

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

FORM 10-Q

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

For the quarterly period ended March 31, 2023

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-08429



**THUNDER MOUNTAIN GOLD, INC.**

(Exact name of Registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**91-1031015**

(IRS identification No.)

**11770 W President Dr. STE F**

**Boise, Idaho**

(Address of Principal Executive Offices)

**83713-8986**

(Zip Code)

**(208) 658-1037**

(Registrant's Telephone Number, including Area Code)

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.001 par value	THMG THM	OTCQB TSX-V

(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 filer,  a non-accelerated filer,  a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act) or  an emerging growth company

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 April 21, 2023: 60,855,579

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

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

### Plan of Operation:

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

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

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

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

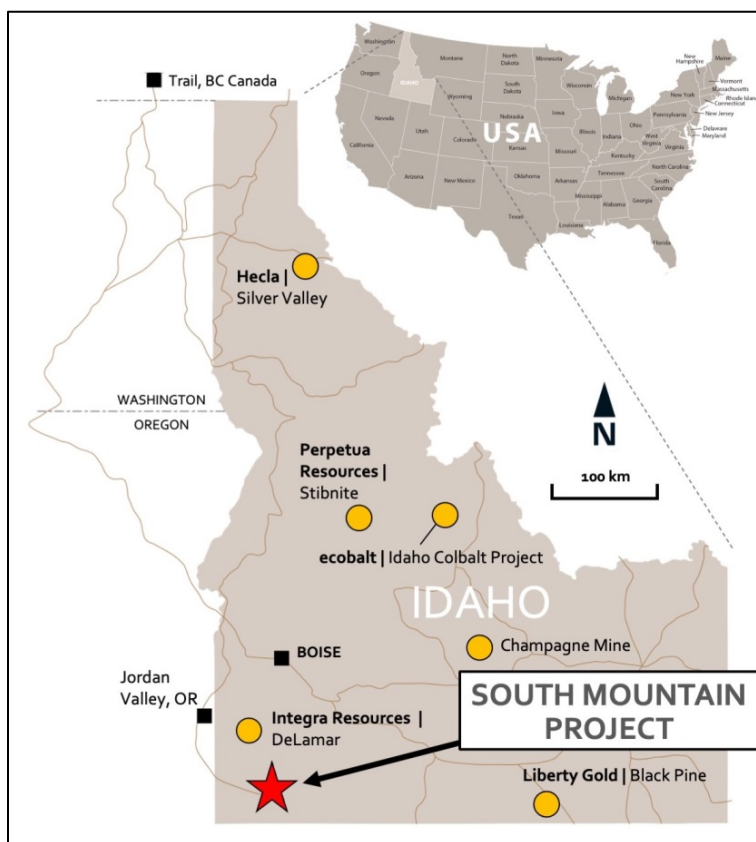
The Company's plan of operation for the next twelve months, subject to business conditions, will be to continue to advance the South Mountain Project, including continued baseline environmental and engineering work necessary to complete a Preliminary Economic Analysis.

### The South Mountain Project

South Mountain is a polymetallic development project focused on high-grade zinc and silver. It is located approximately 70 miles southwest of Boise, Idaho (see Figure 2). The Project was intermittently mined from the late 1800s to the late 1960s and its existing underground workings remain intact and well maintained. Historic production at the Project has largely come from high-grade massive sulfide bodies that remain open at depth and along strike. According to historical smelter records, approximately 53,642 tons of mineralized material has been mined to date. These records also indicate average grades; **14.5% Zn, 11.63 opt Ag, 0.063 opt Au, 2.4% Pb, and 1.4% Cu** were mined.

Thunder Mountain Gold Inc. purchased and advanced the Project from 2007 through 2019 investing approximately US\$12M during that period. The current mineral resource estimate of the deposit is detailed in Table 3 below. The Project is largely on and surrounded by private surface land, and as such, the permitting and environmental aspects of the Project are expected to be straightforward. Permits are currently in place for underground and surface exploration and development activities.

