Thunderbird

RESORTS

Interim management statement third quarter 2010, 17 November 2010

Third quarter 2010 **Highlights**

- The Group reported a profit from continuing operations of $1.6 million as compared to a loss of $3.4 million for the same period in 2009.

- Revenues generated from continuing operations were $33.3 million in the third quarter of 2010, a 10.0 percent increase over the $30.3 million reported for the same period in 2009.

- Property EBITDA from continuing operations increased to $9.1 million in the third quarter of 2010 as compared to the $6.7 million recorded in the same period in 2009, a 34.7 percent increase.

- Property EBITDA as a percentage of revenues was 27 percent as compared to the 22 percent reported for the same period last year.

- Adjusted EBITDA from continuing operations increased to $7.6 million in the third quarter of 2010 from $4.7 million reported for the same period last year.

- Corporate costs in the third quarter of 2010 were reduced to $1.4 million from $2.0 million reported for the same period in 2009. Current annual run rate for corporate costs is approximately $6.0 million compared to $8.5 million incurred in 2009 and $12 million incurred in 2008.

- The Group continues to focus on improving existing operations and improving the balance sheet by selling certain real estate assets and actively pursuing cash flow improvement options.

CEO Jack Mitchell comments:

As has been previously reported, the Group continues to focus on building strong financials, transition to integrated resorts and focus on growth in Asia. We made progress in all three areas during the third quarter of 2010.

First, our financials are stronger as we materially reduced our consolidated debt during the August to October 2010 period. With the sale proceeds from the August 2010 sale of our 63.63 percent interest in six Panama casinos, the Group eliminated a material amount from our consolidated balance sheet. We also expect to shed more debt as we move forward on our plans to sell four of our five remaining hotels in Lima, Peru. We successfully closed on the sale of the Carrera hotel on 16 November 2010. MBA Lazard is assisting us with the structured sale process for the El Pueblo, Bellavista and Principal hotels in Lima. If successful, the sale proceeds will be used to further reduce our debt in Peru. We expect to retain the Fiesta Hotel and Casino, our flagship hotel and casino in Peru, with very manageable debt while building equity in the hotel and casino in the years to come.

Second, our focus on integrated resorts continues. We expect to open the expansion of our integrated resort at our Rizal (Manila), Philippines location in the latter part of December 2010 or in January 2011. This expansion includes a new 950 square event center/casino adding casino space for an additional 120 slot machines and 28 table positions.

Based on the current schedule, in late Q4 2010 and through Q1 2011, the Group hopes to open the first major integrated resort anchored by a casino in the Republic of India, specifically located in the Union Territory of Daman just two hours north of Mumbai, the largest city in the country. We plan on opening the hotel in stages, which will constitute a 176- room, five-star facility with an event center, four restaurants and many other amenities, all located on 10 acres of land and anchored by a lease for a 5,700 square meter casino. Due to cost increases, we are currently raising additional funds to complete the Project. With the delays in opening, the overall costs have increased, including the carrying/financing charges and other typical pre-opening costs. We also face increased construction costs and a weaker dollar against the rupee. The construction is substantially complete with the remaining construction being in the finishing works.

Third, our focus is on Asia as evidenced by the expansion of our integerated resort in Rizal, Philippines and the opening of our five-star luxury hotel in India as mentioned above. We are also in the midst of efforts to raise funds to complete the expansion of our integrated hotel and casino resort in Poro Point, Philippines on the South China Sea. This expansion, if successfully funded, will include additional gaming space of 708 square meters in the casino sufficient to add 100 slot machines and 21 table positions.

We are pleased by the continued increase in our operational revenues during the third quarter of 2010 as summarized below:

- *Revenues*: The Group increased revenues in our continuing operations during the third quarter of 2010 to $33.3 million as compared to the second quarter of 2010 of $33.0 million and as compared to the third quarter of 2009 of $30.3 million.

- *EBITDA*: In the first nine months for 2010, we posted Property EBITDA from continuing operations of $26.0 million and Adjusted EBITDA of $21.7 million. This is compared to Property EBITDA of $20.8 million and Adjusted EBITDA of $13.8 million for the same period last year.

- *Net Income*: In Q3 2010, we reported a profit from continuing operations of $1.6 million compared to a loss of $3.4 million in Q3 2009.

The Group anticipates further improvements in the coming quarters as the results of its restructuring efforts continue to unfold and as the expansions in Asia take hold.

