10,000,000 shares of BeMetals Corp. common stock that had a fair value of \$1,883,875. At December 31, 2020, the fair value of the shares is \$3,018,634.

While there is much work to do, it is important to note that if BeMetals decides not to proceed with the South Mountain Project, BeMetals will not be obligated to make any additional payments. In that event, we will immediately commence with marketing the Project to other groups that have an interest in the Project.

We believe we have the ability to continue as a going concern, even though our total accumulated deficit of \$4,534,847 as of December 31, 2020. 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. The Company does have the option of selling BeMetals common stock shares. If we are not successful with our plans, equity holders could then lose all or a substantial portion of their investment.

At December 31, 2020, we had current assets of \$294,283. For the year ended December 31, 2020 net cash used for operating activities was \$271,260. 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

cash to complete our exploration programs, we will make every effort to raise additional funds from public offerings, sale of liquid stock or loans.

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

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.

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. 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 accrued \$65,000 Accrued Reclamation costs 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 strives to maintain internal controls that 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 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 Vice President and COO. 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 mining rights, mining 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 under the BeMetals Option Agreement, including continued baseline environmental and engineering work necessary to complete a Preliminary Economic Analysis. As time permits, the Company will also work on advancing the Trout Creek gold project, Lander County, Nevada.

South Mountain Project, Owyhee County, Idaho

Under the BeMetals Corporation (TSX-V: BMET) Option Agreement, BeMetals and Thunder Mountain Gold formed a project team early in 2019 that is focused on advancing the South Mountain Project. This Boise Idaho-based team includes key management of Thunder Mountain Gold Inc., who have coordinated re-establishment of the Project site prior to the start of drilling. In addition, BeMetals appointed a project manager and project geologist for this team, along with technical and underground support.

With the help of Thunder Mountain Gold, BeMetals (BMET) commenced drilling at South Mountain in July of 2019 and drilled twenty-one holes totaling 7,517 feet (2,290 meters) from five underground drilling stations within the Sonneman level. The drilling program was designed to test potential down plunge extensions, and overall continuity to the mineralized zones and confirm the grade distribution of the current polymetallic mineral resource. All of the drill core recovered from the drilling was logged on site and assayed by ALS Chemex. Selected intervals and results are summarized in the Company's 2019 Form 10K for the year ended December 31, 2019.

PHASE 2 TEXAS ZONE DRILLING - SOUTH MOUNTAIN PROJECT

A total of 8,904 feet (2,714 meters) of underground core drilling was completed during Phase 2, with 30 holes in both the Texas and DMEA zones. During this drilling campaign, our site team widened and advanced the existing Sonneman level eastwards by 170 feet (52 meters) to establish a new drill station closer to the Texas Zone (*See Figure 1*). With better access to drill the Texas Zone, a total of 24 holes were completed to test this zone of mineralization. Geological logging of the core supported by sampling results indicate that two styles of high-grade mineralization have developed in this area and are now identified as the Texas West and Texas East zones.

Table 1 below illustrates the drilling results received to date from the Texas West Zone. This zone is characterized by skarn-hosted, dominantly copper and silver mineralization. This is demonstrated, for example, in the drilled intercepts:

- 3.81% Cu with 7.82 opt (244.3 g/t) Ag over 15.7 feet (4.79 meters) in hole SM20-043 (Interval 1),
- 2.56% Cu with 8.32 opt (260.1 g/t) Ag over 35.6 feet (10.85 meters) in SM20-028, and
- 2.23% Cu with 10.81 opt (337.9 g/t) Ag over 16.96 feet (5.17 meters) in hole SM20-038.

Important to note that from the geological logging of the core, the higher copper grades over significant drilled widths in Texas West appear to be controlled by the increased abundance of chalcopyrite, which is a common copper sulphide mineral, often extractable through conventional flotation methods. Representative sample material of this and other zones of the deposit have been identified and are being collected for metallurgical test work at the SGS Mineral Services site in Lakefield, Canada. Results from this study will be included with historical test work and incorporated into the planned PEA study later this year.

Table 2 below displays the drill hole intersections from the Texas East Zone where this mineralization is represented by predominantly massive sulphide hosted zinc, silver, and gold mineralization. Examples of this style of mineralization are intercepts:

- 8.65% Zn, 6.98 opt (218.1 g/t) Ag and 0.078 opt (2.44 g/t) Au over 11 feet (3.37 meters) in hole SM20-043 (Interval 2), and
- 4.17% Zn, 6.23 opt (194.8 g/t) Ag and 0.130 opt (4.05 g/t) Au over 27.39 feet (8.35 meters) in hole SM20-050.

The gold grades of 0.130 opt (4.05 g/t) over 27.39 feet (8.35 meters); 0.066 opt (2.07 g/t) over 15.45 feet (4.71 meters) and 0.122 opt. (3.82 g/t) over 4.39 feet (1.34 meters) in holes SM20-050, SM20-043, and SM20-029, respectively, are of specific interest from a value potential for the Texas East Zone. These Texas East intersections represent the successful targeting and interpreted extension of mineralization below historical high-grade rib sampling in the Sonneman level from the 1980s (*See Figure 1*). (*See Thunder Mountain Gold news release, dated; January 27, 2020*).

The 2020 drill program intersected mineralization extending the Texas Zone further down dip of historical drilling and the exposures in the underground development. Texas Zone mineralization is now interpreted to continue from the collar of the old Texas Shaft some 1,150 feet (350 meters) down dip to the SM20-050 intercept. Both the Texas West and East zones remain open to depth (*See Figure 1*). Table 3 further below provides drill hole azimuth, dip, end of hole length and collar coordinates for each of the reported drill holes.

Table 1. Analytical and Assay Results from Texas West Zone

Drill Hole ID, Zone & Interval	From (ft)	To (ft)	Core Interval (ft)	Cu %	Ag opt	Au opt	Pb %	Zn %
TEXAS WEST ZONE								
SM20-028	198.95	234.55	35.60	2.56	7.586	0.008	0.1	0.13
SM20-030	54.89	82.09	27.20	1.13	3.649	0.003	0.02	0.26
SM20-031	136.09	140.58	4.49	1.56	8.940	0.012	1.09	2.21
SM20-033	110.79	119.49	8.69	2.77	7.330	0.011	0.03	0.15
SM20-036	112.40	143.70	31.30	0.99	9.243	0.007	0.39	2.15
SM20-038	106.00	131.00	25.00	1.64	8.152	0.022	0.86	0.55
<i>INCLUDING:</i>	106.00	122.97	16.96	2.23	9.855	0.030	1.12	0.77

Drill Hole ID, Zone	From	To	Core	Cu %	Ag	Au	Pb %	Zn %
SM20-041								
INTERVAL 1:	63.71	73.88	10.17	1.29	5.177	0.003	0.07	0.04
INTERVAL 2:	104.20	109.19	4.99	0.44	4.947	0.069	0.91	1.99
SM20-042								
INTERVAL 1:	58.99	65.19	6.20	1.92	3.004	0.002	0.01	0.03
INTERVAL 2:	78.08	83.99	5.91	1.06	3.325	0.002	0.03	0.1
SM20-043	(ft)	(ft)	Interval (ft)		opt	opt		
INTERVAL 1:	131.00	154.00	23.00	2.84	5.294	0.006	0.01	0.29
<i>INCLUDING:</i>	131.00	146.69	15.68	3.81	7.125	0.005	0.01	0.07
SM20-049								
INTERVAL 1:	106.89	120.64	13.75	1.82	2.608	0.002	0.01	0.18
INTERVAL 2:	147.31	151.25	3.94	2.42	4.025	0.004	0.01	0.07
<i>Analytical and Assay results are pending for drill holes SM20-32, 34, 35, 37, 39, 40, 44-48 and 51</i>								

Note: Reported widths are drilled core lengths as true widths are unknown at this time. It is estimated based upon current data that true widths might range between 60-80% of the drilled intersection. A nominal cut-off grade of 0.5% Cu has been applied to determine the boundaries of the intersections for this skarn-hosted mineralization with no more than 1.22 meters of internal dilution. *A nominal cut-off grade of 4.375 opt (150 g/t) Ag has been applied to this intersection. Table 3 below documents; Drill Hole Azimuth, Dip, end of hole length, and Collar Coordinates (Note: See details below in QA/QC section).

Table 2. Analytical and Assay Results from Texas East Zone

Drill Hole ID, Zone & Interval	From (ft)	To (ft)	Core Interval (ft)	Zn %	Ag opt	Au opt	Pb %	Cu %
TEXAS EAST ZONE								
SM20-029	202.20	206.59	4.40	19.67	6.688	0.111	3.94	0.25
SM20-043								
INTERVAL 2:	185.47	200.89	15.42	6.19	4.918	0.060	0.71	0.39
<i>INCLUDING:</i>	185.47	196.49	11.02	8.65	6.361	0.071	0.9	0.52
SM20-050								
INTERVAL 1:	151.84	159.42	7.58	0.1	4.255	0.005	0.01	2.91
INTERVAL 2:	162.89	190.29	27.40	4.17	5.682	0.118	0.78	0.54
<i>Analytical and Assay results are pending for drill holes SM20-32, 34, 35, 37, 39, 40, 44-48 and 51</i>								

Note: Reported widths are drilled core lengths as true widths are unknown at this time. It is estimated based upon current data that true widths might range between 60-80% of the drilled intersection. Intervals cut-offs are based upon visual contacts of massive sulphide units with no more than 0.80 meters of internal skarn. For hole SM20-050 Interval 1, a nominal cut-off grade of 0.5% Cu has been applied to determine the boundaries of the intersections for this skarn-hosted mineralization. Table 3 below documents; Drill Hole Azimuth, Dip, end of hole length, and Collar Coordinates (Note: See details below in QA/QC section).

