Thunderbird
RESORTS

Interim Management Statement First Quarter 2011 - 20 May 2011

First Quarter 2011 Highlights

- The Group reported a profit from continuing operations of $194,000 for Q1 2011. This is the Group's first quarterly profit, since the onset of the global financial crisis that has not benefitted from a material one-time gain or a foreign exchange gain. For example, the Group showed a profit of $3.7 million for the same period in 2010, but benefitted from a one-time gain of $3.2 million from the sale of the Thunderbird Hotels-Pardo in Peru and a $3.3 million consolidated FOREX gain.

- The Group's profits were in spite of a modest 1.5% growth in revenues to $31.2 million in Q1 2011 from $30.7 million reported for the same period in 2010. Revenue growth was hampered by a smoking ban imposed at the Group's Poro Point property in the Philippines, by ongoing construction that closed certain gaming areas at its Rizal property also in the Philippines, and by a continuing soft gaming market in Costa Rica.

- The Group's profits were also in spite of inflationary pressures that resulted in higher than expected property, marketing & administrative expenses, with an increase to $21.7 million in Q1 2011 from $20.6 million for the same period in 2010.

CEO Jack Mitchell comments:

Dear Readers,

In our 2010 Annual Report, we described 3 key goals to drive earnings growth: a) Grow revenues in current markets; b) Stabilize operating expenses; and c) Further reduce interest expense through debt reduction. Here is how we fared in Q1 2011:

<u>Grow Revenues in Current Markets</u>: Q1 2011 revenues were flat compared to the same period in 2010. Revenues were up in Peru (+8.7%) and Nicaragua (+7.6%), flat in the Philippines (-0.7%) and down in Costa Rica (-9.3%). The lack of growth in the Philippines was specifically due to short-term factors and, in fact, in April our operations there experienced a 19% year-on-year increase compared to April 2010. Costa Rica has had soft revenue during the entire quarter and management is working on a plan to correct the situation, which we expect to report in the near future.

<u>Stabilize Operating Expenses</u>: Property-level operating expenses totaled $23.4 million in Q1 2011, which is a $1.5 million increase over the same period from 2010. Regardless, this was actually a decrease from the second half of 2010. Corporate-level expenses were reduced to $1.2 million in Q1 2011 from $1.5 million in the same period of 2010. In both cases, we expect expenses to be relatively stable during 2011.

<u>Further Reduce Interest Expense</u>: Interest expense was reduced to $2.7 million in Q1 2011 compared to $4.3 million in the same period in 2010. This is a quarterly savings on interest expense of $1.6 million. With the sale of two more hotels in April 2011 and the subsequent repayment of additional debt, we expect interest expense to be further reduced and to be a primary driver of income growth in 2011.

We will continue to focus and report on these earnings drivers throughout 2011. We still believe that the ongoing opportunities and challenges described in our 2010 Annual Report continue to be relevant, and will also report on such items as material events unfold.

Jack Mitchell, President and CEO

Thunderbird Resorts Inc. Group

Financial Review

The selected financial data below has been derived from the Group's unaudited interim consolidated financial statements for the three month period ended 31 March 2011 and the related notes included in this report. All monetary amounts are in United States dollars.