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 and nine month period ended 30 September 2010 and the related notes included in this report. All monetary amounts are in United States dollars.

(In thousands, except per share data)	As reported Three Months Ended		%	As reported Nine Months Ended		%
	30 September 2010	**30 September 2009**	change	**30 September 2010**	**30 September 2009**	change
Net gaming wins	**$ 26,718**	$ 24,906	7.3%	**$ 78,980**	$ 75,323	4.9%
Food and beverage sales	**2,617**	2,348	11.5%	**7,903**	6,424	23.0%
Hospitality and other sales	**3,969**	3,084	28.7%	**11,513**	9,154	25.8%
Total revenues	**33,304**	30,338	9.8%	**98,396**	90,901	8.2%
Promotional allowances	**1,588**	1,447	9.7%	**4,393**	4,032	9.0%
Property, marketing and administration	**22,639**	22,151	2.2%	**67,960**	66,089	2.8%
Property EBITDA (1)	**9,077**	6,740	34.7%	**26,043**	20,780	25.3%
Corporate expenses	**1,438**	1,995	-27.9%	**4,336**	7,011	-38.2%
Adjusted EBITDA (2)	**7,639**	4,745	61.0%	**21,707**	13,769	57.7%
Adjusted EBITDA as a percentage of revenues	**23%**	16%		**22%**	15%	
Depreciation and amortization	**3,588**	4,460	-19.6%	**10,809**	12,187	-11.3%
Interest and financing costs, net	**4,692**	4,742	-1.1%	**13,164**	13,273	-0.8%
Management fee attributable to non-controlling interest	**(420)**	351	-219.7%	**(2,469)**	(1,337)	84.7%
Project development	**377**	364	3.6%	**1,211**	605	100.2%
Share based compensation	**49**	316	-84.5%	**311**	947	-67.2%
Foreign exchange (gain) / loss	**(2,983)**	(2,213)	34.8%	**(4,931)**	(2,872)	71.7%
Other (gain) and loss	**110**	174	-36.8%	**(2,368)**	1,157	-304.7%
Derivative financial instrument	**-**	(98)	100.0%	**-**	(123)	100.0%
Income taxes	**598**	343	74.3%	**1,806**	1,699	6.3%
Profit (loss) for the period from continuing operations	**$ 1,628**	$ (3,372)	-148.3%	**$ 4,174**	$ (11,767)	-135.5%
Profit (loss) for the period from discontinued operations	**20,098**	349	5658.7%	**15,865**	244	0.0%
Profit (loss) for the period	**$ 21,726**	$ (3,023)	-818.7%	**$ 20,039**	$ (11,523)	-273.9%
Non-controlling interest	**$ 2,543**	$ 341	645.7%	**$ 2,379**	$ 529	349.7%
Profit (loss) for the period attributable to the owners of the parent	**$ 19,183**	$ (3,364)	-670.2%	**$ 17,659**	$ (12,052)	-246.5%
Currency translation reserve	**1,050**	889	18.1%	**1,472**	1,190	23.7%
Total comprehensive income for the period attributable to the owners of the parent	**$ 20,233**	$ (2,475)	-917.5%	**$ 19,132**	$ (10,862)	-276.1%
Gain (loss) per common share:						
Basic	**$ 1.02**	$ (0.13)		**$ 0.96**	$ (0.55)	
Weighted average number of common shares:						
Basic	**19,830**	**19,699**		**19,830**	**19,699**	
Diluted	**19,742**	**20,577**		**19,742**	**20,577**	

Basic shares outstanding is the weighted average number of shares outstanding for the nine month period ended as of 30 September 2010. Total basic shares outstanding as of 30 September 2010 was 19,829,746.

(1) 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 Interim Management Statement may not be comparable to similarly-titled measures presented by other companies.

(2) Adjusted EBITDA represents net earnings before net interest expense, income taxes, depreciation and amortization, equity in earnings of affiliates, minority interests, development costs, 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 Interim Management Statement may not be comparable to similarly-titled measures presented by other companies.