Figure 1: 3D Perspective view inclined 20° looking north-north-east, with hole locations for SM20-028 thru SM20-050

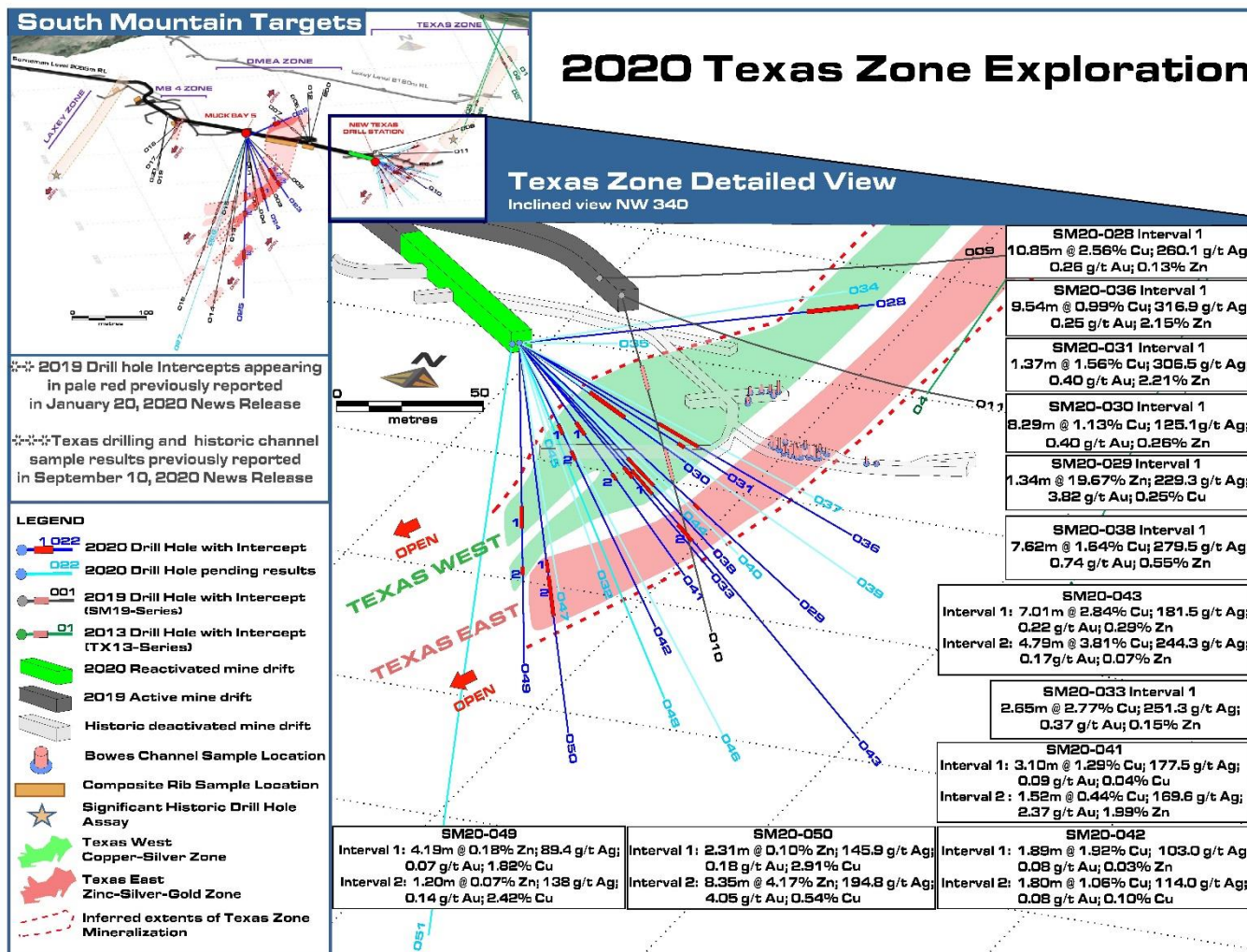


Table 3: Drill Hole Azimuth, Dip, End of hole length and Collar Coordinates

Hole ID	Azimuth Degree	Dip Degree	End of hole Length (ft)	East (ft.)	North (ft.)	Elev. (ft.)
SM20-028	90	15	246	2311764	393645	6866.77
SM20-029	126	-12	325	2311764	393645	6866.77
SM20-030	95	-30	125	2311764	393645	6866.77
SM20-031	110	-14	179	2311764	393645	6866.77
SM20-032*	105	-64	144	2311764	393645	6866.77
SM20-033	115	-30	205	2311764	393645	6866.77
SM20-034*	80	15	217	2311764	393645	6866.77
SM20-035*	105	14	78	2311764	393645	6866.77
SM20-036	105	-14	269	2311764	393645	6866.77
SM20-037*	100	-14	225	2311764	393645	6866.77
SM20-038	110	-30	185	2311764	393645	6866.77
SM20-039*	122	-8	350	2311764	393645	6866.77
SM20-040*	105	-29	200	2311764	393645	6866.77
SM20-041	110	-40	185	2311764	393645	6866.77
SM20-042	87	-62	204	2311764	393645	6866.77
SM20-043	124	-20	399	2311764	393645	6866.77
SM20-044	124	-20	154	2311764	393645	6866.77
SM20-045*	0	-55	108	2311764	393645	6866.77
SM20-046*	127	-37	305	2311764	393645	6866.77
SM20-047*	60	-80	173	2311764	393645	6866.77
SM20-048*	135	-36	275	2311764	393645	6866.77
SM20-049	155	-60	205	2311764	393645	6866.77
SM20-050	150	-42	276	2311764	393645	6866.77
SM20-051*	170	-49	404	2311760	393643	6866.07

**The results pending for this drillhole.*

QUALITY ASSURANCE AND QUALITY CONTROL PROCEDURES

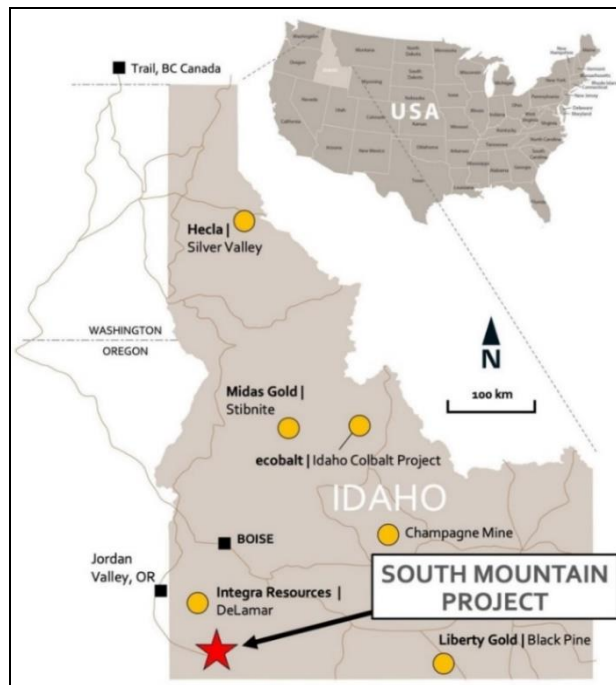
The project employs a rigorous QC/QA program that includes blanks, duplicates and appropriate certified standard reference material. All samples are introduced into the sample stream prior to sample handling/crushing to monitor analytical accuracy and precision. The insertion rate for the combined QA/QC samples is 10 percent or more depending upon batch sizes. ALS Global completed the analytical work with the core samples processed at their preparation facility in Reno, Nevada, U.S.A. All analytical and assay procedures are conducted in the ALS facility in North Vancouver, BC. The samples are processed by the following methods as appropriate to determine the grades; Au-AA23-Au 30g fire assay with AA finish, ME-ICP61-33 element four acid digest with ICP-AES finish, ME-OG62-ore grade elements, four acid with ICP-AES finish, Pb-OG62-ore grade Pb, four acid with ICP-AES finish, Zn-OG62-ore grade Zn, four acid digest with ICP-AES finish, Ag-GRA21-Ag 30g fire assay with gravimetric finish.

The South Mountain Project

South Mountain is a polymetallic development project focused on high-grade zinc and silver. It is located approximately 70 miles southwest of Boise, Idaho (see Figure 2). The Project was intermittently mined from the late 1800s to the late 1960s and its existing underground workings remain intact and well maintained. Historic production at the Project has largely come from high-grade massive sulfide bodies that remain open at depth and along strike. According to historical smelter records, approximately 53,642 tons of mineralized material has been mined to date. These records also indicate average grades; **14.5% Zn, 11.63 opt Ag, 0.063 opt Au, 2.4% Pb, and 1.4% Cu** were mined. Thunder Mountain Gold Inc. purchased and advanced the Project from 2007 through 2019 investing approximately US\$12M during that period. The current mineral resource estimate of the deposit is detailed in Table 3 below and the Company expects to provide a revised mineral resource update following a phase 2 drilling program in 2020.

The Project is largely on and surrounded by private surface land, and as such, the permitting and environmental aspects of the Project are expected to be straightforward. Permits are currently in place for underground exploration activities.

Figure 2. Location of South Mountain Project



South Mountain Mine History

The limited historic production peaked during World War II when, based on smelter receipts, the production of direct shipped ore totaled as follows:

Metal	Grade	Total Metal
Zinc	14.5%	15,593,100 lbs (7,072,900 Kg)
Silver	10.6 opt (363.4 g/t)	566,440 ozs (17,618,200 grams)
Gold	0.058 opt (1.99 g/t)	3,120 ozs (96,980 grams)
Copper	1.4%	1,485,200 lbs (6,320 Kg)
Lead	2.4%	2,562,300 lbs (1,162,250 Kg)

*Anaconda Smelter – Toole Utah - Crude Ore Shipment Head Grades
1941-1953 Total Tons: 53,653 (48,670 tonnes)*

In addition to the direct-ship ore, a flotation mill was constructed and operated during the late-1940s and early-1950s. From the 1954 South Mountain Mill report, recoveries were reported as follows:

1954 South Mountain Mill Report

Metal	Head Grades	Recovery
Zinc	6.7%	80%
Silver	17.5 opt (600 g/t)	85%
Gold	0.02 opt (0.7 g/t)	75%
Copper	3.2%	90%
Lead	1%	90%

These are historic grades and recoveries not confirmed by the Company, but reportedly mined from a small 39,600-ton (35,900 tonnes) copper rich block in the Texas zone.

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. Although they determined positive economics, and that the resource was still open at depth with a large upside potential, the project was idled 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. Kleinfelder’s calculations provided a potential resource that is consistent with South Mountain Mines’ (Bowes 1985) historic reserve model.

In 2009, the Company contracted a third-party consulting firm that incorporated 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. The Company is also traded in the U.S. on the OTCQB under ticker THMG.

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.

Hard Rock Consulting 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 mineralization is amenable to differential flotation and concentration.
- The current mineral resource at the South Mountain Project is more than sufficient to warrant continued planning and development to further advance the Project.

Gold Breccia

HRC also reviewed the data on the anomalous gold-bearing multi-lithic 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.

