Greenbriar
CAPITAL CORP.

Condensed Consolidated

Interim Financial Statements

For the Three and Nine Months Ended September 30, 2015

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 September 30, 2015 and the Statement of Loss and Comprehensive Loss, Statement of Cash Flows and Statement of Changes in Equity for the three and nine months ended September 30, 2015 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, 2015

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GREENBRIAR CAPITAL CORP.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars, except share amounts)

	Notes	Three months ended September 30		Nine months ended September 30	
		2015	**2014**	**2015**	**2014**
		$	$	**$**	$
Expenses					
Audit and tax		**2,425**	17,448	**22,992**	72,019
Bank charges		**945**	1,056	**3,319**	4,778
Consultant		**39,771**	35,152	**116,703**	35,152
Finance Cost		**5,477**	30,000	**12,095**	90,000
Foreign exchange		**220,684**	94,705	**413,304**	88,184
Interest Expense		**8,311**	3,711	**23,483**	8,225
Legal		**1,366**	30,135	**4,071**	41,507
Office		**1,097**	6,379	**7,179**	16,930
Public company		**1,337**	14,085	**15,840**	39,520
Salaries		**30,294**	61,790	**111,469**	173,716
Share-based compensation	11(d)	**-**	137,464	**-**	470,475
Travel		**493**	25,625	**13,970**	83,626
		312,200	457,550	**744,425**	1,124,132
Other Income (Expenses)					
Other Income			(13,674)		-
Interest income		**4,525**	4,101	**12,895**	11,875
Share of loss of joint venture	5	**(6,061)**	(7,205)	**(19,857)**	(22,434)
Net loss		**(313,736)**	(474,328)	**(751,387)**	(1,134,691)
Other comprehensive loss					
Currency translation adjustment		**293,575**	143,932	**500,888**	151,338
Comprehensive loss		**(20,162)**	(330,396)	**(250,500)**	(983,353)
Basic and diluted loss per common share	11(d)	**(0.02)**	(0.04)	**(0.06)**	(0.10)
Weighted average number of common shares outstanding - basic and diluted		**12,464,511**	11,717,679	**12,575,989**	11,801,918

GREENBRIAR CAPITAL CORP.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	As at September 30, 2015	As at December 31, 2014
		$	$
Assets			
Current assets			
Cash		**503**	3,184
Deposit	4	**194,926**	179,615
Interest receivable	4	**48,815**	35,920
GST receivable & other		**201**	3,790
		244,445	222,509
Deposits & Prepaids	4	**86,941**	82,130
Investment and advances	5	**3,237,019**	2,983,562
Leased land	6	**1,482,808**	1,280,143
Power project development and construction costs	7	**1,493,650**	1,034,910
Intangible assets	5(c)	**1,674,250**	1,450,125
		8,219,113	7,053,379
Liabilities			
Current liabilities			
Accounts payable	8	**3,219,128**	2,443,202
Accrued interest		**267,240**	134,458
Accrued liabilities		**239,930**	168,470
Loans payable	9	**469,793**	388,267
		4,196,091	3,134,397
Non-current liabilities			
Loans payable	9	**950,809**	838,905
		5,146,900	3,973,302
Shareholders' equity			
Share capital	11	**4,535,647**	4,381,645
Share-based compensation reserve	11	**1,237,827**	1,241,803
Warrants reserve	12	**442,492**	349,883
Accumulated other comprehensive loss		**804,021**	303,133
Accumulated deficit		**(3,947,774)**	(3,196,387)
		3,072,213	3,080,077
		8,219,113	7,053,379

Nature of business and continuing operations (Note 1)
Commitments (Note 16)
Subsequent Event (Note 17)

Approved by the Directors on November 25, 2015

signed "Jeffrey Ciachurski"

Jeffrey Ciachurski, Director

signed "John Wardlow"