Group data by country

(In thousands)	As reported Three Months Ended		%	As reported Nine Months Ended		%
	30 September 2010	30 September 2009	change	30 September 2010	30 September 2009	change
REVENUES BY COUNTRY						
Guatemala	**$ 728**	$ 684	6.4%	**$ 2,196**	$ 2,690	-18.4%
Nicaragua	**3,035**	2,889	5.1%	**8,704**	9,370	-7.1%
Costa Rica	**5,350**	4,394	21.8%	**16,179**	14,455	11.9%
Philippines	**12,623**	11,718	7.7%	**37,658**	34,205	10.1%
Peru	**10,986**	9,860	11.4%	**31,835**	27,522	15.7%
Poland	**530**	710	-25.4%	**1,635**	2,410	-32.2%
Other	**52**	83	-37.3%	**189**	249	-24.1%
Total revenues	**$ 33,304**	$ 30,338	9.8%	**$ 98,396**	$ 90,901	8.2%
PROPERTY EBITDA BY COUNTRY						
Guatemala	**$ (154)**	$ (504)	69.4%	**$ (420)**	$ (1,365)	69.2%
Nicaragua	**664**	643	3.3%	**1,735**	2,349	-26.1%
Costa Rica	**1,739**	1,730	0.5%	**5,791**	5,671	2.1%
Philippines	**3,974**	3,897	2.0%	**12,133**	10,981	10.5%
Peru	**2,733**	1,078	153.5%	**7,005**	3,255	115.2%
Poland	**121**	(104)	-216.3%	**(201)**	(111)	81.1%
Property EBITDA	**$ 9,077**	$ 6,740	34.7%	**$ 26,043**	$ 20,780	25.3%
Property EBITDA as a percentage of revenues	**27%**	**22%**		**26%**	**23%**	
Other (corporate expenses)	**(1,438)**	(1,995)	-27.9%	**(4,336)**	(7,011)	-38.2%
Adjusted EBITDA	**$ 7,639**	$ 4,745	61.0%	**$ 21,707**	$ 13,769	57.7%
Adjusted EBITDA as a percentage of revenues	**23%**	**16%**		**22%**	**15%**	

Revenue trends

Revenues from continuing operations increased 9.8 percent to $33.3 million, an increase of $3.0 million over the $30.3 million reported in the third quarter 2009, which increase was caused by:

- $0.3 million for the increase in revenues due to the casino operations in Peru; led by Fiesta Casino Benavides accounting for $0.2 million, and the remaining $0.1 million is spread among the other locations
- $0.8 million from hotel operations in Peru
- $1.0 million from Costa Rica; led by Fiesta Casinos – Hotel Holiday Inn with $0.4 million, Fiesta Casino – Hotel Presidente with $0.2 million, Fiesta Casino – Heredia and Fiesta Casino – Herradura both with $0.1 million and the remaining $0.2 million is spread among the other properties
- $0.9 million in the Philippines operations primarily due to the increase in slot drop and table hold
- $0.1 million for the Bello Horizonte, Managua
- $0.1 million for Video Suerte Loteria Mazatenango in Guatemala City

These increases were offset by decreases in sales for the following:

- $0.2 million decreased in Poland operations.

Q3 2010 EBITDA and profitability trends

Property EBITDA from continuing operations increased to 27 percent as a percentage of sales for the third quarter of 2010 compared to 22 percent for the same period in 2009. We expect our Property EBITDA to continue to improve as a percentage of sales.

The Group's corporate expenses decreased to $1.4 million for the third quarter of 2010 from the $2.0 million reported during the third quarter of 2009. This decrease is the result of the restructuring started during the fourth quarter of 2008. We expect the run rate of corporate costs to stabilize at this level.

The Group's net profit attributable to the equity holders of the parent for the period was $19.2 million, which includes an unrealized foreign exchange gain of $3.0, and $15.9 million gain from the sale of Panama operations compared to a net loss of $3.4 million for the 2009 second quarter, which included an unrealized foreign exchange gain of $2.2 million.

Group year to date performance

During the nine month period ended 30 September 2010, we generated sales of $98.4 million from continuing operations as compared to $90.9 million for the same period in 2009, an 8.2 percent increase. The increase in sales of $7.5 million for 2010 was attributable to the following: an increase in slot and table wins in the Philippines operations accounted for $3.5 million; Peru hotel operations increased $2.8 million; Peru casino operations increased $1.5 million; and Costa Rica operations increased $1.7 million. These increases were offset by the decreases in Guatemala operations with $0.5 million, Nicaragua with $0.7 million, and Poland with $0.8 million.

