Condensed Consolidated Interim Financial Statements
and Notes of

Greenbriar Capital Corp.

March 31, 2013

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PREPARED BY MANAGEMENT

The accompanying condensed consolidated interim financial statements of Greenbriar Capital Corp., comprised of the Statement of Financial Position as at March 31, 2013 and the Statement of Loss and Comprehensive Loss, Statement of Cash Flows and Statement of Changes in Equity for the three months ended March 31, 2013 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, 2013

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GREENBRIAR CAPITAL CORP.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars, except share amounts)
(Unaudited)

	Notes	Three months ended March 31, 2013	2012
		$	$
Expenses			
Audit and tax		**7,692**	11,779
Bank charges		**503**	460
Foreign exchange		**(27)**	17
Legal		**12,896**	669
Office		**3,843**	-
Public company		**6,102**	3,391
Salaries		**11,102**	11,030
Share-based compensation	5c	**41,778**	-
Travel		**24,678**	-
		108,567	27,346
Other Income (expense)			
Interest Income		**3,535**	-
Loss before income taxes		**(105,032)**	(27,346)
Current income tax expense		**-**	250
Net loss		**(105,032)**	(27,596)
Other comprehensive (income) loss			
Currency translation adjustment		**23,804**	(19,803)
Comprehensive loss		**(81,228)**	(47,399)
Basic and diluted loss per common share	5d	**(0.01)**	(0.00)
Weighted average number of common shares outstanding - basic and diluted		**10,932,516**	10,700,000

GREENBRIAR CAPITAL CORP.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

(Unaudited)

	Notes	As at March 31, 2013	As at December 31, 2012
		$	$
Assets			
Current assets			
Cash		**700,616**	652,962
Interest receivable	3	**8,562**	5,027
HST receivable		**1,936**	875
Prepaid expenses		**8,025**	-
Deposit	3	**141,150**	141,150
		860,289	800,014
Property held for development and sale	4	**1,092,246**	1,065,460
		1,952,535	1,865,474
Liabilities			
Current liabilities			
Accounts payable		**34,226**	5,767
Accrued liabilities		**41,311**	31,759
		75,537	37,526
Shareholders' equity			
Share capital	5	**2,287,191**	2,156,836
Equity compensation reserve	5c	**264,612**	231,877
Warrants reserve	6	**27,169**	59,981
Accumulated other comprehensive loss		**(19,479)**	(43,283)
Accumulated Deficit		**(682,495)**	(577,463)
		1,876,998	1,827,948
		1,952,535	1,865,474

General Information (Note 1)

Approved by the Directors

(signed) Jeffrey Ciachurski

Jeffrey Ciachurski, Director

(signed) John Wardlow

John Wardlow, Director

See accompanying notes to the condensed consolidated interim financial statements.

GREENBRIAR CAPITAL CORP.
Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)
(Unaudited)

	Three months ended March 31, 2013	2012
	$	$
Operating activities		
Net loss	**(105,032)**	(27,596)
Item not involving cash		
Share-based compensation	**41,778**	-
Foreign exchange unrealized	**693**	(911)
	(62,561)	(28,507)
Change in non-cash working capital		
Accounts payable	**28,459**	(6,903)
Accrued liabilities	**9,552**	13,517
Prepaid expenses	**(8,025)**	(10,550)
HST receivable	**(1,061)**	15,155
Interest receivable	**(3,535)**	-
	(37,171)	(17,288)
Investing activities		
Property held for development and sale	**(3,675)**	(6,239)
	(3,675)	(6,239)
Financing activities		
Shares and warrants issued for cash	**88,500**	-
	88,500	-
Net cash (outflow) inflow	**47,654**	(23,527)
Cash position, beginning of period	**652,962**	924,987
Cash position, end of period	**700,616**	901,460

See accompanying notes to the condensed consolidated interim financial statements.