John Wardlow, Director

GREENBRIAR CAPITAL CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

	Notes	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
		$	$	$	$
Operating activities					
Net loss		**(313,736)**	(474,328)	**(751,387)**	(1,134,691)
Item not involving cash					
Foreign exchange unrealized		**127,556**	86,029	**156,993**	90,227
Share-based compensation expense	11(d)	**-**	137,464	**-**	470,475
		(186,180)	(250,835)	**(594,394)**	(573,989)
Change in non-cash working capital					
Accounts payable		**214,226**	(683,241)	**437,091**	(36,590)
Accrued interest		**58,202**	27,736	**131,614**	70,773
Accrued liabilities		**29,425**	93,287	**70,384**	117,757
Deferred Income			(137,242)		-
Funds on deposit			-		-
GST receivable and other		**801**	(2,067)	**3,589**	(12,654)
Interest receivable		**(4,525)**	(4,101)	**(12,895)**	(11,875)
Prepaids			2,519		(2,472)
		111,949	(953,944)	**35,389**	(449,050)
Investing activities					
Investment and advances		**(57,321)**	731,508	**(150,414)**	8,181
Option to acquire joint venture interest		**-**	1,321,125	**-**	772,150
Leased land		**(4,811)**	(6,142)	**(4,811)**	(14,042)
Deposit	4	**(4,811)**	(28,000)	**(20,122)**	(115,609)
Power project development and construction costs	7	**(131,246)**	(961,581)	**(298,788)**	(961,581)
Intangible assets		**-**	(1,400,000)	**-**	(1,400,000)
		(198,189)	(343,090)	**(474,134)**	(1,710,901)
Financing activities					
Loans payable		**88,986**	175,884	**193,430**	313,678
Shares issued for cash, net of issuance costs	11	**(2,243)**	1,116,803	**242,635**	1,677,988
		86,744	1,292,687	**436,065**	1,991,666
Net cash outflow		**503**	(4,347)	**(2,681)**	(168,285)
Cash position, beginning of period		**-**	64,642	**3,184**	228,580
Cash position, end of period		**503**	60,295	**503**	60,295

See accompanying notes to the consolidated financial statements.

GREENBRIAR CAPITAL CORP

Condensed Consolidated Interim Statements of Changes in Equity

(Expressed in Canadian dollars)

	Common shares		Share-based compensation reserve		Warrants reserve		Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity
	Number	Amount	Number	Amount	Number	Amount			
	#	$	#	$	#	$	$	$	$
Balance at January 1, 2014	11,503,000	2,997,399	1,225,000	593,297	97,720	38,624	31,257	(1,619,026)	2,041,551
Private placement of 230,000 shares at a price of $2.50 per common share, plus half warrant with whole warrant convertible into a new share at $3.00, net of issuance costs of $13,815 (Note 9 (b))	230,000	522,863		-	115,000	38,322	-	-	561,185
Currency translation for adjustment	-	-		-	-	-	7,406	-	7,406
Net loss for the period	-	-		-	-	-	-	(660,363)	(660,363)
Share-based compensation	-	-		333,011	-	-	-	-	333,011
Balance as at June 30, 2014	**11,733,000**	**3,520,262**	**1,225,000**	**926,308**	**212,720**	**76,946**	**38,663**	**(2,279,389)**	**2,282,790**
Private placement of 230,000 shares at a price of $2.50 per common share, plus half warrant with whole warrant convertible into a new share at $3.00, net of issuance costs of $13,815 (Note 11(b))			-	-	-	-	-	-	-
Exercise of options at $0.57	39,305	39,920	(39,305)	(17,516)	-	-	-	-	22,404
Issuance of common shares to complete acquisition of AG Solar (Note 11(c))	684,000	821,463	-	-	684,000	272,937	-	-	1,094,400
Currency translation for adjustment	-	-	-	-	-	-	264,470	-	264,470
Net loss for the period	-	-	-	-	-	-	-	(916,998)	(916,998)
Share-based compensation	-	-	-	333,011	-	-	-	-	333,011
Balance as at December 31, 2014	**12,456,305**	**4,381,645**	**1,185,695**	**1,241,803**	**896,720**	**349,883**	**303,133**	**(3,196,387)**	**3,080,077**
Exercise of options at $0.57	8,922	9,062	(8,922)	(3,976)	-	-	-	-	5,086
Private placement of 205,000 shares at a price of $1.50 per common share, plus half warrant with whole warrant convertible into a new share at $1.75, net of issuance costs of $67,708 (Note 11(b))	205,000	147,184			102,500	92,608			239,792 -
Expired Warrants									- -
Share Issuance Costs - TSX and Troutman Sanders		(2,244)							(2,244)
Currency translation for adjustment	-	-	-	-	-	-	500,888	-	500,888
Net loss for the period	-	-	-	-	-	-		(751,387)	(751,387)
Share-based compensation	-	-	-		-	-	-	-	-
Balance as at September 30, 2015	**12,670,227**	**4,535,647**	**1,176,773**	**1,237,827**	**999,220**	**442,491**	**804,021**	**(3,947,774)**	**3,072,211**

1) Nature of business and continuing operations

Greenbriar Capital Corp. ("Greenbriar" or "the Company") is a leading developer of renewable energy and sustainable real estate projects.