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.

Phase I Drilling at South Mountain under BeMetals Option Agreement

The principal objectives of the Phase 1 work plan at South Mountain was to test for potential extensions of the mineralized zones and confirm the grade distribution of the current polymetallic mineral resource estimate. The Company has now successfully completed the phase 1 program comprised of 20 underground drill holes for a total of approximately 2,290 meters. Geological logging and sampling of all drill holes have now been completed with all analytical results received. These results have been compiled into the Project's geological database and were used to design the phase 2 drilling program for 2020. Following the phase 2 drilling program, all new results will be integrated into an updated mineral resource estimation for the Project, expected to be completed towards the end of 2021.

Table 1. BeMetal's Analytical and Assay Results for the Phase 1 Drilling Program

Drill Hole ID, Zone & Interval	From (m)	To (m)	Core Interval (m)	Zn %	Ag g/t	Au g/t	Pb %	Cu %
<i>DMEA Zone</i>								
SM19-002								
Interval 1	46.88	57.39	10.51	17.81	226	2.41	1.59	0.16
Interval 2	67.85	71.63	3.78	5.45	145	8.39	0.58	0.15
Interval 3	85.83	96.39	10.56	11.42	123	4.43	0.36	0.52
SM19-003								
Interval 1	51.18	75.35	24.17	11.12	267	3.44	3.75	0.29
<i>Including</i>	51.18	60.78	9.60	11.74	437	5.99	8.68	0.38
<i>Including</i>	62.09	75.35	13.26	11.77	169	1.88	0.54	0.25
Interval 2	77.60	81.24	3.64	9.74	331	1.94	1.11	0.34
SM19-005	75.13	86.37	11.23	7.97	128	1.20	0.91	0.24
SM19-006	28.01	43.71	15.70	21.27	147	8.04	0.77	0.30
SM19-007	26.97	39.17	12.20	18.16	122.6	4.41	1.55	0.16
SM19-014								
Interval 1	105.31	120.40	15.09	9.59	127.1	1.50	0.69	0.28
Interval 2	138.07	143.88	5.81	4.88	76.9	2.55	0.21	0.12
Interval 3	155.17	158.95	3.78	14.49	145.5	0.37	0.25	0.48
Interval 4	184.40	189.56	5.15	0.28	79.9	2.08	0.15	0.06
Interval 5	250.65	258.94	8.29	8.11	178.7	0.48	0.57	1.73
Interval 6	266.33	268.16	1.83	1.32	158.9	2.56	0.56	0.11
<i>Texas Zone</i>								
SM19-010								
Interval 1	24.41	31.62	7.21	4.37	155.2	0.13	0.03	2.07
Interval 2	53.11	63.15	10.04	0.40	135.1	0.07	0.01	1.75

* Note: 1.00 meter (m) is equal to 3.28 feet (ft). One gram per tonne (g/t) is equal to 0.032 ounces per ton (oz/t, or o.p.t.)

Table 2 below shows the latest results received from holes SM19-016, SM19-017 and SM19-018.

Table 2. Drill Holes SM19-016, SM19-017 and SM19-018: Analytical and Assay Results

Drill Hole ID: Zone & Interval	From (m)	To (m)	Core Interval (m)	Zn %	Ag g/t	Au g/t	Pb %	Cu %
<i>DMEA Zone</i>								
SM19-016								
Interval 1	112.33	132.05	19.72†	0.07	8.39	1.52	0.01	0.002
Interval 2	136.55	146.64	10.09	3.15	151.3	1.68	0.66	0.22
Interval 3	158.27	163.59	5.32†	0.59	46.8	1.81	0.11	0.04
Interval 4	184.18	188.64	4.47†	5.04	482.0	4.27	5.80	0.43
Interval 5	227.32	230.83	3.51	8.85	136.2	0.17	1.25	1.67
<i>MB4 Target Zone</i>								
SM19-017								
Interval 1	1.37	5.23	3.86*	12.90	314.1	0.26	0.88	1.08
Interval 2	16.32	24.08	7.76*	10.23	91.4	0.07	0.36	0.55
SM19-018								
Interval 1	0.00	18.62	18.62*	5.15	73.2	0.11	0.02	0.41
<i>Including</i>	8.53	18.62	10.09*	8.06	97.0	0.15	0.02	0.68

Note: Reported widths in tables 1 & 2 are drilled core lengths as true widths are unknown at this time. It is estimated based upon current data that true widths might range between 60-80% of the drilled intersection. For drill holes SM19-017 and SM19-018* true widths are unknown as these are the first drill intersections of the MD4 target. Intervals cut offs are based upon visual contacts of massive sulfide units with no more than 1.75 meters of internal skarn. For SM19-010 a nominal 0.5% copper cut off has been applied to determine the boundaries of the intersections for this skarn hosted mineralization with no more than 1.4m of internal dilution. For SM19-016† (intervals 1, 3 and 4) a nominal 0.46 g/t gold cut off has been applied to determine the boundaries of the intersections with no internal dilution. For SM19-017 & 018 a nominal 2.4% zinc cut off has been applied to determine the boundaries of the intersections for this skarn hosted mineralization with no more than 2m of internal dilution. (Note: See details below in QA/QC section). 1.00 meter (m) is equal to 3.28 feet (ft). One gram per tonne (g/t) is equal to 0.032 ounces per ton (oz/t, or o.p.t.).*

The above drill holes returned significant intersections of both massive sulfide and skarn styles of mineralization. Important sulfide minerals are pyrrhotite, sphalerite, galena, arsenopyrite and chalcopyrite. During the planned phase 3 campaign at South Mountain, the Company will carry out mineralogy and metallurgical test work studies to confirm historical other previous high-grade results, which will be included in the PEA.

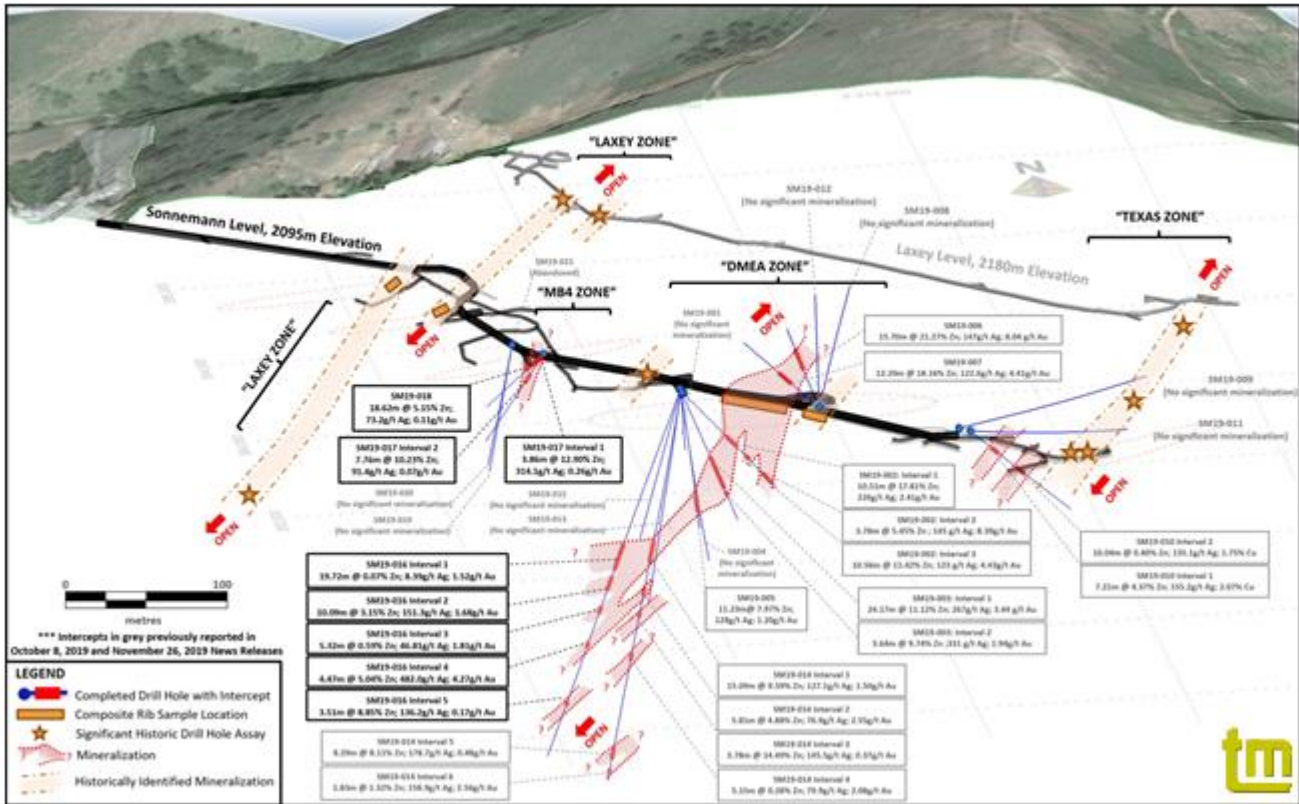


Figure 1: 3D Perspective View inclined at 20 degrees looking north-north-east, showing locations of rib-sampling, priority target zones, and the phase 1 drill holes and highlighted the recent SM19-016, SM19-017 and SM19-018

Underground core drilling is being conducted to extend and upgrade the South Mountain resource - testing the continuity and down-dip extensions of the high-grade polymetallic massive sulfide zones. The Company plans additional core drilling in the DMEA and Laxey zones to complete the confirmation and extensional drilling. 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.

