

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

**FORM 10-Q**

**[ X ] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2010  
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 or other jurisdiction of  
incorporation or organization)

(IRS identification No.)

**5248 W. Chinden Blvd**

**Boise, Idaho**

**83714**

(Address of Principal Executive Offices)

(Zip Code)

**(208) 658-1037**

(Registrant's Telephone Number, including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark 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 (§232.405 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 check mark whether the Registrant is  a large accelerated filer,  an accelerated file,  a non-accelerated filer, or  a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act)

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

Number of shares of issuer's common stock outstanding at May 17, 2010: 20,583,469

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## PART I – Financial Information

### Item 1. Financial Statements

**Thunder Mountain Gold, Inc.**  
(An Exploration Stage Company)

**Consolidated Balance Sheets**

March 31, 2010 and December 31, 2009

	(Unaudited) March 31, 2010		December 31, 2009
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 26,505	\$	266,207
Prepaid expenses and other assets	33,166		61,067
Total current assets	59,671		327,274
Property, plant, equipment, and mining claims:			
South Mountain Mines property	357,497		357,497
Equipment, net of accumulated depreciation	32,472		35,536
Mining leaseholds	49,030		49,030
Total property, plant, equipment and mining leaseholds	438,999		442,063
<b>Total assets</b>	<b>\$ 498,670</b>	<b>\$</b>	<b>769,337</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current liabilities:			
Accounts payable	\$ 42,047	\$	53,895
Payroll liabilities	9,358		-
Accounts payable-related party	4,931		12,436
Interest payable	319		972
Deferred salaries	21,000		21,000
Related party note payable	31,247		32,300
Note payable	-		50,000
Total current liabilities	108,902		170,603
Long-term liabilities:			
Common stock to be issued	93,500		-
	93,500		-
Total liabilities	202,402		170,603
Commitments and Contingencies (Note 6)			
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; 18,783,469 and 18,583,469 shares issued and outstanding, respectively	18,784		18,584
Additional paid-in capital	2,159,323		2,115,523
Less: 11,700 shares of treasury stock, at cost	(24,200)		(24,200)
Deficit accumulated prior to 1991	(212,793)		(212,793)
Accumulated deficit during the exploration stage	(1,644,846)		(1,298,380)
Total stockholders' equity	296,268		598,734
<b>Total liabilities and stockholders' equity</b>	<b>\$ 498,670</b>	<b>\$</b>	<b>769,337</b>

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

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Consolidated Statements of Operations**  
*(Unaudited)*

	Three Months Ended		During Exploration
	March 31,		Stage
	2010	2009	1991
			Through
			March 31,
	2010	2009	2010
Revenue:			
Royalties, net	\$ -	\$ -	\$ 328,500
Gain on sale of property and mining claims	-	-	2,576,112
Total revenue	-	-	2,904,612
Expenses:			
Exploration expense	62,014	77,515	1,452,543
Legal and accounting	50,769	36,207	618,634
Management and administrative	136,034	70,680	1,559,423
Compensation expense for stock issuance	93,500	-	93,500
Directors' fees and professional services	-	-	649,241
Depreciation and depletion	3,064	5,502	115,371
Total expenses	345,381	189,904	4,488,712
Other income (expense):			
Interest and dividend income	12	36	283,761
Interest expense	(1,097)	-	(33,134)
Gain on sale of securities	-	-	166,116
Impairment of investments	-	-	(52,299)
Total other income (expense)	(1,085)	36	364,444
Net loss before income taxes	(346,466)	(189,868)	(1,219,656)
(Provision) Benefit for income taxes	-	59,841	(151,496)
Net loss	(346,466)	(130,027)	(1,371,152)
Treasury stock cancelled	-	-	(273,694)
<b>Comprehensive loss</b>	<b>\$ (346,466)</b>	<b>\$ (130,027)</b>	<b>\$ (1,644,846)</b>
Net loss per common share – basic and diluted	\$ (0.02)	\$ Nil	\$ (0.11)
Weighted average common shares outstanding-basic and diluted	18,770,136	14,753,991	12,506,826

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

**Thunder Mountain Gold, Inc.**  
*An Exploration Stage Company*  
**Consolidated Statements of Cash Flows**  
*(Unaudited)*