Greenbriar was incorporated under the British Columbia Business Corporations Act on April 2, 2009 and is a real estate issuer on the TSX Venture Exchange. The Company's registered records office is located at suite 1780 – 400 Burrard Street, Vancouver, BC, V6C 3A6. 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 primary business is the acquisition, management, development, and possible sale of real estate and renewable energy projects. The Company has been successful to date in acquiring its first property and investments in other property projects, 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. The Company has no history of operations, earnings or revenues. As at September 30, 2015, the Company has cash of $503 (December 31, 2014 - $3,184) had a significant working capital deficiency of $3,951,646 (December 31, 2914 - $2,911,888), an accumulated deficit of $3,947,774 (December 31, 2014 – $3,196,387) and incurred a net loss of $313,736 and $751,387 for the three and nine months ended respectively (three and nine months ended September 30, 2014 - $474,328 and $1,134,691 respectively). To address this working capital deficit the Company, subsequent to September 30, 2015, raised gross proceeds of $606,000 through the issuance of 404,000 Units at $1.50. Each Unit was comprised of one common share and one half common share purchase warrant. Each full Warrant entitles the holder to purchase one common share of the Company for a period of five years from the date of issuance at a price of $1.75 per share. If the Company is unable to raise any additional funds to undertake planned development, 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 were 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) Basis of preparation and statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value as described in the significant accounting policies outlined in the December 31, 2014 consolidated financial statements

Since the condensed consolidated interim financial statements do not include all disclosures required by the IFRS for annual financial statements, they should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2014.

These financial statements were authorised for issue by the Board of Directors on November 25, 2015.

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended December 31, 2014.

Significant judgements and estimates

The preparation of these condensed consolidated interim financial statements requires management to make judgments and estimates and form assumptions that affect the reporting amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. The critical judgements and estimates applied in the preparation of the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2015 are consistent with those applied and disclosed in Note 3 to the Company's consolidated financial statements for the year ended December 31, 2014.

3) Accounting standards issued but not yet effective

The Company is currently assessing the potential impacts of these new standards on its condensed consolidated interim financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 – *Financial Instruments* ("IFRS 9") to replace IAS 39 – *Financial Instruments: Recognition and Measurement*. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. IFRS 9 also includes a substantially reformed approach to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15, Revenue Recognition

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. On July 22, 2015, the IASB confirmed a one year deferral of the effective date of IFRS 15, therefore the standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

(Expressed in Canadian dollars)

4) Deposit & Prepaids

	September 30, 2015	December 31, 2014
	$	$
Land Authority of Puerto Rico (i)	**82,130**	82,130
Leidos Engineering (ii)	**10,465**	10,465
I.M.W Industries (iii)	**141,150**	141,150
Rezek Option Agreement (iv)	**28,000**	28,000
Others & Prepaids	**20,122**	-
	281,867	261,745
Less: Current portion	**(194,926)**	(179,615)
Deposits, non-current	**86,941**	82,130

(i) On January 6, 2014, the Company made a deposit with the Land Authority of Puerto Rico which granted the Company a permit to enter the premises and conduct field studies and surveying, environmental studies, design, financial viability and to establish an easement for a transmission line on farm land located in the municipality district of Guanica, Puerto Rico. The permit deposit of US $12,000 was credited to the security deposit on the transmission line easement.

On April 14, 2014, the Company entered into an agreement with the Land Authority of Puerto Rico to lease an additional 51 acres of land for the construction of an interconnection transmission line in Puerto Rico. The lease agreement provides a term of thirty years. The Company paid a security deposit of US $63,000, with a credit of US $12,000 from a permit deposit. The total deposit of US $75,000 will be refunded if construction occurs within three years of the agreement execution date.

(ii) On October 31, 2013, the Company made an advanced payment to Leidos Engineering, LLC to provide independent engineering services that will allow the Company to advance its project development in Puerto Rico under the minimum technical requirements set forth by the Puerto Rico Electric Power Authority (“PREPA”).

(iii) The Company entered into an installation agreement dated July 12, 2012 with the San Juan Marriott Hotel in San Juan, Puerto Rico (“Installation agreement”) to purchase and install a 300 ton heat recovery unit for $510,408 payable 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 August 23, 2013. On February 22, 2014, the Company extended the term of the loan until February 22, 2015 and it will continue to bear interest of 10% per annum. At September 30, 2015, total outstanding interest receivable was $48,815 (December 31, 2014 - $35,920). The Company is currently renegotiating the terms of the agreement.

