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Thunder Mountain Gold Announces an Intercept of Sulfide Mineralization at Their South Mountain Property

Boise Idaho, October 3, 2008: Thunder Mountain Gold, Inc. (OTCBB: THMG), today announced that Thunder Mountain Resources, Inc., a wholly-owned subsidiary (Company), has completed their first core hole in its planned exploration program at their South Mountain Mine, Owyhee County, Idaho.

The Company contracted with **REI Drilling, Inc.**, headquartered in Salt Lake City, Utah to conduct a total of 3,500-foot surface core drilling program in several holes to test the down dip extension of the Texas and DMEA 2 ore zones encountered in the historic underground workings. The hole (DMEA 2) encountered a zone of mineralization from 656 feet to 705 feet with approximately 40 feet of the core consisting of massive sulfide consisting of sphalerite, chalcopyrite and pyrrhotite - similar in character to that mined on the Sonneman and Laxey Levels. The target for the hole was the down dip extension of this mineralization approximately 280 to 300 feet below the Sonneman Level. It is believed that the intercept proves that the mineralization extends well below the existing workings. The hole was drilled from the surface and was completed to a total depth of 785 feet. It was designed to test the down dip extension of the DMEA 2 and peripheral high-grade mineralization encountered on both the Sonneman and Laxey mine levels.



The intercept has not been analyzed as yet. Once the core has been split, it will be sent to ALS Chemex Labs in Elko, Nevada for analysis. It is expected that the analysis will be completed by early November, but Management believes that it will be similar in value to the DMEA 2 mineralized zone encountered on the Sonneman Level where a bulk sample test conducted in the mid-1980s by South Mountain Mines, Inc. had values of 22.87% zinc, 0.50% copper, 0.47 lead, 0.12 ounce per ton (opt) gold and 3.3 opt silver. The DMEA 2 zone on the Sonneman Level was extensively drilled by South Mountain Mines and a zone of massive sulfide approximately 75 feet by 50 feet was defined. This zone is within a broader zone of mineralization that was intercepted by the Sonneman Level tunnel and drilling that is approximately 300 feet long and locally 50+ feet thick.

The core rig is being moved to a second surface site to drill test the Texas mineralized zone approximately 300 feet down dip of the Sonneman Level. The Texas mineralization, located some 900 feet east of the DMEA 2 zone, was defined and partially mined by the underground mining conducted during World War II through the mid-1980s. This mineralized zone extends was mined from the Laxey Level to the surface, and has been encountered on the Sonneman Level, some 300 vertical feet below the Laxey Level. The total down dip mineralization of the Texas Ore Shoot has been identified over some 750+ feet from the surface to the Sonneman Level.

Jim Collord, President of Thunder Mountain Gold, said of preliminary drill results, "We are excited by the intercept of what we believe is significant sulfide mineralization within the DMEA 2 drill hole. Subject to verification, it may well prove that the favorable host marble horizon and mineralization extends well below any high-grade mineralization encountered by the previous underground workings. We are guardedly optimistic that after the assay reports are analyzed the results could enhance the resource defined by previous operators. We are optimistic that the resources outlined in the Kleinfelder technical report can be expanded well below the 150-foot depth cut off below the Sonneman Level that was used for their resource calculation. We are anxious to verify our visual observation of the sulfide intercept with the upcoming analytical work."

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