(In thousands, except per share data)	**As reported [1]**		%	**As adjusted [2]**		%
	31 March 2011	**31 March 2010**	change	**31 March 2011**	**31 March 2010**	change
Net gaming wins	**$ 24,588**	$ 24,667	-0.3%	**$ 24,746**	$ 39,078	-36.7%
Food and beverage sales	**2,725**	2,464	10.6%	**2,728**	3,444	-20.8%
Hospitality and other sales	**3,875**	3,612	7.3%	**3,875**	3,613	7.3%
Total revenues	**31,188**	30,743	1.4%	**31,349**	46,135	-32.0%
Promotional allowances	**1,792**	1,363	31.5%	**1,792**	1,723	4.0%
Property, marketing and administration	**21,680**	20,587	5.3%	**21,910**	32,147	-31.8%
Property EBITDA	**7,716**	8,793	-12.2%	**7,647**	12,265	-37.7%
Corporate expenses	**1,218**	1,498	-18.7%	**1,218**	1,498	-18.7%
Adjusted EBITDA	**6,498**	7,295	-10.9%	**6,429**	10,767	-40.3%
Adjusted EBITDA as a percentage of revenues	**21%**	24%		**21%**	23%	
Depreciation and amortization	**3,581**	4,204	-14.8%	**3,600**	6,287	-42.7%
Interest and financing costs, net	**2,673**	4,263	-37.3%	**2,729**	4,590	-40.5%
Management fee attributable to non-controlling interest	**(220)**	(837)	-73.8%	**(211)**	181	-216.4%
Project development	**113**	540	-79.1%	**113**	540	-79.1%
Shared based compensation	**-**	131	-100.0%	**-**	131	-100.0%
Foreign exchange gain	**(85)**	(3,326)	-97.4%	**(202)**	(3,332)	-94.0%
Other (gain) / loss	**7**	(2,489)	-100.3%	**7**	(2,364)	-100.3%
Derivative financial instrument	**-**	88	100.0%	**-**	88	100.0%
Income taxes	**235**	980	-76.1%	**235**	1,160	-79.8%
Profit for the period from continuing operations	**$ 194**	$ 3,741	-94.8%	**$ 158**	$ 3,486	-95.5%
Loss for the period from discontinued operations	**(36)**	(255)	-85.9%	**-**	-	0.0%
Profit for the period	**$ 158**	$ 3,486	-95.5%	**$ 158**	$ 3,486	-95.5%
Non-controlling interest	**$ 149**	$ 982	-84.8%	**$ 149**	$ 982	-84.8%
Profit for the period attributable to the owners of the parent	**$ 9**	$ 2,504	-99.6%	**$ 9**	$ 2,504	-99.6%
Currency translation reserve	**291**	779	-62.6%	**291**	779	-62.6%
Total comprehensive income for the period attributable to the owners of the parent	**$ 300**	$ 3,283	-90.9%	**$ 300**	$ 3,283	-90.9%
Earnings per common share:						
Basic	**$ 0.00**	$ 0.13		**$ 0.00**	$ 0.13	
Diluted	**$ 0.00**	$ 0.12		**$ 0.00**	$ 0.12	
Weighted average number of common shares:						
Basic	**20,700**	**19,730**		**20,700**	**19,730**	
Diluted	**21,395**	**20,394**		**21,395**	**20,394**	

(1) As reported reflects Panama, Guatemala, and Poland operations as discontinued operations.
(2) As adjusted includes the three months ended 31 March 2011 and 2010 operating results of Panama, Guatemala, and Poland for comparative purposes.

Basic shares outstanding are the weighted average number of shares outstanding for the three month period ended as of 31 March 2011. Total basic shares outstanding as of 31 March 2011 were 20,700,000. Total actual shares outstanding as of 20 May 2011 were 20,719,767.

Group Data by Country

(In thousands)	As reported (1)		%	As adjusted (2)		%
	31 March 2011	31 March 2010	change	31 March 2011	31 March 2010	change
REVENUES BY COUNTRY						
Panama	**$ -**	$ -	0.0%	**$ -**	$ 14,044	-100.0%
Guatemala	**-**	-	0.0%	**-**	829	-100.0%
Nicaragua	**2,938**	2,731	7.6%	**2,938**	2,731	7.6%
Costa Rica	**5,140**	5,664	-9.3%	**5,140**	5,664	-9.3%
Philippines	**12,167**	12,252	-0.7%	**12,168**	12,252	-0.7%
Peru	**10,891**	10,022	8.7%	**10,891**	10,022	8.7%
Poland	**-**	-	0.0%	**160**	519	-69.1%
Other	**52**	74	-29.7%	**52**	74	-29.7%
Total revenues	**$ 31,188**	$ 30,743	1.4%	**$ 31,349**	$ 46,135	-32.0%
PROPERTY EBITDA BY COUNTRY						
Panama	**$ -**	$ -	0.0%	**$ -**	$ 3,720	-100.0%
Guatemala	**-**	-	0.0%	**-**	(22)	100.0%
Nicaragua	**554**	451	22.8%	**554**	451	22.8%
Costa Rica	**1,531**	2,508	-39.0%	**1,531**	2,508	-39.0%
Philippines	**2,918**	4,047	-27.9%	**2,918**	4,047	-27.9%
Peru	**2,713**	1,787	51.8%	**2,713**	1,787	51.8%
Poland		-	0.0%	**(69)**	(226)	-69.5%
Property EBITDA	**$ 7,716**	$ 8,793	-12.2%	**$ 7,647**	$ 12,265	-37.7%
Property EBITDA as a percentage of revenues	**25%**	**29%**		**24%**	**27%**	
Other (corporate expenses)	**(1,218)**	(1,498)	-18.7%	**(1,218)**	(1,498)	-18.7%
Adjusted EBITDA	**$ 6,498**	$ 7,295	-10.9%	**$ 6,429**	$ 10,767	-40.3%
Adjusted EBITDA as a percentage of revenues	**21%**	**24%**		**21%**	**23%**	

