Interim Financial statements of

Greenbriar Capital Corp.

March 31, 2011

UNAUDITED INTERIM FINANCIAL STATEMENTS

PREPARED BY MANAGEMENT

The accompanying financial statements of Greenbriar Capital Corp., comprised of the Interim Statement of Financial Position as at March 31, 2011 and the Interim Statement of Comprehensive Loss, Interim Statement of Cash Flows and Interim Statement of Changes in Equity for the period ending March 31, 2011 are the responsibility of the Company's management. The independent external auditors of the Company have not reviewed these financial statements.

Greenbriar Capital Corp.

March 31, 2011

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GREENBRIAR CAPITAL CORP

Interim Statement of Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	Notes	Three months ended March 31, 2011	2010
		$	**$**
Expenses			
Accounting		**12,757**	-
Audit and tax		**4,750**	1,750
Bank charges		**28**	27
Legal		**1,107**	4,309
Public company fees		**4,763**	6,095
Travel		**250**	-
		23,655	12,181
Net loss and comprehensive loss		**(23,655)**	(12,181)
Basic and diluted loss per common share	3e	**(0.00)**	(0.00)
Weighted average number of common shares outstanding - basic and diluted		**6,148,375**	6,147,976

See accompanying notes to the financial statements.

GREENBRIAR CAPITAL CORP

Interim Statement of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	Notes	As at March 31, 2011	As at December 31, 2010
		$	$
Assets			
Current assets			
Cash		**319,036**	323,780
Prepaid Expense		**3,900**	-
Refundable tax credits		**3,724**	290
		326,660	324,070
Liabilities			
Current liabilities			
Accounts payable		**33,546**	1,551
Accrued liabilities		**1,750**	7,500
		35,296	9,051
Shareholders' equity			
Share capital	3	**390,614**	390,614
Contributed surplus	3d	**36,175**	36,175
Warrants	4	**13,249**	13,249
Deficit		**(148,674)**	(125,019)
		291,364	315,019
		326,660	324,070

Continuing operations

Approved by the Directors

(signed) Jeffrey Ciachurski

Jeffrey Ciachurski, Director

(signed) John Wardlow

John Wardlow, Director

GREENBRIAR CAPITAL CORP

Interim Statement of Cash Flows

(Expressed in Canadian dollars)

(Unaudited)

	Notes	Three months ended March 31, 2011	2010
		$	$
Operating activities			
Net loss		**(23,655)**	(12,181)
Item not involving cash		**-**	-
		(23,655)	(12,181)
Change in non-cash working capital			
Accounts payable		**31,995**	192
Accrued liabilities		**(5,750)**	(5,600)
Prepaid expenses		**(3,900)**	(3,750)
Refundable tax credits		**(3,434)**	1,569
		(4,744)	(19,770)
Financing activity			
Shares and warrants issued for cash		**-**	250
		-	250
Net cash (outflow) inflow		**(4,744)**	(19,520)
Cash position, beginning of period		**323,780**	350,495
Cash position, end of period		**319,036**	330,975
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 Statement of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited)

	Common shares		Contributed	Warrants		Accumulated	Total
	Number	Amount	surplus	Number	Amount	Deficit	shareholders' equity
		$	$		$	$	$
Balance at December 31, 2009	6,145,750	390,213	36,187	254,250	13,388	(94,959)	344,829
Shares issued for:							
Exercise of warrants at $0.10	2,625	401	(12)	(2,625)	(139)	-	250
Net loss and comprehensive loss for the year	-	-	-	-	-	(30,060)	(30,060)
Balance at December 31, 2010	6,148,375	390,614	36,175	251,625	13,249	(125,019)	315,019
Net loss and comprehensive loss for the period	-	-	-	-	-	(23,655)	(23,655)
Balance at March 31, 2011	**6,148,375**	**390,614**	**36,175**	**251,625**	**13,249**	**(148,674)**	**291,364**
Balance at December 31, 2009	6,145,750	390,213	36,187	254,250	13,388	(94,959)	344,829
Shares issued for:							
Exercise of warrants at $0.10	2,625	401	(12)	(2,625)	(139)	-	250
Net loss and comprehensive loss for the year	-	-	-	-	-	(12,181)	(12,181)
Balance at March 31, 2010	6,148,375	390,614	36,175	251,625	13,249	(107,140)	332,898

See accompanying notes to the interim consolidated financial statements.

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 is 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 which occurred on September 18, 2009, and ultimately achieving profitable operations.

2. Significant accounting policies

(a) *Basis of presentation*

These interim financial statements are unaudited and have been prepared in accordance with IAS 34 *'Interim Financial Reporting'* ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These are the Company's first IFRS interim financial statements for part of the period covered by the Company's first IFRS annual financial statements for the year ending December 31, 2011. Previously, the Company prepared its annual and interim financial statements in accordance with Canadian Generally Accepted Accounting Principles ("GAAP").

As these are the Company's first IFRS interim financial statements in accordance with IFRS, the Company's disclosure exceeds the minimum required under IAS 34. The Company has elected to exceed the minimum requirements in order to present the Company's accounting policies in accordance with IFRS.

