Interim financial statements of

Greenbriar Capital Corp.

September 30, 2009
(Unaudited)

UNAUDITED INTERIM FINANCIAL STATEMENTS

PREPARED BY MANAGEMENT

The accompanying financial statements of Greenbriar Capital Corp., comprised of the Interim Balance Sheet as at September 30, 2009 and the Interim Statements of Operations, Interim Statements of Cash Flows and Interim Statements of Shareholders' Equity for the period ending September 30, 2009 are the responsibility of the Company's management. The independent external auditors of the Company have not reviewed these financial statements.

Greenbriar Capital Corp.

September 30, 2009

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Greenbriar Capital Corp.
Interim Statements of Operations

three months ended September 30, 2009 and period of incorporation on April 2, 2009 to September 30, 2009
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended September 30, 2009	April 2, 2009 to September 30, 2009
	$	$
Expenses		
Accounting	5,000	10,000
Bank charges	5	232
Legal	3,952	16,539
Public Company Fees	1,438	1,438
Stock option expense (Note 4(e))	35,678	36,175
Travel	1,467	1,467
	47,540	65,851
Net loss for the period	(47,540)	(65,851)
Basic and diluted loss per common share	(0.02)	(0.03)
Weighted average number of common shares outstanding basic and diluted	2,521,739	2,265,193

See accompanying notes to the financial statements.

Greenbriar Capital Corp.
Interim Balance sheet

as at September 30, 2009
(Expressed in Canadian dollars)
(Unaudited)

	September 30, 2009 $
Assets	
Current assets	
Cash	401,892
Refundable Tax Credits	1,044
	402,936
Liabilities	
Current liabilities	
Accounts Payable	6,676
	6,676
Shareholders' equity	
Share capital (Note 4 (b))	390,548
Subscription Receipts	14,325
Contributed surplus	36,175
Warrants (Note 5)	21,063
Deficit	(65,851)
	396,260
	402,936

Continuing operations (Note 1)
Subsequent events (Note 8)

Approved by the Directors

(Signed) Jeffrey Ciachurski
Jeffrey Ciachurski, Director

(Signed) John Wardlow
John Wardlow, Director

Greenbriar Capital Corp.
Interim Statements of cash flows

three months ended September 30, 2009 and period of incorporation on April 2, 2009 to September 30, 2009
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended September 30, 2009	April 2, 2009 to September 30, 2009
	$	$
Operating activities		
Net loss	(47,540)	(65,851)
Item not involving cash		
Stock option expense (Note 4(e))	35,678	36,175
	(11,862)	(29,676)
Change in non-cash working capital		
Accounts payable	4,339	6,676
Deposits	11,000	-
Refundable Tax Credits	(1,044)	(1,044)
	2,433	(24,044)
Financing activity		
Shares and warrants issued for cash	336,436	425,936
	336,436	425,936
Net cash inflow	338,869	401,892
Cash position, beginning of period	63,023	-
Cash position, end of period	401,892	401,892

Supplementary information:		
Cash paid during the period for interest	-	-
Cash paid during the period for income taxes	-	-

See accompanying notes to the financial statements.

Greenbriar Capital Corp.
Interim statements of shareholders' equity
as at September 30, 2009
(Expressed in Canadian dollars)
(Unaudited)

	Common shares		Contributed	Warrants			Accumulated other	Total
	Number	Amount	surplus	Number	Amount	Deficit	comprehensive income (loss)	shareholders' equity
		$	$		$	$	$	$
Net loss for the period	-	-	-	-	-	(65,851)	-	(65,851)
								-
Comprehensive loss								(65,851)
Cash transactions								
Private placement of 2,000,000 shares at a price of $0.05 per common share and issuance costs of $10,500	2,000,000	89,500	-	-	-	-	-	89,500
Initial public offering of 4,000,000 common shares at $0.10 per common share and issuance costs of $77,889	4,000,000	301,048	-	400,000	21,063	-	-	322,111
								-
Share subscription receipts	-	-	14,325	-	-	-	-	14,325
								-
	6,000,000	390,548	14,325	400,000	21,063	(65,851)	-	425,936
Non-cash transactions								
Stock-based compensation	-	-	36,175	-	-	-	-	36,175
Balance at September 30, 2009	6,000,000	390,548	50,500	400,000	21,063	(65,851)	-	396,260

1. Continuing operations

Greenbriar Capital Corp. (the "Company") was incorporated on April 2, 2009 under the laws of British Columbia. It is a capital pool corporation, and accordingly, its principal purpose is to use its capital to investigate and find a business to acquire as their qualifying transaction under the rules of the TSX Venture Exchange ("TSX-V").

