

OMB APPROVAL	
OMB Number: 3235-0416	
Expires: April 30, 2009	
Estimated average burden hours per response	182.00

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

FORM 10-QSB

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

For the quarterly period ended September 30, 2007

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)

Idaho
(State or other jurisdiction of
incorporation or organization)

91-1031075
(IRS identification No.)

1239 Parkview Drive
Elko, Nevada 89801
(775) 738-9826

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 at least the past 90 days. **Yes** ☒ **No** ☐

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

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date. As of September 30, 2007: 11,129,327 shares of common \$0.05 par value stock non-assessable.

Transitional Small Business Disclosure Format (check one); **Yes** ☐ **No** ☒

SEC 2334 (9-05) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Thunder Mountain Gold, Inc.
Form 10-QSB
For the Quarterly Period Ended September 30, 2007

PART I. – FINANCIAL INFORMATION

Item 1. Financial Statements

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEET

SEPTEMBER 30, 2007
(UNAUDITED)

	September 30, 2007
ASSETS	
Cash and cash equivalents	\$ 635,354
Prepaid expenses	19,279
Federal and state income tax refunds receivable	<u>156,505</u>
Total Current Assets	<u>811,138</u>
Investments (Non-current)	<u>1,565</u>
PROPERTY AND EQUIPMENT	
South Mountain Mines property	332,931
Automotive	71,084
Office equipment	12,061
Mining equipment	<u>1,250</u>
Total Property and Equipment	417,326
Less: Accumulated depreciation	<u>(30,076)</u>
Net Property and Equipment	<u>387,250</u>
Total Assets	<u>\$ 1,199,953</u>

See Notes to Consolidated Financial Statements.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEET

SEPTEMBER 30, 2007
(UNAUDITED)

	September 30, 2007
<hr/>	
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts payable	\$ 36,707
Total Current Liabilities	<hr/> 36,707
STOCKHOLDERS' EQUITY	
Common stock, \$0.05 par value; 12,000,000 shares authorized; 11,129,327 shares issued	556,466
Additional paid-in capital	344,407
Less: 11,700 shares of treasury stock, at cost	(24,200)
Accumulated other comprehensive income	485
Retained earnings (deficit)	(212,793)
Retained earnings accumulated during the exploration stage (1991 through September 30, 2007)	<hr/> 498,881
Total Stockholders' Equity	<hr/> 1,163,246
Total Liabilities and Stockholders' Equity	<hr/> \$ 1,199,953

See Notes to Consolidated Financial Statements.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006, AND FOR THE PERIOD OF
EXPLORATION STAGE FROM 1991 TO SEPTEMBER 30, 2007
(UNAUDITED)

	Three Months Ended		Nine Months Ended		During Exploration Stage (1991 through 9/30/07)
	2007	2006	2007	2006	
INCOME					
Royalties	\$ -	\$ -	\$ -	\$ -	\$ 328,500
EXPENSES					
Exploration	32,513	33,722	65,817	61,444	661,779
Depreciation and depletion	3,475	4,097	10,090	12,148	66,346
Directors' fees and professional services	15,450	-	37,950	25,497	615,695
Legal and accounting	10,948	13,104	74,085	46,117	324,881
Management and administrative	74,841	16,330	178,485	41,961	564,834
Total Expenses	137,227	67,253	366,427	187,167	2,233,535
(LOSS) FROM OPERATIONS	(137,227)	(67,253)	(366,427)	(187,167)	(1,905,035)
OTHER INCOME					
Interest and dividend income	6,508	8,857	22,990	28,939	271,356
Interest expense	-	-	-	-	(27,706)
Gain on sale of property and mining claims	-	-	-	-	2,576,112
Gain on sale of securities	-	-	-	-	166,116
Adjustment for impairment of investments	-	-	-	-	(51,255)
	6,508	8,857	22,990	28,939	2,934,623
INCOME (LOSS) BEFORE INCOME TAXES	(130,719)	(58,396)	(343,437)	(158,228)	1,029,588
(PROVISION) BENEFIT FOR INCOME TAXES	52,941	17,518	139,062	51,539	(257,013)
NET INCOME (LOSS)	(77,778)	(40,878)	(204,375)	(106,689)	772,575
TREASURY STOCK CANCELLED	-	-	-	-	(273,694)
					498,881
OTHER COMPREHENSIVE INCOME, NET OF TAX	-	-	-	-	485
COMPREHENSIVE INCOME (LOSS)	\$ (77,778)	\$ (40,878)	\$ (204,375)	\$ (106,689)	\$ 499,366
EARNINGS (LOSS) PER SHARE					
Basic	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.01)	
WEIGHTED AVERAGE NUMBER OF SHARES-BASIC	11,105,236	8,057,627	10,457,554	8,055,979	