(iv) On September 23, 2014, the Company signed a second amended land option agreement with Dennis Rezek and Robert Carroll (“Rezek Option Agreement”) to extend the terms of the initial option agreement executed on May 31, 2013. The Company paid the first of four extension payments of US $30,000 on September 30, 2014. Upon the option purchase closing, the Company will receive a US $25,000 credit against the land purchase price.

(Expressed in Canadian dollars)

5) Investment and advances and option to acquire joint venture interest

Included in investment and advances as at September 30, 2015, is the Company's interest in Blue Mountain Wind Holdings, LLC ("Blue Mountain"). On September 12, 2014, the Company ownership interest in AG Solar One, LLC ("AG Solar") increased to 100% as AG Solar became a wholly owned subsidiary of the Company and the Company began to consolidate it in these financial statements.

As at September 30, 2015

	AG Solar (a)	Blue Mountain (b)	**Total**
	$	$	**$**
Initial contribution	-	730,863	**730,863**
Foreign Exchange	-	112,959	**112,959**
Funds advanced	-	2,413,054	**2,413,054**
Share of loss of joint venture	-	(19,857)	**(19,857)**
Total investment and advances	-	3,237,019	**3,237,019**

As at December 31, 2014

	AG Solar (a)	Blue Mountain (b)	**Total**
	$	$	**$**
Initial contribution	-	730,863	**730,863**
Funds advanced	961,581	2,280,319	**3,241,900**
Share of loss of joint venture	-	(27,620)	**(27,620)**
Transfers to power project development and construction costs (Note 7)	(961,581)	-	**(961,581)**
Total investment and advances	-	2,983,562	**2,983,562**
Option to acquire joint venture interest (c)	1,450,125	-	**1,450,125**
Transfer to intangibles (c)	(1,450,125)	-	**(1,450,125)**
Total	-	-	**-**

(a) AG Solar

In April 2013, the Company entered into a 50/50 arrangement, AG Solar with Alterra Power Corp ("Alterra") (the "Arrangement"). The Arrangement was created to develop 100 Megawatts ("MW's") of solar generation capacity in Puerto Rico under a Master Renewable Power Purchasing and Operating Agreement ("PPOA"), dated December 20, 2011, and amended on March 16, 2012 (the "Master Agreement"), with PREPA which the partnership through its wholly owned subsidiary, PBJL Energy Corporation, currently has rights to. On September 12, 2014, the Company acquired Alterra's 50% interest in AG Solar (Note 5 (c)).

On September 11, 2013, the Company entered into a service agreement with a leading environmental consulting firm based in Puerto Rico for completing environmental site studies, completing the environmental assessment and for filing a site location authorization with the jurisdictional permitting authorities for review and approval of the construction and operation of the 100 MW AC project. On December 3, 2013, an environmental impact statement was prepared for the project and a permit application was filed with the jurisdictional agency.

The Montalva and Lajas Farm Option Agreements, as outlined below, if exercised, provide for a lease with a term of twenty-five years and may be extended for up to four additional consecutive periods of five years each, at the Company's option. In total the option agreements provide for a total of 1,590 acres for the construction and operation of a 100 MW AC solar photovoltaic electric generating facility ("Solar Facility").

The Company entered into a one-year option agreement dated September 9, 2013, which gives the Company the exclusive right and option to lease up to 775 acre site in Puerto Rico (the "Montalva Option Agreement"). Upon execution of the Montalva Option Agreement, the Company paid US $50,000 and is required to paid two additional option payments at four and eight months after the effective date of the agreement. In August 2014, the parties agreed to extend the lease option to January 1, 2015, and the Company paid an additional option fee of US $30,000. The Company and the underlying parties have subsequently agreed to further extend the lease and underlying purchase option for an additional one-year period commencing January 2, 2015, at the rate of US $150,000 payable with US $30,000 paid on the commencement of the lease, a payment of US $30,000 (paid) on April 1, 2015, and two additional payments of US $45,000 each due on July 1, 2015 and October 1, 2015. On July 1, 2015, the parties agreed to further extend the lease and underlying purchase option to July 2, 2017 with modified payment terms. Under the amended option, the Company is required to pay US $45,000, commencing on July 1, 2015 and every three months thereafter for seven additional payments due on October 1, 2015, January 1, 2016, April 1, 2016, July 1, 2016, October 1, 2016, January 1, 2017 and April 1, 2017. The Company will be assessed a late fee of 4% per month on any late payment with the exception of the July 1, 2015 and October 1, 2015 payment. The Company has the option to defer the July 1, 2015 payment until October 13, 2015 with no penalty; thereafter, a penalty of $1000 per day will be assessed. The Company paid $55,000 on October 23, 2015. The Company also has the option to defer the October 1, 2015 payment to December 31, 2015 for a fee of $4,500; thereafter, a penalty of $1,000 per day will be assessed.