GREENBRIAR CAPITAL CORP

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)
(Unaudited)

	Common shares		Equity compensation	Warrants reserve		Accumulated other comprehensive	Accumulated	Total shareholders'
	Number	Amount	Reserve	Number	Amount	income (loss)	Deficit	equity
	#	$	$	#	$	$	$	$
Balance at January 1, 2012	10,700,000	2,137,792	240,921	287,000	59,981	(19,939)	(427,675)	1,991,080
Currency translation adjustment	-	-	-	-	-	(19,803)	-	(19,803)
Net loss for the year	-	-	-	-	-	-	(27,596)	(27,596)
Balance as at March 31, 2012	**10,700,000**	**2,137,792**	**240,921**	**287,000**	**59,981**	**(39,742)**	**(455,271)**	**1,943,681**
Balance at January 1, 2013	10,800,000	2,156,836	231,877	287,000	59,981	(43,283)	(577,463)	1,827,948
Exercise of options at $0.10	100,000	19,043	(9,043)					10,000
Exercise of warrants at $0.50	157,000	111,312		(157,000)	(32,812)			78,500
Currency translation for adjustment	-	-	-	-	-	23,804	-	23,804
Net loss for the period	-	-	-	-	-	-	(105,032)	(105,032)
Share-based compensation			41,778					41,778
Balance as at March 31, 2013	**11,057,000**	**2,287,191**	**264,612**	**130,000**	**27,169**	**(19,479)**	**(682,495)**	**1,876,998**

See accompanying notes to the condensed consolidated interim financial statements.

1. Nature of business and continuing operations

Greenbriar Capital Corp. was incorporated under the Canada Business Corporations Act on April 2, 2009 and is a real estate issuer on the TSX Venture Exchange. The Company's head office is located at 632 Foster Avenue, Coquitlam, British Columbia, V3J 2L7. On August 2, 2011, Greenbriar incorporated Greenbriar Capital Holdco Inc. ("Greenbriar USA"), a Delaware corporation. Greenbriar is the sole shareholder of Greenbriar USA. On August 2, 2011, Greenbriar USA formed Greenbriar Capital (U.S.) LLC ("Greenbriar LLC"), a limited liability corporation formed under the laws of the State of Delaware. Greenbriar USA is the sole member and manager of Greenbriar LLC.

On October 6, 2011 the Company received approval from the TSX Venture Exchange approving its qualifying transaction and non-brokered private placement. The Company is listed as a Tier 2 real estate issuer and is no longer considered a Capital Pool Company. The Company's shares trade on the exchange under the symbol "GRB".

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. The nature of the Company's business is the acquisition, management, development, and possible sale of real estate. The Company has been successful to date in acquiring its first property, however future inflows of cash are dependent on actions by management to bring the property to completion including the eventual sale of property lots and raising additional capital for other acquisitions if required (See Note 10). The Company has no history of operations, earnings or revenues. However, the Company anticipates that existing cash resources will be sufficient to cover its funding requirements for the ensuing year. If it is unable to generate cash flow from the sale or otherwise disposition of the property, or if it is unable to raise any additional funds, it could have a material adverse effect on its financial condition and cause significant doubt about the company's ability to continue as a going concern. If the going concern basis was not appropriate for these condensed consolidated interim financial statements, then significant adjustments would be necessary to the carrying value of assets and liabilities, the reported statement of loss and comprehensive loss and the financial position classification.

2. Significant accounting policies

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee.

(b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2012 consolidated annual financial statements. All information is expressed in Canadian dollars unless otherwise stated.

(c) Adoption of new and revised standards and interpretations

These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as the Company's annual consolidated financial statements for the year ended December 31, 2012. The adoption of the new and revised standards, amendments and interpretations issued by the IASB effective for periods beginning on or after January 1, 2013 has not had a material impact on the accounting policies, methods of computation or presentation applied by the Company.

(Expressed in Canadian dollars)

2. Significant accounting policies (continued)

(c) Adoption of new and revised standards and interpretations (continued)

Additional new or amended accounting standards that have been previously issued by the IASB but are not yet effective, and have not been applied by the Company, are as follows:

- Amendments to IAS 32 Offsetting financial assets and financial liabilities will be effective for annual periods beginning on or after January 1, 2014.
- IFRS 9 New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets and financial liabilities will be effective for annual periods beginning on or after January 1, 2015.