Property EBITDA for continuing operations increased 25.3 percent to $26.0 million for the nine month period ended 30 September 2010 as compared to $20.8 million for the same period in 2009. The increase of $5.2 million is focused in three areas:

- Operations in Peru hotels and casino generated a gain of $3.8 million, mainly due to the increase in hotel occupancy and the stabilization of Fiesta Casino Benavides and slot parlors
- Operations in the Philippines generated a gain of $1.1 million
- The existing operations accounted for a $0.3 million increase, primarily due to Nicaragua operations which accounted for a $0.6 million decrease, Poland decreased by $0.1 million, partially offset by increases in Guatemala by $0.9 million and Costa Rica by $0.1 million

During the nine month period ended 30 September 2010, Property EBITDA for continuing operations increased as a percentage of sales to 26 percent compared to 23 percent for the same period last year. This increase was primarily due to the high margins in the Peru Hotel operation and the stabilization of the Peru flagship Fiesta Casino and the continuing strong performance of our operations in Philippines.

Adjusted EBITDA for continuing operations for the nine month period ended 30 September 2010 increased to $21.7 million from $13.8 million for the same period in 2009. As a percentage of sales, Adjusted EBITDA increased to 22 percent as compared to 15 percent for the same period in 2009.

Net profit for the nine month period ended 30 September 2010 attributable to the equity holders of the parent improved to $17.7 million from a net loss of $12.1 million for the same period in 2009. The Group's operation was affected by depreciation and amortization expense which was $10.8 million for the period. The net profit for the year was also impacted by other gains of $2.1 million, which includes $2.4 million gain related to the sale of the Hotel Pardo in Peru, netted with a non-cash item of stock based compensation of $0.3 million. Project development costs accounted for $1.2 million. In addition, the net profit for the period contains an unrealized foreign exchange profit of $4.9 million that was recorded in association with the large USD loans and intercompany payables outstanding in Peru and $15.9 million related to the sale of Panama operations. The net gain of $17.7 million would have been a $6.8 million net gain after including the depreciation and amortization and other mentioned items. The effect these items had on the profitability of the Group is depicted in the table below.

(In thousands)	As reported Three Months Ended		%	As reported Nine Months Ended		%
	30 September 2010	30 September 2009	change	30 September 2010	30 September 2009	change
Loss for the period attributable to the owners of the parent	**$ 19,183**	$ (3,364)	-670.2%	**$ 17,659**	$ (12,052)	-246.5%
Depreciation and amortization	**3,588**	4,460	-19.6%	**10,809**	12,187	-11.3%
Foreign exchange (gain)/loss	**(2,983)**	(2,213)	-34.8%	**(4,931)**	(2,872)	-71.7%
Project development	**377**	364	3.6%	**1,211**	605	100.2%
Other gain and losses	**159**	392	-59.4%	**(2,057)**	1,981	-203.8%
Adjusted net earnings	**$ 20,324**	$ (361)	-5729.9%	**$ 22,691**	$ (151)	-15127.2%

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 Three Months Ended		%	As reported Nine Months Ended		%
	30 September 2010	30 September 2009	change	30 September 2010	30 September 2009	change
Profit (loss) for the period from continuing operations	**$ 1,628**	$ (3,372)	-148.3%	**$ 4,174**	$ (11,767)	-135.5%
Income tax expense	**598**	343	74.3%	**1,806**	1,699	6.3%
Net interest expense	**4,692**	4,742	-1.1%	**13,164**	13,273	-0.8%
Depreciation and amortization	**3,588**	4,460	-19.6%	**10,809**	12,187	-11.3%
EBITDA	**10,506**	6,173	70.2%	**29,953**	15,392	94.6%
Other (gain) loss and derivative financial instruments	**110**	76	44.7%	**(2,368)**	1,034	-329.0%
Project development	**377**	364	3.6%	**1,211**	605	100.2%
Management fee attributable to non-controlling interest	**(420)**	351	-219.7%	**(2,469)**	(1,337)	84.7%
Share based compensation	**49**	316	-84.5%	**311**	947	-67.2%
Foreign exchange (gain) / loss	**(2,983)**	(2,213)	34.8%	**(4,931)**	(2,872)	71.7%
Adjusted EBITDA	**7,639**	5,067	50.8%	**21,707**	13,769	57.7%
Corporate and other	**1,438**	1,995	-27.9%	**4,336**	7,011	-38.2%
Property EBITDA	**$ 9,077**	$ 7,062	28.5%	**$ 26,043**	$ 20,780	25.3%

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.