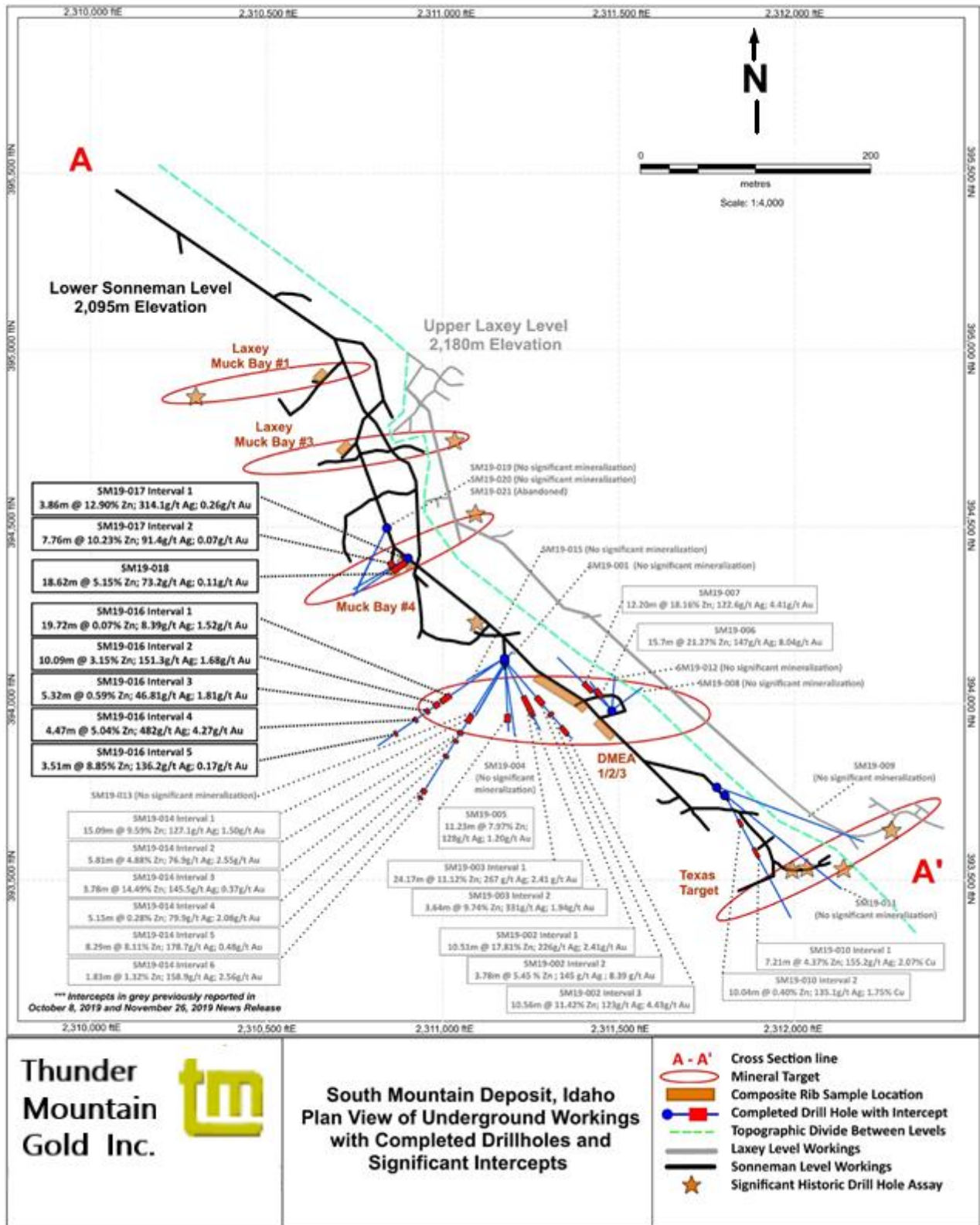


Figure 2: Plan View of the Sonneman & Laxey Levels, South Mountain Deposit, showing locations of rib-sampling, priority target zones, and drill holes SM19-016, SM19-017 and SM19-018

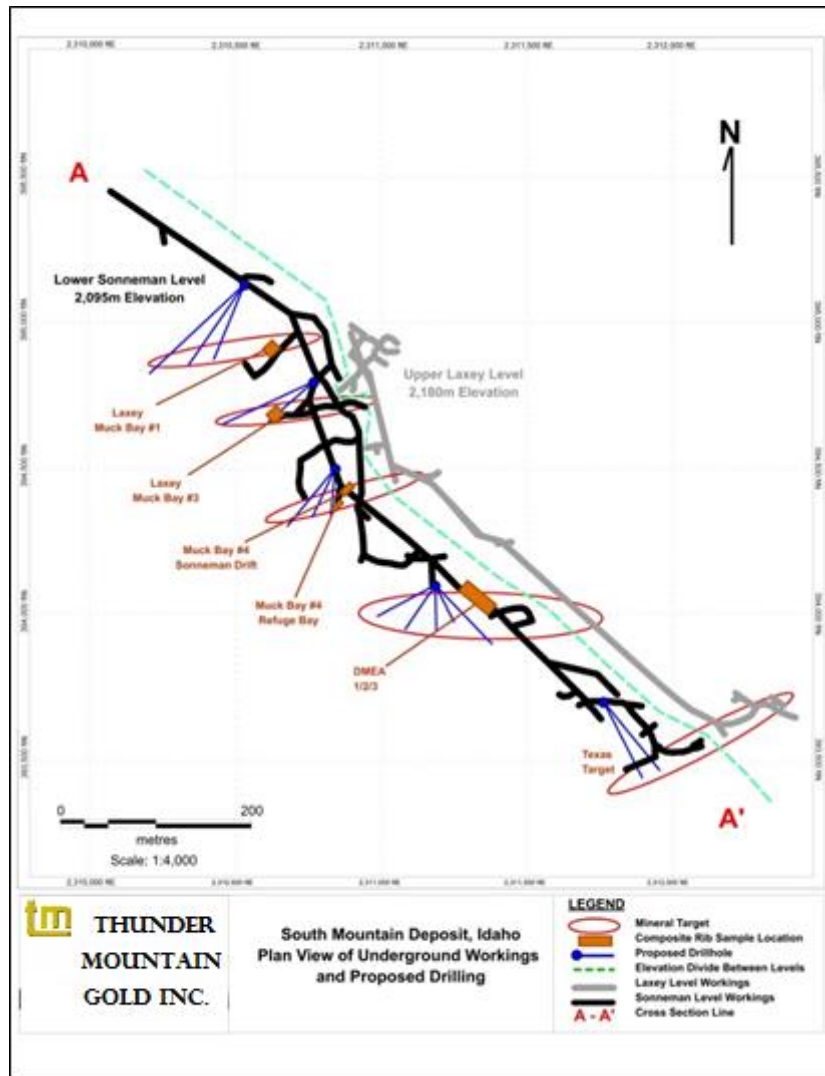


Figure 3: Plan View of Sonneman & Laxey Levels, showing locations of previously reported rib sampling

Underground Pre-Development Work Completed in 2012 thru 2014

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:

Highlights from 2013-2014 Rib-Sampling Program

- **DMEA Zones 1/2/3**; 130 ft. (39.62m) @ **16.76% Zinc** (“Zn”), **4.11 ounces per ton** (“o.p.t.”) (**140.91 grams per tonne** (“g/t”)) **Silver** (“Ag”), **0.089 o.p.t. (3.08 g/t Gold)** (“Au”), 0.78% Copper (“Cu”) and 0.38% Lead (“Pb”)
- **Muck Bay #4 Zone**; 23 ft. (7.01m) @ **14.69% Zn, 7.18 o.p.t. (246.17 g/t) Ag**, 0.34% Cu and 0.65% Pb
- **Laxey Zone**; 40 ft. (12.19m) @ **16.44% Zn, 13.97 o.p.t. (478.97 g/t) Ag**, 0.020 o.p.t. (0.68 g/t) Au, 0.70% Cu and 0.86% Pb

(Results previously reported in the Company’s annual / quarterly reports; news releases; and the May 2019 independent technical report titled, “National Instrument 43-101 Technical Report Updated Mineral Resource Estimate for the South Mountain Project Owyhee County, Idaho, USA.” 1.00 meter (m) is equal to 3.28 feet (ft). One gram per tonne (g/t) is equal to 0.032 ounces per ton (oz/t, or o.p.t.).

Qualified Person – The technical information in this Form 10K has been reviewed and approved by Larry D. Kornze, Retired, P. Eng., Qualified Person, and Director of Thunder Mountain Gold Inc., and a “Qualified Person” as defined by National Instrument 43-101 standards.

This property is without known reserves and the proposed program is exploratory in nature according to Instruction 3 to paragraph (b)(5) of the SEC’s 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 project is a highly prospective gold exploration 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. Because the project is surrounded by Newmont Mining’s land package, Thunder Mountain struck 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 \$12,090 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 generally accessible year-round by traveling south from Battle Mountain Nevada on state highway 305, which is paved.

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, with consultation from Jim Wright – Wright Geophysics 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 Company does not plan to conduct any work on the Trout Creek Property in 2021 because of its focus on completing the NI 43-101 PEA at their South Mountain Project.

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 the SEC's 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

The Company employs three full-time officers. As part of the BeMetals agreement, the Company allowed these officers to work on the South Mountain Project on a consulting arrangement with BeMetals.

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 years ended December 31, 2020 and 2019, 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".

Holders:

As of December 31, 2020, there were approximately 1,417 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 2020 or 2019, 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 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, in the second quarter 2019, BeMetals purchased 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, in a private placement. Use of proceeds are for general corporate working capital. This private placement was approved by the TSX-V.

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 re-started the advancement of the South Mountain Project in 2019 with BeMetals Corp. – Vancouver B.C. (TSX-V: BMET) – under an option agreement to complete the pre-development work and produce a preliminary economic analysis (PEA). The Company’s plan of operation for the next twelve months is to continue supporting BeMetals Corp. during their option period and help ensure that the South Mountain PEA is completed on schedule and within budget.

Results of Operations:

In 2020, the Company recorded net income of \$1,216,681, or \$0.02 per share compared to a net income of \$1,082,083, or \$0.02 per share for the same period of 2019. The increase of \$134,598 is due to the unrealized gain on investment related to the 10,000,000 shares of BeMetals Corp. common stock beneficially held. The 2019 BeMetals common stock carrying value is adjusted by subsequent quarterly changes in stock price of the BeMetals common stock (See South Mountain Project above). On June 10, 2019, the Company received 10,000,000 shares of BeMetals Corp. common stock that had a fair value of \$1,883,875 when received. On December 31, 2020, the fair value of the shares is \$3,018,634.

For the year ended December 31, 2020 the Company recognized \$300,000 in management services income and gain on mineral interest of \$250,000 during the twelve-months for a total of \$550,000 in total revenue. In 2019, the Company recorded \$200,000 in Management Service income and gain on BeMetals shares resulted in mineral interest of \$1,754,398 which resulted total revenue of \$1,954,398. The comparison of Total revenue of year ended December 31, 2020 to 2019 results in a \$1,404,398 decrease attributed to shares of BeMetals common stock with a fair value of \$1,883,875 received in June of 2019.