	Three Months Ended March 31,		During Exploration Stage 1991 Through March 31,
	2010	2009	2010
Cash flows from operating activities:			
Net loss	\$ (346,466)	\$ (130,027)	\$ (1,371,152)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and depletion	3,064	5,502	115,371
Common stock, warrants, and options issued for services	44,000	1,500	125,320
Adjustment for anti-dilution provisions	-	-	86,084
Amortization of directors' fees prepaid with common stock	-	-	53,400
Compensation expense for stock issued	93,500	-	93,500
Gain on sale of mining claims and other assets	-	-	(2,736,553)
Impairment loss on securities	-	-	52,335
Change in:			
Prepaid expenses and other assets	27,901	11,222	(33,166)
Federal and state income tax refunds receivable	-	(59,841)	-
Accounts payable	(11,848)	(9,460)	27,479
Payroll liabilities	9,358	-	9,358
Accounts payable- related party	(7,505)	-	4,931
Interest payable	(653)	-	319
Deferred salaries	-	-	21,000
Receivables	-	-	124,955
Net cash used by operating activities	(188,649)	(181,104)	(3,426,819)
Cash flows from investing activities:			
Proceeds from sale of property and mining claims	-	-	5,500,000
Purchase of Dewey Mining Co. mining claims	-	-	(2,923,888)
Purchase of investments	-	-	(354,530)
Purchase of South Mountain Mines	-	-	(357,497)
Purchase of mining claims	-	-	(49,030)
Purchase of equipment	-	-	(168,577)
Proceeds from disposition of investments	-	-	642,645
Proceeds from disposition of equipment	-	-	49,310
Net cash provided by investing activities	-	-	2,338,433
Cash flows from financing activities:			
Proceeds from sale of common stock, net	-	15,000	782,000
Proceeds from exercise of warrants	-	-	434,750
Proceeds from exercise of stock options	-	-	73,350
Acquisition of treasury stock	-	-	(376,755)
Borrowing on related party note payable	-	-	331,500
Payments on related party note payable	(1,053)	-	(295,753)
Payments on note payable	(50,000)	-	-
Net cash provided (used) by financing activities	(51,053)	15,000	949,092
Net decrease in cash and cash equivalents	(239,702)	(166,104)	(139,294)
Cash and cash equivalents, beginning of period	266,207	203,133	165,799
<b>Cash and cash equivalents, end of period</b>	<b>\$ 26,505</b>	<b>\$ 37,029</b>	<b>\$ 26,505</b>

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

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Consolidated Statements of Cash Flows**  
*(Unaudited)*

Supplemental disclosures of cash flow information:

	Three Months Ended		During Exploration	
	March 31,		Stage	
	2010	2009	1991	
			Through	
			March 31,	
			2010	
Non-cash investing and financing activities:				
Stock issued to acquire equipment from related party	\$	-	\$	-
				\$ 11,850
Stock issued for mining contract	\$	-	\$	-
				\$ 50,000
Stock issued for payments on related party note payable	\$	-	\$	-
				\$ 4,500
Stock issued for payment of accounts payable	\$	-	\$	-
				\$ 29,250

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

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Notes to Consolidated Financial Statements**

**1. Summary of Significant Accounting Policies and Business Operations**

Business Operations

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

Exploration Stage Enterprise

The Company’s financial statements are prepared using the accrual method of accounting and according to, “Accounting for Development Stage Enterprises,” as it devotes substantially all of its efforts to acquiring and exploring mining interests that will eventually provide sufficient net profits to sustain the Company’s existence. Until such interests are engaged in commercial production, the Company will continue to prepare its financial statements and related disclosures in accordance with entities in the exploration stage.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiary, Thunder Mountain Resources, Inc. All significant intercompany accounts and transactions have been eliminated and any significant related party transactions have been disclosed.

Reclassifications

Certain reclassifications have been made to conform to prior periods’ data to the current presentation. During the quarter ended March 31, 2010, management determined that certain costs previously reported in Management and Administrative costs were more appropriately classified as Exploration costs. These costs are directly related to the Company’s exploration expenses specific to its properties, mainly to its South Mountain property. A reclassification has been made to prior periods’ data for certain management salaries, travel expenses and the fees of consultants to more accurately reflect comparative exploration costs. These reclassifications have no effect on the results of reported operations or stockholders’ equity.

Basis of Presentation

The unaudited financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America for interim financial information, as well as the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company’s management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included. Operating results for the three months ended March 31, 2010, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2010.