(1) As reported reflects Panama, Guatemala, and Poland operations as discontinued operations.
(2) As adjusted includes the three months ended 31 March 2011 and 2010 operating results of Panama, Guatemala, and Poland for comparative purposes.

(In thousands)	As reported (1)		%	As adjusted (2)		%
	31 March 2011	31 March 2010	change	31 March 2011	31 March 2010	change
Profit for the period attributable to the owners of the parent	**$ 9**	$ 2,504	-99.6%	**$ 9**	$ 2,504	-99.6%
Depreciation and amortization	**3,581**	4,204	-14.8%	**3,600**	6,287	-42.7%
Foreign exchange (gain)/loss	**(85)**	(3,326)	97.4%	**(202)**	(3,332)	94.0%
Project development	**113**	540	-79.1%	**113**	540	-79.1%
Other (gain) / loss, derivative financial instruments, and share based compensation	**7**	(2,270)	-100.3%	**7**	(2,145)	-100.3%
Adjusted net earnings	**$ 3,625**	$ 1,652	119.4%	**$ 3,527**	$ 3,854	-8.5%

(1) As reported reflects Panama, Guatemala, and Poland operations as discontinued operations.
(2) As adjusted includes the three months ended 31 March 2011 and 2010 operating results of Panama, Guatemala, and Poland for comparative purposes.

Below is a reconciliation of EBITDA, property EBITDA and adjusted EBITDA to loss for the period attributable to the owners of the parent.

(In thousands)	As reported (1) 31 March 2011	31 March 2010	% change	As adjusted (2) 31 March 2011	31 March 2010	% change
Profit for the period from continuing operations	**$ 194**	$ 3,741	-94.8%	**$ 158**	$ 3,486	-95.5%
Income tax expense	**235**	980	-76.1%	**235**	1,160	-79.8%
Net interest expense	**2,673**	4,263	-37.3%	**2,729**	4,590	-40.5%
Depreciation and amortization	**3,581**	4,204	-14.8%	**3,600**	6,287	-42.7%
EBITDA	**6,683**	13,188	-49.3%	**6,722**	15,523	-56.7%
Other (gain) loss and derivative financial instruments	**7**	(2,401)	-100.3%	**7**	(2,276)	-100.3%
Project development	**113**	540	-79.1%	**113**	540	-79.1%
Management fee attributable to non-controlling interest	**(220)**	(837)	-73.8%	**(211)**	181	-216.4%
Share based compensation	**-**	131	-100.0%	**-**	131	-100.0%
Foreign exchange gain	**(85)**	(3,326)	-97.4%	**(202)**	(3,332)	-94.0%
Adjusted EBITDA (3)	**6,498**	7,295	-10.9%	**6,429**	10,767	-40.3%
Corporate and other	**1,218**	1,498	-18.7%	**1,218**	1,498	-18.7%
Property EBITDA (4)	**$ 7,716**	$ 8,793	-12.2%	**$ 7,647**	$ 12,265	-37.7%

(1) As reported reflects Panama, Guatemala, and Poland operations as discontinued operations.
(2) As adjusted includes the three months ended 31 March 2011 and 2010 operating results of Panama, Guatemala, and Poland for comparative purposes.
(3) Property EBITDA consists of income from operations before depreciation and amortization, write-downs, reserves and recoveries, project development and pre-opening costs, corporate expenses, corporate management fees, merger and integration costs, profit/(losses) on interests in non-consolidated affiliates and amortization of intangible assets. Property EBITDA is a supplemental financial measure we use to evaluate our country-level operations. However, property EBITDA should not be construed as an alternative to income from operations as an indicator of our operating performance, or to cash flows from operating activities as a measure of liquidity. All companies do not calculate property EBITDA (or similar measures) in the same manner. As a result, property EBITDA as presented in this press release may not be comparable to similarly-titled measures presented by other companies.
(4) Adjusted EBITDA represents net earnings before net interest expense, income taxes, depreciation and amortization, equity in earnings of affiliates, Non-controlling interest, development costs, and gain on refinancing and discontinued operations. We use adjusted EBITDA to assess the asset-level performance of our ongoing operations. However, adjusted EBITDA should not be construed as an alternative to income from operations as an indicator of our operating performance, or to cash flows from operating activities as a measure of liquidity. All companies do not calculate adjusted EBITDA or similar measures in the same manner; as a result, adjusted EBITDA as presented in this press release may not be comparable to similarly-titled measures presented by other companies.

