



QUARTER ENDED APRIL 30, 2008
MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW AND HIGHLIGHTS

Thunderbird Energy Corp. (the “Company” or “Thunderbird”) is a Canadian based natural resource company focused on the exploration, exploitation, acquisition and production of natural gas and crude oil, primarily in the United States. The Company owns and operates a producing natural gas field in Carbon County, Utah, known as the Gordon Creek field, and holds a 50% interest in a producing light oil project located in Rush County, Kansas. Thunderbird also holds a 50% interest in a 19,000 acre and a 100% interest in a 2,000 acre exploration project in Weston County, Wyoming.

During the quarter the company entered into an agreement to increase its working interest from 50% to 95% in the Weston County, Wyoming and Gordon Creek, Utah projects. The completion of the acquisition is subject to legal due diligence.

Subsequent to the quarter, the Company appointed two new members David Evans and Rick Ironside to the Board of Directors. David Evans has also assumed the role of Chairman. In addition, the new directors will be actively involved in assisting with the day-to-day operations as well as guiding the Company’s future growth plans.

This Management’s Discussion and Analysis (“MD&A”) of the consolidated financial position and results of operations of Thunderbird, which includes its subsidiaries and partnership arrangements, was prepared as of June 25, 2008, and is for the three months ended April 30, 2008 and 2007. For a full understanding of the consolidated financial position and results of operations of the Company, the MD&A should be read in conjunction with the documents filed on SEDAR, including historical financial statements and press releases. These documents are available at www.sedar.com. The selected financial information contained herein has been prepared in accordance with Canadian Generally Accepted Accounting principles, and are expressed in Canadian dollars, unless otherwise noted.

Thunderbird’s Board of Directors and Audit Committee have reviewed and approved the interim consolidated financial statements and MD&A.

RESOURCE PROPERTIES

Gordon Creek, Utah

The Company is the owner and operator of the Gordon Creek natural gas field located in Price, Utah. During the first quarter, Thunderbird entered into an agreement, subject to certain conditions, to expand the Gordon Creek land position by acquiring a 50% working interest in approximately 5,000 acres located adjacent to and immediately north of the Gordon Creek prospect, thereby increasing the net land position by approximately 50%.

Rush County, Kansas

All the Company’s oil reserves are attributable to the Rush County, Kansas project.

Weston County, Wyoming

The Company holds a 50% interest in approximately 19,000 acres and a 100% interest in an additional 2,000 acres in Weston County, Wyoming. During the first quarter the Company entered into an agreement to acquire an additional 45% interest in the 50% acreage in order to bring its aggregate interest in the 19,000 acres to 95%.

SELECTED QUARTERLY RESULTS (unaudited)

Balance Sheet:	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007
Current assets	1,108,098	831,427	1,736,002	2,287,937	1,300,945	238,372	129,314	41,520
Other assets	8,534,891	8,926,427	6,269,843	6,145,166	3,155,831	2,762,348	2,704,465	2,755,384
Total assets	9,642,989	9,757,854	8,005,845	8,433,103	4,456,776	3,000,720	2,833,779	2,796,904
Current liabilities	3,622,450	4,236,231	3,498,325	3,356,775	696,076	536,504	239,393	320,538
Other liabilities	4,188,302	3,634,162	1,151,244	1,145,742	2,802,672	2,762,880	1,636,865	1,629,605
Shareholders' equity	1,832,237	1,887,461	3,356,276	3,930,586	958,028	(298,664)	957,521	846,761
Total equity and liabilities	9,642,989	9,757,854	8,005,845	8,433,103	4,456,776	3,000,720	2,833,779	2,796,904

Income Statement:	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007
Net Revenue	391,864	393,051	146,472	164,830	159,122	127,346	90,367	137,142
Expenses:								
Operating costs	181,258	374,375	113,247	119,014	83,576	102,863	91,204	75,253
General and administrative	216,078	664,626	442,664	153,887	109,874	141,932	102,544	184,770
Interest, accretion and debt service costs	246,524	222,167	77,655	108,340	96,226	86,344	53,891	53,679
Depletion, depreciation and accretion	149,131	93,482	178,529	140,964	18,920	164,386	31,518	25,038
Impairment loss on oil and gas properties	-	-	-	-	-	953,371	-	-
Impairment loss on mineral properties	-	-	-	-	-	-	-	59,562
Stock-based compensation	23,988	27,746	80,893	92,344	72,109	202,375	-	-
Interest income	(1,209)	(2,559)	(1,314)	-	-	(1)	-	-
	815,770	1,379,837	891,674	614,549	380,705	1,651,270	279,157	398,302
Net loss for the period	(423,906)	(986,786)	(745,202)	(449,719)	(221,583)	(1,523,924)	(188,790)	(261,160)
Basic and diluted loss per share	(0.01)	(0.019)	(0.015)	(0.014)	(0.008)	(0.062)	(0.008)	(0.011)
Weighted average number of shares outstanding (thousands)	50,227	49,769	49,750	31,555	27,344	24,516	24,203	22,772