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Notes to Consolidated Financial Statements**

**1. Summary of Significant Accounting Policies and Business Operations, continued:**

For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2009.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash in banks and highly liquid short term investments with original maturities when acquired of three months or less to be cash and cash equivalents. The Company's cash was held in a Merrill Lynch money market fund on March 31, 2010, which may not be covered by insurance of the Federal Deposit Insurance Corporation ("FDIC").

Fair Value Measures

ASC 820 requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1: Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2: Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.
- Level 3: Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

Our financial instruments consist principally of cash. The table below sets forth our assets and liabilities measured at fair value, whether recurring or non-recurring and the fair value calculation input hierarchy level that we have determined applies to each asset and liability category.

	Balance March 31, 2010	Balance December 31, 2009	Input Hierarchy level
Recurring:			
Cash	\$ 26,505	\$ 266,207	Level 1



**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Notes to Consolidated Financial Statements**

Property and Equipment

Property and equipment are carried at cost. Depreciation is computed using straight line depreciation methods with useful lives of three to seven years. Major additions and improvements are capitalized. Costs of maintenance and repairs, which do not improve or extend the life of the associated assets, are expensed in the period in which they are incurred. When there is a disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in net income.

Mining Properties and Claims

The Company capitalizes costs for acquiring mineral properties 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 on the basis of periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

Income Taxes

The Company recognizes deferred income tax liabilities or assets at the end of each period using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of the deferred tax assets will not be realized. The Company has evaluated all tax positions for open years and has concluded that it has no material unrecognized tax benefits.

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 records the fair value of an asset retirement obligation as a liability in the period in which the Company incurs a legal obligation for the retirement of tangible long-lived assets. A corresponding asset is also recorded and depreciated over the life of the asset. After the initial measurement of the asset retirement obligation, the liability will be adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation.

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

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

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Notes to Consolidated Financial Statements**

**1. Summary of Significant Accounting Policies and Business Operations, continued:**

Share-Based Compensation

The Company requires all share-based payments to employees and directors, including grants of employee stock options, be measured at fair value and expensed in the statement of operations over the service period. In addition to the recognition of expense in the financial statements, any excess tax benefits received upon exercise of options will be presented as a financing activity inflow rather than as an adjustment of operating activity as presented in prior years.

Net Loss Per Share

The Company is required to have dual presentation of basic earnings per share (“EPS”) and diluted EPS on the face of all income statements for all entities with complex capital structures. Basic EPS is computed as net income divided by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options, warrants, and other convertible securities. The dilutive effect of convertible and exercisable securities would be:

<u>For periods ended</u>	<b>March 31, 2010</b>	<b>March 31, 2009</b>
Stock options	0	155,000
Warrants	15,000	2,885,000
<b>Total possible dilution</b>	<b>15,000</b>	<b>3,040,000</b>

For the periods ended March 31, 2010 and 2009, the effect of the Company’s outstanding options and common stock equivalents would have been anti-dilutive. Accordingly, only basic EPS is presented.

**2. Stockholders’ Equity**

The Company’s common stock is at \$0.001 par value 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. No preferred shares have been issued.

The Company issued 200,000 shares of stock at \$0.22 per share, the market price on the issue date of January 6, 2010 to Haywood Securities for a total cost of \$44,000 that was expensed in Management and Administrative costs for sponsorship of the Company on the TSX-V Exchange.

**Thunder Mountain Gold, Inc.**  
*(An Exploration Stage Company)*  
**Notes to Consolidated Financial Statements**

**3. Related Party Transactions**

On March 31, 2010 the Board unanimously approved a resolution authorizing a bridge loan from E. James Collord, the Company's CEO and a director, and Leta Mae Collord in the amount of \$50,000 at an interest rate of 1% per month with the first payment due in thirty days. The purpose of the bridge loan is to provide the Company operational capital to meet its day to day operational needs. These funds are to be repaid upon receipt of funds from the Haywood Securities (or other) financing and shall not exceed 120 days from the date of the resolution. In the event the loan is not repaid in full within 90 days after the due date, the Company will deed 10 acres of surface estate at their South Mountain property comprising an area that surrounds the camp buildings. The Collords shall have the option that any portion or the amount loaned can be convertible to Company stock at the market price of the warrant at the date of conversion, or \$0.15 per share. As of March 31, 2010 no funds had been advanced to the Company. On April 5, 2010, subsequent to the end of the Quarter, \$50,000 was advanced to the Company with the entire balance of the loan including interest due in full no later than July 29, 2010.