Capital Resources and Liquidity

Liquidity is a measure of our ability to meet potential cash requirements, including ongoing commitments to repay borrowings, fund and maintain investments and other general business needs. Our primary source of liquidity has historically been cash provided by our operating activities (including cash provided by distributions from joint ventures, subsidiaries, and management fees), as well as debt and equity capital raised at the corporate or subsidiary level, from private investors, banks and other similar credit providers. Currently, our primary liquidity and capital requirements are for the expansions of existing properties, the completion of existing projects under construction, and for the repayment of existing debt.

In 2011, we have: a) opened our Rizal event center expansion in Q1 2011, which is expected to improve cash flow and earnings; b) closed our non-performing Poland operations in March; c) sold the Thunderbird Hotels-Bellavista and Thunderbird Hotels-Principal in April for $18.0 million, much of which will be used to pay down liabilities in Peru; and d) in April, announced that definitive agreements have been executed for completion funding for our first business in India, which is now projected to open in late 2011. These events are expected to further improve net debt to EBITDA from continuing operations as well as to improve liquidity.

Since the announcement of the closing of the sale of the Thunderbird Hotels-Principal and Thunderbird Hotels-Bellavista, we have been carrying out our announced strategy of using the net proceeds to pay down certain debt and accounts payable balances related to our Peru hotel operations. By the end of Q2 2011, management expects to have paid down approximately $15 million of Peru related debt and payables.

During April 2011, the Group paid down the Interbank loan in Peru by $3.2 million. During Q2, the Group is also in the process of paying off debt and payables in Peru, totaling approximately $9.2 million. Finally, the Group was able to refinance several loans totaling approximately $4.3 million in matured debt with a total payment of approximately $2.1 million and refinanced the remaining balance over 24 months, interest only, with a balloon payment.

The Group is also proactively pursuing the extension of the amortization terms of its remaining secured balance with Interbank, as well as seeking longer term bank financing to refinance the secured debt and other liabilities of Thunderbird Hoteles Latin America (THLA), our Peruvian holding company, and its related operations.

Please refer to the capital resources and liquidity section of our 2010 Annual Report which was filed on 29 April 2011 for an update on our recent financing and cost reduction efforts.

Borrowings

As of 31 March 2011, our total borrowings and obligations under leases for continuing operations was $118.8 million compared to $126.4 million as of 31 March 2010. As mentioned in the 2010 Annual Report, we will use the proceeds from the sale of the Thunderbird Hotel-Principal and the Thunderbird Hotels-Bellavista in Peru to reduce our debt.

Cash and Cash Equivalents

Cash and cash equivalents, including restricted cash, decreased to $8.2 million at 31 March 2011 from $10.0 million at 31 December 2010. The key item reducing cash were principal and interest payments on debt of $5.1 million.

Project Development Update

A detailed project development update is contained in the Group's 2010 Annual Report published on 29 April 2011. There have been no material changes in the development activity as of 20 May 2011 other than noted in subsequent events.