The Lajas Farm option agreement is comprised of three separate lease agrements. On December 1, 2013, the Company entered into a three-year option agreement with renewal options for up to two additional years, which gives the Company the exclusive right and option to lease an additional 161 acre site in Puerto Rico for the Solar Facility ("Original Lajas Farm Option"). Upon execution of the option agreement, the Company paid US $35,000 and is required to pay after the first year, an additional $10,000 every four months. On January 1, 2014, the Company entered into two additional option agreements for five years each (the "Secondary Lajas Farm Option"), which gives the Company the exclusive right and option to lease up to a total of 654 additional acres in Lajas, Puerto Rico to further expand the Solar Facility. Upon execution of the option agreements, the Company paid US $25,000 and US $10,000 and is required to pay after the first year, an additional US $8,500 and US $3,500 respectively, in advance each successive four-month period for the next four years. Due to the Company's current cash position the Company, the lessor has agreed to a deferral of payment from January 1, 2015 to December 1, 2015.

Total advanced funds of $961,581 were transferred to power project development and construction costs (Note 7) when the option to acquire joint venture interest in AG Solar was exercised (Note 5(c)) *(b) Blue Mountain*

On August 2, 2013, the Company, through its wholly owned subsidiary, Greenbriar Capital Holdco Inc., completed its acquisition agreement of the 80 MW Blue Mountain, Utah Wind Energy Project, USA (“Blue Mountain”). Blue Mountain has a twenty year Power Purchase Agreement (“PPA”) with PacifiCorp, a subsidiary of Mid-American Energy Holdings Company. The acquisition has immediately granted the Company a 50% interest and then allows the Company to perform two milestones, increasing its ownership to 100%. The Company paid US $630,000 for the initial 50% ownership, which was financed by way of a loan from the spouse of the CEO (Note 9 (iv)).

On December 9, 2013, the Company commenced construction of Blue Mountain. Construction of the Blue Mountain has been awarded to RMT, Inc. (“RMT”).

On May 5, 2014, the Company entered into a Qualifying Facility for a Large Generator Interconnection Agreement (“QFLGIA”) with PacifiCorp, the transmission provider. PacifiCorp shall design, procure, and construct the interconnection facilities and provide network upgrades for the Blue Mountain project. The term of the QFLGIA is for a period of ten years from the effective date and shall be automatically renewed for each successive one-year period thereafter.

On May 14, 2014, the Company declared a Force Majeure event under its 80 MW Blue Mountain PPA with PacifiCorp and suspended its QFLGIA. Many of the requirements, deadlines and prices as specified in the PPA contemplated that the startup commencement date would be no later than the fall of 2013. However, the Company’s PPA approval by the Utah Public Service Commission had been the subject of an appeal to the Commission and the Utah courts by an unrelated third party and, therefore, the Company’s PPA was not final and non-appealable until June 30, 2014, after the third party appeal was rejected by the Utah Supreme Courts. The Company’s PPA is now final and non-appealable, however the Force Majeure event continues as another party has raised an issue with the Company’s PPA to the Federal Energy Regulatory Commission (“FERC”). PacifiCorp notified the Company in February 2015 that it disputed the force majeure events. The Company and PacifiCorp entered into settlement discussions under the PPA dispute resolution process to renegotiate dates, prices and obligations contained in the PPA and the Interconnection Agreement to better reflect current market conditions that had lapsed while the PPA was disputed for almost eight months initially and now through FERC. A mediation occurred on August 11, 2015, and the parties were unable to resolve their ongoing disputes. On August 13, 2015, the mediator did recommend an award of US $4.4 million monetary damages for the benefit of the Company, but since the mediation is non-binding and PacifiCorp did not proceed with the mediators’ advice, the mediation was terminated. On August 18, 2015, the Company received a letter from PacifiCorp affirming termination of the PPA for reasons stated therein and the termination of settlement discussions. The mediation has thus terminated without reaching agreement and the Company is free to seek resolution in the courts or with regulatory agencies. On September 14, 2015, the Company filed a complaint with the Division of Public Utilities of the Utah Public Service Commission against PacifiCorp and followed with notice of filing a formal compliant with the full Commission. Pending the outcome with the Division of Public Utilities, the Company can either formalize its formal compliant with the full Commission or seek damages in the courts. The Company is unable to predict, based on either of these courses of action, whether it will be granted PPA revisions with acceptable terms or that it will be awarded damages against PacifiCorp.