The interim financial statements have been prepared on the historical cost basis. The comparative figures presented in these interim financial statements are in accordance with IFRS and have not been audited in conformity with IFRS. All information is stated in Canadian dollars unless otherwise stated and are prepared in accordance with the following significant accounting policies:

(b) *First Time Adoption of IFRS*

The Company has adopted IFRS on January 1, 2011 with a transition date of January 1, 2010. Under IFRS 1 *'First- time Adoption of International Financial Reporting Standards'*, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to retained earnings unless certain exemptions are applied. The Company is not applying any exemptions on first-time adoption of IFRS.

IFRS employs a conceptual framework that is similar to Canadian GAAP. The adoption of IFRS has not changed the Statement of Financial Position, Statement of Comprehensive Loss, Statement of Changes in Equity and Statement of Cash Flows as previously reported under GAAP. No transitional adjustments were made when converting from GAAP to IFRS.

2. Significant accounting policies (continued)

(c) Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised International Accounting Standards ("IAS"), IFRSs, amendments and related IFRICs (hereinafter collectively referred to as the "new IFRS") which are effective for the Company's financial year beginning on January 1, 2010 and transition date. For the purpose of preparing and presenting interim financial statements, the Company has consistently adopted these new standards for the years ending December 31, 2010 and the interim period ending March 31, 2011.

At the date of authorization of these Financial Statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective for the interim period ended March 31, 2011.

- IFRS 9 -New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets. Effective for annual periods beginning on or after January 1, 2013.

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

(d) Measurement uncertainty

The preparation of interim financial statements in conformity with IFRS 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.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

(f) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss.

Financial assets classified as loans-and-receivables and held-to-maturity and are measured at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

2. Significant accounting policies (continued)

(g) *Financial assets (continued)*

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary or a significant or prolonged decline in the fair value of that investment below its cost.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

(h) *Financial liabilities*

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as held-for-trading unless they are designated as effective hedging instruments. Transaction costs on financial liabilities classified as FVTPL are expensed as incurred. At the end of each reporting period subsequent to initial recognition, financial liabilities classified as FVTPL are measured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise. The net gain or loss recognized in profit or loss excludes any interest paid on the financial liabilities.

(i) *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 probable that sufficient taxable profit will be available to allow all or part of the future income tax asset to be utilized. Unrecognized future income tax assets are assessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the future tax asset to be recovered.

(j) *Stock-based payments*

The Company accounts for stock-based compensation using the Black-Scholes option pricing model. Accordingly, the fair value of the options at the date of grant is accrued with a corresponding credit to contributed surplus, and charged to earnings over the vesting period. If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital.

2. Significant accounting policies (continued)

(k) *Loss per share*

Basic loss per common share is calculated using the weighted average number of common shares outstanding during the period.

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 for 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.

(l) *Provisions*

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3. Share capital

(a) *Authorized*

Unlimited number of common shares without par value

(b) *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 by the Company's Directors and allotted from the 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.

(c) *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 400,000 warrants which give the agent the option to acquire 10% of the common shares, exercisable at a price of $0.10 per share, for a period of 24 months from September 18, 2009.

(d) *Stock option plan*

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

Under the Plan, 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 shares issued into escrow subject to the Escrow Agreement mentioned in note 3(b) above.

On June 15, 2009, the Company granted 400,000 options to its Directors to acquire common shares at $0.10 per share under the Plan. The options are exercisable from the date that the Company's shares commence trading on the TSX Venture Exchange (the "listing date"), until the tenth anniversary after the listing date.

The Company recorded $Nil of stock-based compensation expense during the three months ended March 31, 2011 ($Nil-March 31, 2010), complemented by an equal amount of contributed surplus.

(Expressed in Canadian dollars)

3. Share capital (continued)

(d) *Stock option plan (continued)*

A summary of stock option information as at March 31, 2011 is as follows:

	Shares	price
		$
Options outstanding at April 2, 2009	-	-
Granted- June 15,2009	400,000	0.10
Options outstanding at March 31, 2011	400,000	0.10

	Stock options outstanding			Options exercisable	
Exercise price	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	8.21	400,000	0.10

The fair value of the Company's stock-based awards granted to Directors was estimated using the Black-Scholes option-pricing model.

(e) *Basic and diluted loss per common share*

Outstanding stock option and share purchase warrants have not been included in the computation of diluted loss per share for the period ended March 31, 2011 and the period ended March 31, 2010, because to do so would be anti-dilutive.

4. Warrants

Share purchase warrants outstanding as at March 31, 2011:

Number of share purchase warrants	(i)	Black-Scholes value	Exercise price	Expiry date
		$	$	
251,625	(ii)	13,249	0.10	September 18, 2011
251,625		13,249		

4. Warrants (continued)

(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 period ended December 31, 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. As a condition of the offering, the agent PI Financial Corp received 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.

The Company recorded $Nil warrants exercised for the period ended March 31, 2011 ($Nil – March 31, 2010).

5. 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, refundable tax credits, accounts payable 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 and its refundable tax credits. The Company believes this credit risk is insignificant and reported at fair value, using level 1 of the fair value hierarchy.

(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.

Accrued liabilities and accounts payable are due within the current operating period.

6. 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.

7. Related party transactions

During the year ended March 31, 2011, the Company paid $Nil in related party transactions and key management personnel compensation ($Nil - March 31, 2010)