**Figure 2. Location of South Mountain Project**



### **South Mountain Project – BeMetals Option Agreement**

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

With the help of Thunder Mountain Gold, BeMetals (BMET) commenced drilling at South Mountain in July of 2019 and drilled twenty-one holes totaling 7,517 feet (2,290 meters) from five underground drilling stations within the Sonneman level. The drilling program was designed to test potential down plunge extensions, and overall continuity to the mineralized zones and confirm the grade distribution of the current polymetallic mineral resource. All of the drill core recovered from the drilling was logged on site and assayed by ALS Chemex. Selected intervals and results are summarized in the Company’s Form 10K for the year ended December 31, 2021.

On September 21, 2021, the Company agreed to an extension of the Option Agreement with BeMetals Corp. The Extension is through the 2022 calendar year, with the same terms to acquire up to a 100% interest in the South Mountain Project in southwest Idaho, U.S.A. In exchange for the Extension, BeMetals paid the Company the Tranche 6 Payment of \$250,000.

On December 30, 2022, Thunder Mountain Gold, Inc. by and through its subsidiaries Thunder Mountain Resources, Inc., a Nevada Corporation, and South Mountain Mines, Inc., an Idaho Corporation (“SMMI”) (collectively the “Company”, “THMG”, or “We”, “Our” or “Us”) agreed to terminate the Option Agreement, (the “BeMetals Option Agreement”) with BeMetals Corporation, a British Columbia corporation, and BeMetals USA Corporation, a Delaware corporation (“BeMetals BMET”).

## **2022 PROJECT HIGHLIGHTS - SOUTH MOUNTAIN PROJECT**

On September 5, 2022, Crone Geophysics based in Toronto, Canada initiated a time domain pulse electromagnetic (PEM) survey over a portion of the South Mountain Mines. The objective of the survey is to delineate massive sulfide mineralization within a marble unit bounded by Paleozoic schists. Historic mining on the area was conducted on massive sulfide mineralization associated hosted by the Laxey marble within the survey area. Bowes (1985) describes the sulfide bodies as pipe-like dipping to the southwest at 40-50° and raking 50°. The survey was completed on November 7, 2022. In addition to the PEM survey, property scale topography, geology and ground magnetics will be included to provide supporting data for the interpretation. The digital products include raw data, intermediate processed products, and final products in several data formats.

In May of 2021, BeMetals Corp. completed an updated Mineral Resource Estimate (“MRE”), incorporating results from Phase 1 and 2 underground diamond drilling programs at the South Mountain Project. The updated MRE includes a substantially increased resource for the Project while maintaining the high-grade nature of the mineralization.