The Company expects to be classified as a capital pool company as defined pursuant to the TSX Venture Exchange Policy 2.4. The Company proposes to identify and evaluate corporations, businesses or assets for acquisition, and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval. The long-term future of the Company is dependent upon the completion of a qualifying transaction within 24 months of listing on the TSX-V and ultimately achieving a profitable operation.

2. Significant accounting policies

Basis of presentation

The financial statements of the Company are presented in accordance with Canadian generally accepted accounting principles ("GAAP") and reflect the following significant accounting policies:

(a) Measurement uncertainty

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of expenses during the reporting period. Areas that often require significant management estimates include stock-based compensation and income tax provisions. Actual results could differ from those estimates and would impact future results of operations and cash flows.

(b) Cash

Cash consists of cash on deposit with a major Canadian bank.

(c) Financial instruments

The Company follows the Canadian Institute of Chartered Accountants ("CICA") Section 3855, *Financial Instruments - Recognition and Measurement*, to account for its financial assets, liabilities and equity instruments. The Company has designated its cash as held-for-trading, and it is measured at fair value, with changes in fair value being recorded in net loss. Accounts payable are classified as other financial liabilities and are recorded at amortized cost. The Company had neither available for sale nor held to maturity financial instruments during the period from April 2, 2009 to September 30, 2009.

(d) Income taxes

The Company follows the liability method of accounting for income taxes. Under this method, future income taxes are recognized based on the expected future tax consequences of differences between the carrying amount of balance sheet items and their corresponding tax basis, using the enacted and substantively enacted income tax rates for the years in which the differences are expected to reverse. Future income tax assets are recognized to the extent it is more likely than not they will be realized.

2. Significant accounting policies

(d) Income taxes (continued)

No provision for recovery of income taxes has been reflected for the period April 2, 2009 to September 30, 2009 due to uncertainty.

(e) Stock-based compensation

All stock option awards granted to directors are valued using the fair value method.

The fair value of stock options is determined by the Black-Scholes option pricing model with assumptions for risk free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and an expected life of the options and is expensed over the vesting period. The fair value of direct awards of shares is determined by the quoted market price of the Company's stock and is recorded as stock-based compensation expense over the vesting period.

(f) Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon the exercise of options, warrants or similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Existing stock option and share purchase warrants have not been included in the computation of diluted loss per share because to do so would be anti-dilutive.

Basic loss per common share is calculated using the weighted average number of common shares outstanding during the period. The shares outstanding that are contingently returnable have been excluded from the weighted average number of shares.

3. Recent accounting pronouncements

(a) CICA Section 1582, Business Combinations ("Section 1582")

Section 1582 applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011, with early adoption permitted. The Company has not yet determined the timing or impact of the adoption of this new section on the financial statements.

(b) CICA Section 1601, Consolidated Financial Statements ("Section 1601") and Handbook Section 1602, Non-Controlling Interests ("Section 1602")

CICA Sections 1601 and 1602 replace CICA Section 1600, *Consolidated Financial Statements*, and apply to fiscal years beginning on or after January 1, 2011, with early adoption permitted. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. An entity must adopt Section 1582, 1601 and 1602 at the same time. The Company has not yet determined the impact of the adoption of these new sections on the financial statements.

(Expressed in Canadian dollars)

4. Share capital

(a) *Authorized*

Unlimited number of common shares without par value

(b) *Issued and outstanding*

Issued common shares of the Company are as follows:

	Number of shares	Amount
		$
Balance, beginning of period	-	-
Issued during the period for cash		
Seed Capital	2,000,000	89,500
Initial Public Offering (IPO)	4,000,000	400,000
IPO share issue costs	-	(77,889)
IPO agents options	-	(21,063)
Balance, end of period	6,000,000	390,548

(c) *Private placement of units*

On May 28, 2009, the Company completed a private placement of 2,000,000 common shares at a price of $0.05 per common share for total proceeds of $100,000. These shares were subscribed for by the Company's directors and allotted from treasury. The 2,000,000 common shares are deposited in escrow pursuant to the terms of an escrow agreement and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin.