Total operating expenses for the period ending December 31, 2020 of \$646,682 decreased from the same respective time period in 2019 by \$48,613 or 7%. Exploration expenses for the year ended December 31, 2020 decreased by \$15,461 when compared to same period in 2019. Legal and accounting costs decreased for the year ended December

31, 2020 compared to 2019 by \$78,672 for a total of \$56,343. This decrease can be associated with legal expenses surrounding the BeMetals Option Agreement signed on February 27, 2019. Management and administrative expense increased by \$56,874 or 11% principally due to stock options compensation of \$159,740 issued to our officers and directors on March 30, 2020.

Liquidity and Capital Resources:

The consolidated financial statements for the year ended December 31, 2020 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 year ended December 31, 2020, we 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 the BeMetals Option Agreement with BeMetals Corp., and 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. Over its term, this agreement requires cash payments to the Company of \$1,350,000; \$1,100,000 in cash and \$250,000 in exchange for shares of the Company's common stock. Through December 31, 2020, cash proceeds of \$600,000 and \$250,000 in exchange for shares of the Company's common stock have been received. BeMetals also agreed to pay the Company \$25,000 per month for management services. In the event that BeMetals decides not to proceed with the South Mountain Project, BeMetals will not be obligated to make any additional payments. For the years ended December 31, 2020 and 2019 BeMetals spend respectively \$1,732,027 and \$1,312,462 on exploration of the South Mountain Mines property.

BeMetals issued 10 million BMET common shares (Consideration Shares) to TMRI (The Company's wholly-owned subsidiary) in May 2019. The fair value of the shares on the transaction date was \$1,883,875.

In April 2020, the Company received a loan of \$48,000 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I, Section 1102 and 1106 of the CARES Act. The loan, which was in the form of a promissory note, as amended, dated April 21, 2020 issued by the Company (the "Note"); the Note matures on April 13, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on August 13, 2021. The Note may be prepaid by the Company at any time prior to maturity with no prepayment penalties. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses.

On October 21, 2020, the Company completed its Paycheck Protection Program (PPP) loan forgiveness application with Washington Trust Bank. On November 07, 2020, the Company received a notice that our loan was paid in full by Small Business Administration, and the PPP loan was forgiven.

The Company has historically incurred losses, however, under the BeMetals Option Agreement, the Company now has a recurring source of revenue, and its ability to continue as a going concern is no longer just dependent on equity capital raises and borrowings. The Company believes it has the ability to raise capital in order to fund its future exploration and working capital requirements if necessary.

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.

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 potential 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 because of the following:

- On March 5, 2021, we had \$456,064 cash in our bank accounts.
- We do not include in this consideration any option payments 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, the sale of all or part of the Company's BeMetals Corp. (TSX-V: BMET) common shares beneficially held, and/or additional farm-out of its other exploration property.

For the year ended December 31, 2020, net cash used in operating activities was \$271,260, consisting of net income of \$1,221,681 offset by the non-cash items, and changes in operating assets and liabilities. Cash provided by financing activities for the year ended December 31, 2020 totaled \$250,000 from the receipt of \$250,000 under the BeMetals Option Agreement. Net cash distributions of financing activities were \$5,000 to non-controlling interest.

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 cash to complete our exploration programs, we will attempt to raise additional funds from a public offering, a private placement, mergers, farm-outs or loans.

Additional financing may 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 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, in the second quarter 2019, BeMetals purchased 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, in a private placement. Use of proceeds are for general corporate working capital. This private placement was approved by the TSX-V.

The offerings are 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 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.

Contractual Obligations

During 2008 and 2009, three lease arrangements were made with landowners that own land parcels adjacent to the Company's South Mountain patented and unpatented mining claims. The leases were for a seven-year period, with options to renew, with annual payments (based on \$20 per acre) listed in the following table. The leases have no work requirements.

Contractual obligations	Payments due by period				
	Total*	Less than 1 year	2-3 years	4-5 years	More than 5 years
Acree Lease (yearly, June)(1)	\$10,170	\$3,390	\$6,780	-	\$ -
Lowry Lease (yearly, October)(1)(2)	\$33,840	\$11,280	\$22,560	-	\$ -
OGT LLC ⁽³⁾	\$25,000	\$5,000	\$10,000	\$10,000	\$ -
Total	\$69,010	\$19,670	\$39,340	\$10,000	\$ -

(1) Amounts shown are for the lease periods years 12 through 16, a total of 4 years that remains after 2019. Lease was extended an additional 10 years at \$30/acre after 2014.

- (2) The Lowry lease has an early buy-out provision for 50% of the remaining amounts owed in the event the Company desires to drop the lease prior to the end of the first seven-year period.
- (3) OGT LLC, managed by the Company's wholly owned subsidiary SMMI, receives a \$5,000 per year payment for up to 10 years, or until a \$5 million capped NPI Royalty is paid.

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 financial 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 – CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders Thunder Mountain Gold, Inc. Opinion on the Financial Statements

We have audited the accompanying balance sheets of Thunder Mountain Gold, Inc. (“the Company”) as of December 31, 2020 and 2019, and the related statements of operations, changes in stockholders’ equity and cash flows for 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, 2020 and 2019, and the results of its operations and its cash flows for 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.

Critical Audit Matters

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

Assure CPA, LLC

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

Spokane, Washington
March 30, 2021

Thunder Mountain Gold, Inc.
Consolidated Balance Sheets

	December 31,	
	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 274,155	\$ 252,415
Prepaid expenses and other assets	20,128	18,824
Total current assets	<u>294,283</u>	<u>271,239</u>
Property and Equipment:		
Land	280,333	280,333
Equipment, net of accumulated depreciation of \$177,650 and \$156,694, respectively	4,954	25,911
Total property and equipment	<u>285,287</u>	<u>306,244</u>
Right to use asset (Note 11)	1,332	16,625
Investment in BeMetals, at fair value (Note 4)	3,018,634	1,735,830
Total assets	<u><u>\$ 3,599,536</u></u>	<u><u>\$ 2,329,938</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 60,410	\$ 96,973
Accrued related party liability (Note 7)	186,685	216,685
Accrued interest payable to related parties (Note 7)	88,531	73,343
Operating lease liability – current (Note 11)	1,332	15,265
Advance from BeMetals (Note 3)	38,384	78,539
Deferred compensation (Note 7)	1,041,500	1,041,500
Related parties notes payable (Note 7)	106,576	106,576
Total current liabilities	<u>1,523,418</u>	<u>1,628,881</u>
Operating lease liability – long-term (Note 11)	-	1,360
Accrued reclamation costs	65,000	65,000
Total liabilities	<u>1,588,418</u>	<u>1,695,241</u>
Commitments and Contingencies (Notes 2 and 3)	-	-
Stockholders' equity:		
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, 60,145,579 shares issued and outstanding	60,146	60,146
Additional paid-in capital	6,336,316	6,176,576
Less: 11,700 shares of treasury stock, at cost	(24,200)	(24,200)
Accumulated deficit	(4,534,846)	(5,751,527)
Total Thunder Mountain Gold, Inc stockholders' equity	<u>1,837,416</u>	<u>460,995</u>
Noncontrolling interest in Owyhee Gold Trust (Note 3)	173,702	173,702
Total stockholders' equity	<u>2,011,118</u>	<u>634,697</u>
Total liabilities and stockholders' equity	<u><u>\$ 3,599,536</u></u>	<u><u>\$ 2,329,938</u></u>

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

Thunder Mountain Gold, Inc.
Consolidated Statements of Operations

	<u>Years Ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Revenues:		
Gain on mineral interest (Note 3)	\$ 250,000	\$ 1,754,398
Management service income	<u>300,000</u>	<u>200,000</u>
Total revenues	<u>550,000</u>	<u>1,954,398</u>
Operating expenses:		
Exploration	11,312	26,773
Legal and accounting	56,343	135,015
Management and administrative	558,071	501,197
Depreciation	<u>20,956</u>	<u>32,310</u>
Total operating expenses	<u>646,682</u>	<u>695,295</u>
Net operating income (loss)	<u>96,682</u>	<u>(1,259,103)</u>
Other income (expense):		
Interest expense, related parties	(15,189)	(21,290)
PPP Loan Forgiveness	48,000	-
Unrealized gain (loss) on investment	1,282,804	(148,045)
Other	<u>2,748</u>	<u>(2,685)</u>
Total other income (expense)	<u>1,318,363</u>	<u>(172,020)</u>
Net income	1,221,681	1,087,083
Net income – noncontrolling interest in Owyhee Gold Trust	<u>5,000</u>	<u>5,000</u>
Net income – Thunder Mountain Gold, Inc.	<u>\$ 1,216,681</u>	<u>\$ 1,082,083</u>
Net income per common share-basic and diluted	<u>\$ 0.02</u>	<u>\$ 0.02</u>
Weighted average common shares outstanding-basic	<u>60,145,579</u>	<u>59,042,839</u>
Weighted average common shares outstanding-diluted	<u>61,690,547</u>	<u>59,329,735</u>

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,	
	2020	2019
Cash flows from operating activities:		
Net income	\$ 1,221,681	\$ 1,087,083
Adjustments to reconcile net income to net cash used by operating activities:		
Depreciation	20,956	32,310
Stock based compensation	159,740	117,088
PPP loan forgiveness	(48,000)	-
Gain on mineral interest	(250,000)	(1,754,398)
Unrealized (gain) loss on investment	(1,282,804)	148,045
Change in:		
Prepaid expenses and other assets	(1,304)	10,601
Accounts payable and other accrued liabilities	(36,563)	(31,119)
Accrued related party liability	(30,000)	(25,000)
Accrued interest payable to related parties	15,189	20,556
Advance from BeMetals	(40,155)	78,539
Net cash used by operating activities	<u>(271,260)</u>	<u>(316,295)</u>
Cash flows from investing activities:		
Proceeds from mineral interest (Note 3)	250,000	350,000
Net cash provided by investing activities	<u>250,000</u>	<u>350,000</u>
Cash flows from financing activities:		
Proceeds from PPP Loan	48,000	-
Proceeds from sale of common stock and warrants	-	250,000
Borrowings on related parties notes payable	-	40,000
Payments on related parties notes payable	-	(70,000)
Distribution to noncontrolling interest	(5,000)	(5,000)
Net cash provided by financing activities	<u>43,000</u>	<u>215,000</u>
Net increase in cash and cash equivalents	21,740	248,705
Cash and cash equivalents, beginning of year	252,415	3,710
Cash and cash equivalents, end of year	<u>\$ 274,155</u>	<u>\$ 252,415</u>
Supplemental disclosure of cash flows information:		
Interest paid in cash	\$ -	\$ 736
Noncash financing and investing activities:		
Investment in BeMetals received for mineral interest (Note 3)	-	1,883,875
Accounts payable settled with related party notes payable (Note 6)	-	10,000
Operating lease liability arising from obtaining right to use asset (Note 11)	-	29,617