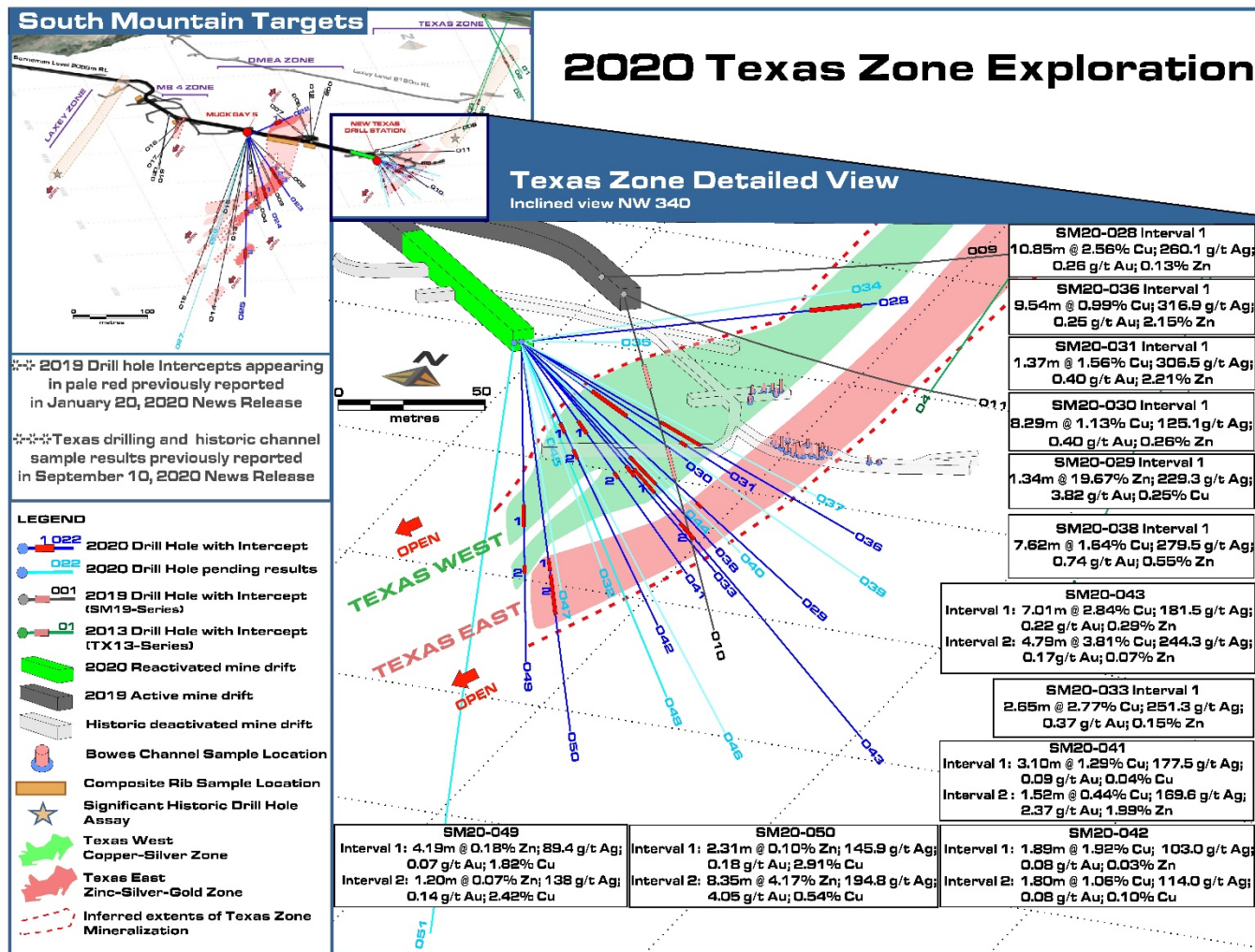
The updated Independent MRE, which has an effective date of April 20, 2021, was prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI-43-101”) by Hard Rock Consulting, LLC, based in the U.S.A. A technical report for this MRE was filed with SEDAR, and on the Company’s website, within 45 days from the date of this news release.