(d) *Initial public offering*

On September 18, 2009 the Company completed its initial public offering of 4,000,000 common shares at a price of $0.10 per share for gross proceeds of $400,000. As a condition of the offering, the agent PI Financial Corp received a commission of $40,000, a $10,000 agent fee and an option to acquire common shares equal to 10% of the common shares, exercisable at a price of $0.10 per share for a period of 24 months.

(e) *Stock option plan*

The Company has a stock option plan (the "Plan") to issue up to and not exceed 10% of the issued and outstanding common shares.

Each option entitles the holder to acquire one common share at its exercise price. Options vest immediately. If the Optionee exercises any options prior to the Company completing its qualifying transaction and the issuance of the Final Exchange Bulletin, the Optionee shall deposit any and all such optioned shares issued into escrow subject to the Escrow Agreement mentioned in note 4(c) above.

(Expressed in Canadian dollars)

4. Share capital (continued)

(e) Stock option plan (continued)

On June 15, 2009, the Company granted 400,000 options to its directors to acquire common shares at $0.10 per share. The options are exercisable from the date that the Company commenced trading until the tenth anniversary of the listing date, unless terminated.

The Company recorded $35,678 and $36,174 of stock-based compensation expense during the three months ended September 30, 2009 and the period since incorporation on April 2, 2009 to September 30, 2009.

A summary of stock option information as at September 30, 2009 is as follows:

	Shares	Weighted average exercise price
		$
Options outstanding at April 2, 2009	-	-
Granted	400,000	0.10
Options outstanding at September 30, 2009	400,000	0.10

	Stock options outstanding			Options exercisable	
Range of exercise prices	Number of stock options outstanding	Weighted average exercise price	Weighted average remaining contractual life	Number of options outstanding	Weighted average exercise price
$		$	Years		$
0.10	400,000	0.10	9.96	400,000	0.10

(Expressed in Canadian dollars)

4. Share capital (continued)

(e) Stock option plan (continued)

The fair value of the Company's stock-based awards granted to directors for the three months ended September 30, 2009 was estimated using the Black-Scholes option-pricing model using the following weighted average assumptions:

	Period Ended September 30, 2009
Expected life (in years)	**10**
Risk-free interest rate	**3.41%**
Expected volatility	**100%**
Dividend yield	**0%**

5. Warrants

Share purchase warrants outstanding as at September 30, 2009:

Number of share purchase warrants (i)	Black-scholes value	Exercise price	Expiry date
	$	$	
400,000 (ii)	21,063	0.10	September 18, 2011
400,000	21,063		

(i) Each share purchase Warrant entitles the holder to acquire one common share of the Company on the payment of the exercise price as indicated.

Warrants granted during the three months ended September 30, 2009 were issued in conjunction with the initial public offering and are exercisable at the holder's option. There are no conditions whereby the Company would have to settle the warrants in cash.

(ii) On September 18, 2009 the Company completed its initial public offering of 4,000,000 common shares at a price of $0.10 per share for gross proceeds of $400,000. As a condition of the offering, the agent PI Financial Corp received a commission of $40,000, a $10,000 agent fee and an option to acquire common shares equal to 10% of the common shares, exercisable at a price of $0.10 per share for a period of 24 months.

6. Financial instruments

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

(a) *Fair value*

Financial instruments consist of cash and accrued liabilities. The fair values of all financial instruments are considered to approximate their carrying values due to their short-term nature.

(b) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

(c) *Credit risk*

The Company is exposed to credit risk through its cash which is held in large Canadian financial institutions. The Company believes this credit risk is insignificant.

(d) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable are due within the current operating period.

7. Capital management

The Company manages its capital, taking into account the long-term business objectives of the Company, to provide stability and reduce risk. The Company defines its capital as shareholders' equity. The primary use of capital will be to identify target companies for the purpose of completing a qualifying transaction.

8. Subsequent events

Subsequent to September 30, 2009 the Company received $14,575 from the exercise of 145,750 of agent options.