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

Thunder Mountain Gold, Inc.
Consolidated Statements of Changes in Stockholders' Equity
For the years ended December 31, 2020 and 2019

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Non- Controlling Interest in OGT	Total
Balances at December 31, 2018	57,645,579	\$ 57,646	\$ 5,811,988	\$ (24,200)	\$ (6,833,610)	\$ 173,702	\$ (814,474)
Shares and warrants issued for cash	2,500,000	2,500	247,500	-	-	-	250,000
Stock based compensation	-	-	117,088	-	-	-	117,088
Distribution to noncontrolling interest	-	-	-	-	-	(5,000)	(5,000)
Net income	-	-	-	-	1,082,083	5,000	1,087,083
Balances at December 31, 2019	60,145,579	60,146	6,176,576	(24,200)	(5,751,527)	173,702	634,697
Stock based compensation	-	-	159,740	-	-	-	159,740
Distribution to noncontrolling interest	-	-	-	-	-	(5,000)	(5,000)
Net income	-	-	-	-	1,216,681	5,000	1,221,681
Balances at December 31, 2020	60,145,579	\$ 60,146	\$ 6,336,316	\$(24,200)	\$ (4,539,846)	\$ 173,702	\$ 2,011,118

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”, “THMG”, 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.

On February 27, 2019, the Company entered into an Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corporation. 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 original term of the agreement was for two years, but was extended on May 18, 2020, by three months from the existing BeMetals Option Agreement date, due to the COVID-19 pandemic, and business conditions surrounding restricted international travel, and corresponding access to capital markets. During this term, BeMetals is required to conduct a preliminary economic assessment (“PEA”), completed by a mutually agreed third-party engineering firm. Over its term, this agreement requires issuance of 10,000,000 million shares of BMET stock to the Company by BeMetals, and cash payments to the Company of \$1,350,000: \$1,100,000 in cash and \$250,000 in exchange for shares of the Company’s common stock. For the year ended December 31, 2020, the Company recognized \$300,000 in management services income, and a cash payment of \$250,000 in accordance with the BeMetals Option Agreement.

In the event that BeMetals decides not to proceed with the South Mountain Project, BeMetals will not be obligated to make any additional payments. See Note 3 for further information.

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, however, under the BeMetals Option Agreement (Note 3), the Company now has a recurring source of revenue, and its ability to continue as a going concern is no longer dependent on equity capital raises and borrowings. However, if necessary, the Company continues to have the ability to raise additional capital in order to fund its future exploration and working capital requirements. The Company’s plans for the long-term continuation as a going concern include operating on the cash flows and consideration payments provided under the BeMetals Option Agreement.

COVID-19

In March 2020, COVID-19 was declared a pandemic by the World Health Organization and the Centers for Disease Control and Prevention. Its rapid spread around the world and throughout the United States prompted many countries, including the United States, to institute restrictions on travel, public gatherings and certain business operations. These restrictions disrupted economic activity in Thunder Mountain Gold’s business related to raising capital. As of December 31, 2020, the disruption did not materially impact the Company’s financial statements. However, if the severity of the economic disruptions increase as the duration of the COVID-19 pandemic continues, the negative financial impact could be significantly greater in future periods.

The effects of the continued outbreak of COVID-19 and related government responses could also include extended disruptions to supply chains and capital markets, reduced labor availability and a prolonged reduction in economic activity. These effects could have a variety of adverse impacts to the Company. As of December 31, 2020, there were no material adverse impacts to the Company's operations due to COVID-19.

In addition, the economic disruptions caused by COVID-19 could also adversely impact the impairment risks for certain long-lived assets, and equity method investments. Thunder Mountain Gold evaluated these impairment considerations and determined that no such impairments occurred as of December 31, 2020.

The effects of the continued outbreak of COVID-19 and related government responses could have disruptions to the "BeMetals Option Agreement. In the event, if BeMetals decides not to proceed with the South Mountain Project, BeMetals will not be obligated to make any additional payments. The COVID-19 outbreak could have a variety of adverse impacts to the Company, including their ability to continue operations of their exploration under the BeMetals Operation Agreement. As of December 31, 2020, there were no material adverse impacts to the Company's BeMetal Options Agreement due to COVID-19.

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 owns 75% and has majority control, Owyhee Gold Trust, LLC ("OGT"). The Company's consolidated financial statements reflect the other investor's 25% non-controlling, capped interest in OGT. Intercompany accounts are eliminated in consolidation.

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.

Revenue Recognition

Management service revenue is recognized when the Company has satisfied its performance obligation required under its management contract. Such obligation is satisfied over time as work is performed and the Company has a contractual right to payment.

Income Taxes

Revenue from BeMetals Option Agreement is recognized in accordance with the BeMetals contract recorded when received. (See Note 3) 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.

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.

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. At December 31, 2020, the Company has one financial asset, investment in equity security, that is adjusted to fair value on a recurring basis for which the fair value is determined based on Level 1 inputs as the equity security is traded on a stock exchange. The Company has no financial liabilities that are adjusted to fair value on a recurring basis.

Financial Instruments

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

Investments

The Company determines the appropriate classification of investments at the time of acquisition and re-evaluates such determinations at each reporting date. Equity securities determined to be marketable are carried at fair value determined using Level 1 fair value measurement inputs with the change in fair value recognized as unrealized gain (loss) in the Consolidated Statement of Operations each reporting period. Realized gains and losses on the sale of securities are recognized on a specific identification basis.

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 interests are periodically assessed for impairment of value and any subsequent losses are charged to operations at the time of impairment.

If a mineral interest is abandoned or sold, its capitalized costs are charged to operations. Consideration received by the Company pursuant to joint ventures or purchase option agreements is applied against the carrying value of the related mineral interest. When and if payments received exceed the carrying value, the excess amount is recognized as a gain in the Consolidated Statement of Operations in the period the consideration is received.

Leases

The Company accounts for its leases under ASC 842, *Leases*. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases and are recorded on the consolidated balance sheet as both a right-of-use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use asset result in straight-line rent expense over the lease term. For finance leases, interest on the lease liability and the amortization of the right-of-use asset results in front-loaded expense over the lease term. Variable lease expenses are recorded when incurred.

Investments in Joint Ventures

For companies and joint ventures where the Company holds more than 50% of the voting interests, but less than 100%, and has significant influence, the company or joint venture is consolidated, and other investor interests are presented as noncontrolling. See Note 3 regarding the Company's investment in Owyhee Gold Trust. Joint Ventures in which the Company has the ability to exercise significant influence, but does not control, are accounted for under the equity method of accounting.

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.

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. At December 31, 2019 and 2020, the Company had accrued \$65,000 on its Consolidated Balance Sheets relating to estimated mine closure and reclamation costs on its South Mountain Mines property.

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 Consolidated Statement of Operations over the vesting period.

Recent Accounting Pronouncements

Accounting Standards Updates Adopted

In August 2018, the FASB issued ASU No. 2018-13 Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement. The update removes, modifies and makes additions to the disclosure requirements on fair value measurements. The update is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The Company evaluated the new standard in the first quarter of 2020 and determined that ASU 2018-13 did not have an impact on the Company's consolidated financial statement disclosures.

Accounting Standards Updates to Become Effective in Future Periods

In December 2019, the FASB issued ASU No. 2019-12 Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. The update contains a number of provisions intended to simplify the accounting for income taxes. The update is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. Management is evaluating the impact of this update on the Company's consolidated financial statements.

In January 2020, the FASB issued ASU No. 2020-01, Clarifying the Interactions Between Topic 321, Topic 323 and Topic 815. ASU 2020-01 which makes improvements related to accounting for certain equity securities when the equity method of accounting is applied or discontinued, and scope considerations related to forward contracts and purchased options on certain securities. ASU 2020-01 is effective for fiscal years beginning after December 15, 2020. The Company is currently evaluating the impact of adopting this standard on its consolidated financial statements.

Net Income (Loss) Per Share

The Company is required to have dual presentation of basic earnings per share (“EPS”) and diluted EPS. The Company calculates basic earnings (loss) per share by dividing net income or loss available to common stockholders by the weighted average number of common shares outstanding. We do not include the impact of any potentially dilutive common stock equivalents in our basic earnings (loss) per share calculations. Diluted earnings per share reflect potentially dilutive common stock equivalents, including options and warrants that could share in our earnings through the conversion of common shares, except where their inclusion would be anti-dilutive. For the year ended December 31, 2020 outstanding common stock equivalents consisting of 5,705,000 outstanding stock options were included in calculating diluted weighted average shares outstanding.

For the year ended December 31, 2019, stock options of 960,000 are included in and 4,075,000 are excluded from the calculation of diluted income per share. Options are excluded because their exercise prices were greater than the average trading price of the Company’s common stock for the year.

Diluted common shares outstanding were calculated using the treasury stock method and are as follows:

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
Weighted average number of common shares calculated using basic net income per common share	60,145,579	59,042,839
Effect of common stock equivalents:		
Stock options	1,544,968	286,896
Weighted average number of common shares calculated using diluted net income per common share	<u>61,690,547</u>	<u>59,329,735</u>

2. Mineral Interest Commitments

The Company has two lease arrangements with landowners 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 leases have no work requirements.

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

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:

<u>Target Area</u>	<u>2020</u>
Trout Creek -State of Nevada	\$ 12,090
Trout Creek -Lander County, Nevada	940
South Mountain-State of Idaho	3,255
Total	<u>\$ 16,285</u>

3. South Mountain Project

BeMetals Option Agreement:

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. SMMI is the Company’s subsidiary that holds the Company’s investment in the South Mountain project mineral interest. The original 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. On May 18, 2020, by three months from the existing BeMetals Option Agreement date, due to the COVID-19 pandemic, and business conditions surrounding restricted international travel, and corresponding access to capital markets.