See Notes to Consolidated Financial Statements.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

NINE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006, AND FOR THE PERIOD OF
EXPLORATION STAGE FROM 1991 TO SEPTEMBER 30, 2007
(UNAUDITED)

	2007	2006	During Exploration Stage (1991 through 9/30/07)
CASH FLOWS PROVIDED (USED) BY			
OPERATING ACTIVITIES:			
Net income (loss)	\$ (204,375)	\$ (106,689)	\$ 772,575
Adjustments to reconcile net income (loss) to net cash used by operating activities:			
Depreciation and depletion	10,090	12,148	66,346
Stock and options issued for services	2,800	-	58,420
Amortization of directors' and consultant's fees prepaid with common stock	35,150		35,150
Gain on sale of mining claims	-	-	(2,576,112)
Gain on sale of other assets	-	-	(160,441)
Impairment loss on securities	-	-	51,255
Change in:			
Prepaid expenses	(2,285)	44,888	(3,829)
Federal and state income tax refunds receivable	(49,066)	(51,539)	(156,505)
Federal and state income tax payable	-	(503,514)	-
Accounts payable	28,672	10,965	22,139
Receivables	-	-	124,955
Net Cash Used By Operating Activities	(179,014)	(593,741)	(1,766,047)
CASH FLOWS PROVIDED (USED) BY 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 South Mountain Mines	(332,931)	-	(332,931)
Purchase of equipment	(32,628)	(2,332)	(153,249)
Proceeds from disposition of investments	-	-	642,645
Proceeds from disposition of equipment	-	-	49,310
Net Cash Provided (Used) by Investing Activities	(365,559)	(2,332)	2,427,357
CASH FLOWS PROVIDED (USED) BY FINANCING			
ACTIVITIES:			
Proceeds from sale of common stock	125,000	-	185,000
Reacquisition of common stock	-	-	(376,755)
Borrowing on related party note payable	-	-	241,500
Repayments on related party note payable	-	-	(241,500)
Borrowing on line-of-credit	-	-	188,821
Repayments on line-of-credit	-	-	(188,821)
Net Cash Provided (Used) By Financing Activities	125,000	-	(191,755)

(Continued)

See Notes to Consolidated Financial Statements.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

NINE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006, AND FOR THE PERIOD OF
EXPLORATION STAGE FROM 1991 TO SEPTEMBER 30, 2007
(UNAUDITED)

	2007	2006	During Exploration Stage (1991 through 9/30/07)
NET INCREASE (DECREASE) IN CASH	\$ (419,573)	\$ (596,073)	\$ 469,555
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,054,927	1,739,373	165,799
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 635,354</u>	<u>\$ 1,143,300</u>	<u>\$ 635,354</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Stock issued for mining contract	\$ -	\$ -	\$ 50,000
Stock issued for payment of accounts payable	<u>\$ -</u>	<u>\$ 29,250</u>	<u>\$ 29,250</u>
Stock issued for prepaid directors' and consultant's fees	<u>\$ 50,600</u>	<u>\$ -</u>	<u>\$ 50,600</u>
			(Concluded)

See Notes to Consolidated Financial Statements.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The unaudited consolidated 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-QSB. 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 consolidated 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 nine-month period ended September 30, 2007, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2007.

For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2006.

Net Loss Per Share

Statement of Financial Accounting Standards No. 128, "Earnings per Share," requires dual presentation of basic earnings per share ("EPS") and diluted EPS on the face of all income statements issued after December 15, 1997, 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. For the periods ended September 30, 2007 and 2006, the effect of the Company's outstanding options and common stock equivalents would have been anti-dilutive. Accordingly, only basic EPS is presented. At September 30, 2007, the Company had 225,000 stock options outstanding, that if exercised would be dilutive in a future period if the Company reports net income.