The Company is currently reviewing these standards and assessing the potential impact on the consolidated financial statements.

3. Deposit

The Company entered into an installation agreement dated July 12, 2012 with the San Juan Marriott Hotel in San Juan, Puerto Rico (the "Installation agreement") to purchase and install a 300 ton heat recovery unit for $510,408 at completion. On July 12, 2012, the Company made a deposit to I.M.W. Industries of $141,150 for the purchase of the heat recovery unit.

On August 24, 2012 the Company entered into an agreement to have Green Matters Inc. take over the installation agreement. The Company had approved a loan facility to Green Matters Inc. for $141,150 plus interest of 10% per annum due February 22, 2013 which was extended with the same terms to August 23, 2013.

4. Property held for development and sale

On September 27, 2011 the Company acquired property in accordance with its acquisition agreement with Marks & Kilkenny LLC to acquire real property in Tehachapi, California, USA, (the "Property") as its qualifying transaction under the rules of the TSX Venture Exchange. The purchase price for the real property was US $1,040,000 and was in the form of cash consideration. The vendor was the sole owner of the property.

On February 26, 2013 (the "effective date"), the Company signed an Agreement of Purchase and Sale and Escrow Instructions (the "Agreement") for the sale of its 160 acres of real property held in the city of Tehachapi for US $2,300,000. In accordance with the Agreement, a deposit of US $35,000 from the buyer was received into escrow on March 1, 2013. (See Note 10)

The Company's property held for development and sale consist of the following:

	As at	
	March 31 2013	December 31 2012
Land acquisition	1,058,096	1,035,632
Property taxes	23,853	19,749
Land development	3,825	3,744
Land appraisal & related fees	6,472	6,335
	1,092,246	1,065,460

The unrealized foreign exchange translation gain for the three months ended March 31, 2013 was $23,111 (2012 – ($18,741)). For the three months ended March 31, 2013, the Company had property tax of $3,675 (2012 - $6,239).

(Expressed in Canadian dollars)

5. Share capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Private placement of units

On September 22, 2011 the Company closed a non-brokered private placement offering of 4,100,000 common shares at a price of $0.50 per share for total gross proceeds of $2,050,000. The shares were subject to a holding period which expired on January 23, 2012. Total share issuance costs relating to the non-brokered private placement amounted to $379,321 and are recorded as a deduction from common shares.

(c) 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.

On November 28, 2012 and March 1, 2013, 100,000 stock options were exercised at each date for a total of 200,000 stock options exercised at $0.10 per share.

On August 31, 2012, 100,000 stock options at $0.57 were granted to an officer of the Company. On November 28, 2012, these stock options expired after his resignation.

On February 18, 2013, 250,000 stock options at $0.75 were granted to a director of the Company. The options vest over an 18 month period and expire on February 18, 2018.

The Company recorded $41,778 of share-based compensation expense during the three months ended March 31, 2013 (2012 - $Nil).

The fair value of share-based options used to calculate the share-based compensation expense for the three months ended March 31, 2013 and for the year ended December 31, 2012 has been estimated using the Black-Scholes option pricing model with the following assumptions:

	March 31, 2013	December 31, 2012 [1]
Expected life (in years)	5.00	-
Risk-free interest rate	1.48%	-
Expected volatility	80%	-
Dividend yield	-	-

[1] No stock options were granted as at December 31, 2012.

The expected stock price volatility is based on the historic volatility of the Company's shares (based on the life of the share-based options).

The fair value of share-based options granted during the three months ended March 31, 2013 is $167,110 (2012 - $Nil).

(Expressed in Canadian dollars)

5. Share capital (continued)

(c) Stock option plan (continued)

A summary of stock option information as at March 31, 2013 is as follows:

	Shares	Weighted average exercise price
		$
Options outstanding as at December 31, 2011	700,000	0.44
Options exercised	(100,000)	0.10
Options forfeited	(100,000)	0.10
Options outstanding as at December 31, 2012	500,000	0.48
Options granted	250,000	0.75
Options exercised	(100,000)	0.10
Options outstanding as at March 31, 2013	650,000	0.64

	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 and exercisble	Weighted average exercise price
$		$	Years		$
0.57	400,000	0.57	3.91	400,000	0.57
0.75	250,000	0.75	4.89	62,500	0.75
	650,000	0.64	4.14	462,500	0.59

(d) Basic and diluted loss per common share

Outstanding stock options and share purchase warrants have not been included in the computation of diluted loss per share for the three months ended March 31, 2013 and March 31, 2012, because to do so would be anti-dilutive.