Subsequent Events

A detailed "subsequent events" disclosure is contained in the Group's 2010 Annual Report published 29 April 2011. There have been no material changes in the subsequent events activity as of 20 May 2011 except for the following:

The Group previously announced the execution of a Term Sheet for the planned addition of another equity partner into its India affiliate, Daman Hospitality Private. Ltd. ("DHPL"). The Group has now executed definitive documents for this transaction. Delta will fund approximately $21M into DHPL, of which approximately $11M is equity and $10M is debt, and will be responsible for securing any new debt. Delta is now the 51% owner in the hotel and the Group and its original Indian partners will own the remaining 49%. The Group will operate the hotel with a management contract. The hotel will receive rent proceeds from the lease of space to a casino at the location in which the casino will be owned 51% by Delta and 49% by other Indian entities. The hotel construction shall resume in early Q2 2011 and we anticipate completion in phases with a soft opening of some of the rooms and amenities in Q3 2011 and the balance completed by year-end 2011. Simultaneous with and contingent upon the execution and funding of Delta Corp Ltd's infusion of new equity into the India project, the Group will issue Delta 840,000 shares of its common stock at a price of $2.00 per share. Delta Corp Ltd has until no later than 31 May 2011 to fund this share purchase or the subscription will automatically terminate. The Group anticipates using the $1,680,000 in proceeds for general working capital purposes.

Risk management and regulatory

We refer to the 2010 Annual Report published on 29 April 2011 for a more detailed review of the risk factors and regulatory issues of our business.

About the Group

Thunderbird Resorts Inc. (a British Virgin Islands company limited by shares, with its registered office in Tortola, British Virgin Islands) is an international provider of branded casino and hospitality services in Asia and Latin America. Our mission is to "Create extraordinary experiences for our guests." As of 31 March 2011, in our continuing operations, we have almost 19,000 square meters of gaming space with more than 4600 gaming positions divided among approximately 20 locations worldwide. In addition, we have ownership interests in five hotels with 399 hotel rooms and we manage 4 hotels with 359 rooms. In our operations we have over 4,100 highly valued employees spread over 5 countries on 3 continents, including India which we expect will open later in 2011.

Our principal executive offices are located at Calle Alberto Navarro, El Cangrejo, Apartado 0823-00514, and Panama City, Panama. Our telephone number is (507) 223-1234. Our website is www.thunderbirdresorts.com.

Investor relations

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Cautionary Note with regard to "forward-looking statements"

This Interim Management Statement contains certain forward-looking statements within the meaning of the securities laws and regulations of various international, federal, and state jurisdictions. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential sales and future plans and objectives of the Thunderbird Resorts Inc. (the "Group" or the "Company") are forward-looking statements that involve risk and uncertainties. There can be no assurances that such statements will prove to be accurate and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Group's forward-looking statements include competitive pressures, unfavorable changes in regulatory structures, and general risks associated with business, all of which are disclosed under the heading "Risk Factors" and elsewhere in the Group's documents filed from time-to-time with the Euronext Amsterdam by NYSE Euronext ("Euronext Amsterdam"), the regulated market of Euronext Amsterdam N.V. and with various Canadian Securities commissions as well as other regulatory authorities.

Important information

This is Thunderbird Resorts Inc.'s Interim Management Statement ("IMS") for the three month period ended 31 March 2011. Thunderbird Resorts Inc. is a designated foreign issuer with respect to Canadian securities regulations and this Interim Management Statement is intended to comply with the rules and regulations for the Euronext Amsterdam by Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. and with Canadian securities laws.

No person has been authorized to give any information or to make any representation other than those contained in this Interim Management Statement and, if given or made, such information or representations must not be relied upon as having been authorized by us. This Interim Management Statement does not constitute an offer to sell or a solicitation of an offer to buy any securities. The delivery of this Interim Management Statement shall not under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is correct as of any time subsequent to the date hereof.

Unless otherwise specified or the context so requires, "Thunderbird Resorts Inc.", the "Company", the "Group", "it" and "its" refer to Thunderbird Resorts Inc. and all its Group companies as defined in Article 24b Book 2 of the Dutch Civil Code.

Thunderbird Resorts Inc. accepts responsibility for the information contained in this Interim Management Statement. To the best of our knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this Interim Management Statement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information included in this Interim Management Statement reflects our position at the date of this IMS and under no circumstances should the issue and distribution of this Interim Management Statement after the date of its publication be interpreted as implying that the information included herein will continue to be correct and complete at any later date.

Thunderbird Resorts Inc. has adopted the U.S. Dollar ("USD") as its reporting currency. As required by EU regulation, Thunderbird Resorts Inc.'s annual consolidated financial statements have been prepared in accordance with international financial reporting standards ("IFRS"). The interim consolidated financial information has been prepared in accordance with generally accepted accounting principles. They do not include all of the information and disclosures required by IAS 34, Interim Financial Reporting, or in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2010.