2. Description of Business

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, Valley County, Idaho. Thunder Mountain Gold, Inc., takes its name from the Thunder Mountain Mining District in Valley County, Idaho, where its principal lode mining claims were located. In recent years the Company's activities have been restricted to maintaining its property position and exploration activities. During 2005, the Company sold its holdings in Idaho, and continued its exploration activities.

In 2007, the Company filed Articles of Incorporation for Thunder Mountain Resources, Inc., a wholly owned subsidiary of Thunder Mountain Gold, Inc. The accompanying financial statements are consolidated and include the accounts of Thunder Mountain Resources, Inc.

3. New Accounting Pronouncements

Adoption of New Accounting Pronouncements

On January 1, 2007, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 154, "Accounting Changes and Error Corrections – a replacement of APB Opinion No. 20 and FASB Statement No. 3". The Statement establishes, unless impracticable, retrospective application as the required method for reporting a change in accounting principle in the absence of explicit transition requirements specific to the newly adopted accounting principle. The adoption of this Statement had no material impact on the Company's financial position or result of operations.

THUNDER MOUNTAIN GOLD, INC.
(An Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Adoption of New Accounting Pronouncements, continued

On January 1, 2007, the Company adopted Financial Accounting Standards Board Interpretation No. 48, Accounting for Uncertainty in Tax Positions ("FIN48"). FIN No. 48 clarifies the accounting for uncertainty in income taxes recognized in accordance with SFAS No. 109 "Accounting for Income Taxes," prescribing a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN48 also provides guidance on de-recognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, and accounting for interest and penalties associated with tax positions. In the course of our assessment, it was determined that the Company is subject to examination of the income tax filings in the United States and state jurisdictions for the 2003 through 2006 tax years. Within each of these jurisdictions we examined our material tax positions to determine whether we believed they would be sustained under the more-likely-than-not guidance provided by FIN48. If interest and penalties were to be assessed, we would charge interest to interest expense, and penalties to other operating expense. As a result of our assessment, we have concluded that the adoption of FIN48 had no significant impact on the Company's results of operations or balance sheet for the quarter ended September 30, 2007, and required no adjustment to opening balance sheet accounts as of December 31, 2006.

Newly Released Accounting Pronouncements

In September 2006, the FASB issued SFAS no. 157, "Fair Value Measurements, (SFAS 157), which will become effective in our 2008 financial statements. SFAS 157 establishes a framework for measuring fair value and expands disclosure about fair value measurements, but does not require any new fair value measurements. We have not yet determined the effect that adoption of SFAS 157 may have on our results of operations or financial position.

The FASB issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities — including an amendment of FASB Statement No. 115" in the first quarter 2007. The statement allows entities to value financial instruments and certain other items at fair value. The statement provides guidance over the election of the fair value option, including the timing of the election and specific items eligible for the fair value accounting. Changes in fair values would be recorded in earnings. The statement is effective for fiscal years beginning after November 15, 2007. The Company is evaluating the impact the adoption of this statement will have, if any, on its financial statements.

4. Income Taxes

During the nine month period ended September 30, 2007, the Company recognized \$139,062 of income tax benefit. The benefit resulted from the utilization of the current period's net operating loss carried back to 2005's taxable income.

5. Stockholders' Equity

On January 10, 2007, the Company awarded 500,000 shares of common stock to directors for 2007 prepaid directors' compensation. Management estimated the value of these shares at \$0.09 per share, totaling of \$45,000.

In March 2007, the Company raised gross proceeds of \$125,000 in a private placement of our common stock (2,500,000 shares at \$.05 per share) to officers, directors and affiliates. The price was established through an independent fairness opinion given the lock-up restrictions on the stock.

On July 20, 2007, in a resolution independent of the President and CEO, the Company Board of Directors voted to issue 60,000 shares of common stock to Jerrett Collord, son of the President and CEO of the Company, for mine-application software and data analysis consulting services. The junior Mr. Collord is an experienced geologic database consultant to several mining companies with large operations in Nevada. Management estimated the stock value of these shares at \$0.14 per share, totaling \$8,400.