Over the last two years we have been focused on the refinancing or restructuring of our existing debt or the sale of assets to reduce debt. This strategy has resulted in a significant reduction in our debt from $123.4 million as of 31 December 2009 to $102.9 million as of 30 September 2010. During August to September 2010 we used the Panama sale proceeds to pay down our debt load by $30.7 million. As we move forward, we will continue to monitor the capital resources available to us to meet our future financial obligations and planned capital expenditures. Our future success in growing our existing operations will be highly dependent on capital resources available to us. Although the worldwide trends of tightening credit and capital markets have eased somewhat, we anticipate paying our obligations with cash flow generated from operations. Based upon our current expectations for 2010, we anticipate that our available cash balances, our cash flow from operations and available borrowing capacity under our existing credit arrangements will be sufficient to fund our liquidity requirements for the next 12 months.

In addition, we are facing significant debt service payments over the next 12 months and as a result, have renegotiated deferment and/or extensions of principal payments with certain private lenders and are seeking similar arrangements with other lenders. Although we believe in the fundamentals of our underlying gaming business, our debt service payments continue to tighten of our cash flows.

During 2009 and 2010, the Group worked diligently with all of its secured and unsecured lenders to remain current with debt service payments. In other cases, the Group has been or may be late with payments and/or has made "interest only" payments. In light of our high short term principal debt payments and the desire to fund our ongoing projects, we will continue to seek to renegotiate principal debt repayment terms with certain of our lenders to extend amortization periods which in turn will free up cash flow that will allow us to fund operations and continue these expansions. We expect that such negotiations will be mutually beneficial to both the Group and our lenders. We are in discussions with all such lenders but there can be no assurances these negotiations will be successful. Moreover, there can be no assurances that certain lenders under our various loan agreements will not formally declare defaults thereby triggering cure periods related to any late payments or any non-compliance with financial covenants that may occur or may have occurred.

Borrowings

As of 30 September 2010, our total borrowings and obligations under leases was $102.9 million compared to $123.4 million as of 31 December 2009. Excluded from the $102.9 million is the remaining secured debt of approximately $17.9 million relating to the four remaining hotels held for sale including the Carrera. The decrease in debt was primarily due to principal payments of approximated $30.7 million from the Panama operation sale proceeds in addition to normal course of business of $9.2 million. The Group successfully raised additional debt of $18.3 million, of which the Group's 50 percent portion was used for the development of the India hotel project of $13.5 million, Peru with $0.9 million used to purchase new machines for their casinos and slot parlor, Philippines with $1.1 million used to complete Eastbay Resort expansion, parent company with $1.4 million used as working capital and $1.0 million to raise fund to complete Poro Point expansion, Costa Rica with $0.1 million used for new machines, and Nicaragua with $0.3 million for working capital.

Cash and cash equivalents

Cash and cash equivalents, including restricted cash, decreased to $10.2 million at 30 September 2010 from $10.9 million at 31 December 2009. This decrease is primarily due to the net cash generated by operations of $24.4 million being offset by investing activities using $14.1 million of cash, financing activities using $32.9 million, and effect of foreign exchange of $0.7 million resulting in a net change in cash and cash equivalents used of $1.4 million for the nine month period ended 30 September 2010. The key items reducing cash were principal payments on debt of $39.9 million and total capital expenditures of $14.9 million.

Project development update

A detailed project development update to 30 June 2009 is contained in the Group's 2010 Half-yearly Report published on 27 August 2010. There have been no material changes in the development activity as of 30 September 2010 other than noted in subsequent events.

Subsequent events

Below the Group reports its unaudited revenues for October 2010.

Sales in thousands	October 2010
Costa Rica	1,683
Nicaragua	999
Guatemala	323
Philippines	4,042
Poland	264
Perú Gaming	2,090
Perú Hotel	1,703
Total Consolidated Sales	$ 11,104

Peru

As previously reported in February 2010 press release, the Group's Peru subsidiary, Thunderbird Hoteles Las Americas ("THLA"), which now owns and operates five hotels in Lima, Peru (the "THLA Hotels"), announced the sale of the Thunderbird Hotel Pardo. We continue to actively pursue the sale of three of our four remaining hotels in order to reduce the Group's investment and related debt in "non-gaming" assets. These remaining hotels that are for sale are the Thunderbird Hotel Principal, Thunderbird Hotel Bellavista, and Thunderbird Resorts El Pueblo. The Group as of 16 November 2010 has successfully closed on the sale of the Hotel Carrera, which will continue to operate under the name "Thunderbird Hotels Carrera" pursuant to a seven year hotel management agreement between THLA Hotels and the new owner. The Hotel Carrera has 99 rooms and is located in the district of Lince close to the historic center of Lima. There is a casino located in this hotel that is not owned by the Group. The total gross sale proceeds will be approximately $5,250,000 million less closing adjustments and transaction expenses. The net proceeds will be used to pay down secured Peruvian sourced debt related to the Thunderbird Hotel Carrera.