**4. Subsequent events**

As authorized by Board Resolution on March 30, 2010, a total of 550,000 shares of common stock were issued to the Company's Directors and three consultants. A stock payable of \$93,500 was reflected in the Company's long-term liabilities at March 31, 2010. The stock was issued subsequent to the quarter on April 8, 2010.

## Item 2. Management's Discussion and Analysis or 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.*

*Management's discussion and analysis is intended to be read in conjunction with the Company's unaudited financial statements and the integral notes thereto for the quarter ending March 31, 2010. The following statements may be forward-looking in nature and actual results may differ materially.*

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.

The Company was able to meet its immediate financial obligations during the first quarter. In an effort to manage cash flow, officers continued their salary reductions from a total of per month to per month. Eric Jones salary rate of \$8,333 was reinstated in the fourth quarter of 2009 and Jim Collord's salary was increased at the beginning of the reporting quarter to 50% of his base, or \$5,000 per month. He will remain at this level until financial conditions improve. Previously, Jim Collord had been at a minimal salary of \$1000 per month for 19 months. Pete Parsley remained on full salary of \$9,000 per month, or \$108,000 per year, but saw no increases.

No cash bonuses were paid to management for services in 2009. No board compensation was distributed to the Company's Board Members in either 2008 or 2009. On March 30, 2010, the Board approved stock grants to Management and the Board members with the grants being delivered during the second quarter of 2010 on April 8, 2010. The market value of the stock grants was \$93,500, with \$42,500 allocable to non-employee Board members and represents the only remuneration these non-employee Board members received.

The Company maintains its offices in the Boise, Idaho area in Garden City. This is the primary work area for the South Mountain Project and is utilized primarily by Pete Parsley and Eric Jones. Jim Collord will continue to work from his home office in Elko, Nevada as well as in the Boise office.

The primary focus of Management during the first quarter was to advance the dual listing of the Company with the TSX – Venture Exchange (TSX-V). The Company will continue to trade in the U.S. on the Over the Counter Bulletin Board. The Company engaged a Canadian legal firm in Vancouver, B.C. to assist with the listing application, and Haywood Securities was retained as a sponsor. It is anticipated that the Company will receive approval on its listing during the 2<sup>nd</sup> quarter of 2010.

A discussion of activities conducted during the reporting period and the plan of operation follows for the Company and its wholly-owned subsidiaries, Thunder Mountain Resources, Inc. and South Mountain Mines, Inc.

### **1. South Mountain Project, Owyhee County, Idaho** (Thunder Mountain Resources, Inc. / South Mountain Mines, Inc.)

As part of the TSX-V listing efforts, the Company commissioned Northwest Groundwater and Geology of Eagle, Idaho, as independent Qualified Person to upgrade the South Mountain Technical Report completed in 2008 by Kleinfelder to a NI 43-101 compliant resource report. Greg Wittman, Professional Geologist and Qualified Person per TSX-V rules, and owner of Northwest Groundwater and Geology, completed two drafts of the report for review; it is anticipated that the report will be completed and approved mid-second quarter of 2010. The NI 43-101 along with the Listing

Application, when completed, will be the primary components needed to achieve approval for the TSX-V listing.

Work directly on the South Mountain Project during the reporting period consisted of interpretive work on the mapping and soil/rock chip sampling on the multi-lithic intrusive breccia zone completed in 2009. The soil work, supplement and confirmed by the rock chip sample program, defined a large gold anomaly associated with the breccia. Of the 236 soil samples collected, approximately 75% contained anomalous gold with values up to 701 parts per billion (0.021 ounce per ton) over an area approximately 5,000 feet in length by 1,500 feet in width. Although gold was the most significant element in the grid, it was accompanied by anomalous copper, molybdenum, and indium. Contours of these elements mimicked the gold values.

The significant gold anomaly and accompanying elements are indicative of a potential buried copper and/or molybdenum – gold porphyry system. This is also supported by the replacement base and precious metal deposits associated with the main mine area, as well as the multi-lithic breccia exposed in the anomaly itself.