Item 2. Management's Discussion and Analysis or Plan of Operation

FORWARD LOOKING STATEMENTS: *The above discussion may contain forward looking statements that involve a number of risks and uncertainties. In addition to the factors discussed above, among other factors that could cause actual results to differ materially are 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 September 30, 2007. The following statements may be forward looking in nature and actual results may differ materially.

Plan of Operation:

On May 21, 2007, the Company completed the filing of articles of incorporation with the Secretary of State in Nevada for Thunder Mountain Resources, Inc., a wholly-owned subsidiary of Thunder Mountain Gold, Inc. G. Peter Parsley was appointed as President of Thunder Mountain Resources, Inc., and also serves as its Secretary, Treasurer and sole Director. The financial information for the new subsidiary is included in the consolidated financial statements.

During the reporting period ending September 30, 2007, most of the Company's efforts focused on the geologic evaluation and due diligence efforts on the South Mountain Project. Minimal work was completed on the three other projects in the Company's portfolio. All claim groups were maintained in good standing with the filing of claim holding fees with the Bureau of Land Management and intents to hole as appropriate with the respective counties.

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

1. South Mountain Project, Owyhee County, Idaho -South Mountain Mines, Inc.

Thunder Mountain Resources, Inc. completed the acquisition of 100% ownership of South Mountain Mines, Inc. on September 27, 2007. The sole asset of South Mountain Mines, Inc. consists of seventeen patented mining claims, totaling approximately 326 acres, located in the South Mountain Mining District, Owyhee County, Idaho. The four-month due diligence work of those mining properties was completed prior to closing, and it was determined that there were no significant environmental issues associated with the South Mountain Mines properties. Extensive title work was also completed, and no breaks in the chain of title were discovered, including potential segregation of the surface and mineral ownership on any of the patented claims. Water rights history for the site was also researched.

Geologic work completed during the due diligence period included confirmation of the surface mapping and the collection of surface rock chip sampling in specific areas of interest. A limited ground magnetometer survey was undertaken over known and projected mineralized horizons, and sufficient information was gathered to warrant follow-up work. A contractor

opened the Laxey tunnel portal and secured the underground workings so that access could be gained for examination of the tunnel conditions and to conduct a limited verification sampling program. The tunnel and stopes were found to be in excellent condition with timbering required only in areas of the larger intrusive dikes. Access was gained to the back of the tunnel at the Texas stope area.

On the Laxey Level, a limited chip channel sampling program was conducted in areas of previous sampling programs done in the 1950s by Bunker Hill and others. A total of six samples were collected and analyzed by ALS Chemex lab in Elko, Nevada. The average of the six underground samples was 9.1% zinc, 11 ounces per ton silver, 2.15% copper, 1.5% lead and 0.011 ounce per ton gold. In addition to the underground sampling, an approximate 500-ton lower-grade stockpile remaining from the floatation mill that operated in the 1950s was systematically sampled. The stockpile sample yielded values of 7.13% zinc, 2.0 ounces per ton silver, 0.058 ounce per ton gold, 0.3% lead and .35% copper.

The Company continues to catalog and interpret historic data acquired from South Mountain Mines during the due diligence process. Underground drill and chip sample data has been placed into an electronic database, and the initial phases of a three-dimensional model were completed. Surface geology and soil grids were also placed into the model. This information will be useful for the development of a technical report that will summarize all the historical data.

Access to the Sonneman tunnel (located 300 feet down dip below the Laxey Tunnel) was not undertaken during the period because it will require extensive portal site work and the installation of a ventilation system. According to representatives of the prior owners of South Mountain Mines, it is expected that the tunnel will be in excellent condition because this was the level they did most of their work on during the 1980s. Data review of the Sonneman Level drilling and sampling shows the mineralization continues at that depth, as exemplified by a set of 19 chip channel samples taken along an approximate 75-foot portion of the Texas mineralized zone. Those samples collected by South Mountain Mines averaged 14.45% zinc, 3.98% lead, 0.17% copper, 8.17 ounces per ton silver and 0.21 ounce per ton gold.