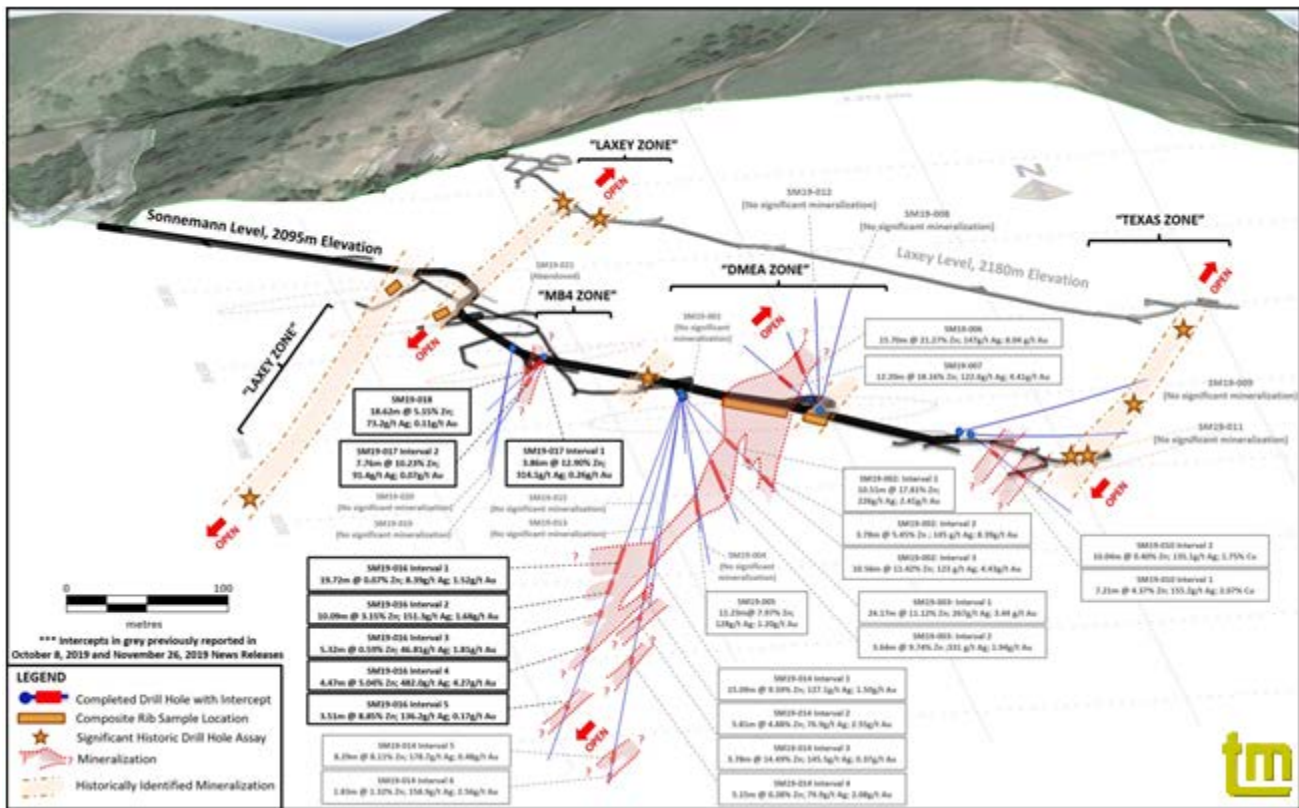
After signing the Option Agreement Extension, BeMetals Corp. embarked on a phase 3 program at South Mountain with the objective to significantly expand the scale of the current Mineral Resource Estimate (“MRE”) at South Mountain (*See Summary of the MRE below*), testing and establishing the down depth extent of mineralization on the DMEA zone. The DMEA Zone is the largest known body of mineralization on the Property, containing the majority of tonnage in the current MRE, and the mineralized zone remains open at depth.

Based on the last two phases of underground drilling and all the historical exploration data available, we believe there is the potential to expand the down-plunge extensions of the mineral resource with this new phase of surface drilling at the Property. The plan is to initially complete approximately 7,000 feet (2,100 meters) of surface core drilling in this phase of exploration. Assuming this exploration program is successful, the BMET will update the current MRE and continue the ongoing Preliminary Economic Assessment for the Project in 2022.

By December of 2021, 2 surface core holes had been drilled for a combined total of 3,600 feet, the results of which were added to the resource model.