The priority for the 2010 field season is to evaluate the multi-lithic intrusive breccia and associated gold anomaly. A geophysical program is being planned and will likely consist of a helicopter-draped and/or ground magnetometer survey over the target area. Physical work on the target will consist of approximately two miles of road construction and the drilling of five to ten reverse circulation rotary drill holes ranging from 1,000 to 1,500 feet in depth. Deeper core drilling may be done, depending upon the geologic interpretation of the reverse circulation drilling. One or two core holes would be completed by using the rotary holes as “pre-collars”, this saving the core drilling of the first 1,000 feet plus of the hole.

In addition to the testing of the multi-lithic mineralized breccia, a program to conduct additional exploration work on the existing sulfide replacement deposits will be done to test the internal continuity of the known mineralized zones, and to continue the down dip extension of the higher grade and more continuous ore shoots. This may require the continued rehabilitation of portions of the underground workings so that drill stations can be established for close-spaced core drilling. The goal of this program would be to tighten up the resource so that it could easily move into a pre-production phase for a smaller mining operation.

Larger gold producing companies continue to review exploration results on the Company`s properties, with an emphasis on the Company`s South Mountain Mine.

The Company`s land package at South Mountain consists of a total of private land under lease to approximately 542 acres, the original 17 patented claims (326 acres) that the Company owns outright plus and 21 unpatented claims (290 acres) for a total of approximately 1,158 acres.

## **2. Trout Creek Claims, Lander County, Nevada (Thunder Mountain Resources, Inc.)**

Additional geologic interpretive work was started on the project. Several structures within the pediment gravels were identified and mapped, and their intensity and location suggest that the thickness of valley fill gravel is not prohibitive for exploration, or for mining should a resource be delineated. The likelihood of shallow bedrock, coupled with the favorable structural setting identified by geophysics and favorable host rocks outcropping along the range front all support that there is a strong pediment target on the Trout Creek Claims.

The Company has commissioned a geophysicist to evaluate the target and make recommendations on additional detailed work that would confirm the structures and potential depth to bedrock. An orientation set of soil samples will be taken over the claims to determine if there are any mobile trace elements that may be present in the surface gravels.

Drilling may be warranted on the claim group if the interpretive work continues to determine the potential of the pediment target.

**3. Portland Claim Group, Mohave County, Arizona** (Thunder Mountain Resources, Inc.)

No additional fieldwork was done during the reporting period on the 19 unpatented mining claims totaling approximately 380 acres at the Portland property. The Portland property is located approximately 30 miles northwest of Kingman, Arizona.

**4. Gold Hill Claim Group, La Paz County, Arizona** (Thunder Mountain Resources, Inc.)

No additional field work was conducted during the quarter on the 22 unpatented mining claims of the Gold Hill claim group in La Paz County, Arizona.

**5. West Tonopah Claim Group, Esmeralda County, Nevada** (Thunder Mountain Gold, Inc.)

No additional work was completed during the quarter on the West Tonopah claim group located in Esmeralda County, Nevada. The West Tonopah claim group consists of eight unpatented claims located 1.5 miles southwest of Tonopah, Nevada.

**6. Clover Mountain Claim Group, Owyhee County, Idaho** (Thunder Mountain Gold, Inc.)

The Clover Mountain property consists of 40 unpatented mining claims totaling approximately 800 acres located 30 miles southwest of Grand View in Owyhee County, Idaho. Two major mining companies signed confidentiality agreements with Thunder Mountain Gold in early 2009 in order to look at the potential of this prospect. These mining companies have since visited the site and are currently reviewing the Clover Mountain geology and sampling results.

Recent rock chip sampling within the area of the anomaly has identified quartz veining with gold values ranging from 3.6 ppm to 16.5 ppm. Additional sampling conducted on 200'x 200' grid spacing has defined two northeast trending soil anomalies with gold values ranging from 0.020 ppm to 0.873 ppm Au. The gold anomalies are approximately 1,000' in length and approximately 300' in width. The gold anomalies are associated with northeast trending structures with accompanying quartz stockwork veining in an exposure of Cretaceous/Tertiary granite. A 2,500' base metal soil anomaly is observed trending northwest proximal to rhyolite and rhyodacitic dikes which intrude the granitic stock. Additional field work in 2010 may include exploration drilling or trenching on this prospective target.