Revenues

During the first quarter of 2009 revenues remained consistent with the fourth quarter of 2008. Although production was lower in the current quarter than the prior quarter, the prices were higher and therefore revenue was comparable. Gordon Creek natural gas and other revenues represent 90% of total revenues, while the Rush County oil revenues represent 10% of the Company's revenues.

Production Summary

The following table summarizes the production for the first quarter of 2009 and 2008:

	Quarter ended April 30,	
	2008	2007
Production:		
Natural gas (mcf)	48,391	20,854
Oil (bbls)	913	1,290
Total (mcfe) (1:6)	53,869	28,594
Production split:		
Natural gas (%)	90%	73%
Oil (%)	10%	27%

Operating costs

Operating expenses include all normal operating costs as well as workover costs for both the Gordon Creek and the Rush County projects. The costs were \$181,000 in the first quarter of 2009 compared to \$374,000 in the fourth quarter of 2008. The decrease in operating costs is due to minimal workover costs incurred in the first quarter of 2009. Gordon Creek expenses were 85% of the total operating expenses, while Rush County operating expenses were 15% of the total operating expenses.

General and administrative

General costs include such items as office rent, accounting fees, legal fees, professional and consulting fees, filing fees, salaries and wages, transfer agent fees, travel costs, advertising and promotions, investor relations, and foreign exchange gain or loss, as well as general office expenses. G&A expenses decreased 67% in the first quarter over the fourth quarter of fiscal 2008 to \$216,078 from \$664,626. Approximately \$265,000 and \$150,000 of the decrease were due to legal fees and transaction costs, respectively, incurred during the due diligence related to the Macquarie loan facility obtained in the fourth quarter of the prior fiscal year.

Interest, accretion and debt service costs

Interest charges relate to the long term credit facility (\$55,325) and interest paid on the debt assumed in the acquisition of the remaining 50% of the Gordon Creek Property (\$14,805) during the second quarter of fiscal 2008. Interest charges also include approximately \$39,000 in interest paid on the November issuance of 12% convertible debentures. Accretion costs of approximately \$5,000 relate to the accretion on the convertible debentures. Debt service costs of approximately \$132,000 relate to the fair value of warrants issued to Macquarie. Interest, accretion and debt service costs increased approximately 11% over the fourth quarter of 2008, primarily due to interest paid on the long-term credit facility and debt service costs.

Depletion, depreciation and accretion

Depletion, depreciation, and accretion is higher in the first quarter of 2009 comparative to the fourth quarter of 2008 due primarily to an increase of proven costs capitalized in the quarter. The Company follows the full-cost method of accounting for oil and gas properties, whereby all capitalized costs relating to the acquisition, exploration and development of oil and gas activities are amortized against future income using the unit-of-production method. This method is based on production volumes before royalties in relation to total estimated proved reserves as determined by independent engineers. MHA estimated Thunderbird's reserves as of January 31, 2008 in accordance with NI 51-101.

Stock-based compensation

The Company granted 165,000 of stock options during the quarter priced at \$0.30 to employees. In accordance with CICA Handbook section 3870, the fair value of the stock options granted are expensed over their vesting period with a corresponding increase to contributed surplus. Using the Black-Scholes option pricing model for valuing shares, Thunderbird assumed a volatility rate between 102% to 104%, an expected life between 4.35 to 5 years, a risk-free rate between 3.43% and 4.38%, and a 0% dividend yield.

OUTLOOK

During fiscal 2008 Thunderbird expanded its production and land position in Utah and acquired a 50% interest in a 19,000 acre and a 100% interest in a 2,000 acre oil exploration property in Weston County, Wyoming. The Company's objectives for fiscal 2009 are to build production, cash flow and natural gas reserves at the Gordon Creek Project through workovers and drilling. The Company also intends to initiate an exploration program, consisting of 3D seismic and drilling, in Weston County, Wyoming.