Pursuant to the BeMetals Option Agreement, BMET USA will be entitled to purchase 100% of the outstanding shares of SMMI from TMRI if the following obligations are satisfied:

- Tranche 1: cash payment of \$100,000 to TMRI within 1 business day of delivery of voting support agreements from shareholders of THMG who hold or control shares carrying more than 50% of the voting rights attached to all outstanding THMG Shares. Payment was received on March 5, 2019 and is nonrefundable.
- Tranche 2: Tranche 2 conditions were completed on June 10, 2019 with the issuance of 10 million common shares of BMET USA to TMRI having a fair value of \$1,883,875; and BMET USA’s purchase of 2.5 million shares of THMG common stock at a price of \$0.10 per share, for an aggregate purchase price of \$250,000, on a private placement basis (received June 2019).
- Tranche 3: Cash payment of \$250,000 on or before the 6-month anniversary of the Tranche 2. Payment was received on December 10, 2019 and is nonrefundable.
- Tranche 4: Cash payment of \$250,000 on or before the 15-month anniversary of the Tranche 2, was received on September 10, 2020 and was recognized as a gain on sale of mineral interest during the year ended December 31, 2020.
- Tranche 5: Cash payment of \$250,000 on or before the 21-month anniversary of the Tranche 2, which is March 10, 2021.
- Tranche 6: Cash payment of \$250,000 plus an additional payment paid in cash, BMET USA common shares or a combination of both, due on or before the 27-month anniversary of Tranche 2, which is September 10, 2021. The calculation of the additional payment 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.

Concurrent with the BeMetals Option Agreement, BMET USA and SMMI entered into a management contract whereby BeMetals will pay \$25,000 monthly to SMMI for management services to enable BMET to perform exploration and development work with respect to the South Mountain Project. Per the agreement the Company received management service income of \$75,000 per quarter for a total of \$300,000 for the year ended December 31, 2020.

BeMetals provides funding to SMMI for ongoing project expenses, including office lease payments. Under the terms of the Option Agreement, SMMI’s management provides BeMetals a request for funds monthly to cover the upcoming month’s expenses. At December 31, 2020 and December 31, 2019, advances received from BeMetals that have not yet been spent totaled \$38,384 and \$73,343, respectively.

SMMI Joint Venture – OGT, LLC

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,	
	2020	2019
Balance at beginning of year	\$ 173,702	\$ 173,702
Distribution to non-controlling interest	(5,000)	(5,000)
Net income attributable to noncontrolling interest	5,000	5,000
Balance at end of year	<u>\$ 173,702</u>	<u>\$ 173,702</u>

4. Investment in Equity Security

In 2019 in connection with the BeMetals Option Agreement (see Note 3), the Company received 10,000,000 shares of BeMetals Corp. common stock that had a fair value of \$1,883,875. At December 31, 2020, the fair value of the shares is \$3,018,634. For the years ended December 31, 2020 and 2019, the Company recognized an unrealized gain in the change in fair value of the investment of \$1,282,804, and an unrealized loss of (148,045), respectively.

5. Property and Equipment

The Company's property and equipment are as follows:

	December 31,	
	2020	2019
Vehicles	\$ 22,441	22,441
Buildings	65,071	65,071
Construction Equipment	36,447	36,447
Mining Equipment	58,646	58,646
	<u>182,605</u>	<u>182,605</u>
Accumulated Depreciation	(177,650)	(156,694)
	<u>4,954</u>	<u>25,911</u>
Land	280,333	280,333
Total Property and Equipment	<u>\$ 285,287</u>	<u>306,244</u>

6. PPP Loan

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (the “CARES Act”) Act was signed into United States law.

In April 2020, the Company received a loan of \$48,000 pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I, Section 1102 and 1106 of the CARES Act. The loan, which was in the form of a promissory note, as amended, dated April 21, 2020 issued by the Company (the “Note”); the Note matures on April 13, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on August 13, 2021. The Note may be prepaid by the Company at any time prior to maturity with no prepayment penalties. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. Qualifying expenses include payroll costs, costs used to continue group health care benefits, mortgage payments, rent, and utilities. The Company elected to take 24 weeks to spend these funds instead of eight weeks. The Company used the entire loan amount for qualifying expenses, but there is no guarantee that the loan will be forgiven.

On October 21, 2020 the Company completed Paycheck Protection Program (PPP) loan forgiveness application with Washington Trust Bank. On November 7, 2020, the Company received a notice that the PPP loan was forgiven. Accordingly, the Company recorded PPP loan forgiveness in other income in the Consolidated Statement of Operations for the year ended December 31, 2020.

7. Related Parties

Notes Payable

At December 31, 2020, the Company had notes payable balances of \$66,768 and \$39,808 with Eric Jones and James Collord, respectfully. Eric Jones is the Company’s President and Chief Executive Officer and James Collord, the Company’s Vice President and Chief Operating Officer, respectively. These notes, as amended, bear interest at 1.0% to 2.0% per month and were due December 31, 2020. Interest accrued for Eric Jones and James Collord notes for the year ended December 31, 2020 was \$47,697 and \$40,834, respectfully.

On February 14, 2019 and May 9, 2019, Mr. Jones loaned \$10,000 (in exchange for an accounts payable balance due to him) and \$30,000 in cash, respectively, at an interest rate of 1.5% per month and initially payable in full on June 30, 2019. These notes were extended to December 31, 2019. During the year ended December 31, 2019, Mr. Jones and Mr. Collord were each paid \$30,000 reducing their notes payable balances. The notes payable balances to Mr. Jones and Mr. Collord were \$66,768 and \$39,808, respectively, for the year ended December 31, 2019. The accrued interest balances to Mr. Jones and Mr. Collord were \$37,286 and \$36,057, respectively, for the year ended December 31, 2019. On December 31, 2020, all note balances due to Mr. Jones and Mr. Collord were amended changing the payment due date to December 31, 2021.

On January 18, 2019, the Company executed a promissory note payable with Paul Beckman, a director of the Company. The amount of the note was \$10,000 at an interest rate of 1.5% per month. The amount was paid in full on June 17, 2019 with interest expense of \$736.

Deferred Compensation

Three of the Company’s officers began deferring compensation for services on April 1, 2015. On July 31, 2018, the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project. As part of the BeMetals agreement (Note 3), the Company resumed compensation for these officers on May 15, 2019. The officers deferred compensation balances at December 31, 2020 and 2019 represent the balances deferred prior to the BeMetals agreement and are as follows: Eric Jones, President and Chief Executive Officer - \$420,000; Jim Collord, Vice President and Chief Operating Officer - \$420,000; and Larry Thackery, Chief Financial Officer - \$201,500.

Accrued Related Party Liability

The Company engaged Baird Hanson LLP (“Baird”), a company owned by one of the Company’s directors, to provide legal services in 2018. During the year ended December 31, 2018, the Company incurred \$65,530 in legal expense with Mr. Baird. There was no expense for the year ended in 2020, and 2019. At December 31, 2020 and 2019, the balance due to Baird for prior years’ legal services was \$186,685 and \$216,685, respectfully. During the year ended December 31, 2020, the company paid Baird \$30,000 on the accrued liability.

Advance from Related Party

Management has advanced funds, and foregone accrued wages to the Company for operating expenses. The balance of these advances and wages at December 31, 2020 and December 31, 2019 was \$42,377 and \$34,761, respectively. This balance is included in accounts payable and other accrued liabilities on the Consolidated Balance Sheets.

8. 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. During the year ended December 31, 2019, as per the agreement, BeMetals purchased 2,500,000 shares of the Company’s common stock for \$250,000 in cash. See Note 3.

9. Stock Options

The Company has a Stock Incentive Plan (the “SIP”) that 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. 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 value, based on the closing price per share of common stock, at the time the stock option or stock appreciation right is granted.

On March 27, 2020, the Company granted 1,630,000 stock options to officers and directors of the Company. The fair value of the options was determined to be \$159,740 using the Black Scholes model. The options are exercisable on or before March 27, 2025 and have an exercise price of \$0.099. The options were fully vested upon grant and the entire fair value was recognized as management compensation expense during the year ended December 31, 2020.

On March 25, 2019, the Company granted 1,325,000 stock options to officers and directors of the Company. The options are exercisable on or before March 25, 2024 and have an exercise price of \$0.09. The fair value of the options was determined to be \$117,088 using the Black Scholes model. The options were fully vested upon grant and the entire fair value was recognized as management compensation expense during the quarter ended March 31, 2019.

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

	March 27, 2020	March 25, 2019
Stock price	\$0.099	\$0.09
Exercise price	\$0.099	\$0.09
Expected volatility	218.6%	209.5%
Expected dividends	-	-
Expected terms (in years)	5.0	5.0
Risk-free rate	0.39%	2.21%

The following is a summary of the Company's options issued and outstanding under the SIP:

	<u>Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding and exercisable at December 31, 2018	3,710,000	0.09
Granted	1,325,000	0.09
Outstanding and exercisable at December 31, 2019	5,035,000	\$0.09
Granted	1,630,000	\$0.099
Expired	(960,000)	(0.06)
Outstanding and exercisable at December 31, 2020	<u>5,705,000</u>	<u>\$0.0997</u>

The average remaining contractual term of the options outstanding and exercisable at December 31, 2020 was 2.28 years. As of December 31, 2020, options outstanding and exercisable had an aggregate intrinsic value of approximately \$361,180 based on the Company's stock price of \$0.16 at December 31, 2020.

10. Income Taxes

The Company did not recognize a tax provision during 2020 and 2019.

At December 31, 2020 and 2019, net deferred tax assets were calculated based on expected blended future tax rates of 26.7% including both federal and Idaho state components. Significant components of net deferred tax assets at December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Deferred tax assets:		
Net operating loss carryforwards	\$ 1,547,400	\$ 1,448,900
Share-based compensation	133,400	90,800
Deferred compensation	278,000	278,000
Investments	-	39,500
Mineral properties	179,300	212,400
	<u>2,138,100</u>	<u>2,069,600</u>
Deferred tax liabilities:		
Investment in OGT	(147,100)	(146,800)
Investments	(302,900)	-
Net deferred tax assets	<u>1,688,100</u>	<u>1,922,800</u>
Less valuation allowance	(1,688,100)	(1,922,800)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

The Company fully reserved the deferred tax asset as of December 31, 2020 and 2019, as management of the Company cannot determine that is more likely than not that the Company will realize the benefit of the deferred tax assets.