Based on the surface geologic evaluation and sampling, the Company has staked fourteen additional unpatented mining claims. Those claims adjoin the block of seventeen South Mountain Mines, Inc. patented claims.

The Bureau of Land Management (BLM) completed a reclamation project on the historic mill tailings located immediately adjacent to the Company's patented claims. Although no significant environmental concerns associated with the estimated 20,000-ton tailings repository were identified by the Idaho Department of Environmental Quality study, or by water samples taken by South Mountain Mines or by Thunder Mountain Resources, the BLM contracted with North Wind to shape the tailings for drainage, then cover them with plastic liner, 18-inches of topsoil, reseed, fence and construct diversion ditches around the tailings area. The Company worked with the BLM to complete the work, and the approximate 2,500 cubic yards of topsoil was mined off of the patented claims. The work was started in September and completed in October, 2007.

2. Trout Creek Claim Group, Lander County, Nevada – Thunder Mountain Resources, Inc.

A total of 58 lode mining claims were staked by Thunder Mountain Resources, Inc. on the Trout Creek target in the Reese River Valley area south of Battle Mountain, Lander County, Nevada. The target is defined by a regional gravity high-low flexure and also by a magnetic anomaly recently confirmed through ground magnetic survey initiated by the Company during the summer of 2007. The anomaly is located in the pediment of the Shoshone Range and is covered by what is interpreted to be fairly shallow alluvial fan deposits.

The Trout Creek target is situated along a northwest structural trend which projects into the Battle Mountain Mining District (Newmont's Phoenix Mine) to the northwest and into the Goat Ridge window and the Gold Acres, Pipeline, and Cortez Mine area to the southeast. Northwest trending mineralized structures in the Battle Mountain mining district are characterized by elongated plutons, grandiorite porphyry dikes, magnetic lineaments, and regional alignment of mineralized areas.

No additional work was completed on the Trout Creek claim group during the reporting period, with the exception of completing the filing of the claims with Lander County and the BLM.

3. West Tonopah Claim Group, Esmeralda County, Nevada – Thunder Mountain Gold, Inc.

Eight unpatented lode mining claims totaling approximately 160 acres located in the Tonopah Mining district of Esmeralda County, Nevada. The claims are located on what has been interpreted to be the offset portion of the West End and Ohio veins along the south limb of the West End Rhyolite intrusive dome. The target is projected to be 500 to 800 feet deep and could initially be tested by surface drilling. The typical veins historically mined in this area are projected to be 10-20 feet thick, with ore shoots up to 50 feet thick. Grades historically mined in the area were 15 to 20 ounces per ton (opt) silver and 0.15 to 0.20 opt gold. There is approximately 3,000 feet of relatively unexplored strike length and the veins could extend to depths of 2,000 feet.

During the period 1900 to 1952, the Tonopah District produced 174,153,600 ounces silver and 1,861,000 ounces of gold from 8,798,000 tons of ore for an average grade of approximately 20 opt silver and 0.21 opt gold. Approximately 50% of this production came from what are called the "contact veins" in the western part of the district where the mineralization occurs near the contacts of the Mizpah Andesite and Tonopah Formation Rhyolite with the domed-shaped West End Rhyolite intrusive sill.

4. Clover Mountain Claim Group, Owyhee County, Idaho- Thunder Mountain Gold, Inc.

The Clover Mountain consists of 40 unpatented lode mining claims totaling approximately 800 acres. A geologic reconnaissance program in the fall of 2006 identified anomalous gold, silver, and other base metals in rock chips and soils at Clover Mountain. Mineralization appears to be associated with subtle stockwork veining in a granitic stock which has been intruded by northeast and northwest trending rhyolitic dikes. The property is overlain by locally silicified rhyolitic tuff.

In addition the properties discussed above, the Company continued the evaluation of properties in these areas that may be available for acquisition, but it must be recognized that in attempting to acquire

mineral properties, we will be at a competitive disadvantage since we must compete with many companies and individuals having greater capital and financial resources and larger technical staffs.

Financial Condition and Liquidity:

As of the end of the third quarter of 2007, the Company had a positive working capital of approximately \$774,431 and maintained its liquid assets in a Merrill Lynch tax-exempt cash management fund and in a Wells Fargo Bank account. This amount includes an anticipated tax refund receivable of \$156,505. The Company's cash and cash equivalents balance at September 30, 2007 of \$635,354 are considered adequate to meet its current and near-term corporate obligations.