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



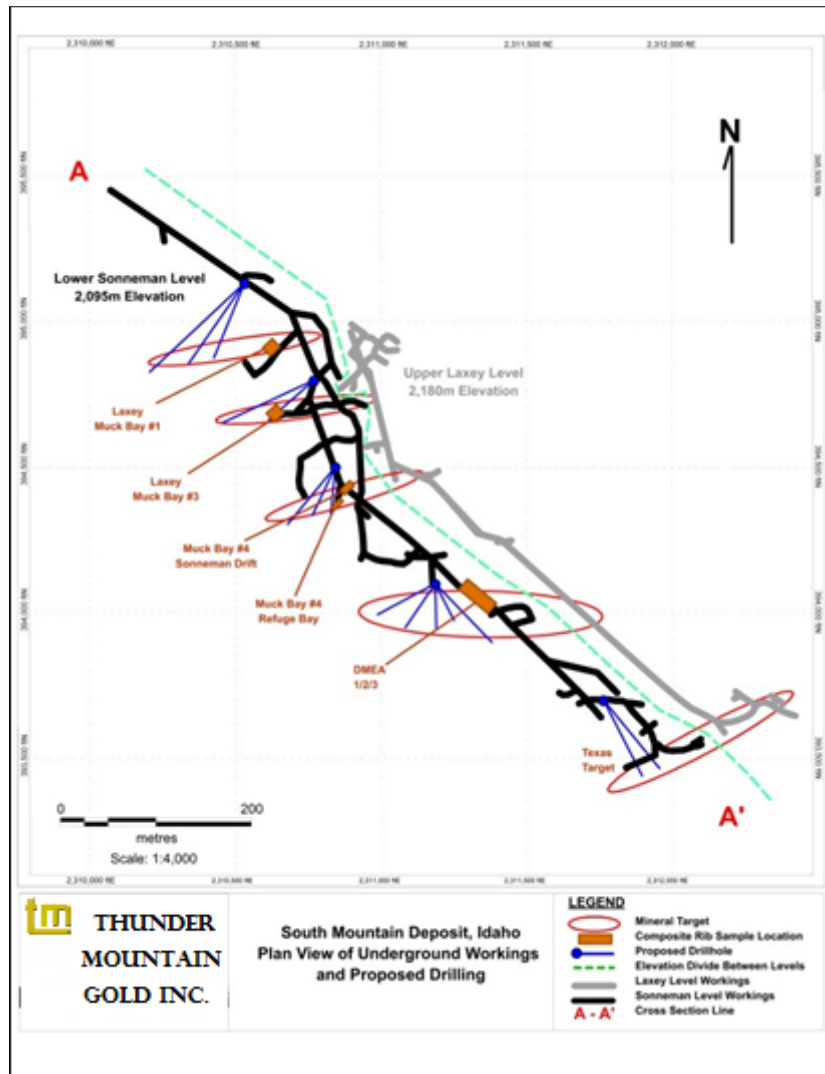


**Figure 1:** 3D Perspective View inclined at 20 degrees looking north-north-east, showing locations of rib-sampling, priority target zones, and the phase 1 drill holes and highlighted the recent SM19-016, SM19-017 and SM19-018

Underground core drilling was conducted to extend and upgrade the South Mountain resource - testing the continuity and down-dip extensions of the high-grade polymetallic massive sulfide zones. The Company and BeMetals completed additional core drilling in the DMEA and Laxey zones to complete the confirmation and extensional drilling. The Company also retrieved bulk samples for metallurgical test work.

More than 15,000 feet (4,500 meters) have been drilled at South Mountain and included in the model. The South Mountain historic ore zones remain open down-dip on the zones encountered. The successful drilling and development work proves that the South Mountain resource continues to grow with potential to increase the resource substantially.





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

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

Information concerning our mining properties has been prepared in accordance with the requirements of subpart 1300 of Regulation SK, which first became applicable to us for the fiscal year ended December 31, 2021. These requirements differ significantly from the previously applicable disclosure requirements of SEC Industry Guide 7. Among other differences, subpart 1300 of Regulation S-K requires us to disclose our mineral resources, in addition to our mineral reserves, as of the end of our most recently completed fiscal year both in the aggregate and for each of our individually material mining properties. You are cautioned that mineral resources do not have demonstrated economic value. Mineral resources are subject to further exploration and development, are subject to additional risks, and no assurance can be given that they will eventually convert to future reserves. Inferred Resources, in particular, have a great amount of uncertainty as to their existence and their economic and legal feasibility. Investors are cautioned not to assume that any part or all of the Inferred Resource exists or is economically or legally mineable. See Item 1A, Risk Factors.

Disclosure of the NI-43-101 has been prepared in accordance with the requirements of Canadian securities laws, including Canadian National Instrument 43-101 (“NI 43-101”). The Highlights of South Mountain NI-43-101 section refers to “mineral resources,” “measured mineral resources,” “indicated mineral resources,” and “inferred mineral resources.”

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



## **Trout Creek Project, Lander County, Nevada**

The Trout Creek project is a highly prospective gold exploration target located along the western flank of the Shoshone Mountain Range in the Reese River Valley in Lander County, Nevada. The Project is located approximately 155 air miles northeast of Reno, Nevada, or approximately 20 miles south of Battle Mountain, Nevada, in Sections 10, 11, 14, 16, 21, 22, 27; T.29N.; R.44E. Mount Diablo Baseline & Meridian, Lander County, Nevada. Latitude: 40° 23' 36" North, Longitude: 117° 00' 58" West. The property is generally accessible year-round by traveling south from Battle Mountain Nevada on state highway 305, which is paved.