**Results of Operations:**

The Company had no revenues and no production for the first calendar quarters of 2010 and 2009. Total expenses for the quarter ended March 31, 2010 increased by \$155,477, or approximately 45%, to \$345,381 compared with \$189,904 for the quarter ended March 31, 2009, due largely to increases in management and administrative expenses of \$65,354, \$93,500 for stock issued to Directors, Officers and consultants, and legal and accounting expenses of \$14,562 related the Company's efforts to obtain financing and to secure a listing on the TSX-V during the quarter ended March 31, 2010. Exploration expense decreased by \$15,501 due to the additional cutting of costs during 2010 as compared to the same period in 2009. As a result of the net increase in expenses for the first quarter of 2010, the Company reported a net loss of \$346,466 (\$0.02 per share), compared to a net loss of \$130,027 (\$Nil per share) in 2009. Net loss per share was based on weighted average number of shares of 18,770,136 for the quarter ended March 31, 2010 and 14,753,991 for the quarter ended March 31, 2009.

At the end of the reporting quarter, the Company had total current liabilities of \$108,902, consisting of \$42,047 in trade accounts payable, \$9,358 in payroll liabilities, \$4,931 in related party accounts payable, \$319 in interest payable, \$21,000 in deferred salary to a corporate officer and \$31,247 in a note payable to a related party.

For the three months ended March 31, 2010, net cash used for operating activities was \$188,649, consisting of our 2010 net operating loss, reduced by non-cash expenses and increased by net cash used by changes in current assets and current liabilities. This compares with \$181,104 used by operations for the 2009 three month period. Cash provided by or used in investing activities was \$Nil for each of the comparative quarters ended March 31, 2010 and 2009. Cash used by financing activities for the three months ended March 31, 2010 totaled \$51,053, consisting of \$1,053 in payments on a related party note payable and \$50,000 in payments on short-term borrowings. This compares with \$15,000 in proceeds from the sale of stock for the three months ended March 31, 2009.

### **Liquidity and Capital Resources:**

We are an exploration stage company and have incurred losses since our inception. The Notes to our financial statements for the year ended December 31, 2009, together with the opinion of our independent auditors included going concern explanatory paragraphs. Subsequent to the filing of our Form 10-K on March 31, 2010, we have been successful in addressing those concerns. As a result, we have removed the explanatory paragraphs from the Notes to the Financial Statements for the quarter ended March 31, 2010.

### ***Management actions in addressing going concern:***

While the Company does not currently have cash sufficient to support an exploration program as outlined in the 2010 business plan adopted by the Thunder Mountain Board, we believe that the survivability of Thunder Mountain Gold can be assured by the following:

- We currently have approximately \$25,000 cash in our bank accounts.
- The Company closed a private offering of securities solely to one accredited investor on May 11, 2010 for \$250,000 for 1,250,000 units, each unit consisting of one share of common stock and one warrant to purchase one share of common stock at \$0.20, for 18 months from the date of registration of the shares or about 2 years from date of issue. No Placement Agent was used, and no commissions were paid.
- On April 9, 2010 the Board unanimously authorized a Private Placement for the sale of up to 5,000,000 common stock purchase warrants convertible to common stock at a price to be determined at a later date by the President in the best interests of the Company. We expect to close on this Private Placement near the end of May 2010, and anticipate a cash infusion of \$100,000 to \$200,000.
- Our non-exploration monthly burn rate is currently \$25,000, therefore we believe we have cash sufficient to support reduce company operations for the next 12 months.
- Management and the Board have not undertaken plans or commitments that exceed the cash available to the Company. We do not include in this consideration any additional investment funds mentioned above.
- Management will manage expenses of all types so as to not exceed the on-hand cash resources of the Company at any point in time, now or in the future.

We believe, and are committed in the execution of our responsibilities as officers and directors, that through proper management and spending restraint, we can weather the current disruptions in the investment markets and continue to attract investment dollars in coming months and years.

The Company's future liquidity and capital requirements will depend on many factors, including timing, cost and progress of its exploration efforts, evaluation of, and decisions with respect to, its strategic alternatives, and costs associated with the regulatory approvals. The Company has several options available for financing its exploration programs, including raising additional funds from a private placement, mergers, and farm-outs or strategic partnerships. Additional financing may be required to meet our exploration and corporate expenses incurred during the next 12 months.

The Company owns outright the South Mountain Mine property in Owyhee County, Idaho that consists of 17 patented mining claims totaling approximately 326 acres, for which Management has recorded the property in the Company's financial statements for \$357,497.