Philippines

Our Rizal hotel and Fiesta casino is located on a tropical hillside overlooking the country's largest lake near Manila. The hotel, a luxury boutique with 41 suites, has three restaurants and a meeting area and is adjacent to a private 18-hole golf course to which hotel guests have access. The hotel and casino are part of a larger entertainment complex that includes themed restaurants and golf courses. The property is located on the eastern side of Manila, while all other significant casino developments are on the western side of Manila. In April 2010, the Group obtained financing from Philippines based Veterans Bank to complete a 950 square meter event center/casino expansion in its Rizal property located on the east side of Manila, Philippines. The construction is ongoing and proceeding well. Depending on the delivery date of certain equipment, we expect to open the expansion of the 950 square meter event center in the latter part of December 2010 or in January 2011. The enlarged casino space will allow for an additional 120 slot machines and 28 table positions.

India

Daman Hospitality Prívate Limited ("DHPL"). Construction continues on the Group's luxury hotel/hospitality complex in Daman, India, announced originally in March 2008. We expect that this 176-room, luxury resort will include: (i) 2,700 square meter indoor event and meeting areas; (ii) 6,500 square meters of outdoor pools and event areas for up to 2,000 people; (iii) three bars, including a branded Salsa's Bar, a cutting edge bar/disco, and a high-end lounge bar, all with facilities for live music; (iv) four restaurants, including one Vegas-style buffet, one high-end Szechuan restaurant, a pool bar and one cafe near the event center; (v) a 450 square meter Zaphira Spa; (vi) 200 square meter gym for guests and club members; (vii) 750 square meter shopping area; and (viii) a 5,700 square meter world class casino and entertainment venue which will be leased to an Indian company.

Construction of this project has been and is being funded by three sources. DHPL and its India partner have contributed approximately $18 million in cash and property as equity into the project. DHPL has also raised approximately $27 million senior secured loan facility from four India Banks, plus approximately $16 million in fully convertible debentures, secured behind senior lenders. The debentures were funded during 2009 and 2010 and the senior secured loan was obtained in the first quarter of 2010 and its funds are being drawn on for ongoing construction. The construction project is progressing towards a soft, partial late fourth quarter of 2010 opening. The opening of all rooms and amenities in an official inauguration is projected for late Q1 2010. The project has now obtained substantially all licenses needed to commence operations. While there are no guaranties, we hope to receive the remaining licenses in the upcoming weeks. All civil construction is complete, and the remaining ongoing work relates to finishing the hotel rooms and public areas. All key management have now been hired and are working to complete pre-opening deliverables. Due to a number of factors, including pre-opening interest and carrying costs, inflation, dollar devaluation and increased finishing costs to deliver a truly exceptional project, the project requires a mínimum of $5,000,000 to $6,000,000 of additional funding which is being sought through equity infusions. These costs could increase further, particulary if there are any additional delays in licensing or in the raising the additonal required financing. Negotiations are now underway with several interested groups. It is anticipated that the Group's interests in the hotel will be diluted to below 50 percent (as well as that of its 50 percent partner) as additional equity is invested by third parties.

Executive Management and Board Compensation

At the Company's Board meeting on 10 October, 2010, and based on the recommendation of the Company's compensation committee, the Board approved the following three measures effective 19 November 2010:

1. Issuing Company stock in lieu of cash to the following listed executives for their voluntary deferral of 20 percent wages for the period 1 August 2009 to 30 September 2010, at which time the deferral period ceased. The Board resolved that: (i) Executives receive shares equal to 100 percent of the actual deferred payroll amount, plus the cost living increase, or alternatively; (ii) receiving shares equal to 60 percent of the actual the deferred payroll plus the cost of living increase and receive 40 percent in cash over the next 12 months commencing 1 December 2010.