6. Warrants

Share purchase warrants outstanding as at March 31, 2013:

Number of share purchase warrants (i)		Black-Scholes value	Exercise price	Expiry date
		$	$	
130,000	(ii) (iii)	27,169	0.50	September 22, 2013
130,000		27,169		

(Expressed in Canadian dollars)

6. 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.

(ii) On September 22, 2011 the Company completed its non-brokered private placement. As a condition of the offering, the agent received an option to acquire common shares equal to 7% of the number of shares sold (287,000) at a price of $0.50 per share for a period of two years from September 22, 2011.

(iii) On January 23, 2013 and March 19, 2013, 143,500 and 13,500 warrants were exercised respectively for total proceeds of $78,500.

The expected stock price volatility is based on the historic volatility (based on the life of the warrants).

The fair value of the agent's warrants issued during the three months ended March 31, 2013 is $Nil (2012 - $Nil).

7. 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) Categories of financial instruments

	March 31, 2013	December 31, 2012
	$	$
Loans and receivables		
Cash	700,616	652,962
Deposit	141,150	141,150
Interest receivable	8,562	5,027
	850,328	799,139
Other liabilities		
Accounts payable	34,226	5,767
Accrued liabilities	41,311	31,759
	75,537	37,526

(b) Fair value

Financial instruments consist of cash, interest receivables, deposits, 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.

(c) 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 and on its short term investment; however, management does not believe this exposure is significant.

(Expressed in Canadian dollars)

7. Financial instruments (continued)

(d) Credit risk

The Company is exposed to credit risk through its cash which is held in large Canadian financial institutions with high credit rating, deposits and other receivables. The Company believes the credit risk is insignificant. The Company's exposure is limited to amounts reported within the statement of financial position.

(e) 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.

(f) Fair value hierarchy

The following table provides an analysis of the Company's financial assets and liabilities that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observed market data.

8. Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders. The primary use of capital will be used for the development of its land held for development and potential acquisitions.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not exposed to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. During the three months ended March 31, 2013, there has been no change in the Company's management of capital policies.

9. Related party transactions

(a) The following expenses were paid to key management personnel of the Company:

	Three months ended	
	March 31, 2013	March 31, 2012
	$	$
Management fees	7,800	7,800
Total	7,800	7,800

9. Related party transactions (continue)

(b) For the three months ended March 31, 2013, the Company had paid consultant fees of $Nil (2012 - $5,000) to the Chief Executive Officer for performance of business development activities.

10. Subsequent events

- On April 19, 2013, the Company entered into a Letter Agreement with a third party to acquire a 100% interest in an 80 MW wind project in Utah. The acquisition will be comprised of permits and permit applications, biological and environmental studies, reports and data, engineering, design, geo-tech, technical studies, transmission and interconnection facility studies, agreements and applications, on site wind data and met towers, all applicable consents and approvals for the project, wind energy land leases, and the nearly completed power purchase agreement for 80 MW.

  The agreement is subject to final definitive agreements being executed; however the agreement does contain some binding provisions. The final purchase price will be determined upon execution of the agreement.

- In April 2013, the Company entered into a partnership, AG Solar One, LLC, with Alterra Power Corp. The partnership intends to develop 100 MW's of solar generation capacity in Puerto Rico under a Master Renewable Power Purchase and Operating Agreement with the Puerto Rico Electric Power Authority which the partnership currently has rights to.

- In April 2013, the Agreement of Purchase and Sale and Escrow Instructions for the sale of its 160 acres of real property held in the city of Tehachapi for US $2,300,000 was cancelled by the Buyer and the deposit was returned, however, the Company and the Buyer continue negotiations on a new purchase and sale agreement.