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

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

The Company does not plan to conduct any work on the Trout Creek Property in 2023, but instead will focus all of their efforts on their South Mountain Project.

There are currently no environmental permits required for the planned exploration work on the property. In the future, a notice of intent may be required with the Bureau of Land Management.

## **Competition**

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

## **Employees**

The Company employs three full-time officers. As part of the BeMetals agreement, the Company allowed these officers to work on the South Mountain Project on a consulting arrangement with BeMetals. It is anticipated that the employees will continue their work with the Company.

## **Results of Operations:**

For the quarter ended March 31, 2023, the Company recorded a net loss of \$359,830 compared to a net loss of \$511,729 for the same period in 2022. The decrease in net loss is due to the decrease in management and administrative expenses associated with stock based compensation expense and the decrease in unrealized loss on investments recognized in 2022 when compared to the period ended March 31, 2023.

The Company recognized no income in management services income for the three-month period ended on March 31, 2023, compared to \$75,000 recognized for the Quarter ending March 31, 2022. The decrease in revenue is due to the termination of the BeMetals Option Agreement (see Note 3).

Total operating expenses for the three months ending March 31, 2023, of \$213,132 decreased from the comparative period in 2022 by \$134,631 or 39%. Exploration expenses for the three months ended March 31, 2023, increased by \$17,266 or 1,482% when compared to same period in 2022. The increase in exploration expense is due to the termination of the BeMetals Option Agreement. Prior to the termination of the Option Agreement on December 30, 2022 BeMetals was funding all exploration expenses at the Company's South Mountain Property.

Legal and accounting costs decreased for three-month period ended March 31, 2023, compared to 2022 by \$5,731 or 8%. Management and administrative expenses decreased by \$145,938 or 53% principally due to the decrease in stock compensation of \$158,341 related to options issued to our officers and directors on March 21, 2022. There were no options issued for the quarter ended March 31, 2023.

Other expenses decreased by \$92,268 or 39% for the quarter due to a decrease in the unrealized loss on the BeMetals investment. For the quarter ended March 31, 2023 the Company recognized an unrealized loss on the investment in BeMetals of \$147,428 compared to an unrealized loss of \$239,064 in the same quarter of 2022. The decrease in unrealized loss of \$91,636 represents a 38% decline from the prior year.

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

The consolidated financial statements for the year ended March 31, 2023, have been prepared under the assumption that we will continue as a going concern. Such an assumption contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the consolidated financial statements for the three-month period ended March 31, 2023, we have cash reserves and available for sale securities sufficient to cover normal operating expenditures for the following 12 months.

The Company has 8 million common shares of BMET USA with a market value of \$591,184, and the Company had cash and cash equivalents of \$464,225 for the year ending March 31, 2023.

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

- On March 31, 2023, the Company had cash and cash equivalents of \$464,225.
- The Company has 8 million common shares of BMET USA with a market value of \$591,184, on March 31, 2023.
- The ability to raise additional equity capital based upon the results of the exploration and development conducted by BeMetals.

It is important to note, upon the termination of BeMetals South Mountain Option Agreement, the Company's management immediately commenced marketing the South Mountain Project to other groups that have expressed an interest.

We believe we have the ability to continue as a going concern, even though our accumulated deficit totaled \$6,711,211 as of March 31, 2023. Our plans for the long-term continuation as a going concern include financing our future operations through sales of our common stock and/or debt and the eventual profitable exploitation of our mining properties. The Company does have the option of selling BeMetals common stock shares. If we are not successful with our plans, equity holders could then lose all or a substantial portion of their investment.

At March 31, 2023, we have current assets of \$1,108,268. For the period ended March 31, 2023, net cash used for operating activities was \$208,493. Our future liquidity and capital requirements will depend on many factors, including timing, cost and progress of our exploration efforts, our evaluation of, and decisions with respect to, our strategic alternatives, and costs associated with the regulatory approvals. If it turns out that we do not have enough cash to

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

- On April 21, 2023, we had \$439,173 in cash in our bank accounts.
- We do not include in this consideration any option payments mentioned below.
- Management is committed to managing expenses of all types to not exceed the on-hand cash resources of the Company at any point in time, now or in the future.
- The Company will also consider other sources of funding, including potential mergers, the sale of all or part of the Company's BeMetals Corp. (TSX-V: BMET) common shares beneficially held, and/or additional farm-out of its other exploration property.