The Company owns outright three 4-wheel drive vehicles that are used for exploration and project work, as well as miscellaneous field equipment and office furniture. It also leases office space in Garden City, Idaho.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

There is no established market for trading the Common Stock of the Company. The market for the Company's common stock is limited, and as such shareholders may have difficulty reselling their shares when desired or at attractive market prices. The Common Stock is not regularly quoted in the automated quotation system of any registered securities system or association. The Common Stock of the Company is traded on the "Over-The-Counter" market maintained by the Financial Regulatory Authority ("FINRA") and is listed on the OTC electronic bulletin board under the symbol of "THMG". The Company's common stock has continued to trade in low volumes and at low prices. Some investors view low-priced stocks as unduly speculative and therefore not appropriate candidates for investment. Many institutional investors have internal policies prohibiting the purchase or maintenance of positions in low-priced stocks.

### **Item 4. 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 period specified in applicable rules and forms.

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

#### **Changes in Internal Controls over Financial Reporting**

During the period covered by this report, with the exception of the following improvements, 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.

During the quarter ended March 31, 2010 an additional independent director was added to help alleviate a material weakness identified in the Company's Form 10-K filed on March 31, 2010; lack of an independent board of directors, including an independent financial expert. On January 28, 2010, the Company added an independent director who has been designated the Company's independent financial expert. The current board of directors is evaluating expanding the board of directors to include additional independent directors. The current board is composed of six members and may be expanded to as many as nine members under the Company's Articles of Incorporation and By-Laws.



## PART II

### Item 1. Legal Proceedings.

None.

### Item 1A. Risk Factors.

Not required for smaller reporting companies.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the three months ended March 31, 2010, the Company issued 200,000 shares of its unregistered common stock for services.

The offering and the shares issued for services and option exercises are believed exempt from registration pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(2) the Securities Act of 1933, as amended. The securities offered, and to be sold and issued in connection with the private placement have not been 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 registration requirements.

### Item 3. Defaults Upon Senior Securities.

None

### Item 4. (Removed and Reserved).

### Item 5. Other Information

None

### Item 6. Exhibits

(a) Documents which are filed as a part of this report:

Exhibits:

31.1 – Certification Required by Rule 13a-14(a) or Rule 15d-14(a). Collord

31.2 – Certification Required by Rule 13a-14(a) or Rule 15d-14(a). Jones

32.1-\*\* Certification required by Rule 13a-14(a) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350. Collord

32.2-\*\* Certification required by Rule 13a-14(a) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350. Jones

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(b) of the Securities and 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/ E. James Collord

By \_\_\_\_\_

E. James Collord

President and Chief Executive Officer

Date: May 20, 2010

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/ Eric T. Jones

By \_\_\_\_\_

Eric T. Jones

Secretary/Treasurer and Chief Financial Accounting Officer

Date: May 20, 2010

## Exhibit 31.1

### CERTIFICATION

I, E. James Collord, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: May 20, 2010

By: /s/ E. James Collord  
E. James Collord, President 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, Eric T. Jones, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: May 20, 2010

By: /s/ Eric T. Jones

Eric T. Jones, Secretary/Treasurer and Chief Financial Accounting 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 Quarterly Report of Thunder Mountain Gold, Inc., (the "Company") on Form 10-Q for the period ending March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, E. James Collord, President 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 Thunder Mountain Gold, Inc.

/s/ E. James Collord

E. James Collord, President and Chief Executive Officer

DATE: May 20, 2010

A signed original of this written statement required by Section 906 has been provided to Thunder Mountain Gold, Inc. and will be retained by Thunder Mountain Gold, Inc. to be furnished to the Securities and Exchange Commission or its staff upon request.

**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 Quarterly Report of Thunder Mountain Gold, Inc., (the "Company") on Form 10-Q for the period ending March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric T. Jones, Chief Financial Accounting 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 Thunder Mountain Gold, Inc.

/s/ Eric T. Jones

Eric R. Jones, Secretary/Treasurer and Chief Financial Accounting Officer

DATE: May 20, 2010

A signed original of this written statement required by Section 906 has been provided to Thunder Mountain Gold, Inc. and will be retained by Thunder Mountain Gold, Inc. to be furnished to the Securities and Exchange Commission or its staff upon request.