The Company has not generated any revenues from its exploration activities and no revenues are anticipated unless and until economically viable mineralized material is defined on the properties that we have an interest in. The Company will undertake efforts to position itself to raise additional capital to fund exploration work to support future development efforts at the South Mountain Project.

At the end of the reporting quarter, the Company had no outstanding liabilities other than accounts payable of approximately \$36,707 for financial services, auditing and legal work.

Capital Resources:

With the exception of a camper shell for a pickup, the Company did not purchase any additional material capital equipment during the quarter ending September 30, 2007.

Results of Operations:

The Company had no production from operations or any revenue derived from operations during the third quarter of 2007.

The Company had a strong financial position for the quarter ending September 30, 2007, and was therefore able to continue the regional exploration program described above.

Item 3. Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the specified time periods.

As of the end of the reporting period, September 30, 2007, the Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) of the Exchange Act. Disclosure controls and procedures are designed to insure that information required to be disclosed by a company in the reports that it files under the Exchange Act are recorded, processed, summarized and reported within required time periods specified by the Securities & Exchange Commission rules and forms. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2007 since new procedures have been adopted and are reflected in consolidated financial statements and this report.

CEO and CFO Certifications

Appearing immediately following the Signatures section of this Quarterly Report there are two separate forms of "Certifications" of the CEO. The second form of Certification is required in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (the Section 302 Certification). This section of the Quarterly Report, which you are currently reading is the information concerning the Controls Evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

Material weaknesses identified by Management.:

No material weaknesses were identified by Management during the reporting period.

Changes in Internal Controls.

As required by Rule 13a-15(d), the Company's Chief Executive Officer and Chief Financial Officer, also conducted evaluations of our internal controls over financial reporting to determine whether any changes occurred during the current quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

During the preparation of the Company's financial statements as of September 30, 2007, the Company has concluded that the current system of disclosure controls and procedures was sufficiently effective for internal controls.

Limitations on the Effectiveness of Controls

The Company's management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our Disclosure Controls or our Internal Controls will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

ITEM II. – OTHER INFORMATION

Item 1. Legal Proceedings

N/A

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

N/A

Item 3. Defaults upon Senior Securities

N/A

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted to the shareholders for vote during the third quarter of 2007.

Item 5. Other Information

Form 8-K, report date October 3, 2007, is incorporated herein by reference.

Item 6. Exhibits

Exhibit Number

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, Director and Chief Executive Officer

Date: November 14, 2007

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 Director and Chief Financial Accounting Officer

Date: November 14, 2007

Exhibit 31.1

Certification

I, E. James Collord, certify that:

(1) I have reviewed this quarterly report on Form 10-QSB 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 small business issuer as of, and for, the periods presented in this report;

(4) The small business issuer'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 small business issuer 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 is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) 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

(c) disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's first fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

(5) The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(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 small business issuer'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 small business issuer's internal control over financial reporting.

/s/ E. James Collord

By _____
E. James Collord
President, Director and Chief Executive Officer
Date: November 14, 2007

Exhibit 31.2

Certification

I, Eric T. Jones, certify that:

(1) I have reviewed this quarterly report on Form 10-QSB 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 small business issuer as of, and for, the periods presented in this report;

(4) The small business issuer'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 small business issuer 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 is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) 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

(c) disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's first fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

(5) The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(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 small business issuer'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 small business issuer's internal control over financial reporting.

/s/ Eric T. Jones

By _____

Eric T. Jones

Secretary/Treasurer and Director and Chief Financial Accounting Officer

Date: November 14, 2007

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-QSB for the period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, E. James Collord, 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/ E. James Collord

By _____
E. James Collord
President, Director and Chief Executive Officer
Date: November 14, 2007

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-QSB for the period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric T. Jones, Secretary/Treasurer, Director and 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 the Company.

/s/ Eric T. Jones

By _____

Eric T. Jones

Secretary/Treasurer and Director and Chief Financial Accounting Officer

Date: November 14, 2007