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

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

## Contractual Obligations

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

Contractual obligations	Payments due by period				
	Total*	Less than 1 year	2-3 years	4-5 years	More than 5 years
Acree Lease (yearly, June)(1)	\$3,390	\$3,390	-	-	\$ -
Lowry Lease (yearly, October)(1)(2)	\$11,280	\$11,280	-	-	\$ -
OGT LLC <sup>(3)</sup>	\$15,000	\$5,000	\$10,000	-	\$ -
<b>Total</b>	<b>\$29,670</b>	<b>\$19,670</b>	<b>\$10,000</b>	<b>-</b>	<b>\$ -</b>

- (1) Amounts shown are for the lease periods years 15 through 16, a total of 1 year that remains after 2022, the lease was extended an additional 10 years at \$30/acre after 2014.
- (2) The Lowry lease has an early buy-out provision for 50% of the remaining amounts owed in the event the Company desires to drop the lease prior to the end of the first seven-year period.
- (3) OGT LLC, managed by the Company's wholly owned subsidiary SMMI, receives a \$5,000 per year payment for up to 10 years, or until a \$5 million capped NPI Royalty is paid.

## Critical Accounting Policies

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

- a) Estimates. Our management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increase, these judgments become even more subjective and complex. Although we believe that our estimates and assumptions are reasonable, actual results may differ significantly from these estimates.

Changes in estimates and assumptions based upon actual results may have a material impact on our results of operation and/or financial condition.

- b) **Stock-based Compensation.** The Company records stock-based compensation in accordance with ASC 718, “Compensation – Stock Compensation” using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.
- c) **Income Taxes.** We have current income tax assets recorded in our financial statements that are based on our estimates relating to federal and state income tax benefits. Our judgments regarding federal and state income tax rates, items that may or may not be deductible for income tax purposes and income tax regulations themselves are critical to the Company’s financial statement income tax items.
- d) **Investments.** In a joint venture where the Company holds more than 50% of the voting interest and has significant influence, the joint venture is consolidated with the presentation of non-controlling interest. In determining whether significant influences exist, the Company considers its participation in policy-making decisions and its representation on the venture management committee.

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

Not required for smaller reporting companies.

### **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.

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

During the quarter covered by this report, 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.

## **PART II – OTHER INFORMATION**

### **Item 1. Legal Proceedings.**

On April 12, 2023, the Company received a notice of Complaint filed in the fourth judicial district court of the State of Idaho by a law firm representing a former mining contractor who had worked on the South Mountain Mine project in the Fall of 2020. The Complaint alleges the Company owes the contractor \$44,903 for past services related to the BeMetals Option Agreement. The Company has contested the amount owing and expects the action to be settled without a material impact on the Company's financial position.

### **Item 1A. Risk Factors.**

Mineral resources are subject to further exploration and development, are subject to additional risks, and no assurance can be given that they will eventually convert to future reserves. Inferred Resources have a great amount of uncertainty as to their existence and their economic and legal feasibility. Mineral interests are periodically assessed for impairment of value and any subsequent losses are charged to operations at the time of impairment. Thunder Mountain Gold evaluated these impairment considerations and determined that no such impairments occurred as of March 31, 2023.

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

On March 21, 2022, the Company granted 1,600,000 stock options to officers and directors of the Company. The fair value of the options was determined to be \$139,200 using the Black Scholes model. The options are exercisable on or before March 21, 2027 and have an exercise price of \$0.09. The options were fully vested upon grant and the entire fair value was recognized as compensation expense during the quarter ended March 31, 2022.

### **Item 3. Defaults Upon Senior Securities.**

None.

### **Item 4. Mine Safety Disclosures**

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

During the three-month period ended March 31, 2023, the Company did not have any operating mines and therefore had no such specified health and safety violations, orders or citations, related assessments or legal actions, mining-related fatalities, or similar events in relation to the Company's United States operations requiring disclosure pursuant to Section 1503(a) of the Dodd-Frank Act.

### **Item 5. Other Information**

None.