Name	Aggregate deferred salary plus cost of living since November 2008 in $US for the period August 1, 2009, through September 30 2010. Actual share price to be used shall be the 30 day average share price of the shares as published between that period beginning 30 calendar days before the end of trading day on the 3rd business day after the publication of the Q3 2010 Interim Management Report.
Jack Mitchell (2)	$145,740.00
Albert Atallah (2)	$54,647.17
Tino Monaldo (2)	$78,935.00
Michael Fox (2)	$78,942.51
Raul Sueiro (1)	$37,476.00
Angel Sueiro (1)	$31,230.00
Peter LeSar (2)	$43,722.00

(1) Deferred August 1, 2009 to July 31, 2010, and no deferral thereafter.

(2) Consumer price index at 4.10%.

2. The restoration of its director fees to its 2007 and 2008 levels of $48,000 annually to be paid in Company stock quarterly. The level of compensation and method will be reviewed annually.

3. Issuing 452,500 shares to Company senior management and certain employees, pursuant to the Company's long term incentive stock plan, as set forth below:

Name	Shares to be issued effective December 1, 2010; vest 1/3 on December 1, 2011; 1/3 on December 1, 2012 and 1/3 on December 1, 2013.
Jack Mitchell	220,000
Albert Atallah	15,000
Tino Monaldo	50,000
Michael Fox	10,000
Raul Sueiro	25,000
Angel Sueiro	20,000
Peter LeSar	35,000
12 Employee aggregate	77,500
Total	**452,500**

Update on Poland

Casino Centrum. Our two Polish casinos are located in the central part of Lodz, Poland and operate under one casino license and one slot license. The gaming area of the casino locations is approximately 397 square meters in the aggregate with approximately 101 slot positions and 44 table positions. Due to the increasing tax levels in Poland (50 percent effective 1 January 2010), and the relatively flat revenues in our facilities, the Group continues to evaluate the market conditions in Poland to determine the long-term viability of this market. Due to changes in the law related to slot and casino licenses terminating all slot parlor licenses at this point we expect to move most of the slot machines located at our slot parlor to our current casino location.

In August 2010, the Group converted approximately $0.4 million in debt due from Casino Centrum into equity, resulting in the Group gaining undisputed operating control by increasing its ownership to approximately 51 percent of Casino Centrum. Moreover, the Group has previously reported its ongoing dispute with one of its Casino Centrum partners, that if resolved favorably to the Group, will result in the Group's increasing its ownership to 56 percent of Casino Centrum.

Consequently, the Group currently has plans to loan Casino Centrum up to $0.3 million in several tranches. As of mid-November 2010, the Group has loaned to Casino Centrum over half of the aforesaid amount. Approximately half of these funds were used to reduce 75 percent of third party debt owed by Casino Centrum. The remaining debt is to be paid in installments by Casino Centrum by mid-2011 in accordance to an arrangement with vendors. Between August and November 2010, the labor force of Casino Centrum has been reduced by 15 percent and further reductions are planned through the end of January 2011. These reductions, mainly in administration personnel and "third shift" personnel, are expected to yield monthly savings of approximately US$35,000 per month beginning after January 2011. Improvements made by the Group since August 2010 have resulted in better revenue levels during September and October. The improved revenue levels, when combined with anticipated reduced expenses, are expected to yield positive property EBITDA results.

Executive Transition

Michael G. Fox, Thunderbird's Chief Financial Officer, has submitted his resignation of his position as Chief Financial Officer for personal reasons made effective 31 December 2010. Mr. Fox will remain with the company as Chief Financial Officer for Latin America. Thunderbird anticipates naming an interim Chief Financial Officer by yearend and hiring a permanent Chief Financial Officer by the next annual meeting.

Risk management and regulatory

We refer to the 2010 Half-yearly Report published on 27 August 2010 and the 2009 Annual Report published on 30 April 2010 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, focused mainly on markets in Central and South America, southeast Asia, India and eastern Europe. Our mission statement is: "We create extraordinary experiences for our guests." Our goal is to be a leading operator of casinos and recreational gaming facilities in each local market where we operate and to create genuine value for our shareholders and our employees. We operate dynamic, themed and integrated casino entertainment venues, where we work to create extraordinary experiences for our guests.

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

Investor relations

Kevin McDonald
Phone: (858) 668-2503
E-mail: kevin.mcdonald@thunderbirdresorts.com

Michael G. Fox, Chief Financial Officer
Email: info@thunderbirdresorts.com

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 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 for the period ended 30 September 2010. 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 2009 and the 2010 Half-yearly Report.