Short-term constraints on pipeline capacity in the prior year had negative price differential for natural gas in the Rocky Mountain region. These supply constraints, combined with generally lower natural gas prices, severely impacted revenues for the second and third quarters of 2008. The basis price spread during these quarters (i.e. the negative differential price between Rockies and NYMEX prices), increased from its traditional \$1 to \$2 range to as high as \$5. In January 2008, Phase two of the Rocky Mountain Express ("REX") pipeline was completed and the basis price spread returned to more traditional levels. The third and final phase of the REX pipeline is scheduled for completion in early 2009 and should help provide long-term price stability for natural gas produced in the Rockies. The Company is particularly impacted by these market price fluctuations as all of its gas is currently sold into the spot market. As the Company grows its production base, it intends to investigate a variety of marketing options in order to reduce or alleviate the negative short-term price fluctuations. These may include hedges and other forward sales techniques, long-term sales contracts and long-term firm capacity contracts.

North American prices for both oil and natural gas remained relatively strong during the first quarter and into the second quarter.

RISKS AND TRENDS

Demand for natural gas has traditionally been highly cyclical and somewhat predictable. Demand for and pricing of natural gas has traditionally been highest during the coldest months of winter. The primary driver for this cyclicity is the need for residential and commercial heating. Because natural gas is increasingly being used to generate electricity, increased electrical demand often means increased natural gas demand and pricing. This results in a smaller spike in natural gas demand during the warmest months of the year as electrical demand for space cooling increases. Accordingly, the spring and fall "shoulder seasons" are typically becoming the periods of lowest natural gas prices. The magnitude of this summer spike in natural gas prices is expected to increase in future years as natural gas continues to replace coal as a clean source of electrical power generation. In addition, issues relating to pipeline capacity constraints, pipeline maintenance and unscheduled shut-downs, can temporarily impact regional pricing.

Oil and natural gas operations involve many risks that even a combination of experience and knowledge and careful evaluation may not be able to overcome. The long-term commercial success of Thunderbird depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves Thunderbird may have at any particular time and the production there from will decline over time as such existing reserves are exploited. A future increase in Thunderbird's reserves will depend not only of the Company's ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that further commercial quantities of oil and natural gas will be discovered or acquired by Thunderbird.

Thunderbird's principal risks include finding and developing economic hydrocarbon reserves efficiently and being able to fund the required capital programs. The Company's need for capital is both short-term and long-term in nature. Short-term working capital will be required to finance accounts receivable, drilling deposits and other similar short-term assets, while the acquisition and development of oil and natural gas properties require large amounts of long-term capital. Thunderbird anticipates that future capital requirements will be funded through a combination of internal cash flow, debt and equity financing. There is no assurance that debt and equity financing will be available on terms acceptable to the Company to meet its capital requirements. If any components of the Company's business plan are missing, the Company may not be able to exercise the entire business plan.

Although Thunderbird has no set policy concerning hedges, the management of Thunderbird may use hedging contracts to reduce corporate risk in certain situations. Thunderbird currently has no hedging commitments in place and has no present intention to implement any hedging commitments.

These risk factors should not be construed as exhaustive. There are numerous factors, both known and unknown, that could cause results or events to differ materially from forecast results.

LIQUIDITY AND CAPITAL RESOURCES

Historically the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company has issued common shares pursuant to private placement financings and exercise of warrants and options. The Company's access to exploration financing when the financing is not transaction specific is always uncertain. There can be no assurance of the continued access to significant equity financing.

At April 30, 2008, the Company had cash of \$104,799 and a working capital deficit of \$2,514,352. The working capital deficit includes a current liability of \$1,289,492, representing the current portion of the convertible debenture interest and repayment due in the third quarter. Insiders of Thunderbird are the holders of approximately 45% of the convertible debentures.

The Company has no "purchase obligations" defined as any agreement to purchase goods or services that is enforceable and legally binding on the Company that specifies all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the proximate timing of the transaction.