At December 31, 2020, the Company had approximately \$5.8 million of federal and state net operating loss carryforwards. \$5.3 million of net operating loss will expire between 2029 and 2037. \$0.5 million of the losses were incurred after 2017 and can be carried forward indefinitely, although usage of these net operating losses is limited to 80% of taxable income in the future tax year.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, allows NOLs generated in years 2018-2020 to be carried back 5 years. The Company has elected not to carry any net operating losses back.

The income tax benefit shown in the financial statements for the years ended December 31, 2020 and 2019 differs from the federal statutory rate as follows:

	2020		2019	
(Provision) benefit at statutory rates	\$ (256,600)	(21.0)%	\$ (228,300)	21.0%
State taxes	(69,600)	(5.7)	(61,800)	(5.7)
Permanent differences	(12,600)	1.0	600	0.1
Change in prior year tax estimates	104,100	8.2	(3,600)	(0.4)
Change in valuation allowance	234,700	(19.2)	293,100	27.0
Total	\$ -	- %	\$ -	- %

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 2017 through 2020. 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.

11. Leases

The Company accounts for its leases under ASC 842, *Leases*. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases and are recorded on the consolidated balance sheet as both a right-of-use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use asset result in straight-line rent expense over the lease term. For finance leases, interest on the lease liability and the amortization of the right-of-use asset results in front-loaded expense over the lease term. Variable lease expenses are recorded when incurred.

In February 2019, the Company entered into an operating lease for its office and as a result a liability and right-of-use asset of \$29,617 was recognized on the lease inception date. To calculate the liability and right of use asset, the Company utilized an 8.0% incremental borrowing rate to discount the future rent payments of approximately \$1,300 per month over the lease term of 2.0 years. The lease contains no renewal option.

As of December 31, 2020, total future payments required through the remaining lease term of .09 years is \$1,332 and is recognized as a current liability on the Company's Consolidated Balance Sheet. For the years ended December 31, 2020 and December 31, 2019 rent expense recognized was \$16,426 and \$15,750, respectfully, and was all reimbursed by BeMetals.

12. Subsequent Events

On March 5, 2021, the company received Tranche 5 cash payment of \$250,000 in accordance with the BeMetals Option Agreement.

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

During the year ended December 31, 2020, there were no changes in independent audit firms or consulting firms who provide accounting assistance.

During the year ended December 31, 2019, 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 were 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, 2020, using criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and concluded that internal control over financial reporting was effective as of December 31, 2020, based on these criteria.

Changes in internal controls over financial reporting

During the quarter ended December 31, 2020, 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, 2020.

Directors and Executive Officers:

<u>Name</u>	<u>Age</u>	<u>Position with the Company</u>	<u>Director Since</u>
Eric T. Jones	58	President, Chief Executive Officer, Director	March 2006
E. James Collord	74	Vice-President, Chief Operating Officer, Director	Since 1978
Paul Beckman	67	Director	February 2017
Ralph Noyes	73	Director	May 2016
Douglas J. Glaspey	68	Director	June 2008
Joseph H. Baird	66	Director	January, 2014
Larry D. Kornze	73	Director	January 2013
James A. Sabala	66	Director	October 2016
Larry Thackery	62	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, the management team in 2008, and was appointed President and Chief Executive Office in 2011 by the Board. Prior to that, Mr. Jones served as Chief Financial Officer, and Vice President of Investor Relations, and Secretary/Treasurer. From 1994 to 1997, Mr. Jones was General 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.

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 42 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 at the Big Springs and Jerritt Canyon Mines. 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 mines 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 the 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.

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 began deferring compensation for services on April 1, 2015. On July 31, 2018, the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project. As part of the BeMetals agreement, the Company resumed compensation for these officers on May 15, 2019. The officers deferred compensation balances at December 31, 2020 and 2019 represent the balances deferred prior to the BeMetals agreement and are as follows: Eric Jones, President and Chief Executive Officer - \$420,000; Jim Collord, Vice President and Chief Operating Officer - \$420,000; and Larry Thackery, Chief Financial Officer - \$201,500.

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, 2020.

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.

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 2020.

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, 2020 and 2019 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	2020	89,001			15,840				\$ 104,841
	2019	42,500			10,800				\$ 53,300
Eric T. Jones President/CEO	2020	115,500			15,840				\$ 131,340
	2019	82,500			10,800				\$ 93,300
Paul Beckman Director	2020				15,840				\$ 15,840
	2019				14,400				\$ 14,400
Larry Thackery CFO	2020	84,000			15,840				\$ 99,840
	2019	52,500			10,800				\$ 63,300
Doug Glaspey Director	2020				22,770				\$ 22,700
	2019				14,850				\$ 14,850
Larry Kornze Director	2020				15,840				\$ 15,840
	2019				10,800				\$ 10,800
Joseph Baird Director	2020				15,840				\$ 15,840
	2019				10,800				\$ 10,800
	2018				-				\$ -
Ralph Noyes Director	2020				22,770				\$ 22,770
	2019				18,450				\$ 18,450
James A. Sabala Director	2020				20,790				\$ 20,790
	2019				17,550				\$ 17,550

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

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 2020, 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 2019 the Company granted 1,325,000 stock options to officers and directors of the Company. The options are exercisable on or before March 25, 2024 and have an exercise price of \$0.09. The fair value of the options was determined to be \$117,088 using the Black Scholes model. The options were fully vested upon grant and the entire fair value was recognized as compensation expense during the year ended December 31, 2019.

On March 27, 2020, the Company granted 1,630,000 stock options to officers and directors of the Company. The fair value of the options was determined to be \$159,740 using the Black Scholes model. The options are exercisable on or before March 29, 2025 and have an exercise price of \$0.099. The options were fully vested upon grant and the entire fair value was recognized as compensation expense during the year ended December 31, 2020.

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, 2020, 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 of Beneficial Ownership	Percent of Class(1)	Amount Stock Option Ownership	Percent of Stock Options
Directors and Executive Officers				
E. James Collord – VP/COO/Dir	2,260,705 ⁽²⁾⁽³⁾	3.76%	780,000	13.67%
Eric T. Jones – President/CEO/Dir	2,330,000 ⁽²⁾	3.87%	780,000	13.67%
Paul Beckman - Dir	9,885,000 ⁽⁴⁾	16.44%	320,000	5.61%
Doug Glaspey - Dir	150,000 ⁽²⁾	0.25%	595,000	10.43%
Larry D. Kornze - Dir	-	-	480,000	8.41%
James A. Sabala - Dir	-	-	655,000	11.48%
Joseph H. Baird - Dir	2,000,000 ⁽²⁾	3.33%	530,000	9.29%
Ralph Noyes - Dir	-	-	735,000	12.88%
Larry Thackery - CFO	290,000 ⁽²⁾	0.48%	480,000	8.41%
All current executive officers and directors as a group	16,915,705	28.12%	5,355,000	93.87%

(1) Based on 60,145,579 shares of common stock issued and outstanding as of December 31, 2020.

(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, 2020, the number of shares of common stock that can be sold by officers, directors, principal shareholders, and others pursuant to Rule 144 was 60,145,579. 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, 2020, 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:

In addition to the related parties notes payable discussed in Note 6, the Company had the following related party transactions:

Three of the Company's officers began deferring compensation for services on April 1, 2015. On July 31, 2018, the Company stopped expensing and deferring compensation for the three Company officers in the interest of marketing the SMMI project. As part of the BeMetals agreement (Note 3), the Company resumed compensation for these officers on May 15, 2019. The officers deferred compensation balances at December 31, 2020 and 2019 represent the balances deferred prior to the BeMetals agreement and are as follows: Eric Jones, President and Chief Executive Officer - \$420,000; Jim Collord, Vice President and Chief Operating Officer - \$420,000; and Larry Thackery, Chief Financial Officer - \$201,500.

The Company engaged Baird Hanson LLP ("Baird"), a company owned by one of the Company's directors, to provide legal services in 2018. In advance of the BeMetals transaction Mr. Baird withdrew Baird Hanson LLP as counsel to avoid any appearance of a conflict with the then-proposed BeMetals Corp. transaction. During the year ended December 31, 2018, the Company incurred \$65,530 in legal expense with Mr. Baird. There was no expense for the

year ended December 31, 2020. At December 31, 2020 and December 31, 2019, the balance due to Baird was \$186,685 and \$216,685, respectfully.

Since 2017, Eric Jones has advanced funds to the Company for operating expenses. The balance of Mr. Jones' advances at December 31, 2020 and December 31, 2019 was \$7,046 and \$17,046, respectively. At December 31, 2020 the Company has \$35,331 under wages payable using the SMMI Management agreement funds, for payable expenses, attributed to the SMMI project. This balance 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, 2020 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

The following table presents fees billed to the Company relating to the audit of the Financial Statements at December 31, 2020, as provided by Assure CPA, LLC formerly DeCoria, Maichel and Teague, P.S. We expect that Assure CPA, LLC will serve as our auditors for fiscal year 2021. Assure CPA LLC 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 auditing and mining accounting and is professionally qualified to act in the capacity of auditors.

Year Ended	December 31, 2020	December 31, 2019
Audit fees (1)	\$40,850	\$36,336
Audit-related fees (2)	475	1,185
Tax fees (3)	-	7,750
All other fees (4)	-	1,225
Total Fees	\$41,325	\$46,496

(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 Assure CPA, LLC 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 Assure CPA LLC for financial information system design and implementation. We do not engage Assure CPA LLC 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**	<u>Certificate of Principal Executive Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).</u>
32.2**	<u>Certificate of Principal Financial Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).</u>
101**	The following financial information from our Annual Report on Form 10-K for the year ended December 31, 2020 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: March 30, 2021

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: March 30, 2021

Exhibit 31.1

CERTIFICATION

I, Eric T. Jones, certify that:

1. I have reviewed this annual report on Form 10-K of Thunder Mountain Gold, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2021

By: /s/ Eric T. Jones
President, Director and Chief Executive Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

CERTIFICATION

I, Larry Thackery, certify that:

1. I have reviewed this annual report on Form 10-K of Thunder Mountain Gold, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2021

By /s/ Larry Thackery
Larry Thackery
Chief Financial Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Thunder Mountain Gold Inc, (the "Company") on Form 10-K for the period ending December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric T. Jones, President, Director and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Eric T. Jones

By _____
Eric T. Jones
President, Director and Chief Executive Officer
Date: March 30, 2021

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Thunder Mountain Gold Inc, (the "Company") on Form 10-K for the period ending December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Larry Thackery, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By /s/ Larry Thackery
Larry Thackery
Chief Financial Officer
Date: March 30, 2021