The Company has entered into an agreement, subject to regulatory approval, to buy out the Black Tusk Entertainment ("BTE") royalty interests in the Gordon Creek Project, as well as BTE's participation rights in further drilling, for \$1 million, payable by way of \$300,000 cash and the issuance of 2,000,000 shares at a deemed price of \$0.35 per share. BTE is a partnership in which certain directors or their associates have interest. The Company had no other commitments for capital expenditures as of April 30, 2008. The Company has no lines of credit or other sources of financing which have been arranged at this time, other than those listed below.

Long-Term Debt

The Company has a long-term financing facility agreement with Macquarie that provides up to a maximum commitment of U.S. \$50 million, subject to an availability limit, for the development of the Company's existing oil and natural gas projects and future acquisitions. At April 30, 2008, U.S. \$4,089,975 (Cdn \$4,145,190) is owed under this facility.

Private Placement

Subsequent to quarter end the Company has announced that it is planning on conducting a brokered private placement of up to 16,500,000 units of the Company at a price of \$0.20 per unit. Each unit consists of one common share and one-half of one non-transferable share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of \$0.25 per share for a period of one year. Broker cash commission equal to 7% of the gross proceeds from the sale of units and broker's warrants to purchase that number of units as is equal to 10% of the aggregate number of units sold under the placement will be paid. Broker's warrants will be exercisable at a price of \$0.20 per unit for a one year period.

Convertible debentures

Debentures with the face value of \$1,325,000 issued in November of 2006 at 12% interest, paid quarterly, are still outstanding and due in November 2008.

Warrants Exercised

During the quarter, 810,810 warrants were exercised at a price of \$0.185 for proceeds totalling \$150,000. The warrants were issued as part of the March 2006 convertible debentures.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 2 of its audited consolidated financial statements as at January 31, 2008 and 2007. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates relate primarily to the future development costs associated with proved undeveloped reserves, reserve volumes, future production and revenues, future costs associated with asset retirement obligations and stock based compensation. The Company has its oil and gas reserves, future development costs and future cash flows from those reserves evaluated and reported on by MHA Consultants, independent petroleum reserve engineering consultants. The estimation of these amounts is a subjective process based on engineering data, forecasted prices and production levels and the timing of expenditures. All of these estimates are subject to numerous uncertainties and various interpretations, and consequently will change over time to reflect updated information as it is received.

No changes have been made to the Company's critical accounting policies and estimates in the three months ended April 30, 2008.

ADOPTION OF NEW ACCOUNTING POLICIES

Effective February 1, 2008, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA").

Section 1535, "Capital Disclosures", establishes standards for disclosure of an entity's objectives, policies and processes for managing capital. In addition, this standard requires disclosure of summary of quantitative and qualitative information about what an entity manages as capital.

Sections 3862, "Financial Instruments – Disclosures" and 3863, "Financial Instruments - Presentation", replace CICA handbook section 3861 "Financial Instruments – Disclosure and Presentation" and specify a revised and enhanced disclosure on financial instruments. Increased disclosure is required on the nature and extent of risks arising from financial instruments and how the entity manages those risks.

TRANSACTIONS WITH RELATED PARTIES

Koele Capital Corp, of which the President and CEO is a shareholder, was paid \$22,500 in consulting fees for the first quarter. The Company has an ongoing contractual arrangement with Koele Capital Corp to pay consulting fees of \$7,500 per month.

Thunderbird Films Inc, a company that shares common directors with Thunderbird, was paid \$29,661 in accounting fees, office reception, rent and supplies during the quarter, pursuant to a cost sharing arrangement between the two companies.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at May 25, 2008 the Company had the following common shares and stock options outstanding:

Common Shares	50,579,492
Share Purchase Warrants	14,749,918
Stock Options	4,725,000

There are no shares held in escrow.

As of May 25, 2008, there was \$1,325,000 of two-year convertible debentures outstanding, convertible to common shares at rates of \$0.50 per share and \$0.60 per share.

FORWARD LOOKING STATEMENTS

This discussion includes certain statements that may be deemed “forward-looking statement”. All statements in this discussion, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results, or developments may differ materially from those projected in the forward-looking statements.

Petroleum and natural gas reserves and volumes are converted to a common unit of measure, referred to as a mcf (thousand cubic feet equivalent), on the basis of 1 bbls of oil being equivalent to 6 thousand cubic feet of natural gas.

“CAMERON WHITE”

Cameron White, President & Chief Executive Officer

“STEPHEN CHEIKES”

Steven Cheikes, Director