For the nine months ended September 30, 2015, the Company had advanced funds to Blue Mountain of $159,629 (December 31, 2014 - $534,407) for environmental and wind resource assessments, consulting and legal services. Blue Mountain had a net loss for the nine months ended September 30, 2015, of $39,713 (September 30, 2014 - $44,868) in which the Company accounted for 50% of its shared loss of $19,857 (September 30, 2014 - $22,434).

(c) Option to acquire interest in AG Solar

On July 12, 2013, the Company signed a Membership Interest Purchase and Sale Agreement ("MIPSA") with Magma Energy (U.S.) Corp. ("Magma"), a subsidiary of Alterra, and amended on October 11, 2013 whereby the Company will purchase from Alterra its 50% interest in and to the shares of AG Solar. The consideration will be US $1.25 Million. Payment is due in 5 tranches of US $250,000 each, due on the 17th of each month commencing with October 17, 2013. Upon complete payment of all five tranches to Alterra, the Company will retain a 100% ownership interest in and to the Master Agreement. The Company had paid US $250,000 to Alterra and had accrued remaining payments totaling US $1.0 Million. The Company negotiated the issuance of securities to Alterra to settle the remaining debt of US $1.0 Million.

On August 12, 2014, Alterra agreed to exchange the remaining outstanding payments of $1,094,400 (US $1 Million) for equity of the Company (Note 11(c)). With the completion of the MIPSA on September 12, 2014 (the "Acquisition Date"), the Company now owns 100% of AG Solar and the option to acquire joint venture interest of $1.4 Million was transferred to intangibles as the original advance from Alterra was related to the purchase of the Master Agreement.

The Company determined that AG Solar did not meet the definition of a business under IFRS 3 Business Combinations; therefore the change of control of AG Solar was accounted for as an asset acquisition. On the acquisition date, the Company allocated the carrying amount of its investment in AG Solar to assets and liabilities of AG Solar and commenced consolidating AG Solar in the Company's financial statements.

6) Leased land

The Company owns 161 acres of land in Tehachapi, California, USA, (the "Property") which it acquired in 2011 for US $1,040,000. On March 24, 2014, the Company contracted Michael Burger & Associates to conduct a land appraisal for the Property. The appraiser determined the fair value of the Property as of March 24, 2014, with an exposure time of 11-12 months, to be US $3,410,000 if the two sites were sold together. The fair market value of site 1 and site 2, if sold separately, are valued at US $518,000 and US $3,270,000 respectively.

On April 1, 2014, the Company leased 161 acres of land in Tehachapi to Captiva Verde Industries Ltd ("Captiva") for organic farming. Captiva is related to the Company by a director in common. Lease payments are US $300 per acre for the first year, US $310 per acre for the second year, and US $320 per acre for the third year. The lease agreement stipulates that the Company will receive all three years payments of $164,181 (US $149,618) in advance. As at December 31, 2014, the Company received all three years payments. At the time the lease was entered into, the land was zoned for high and low-density housing. Captiva made an application to have the land rezoned for commercial farming but was unsuccessful in its attempts. Therefore, since Captiva is unable to use the land for farming, as originally contemplated in the lease agreement, the Company and Captiva have agreed to cancel the lease and all advance payments made by Captiva will be refunded.

On October 10, 2014, the Company listed both site 1 and site 2 for US $2.4 Million with Berkshire Hathaway Home Services ("Berkshire"). Upon sale, Berkshire will charge a commission of 10%. The sale price for the land was reduced to $1.4 million in the first six months of 2015. In September 2015, the Company delisted the property.

(Expressed in Canadian dollars)

The Company's leased land consists of the following:

	September 30, 2015	December 31, 2014
	$	$
Land acquisition	**1,392,976**	1,206,504
Property taxes	**71,989**	58,185
Land development	**5,036**	4,362
Land appraisal & related fees	**12,806**	11,092
	1,482,808	1,280,143

The unrealized foreign exchange translation loss for the three and nine months ended September 30, 2015 was $100,973 and $199,072 respectively (December 31, 2014 – $104,638).

7) Power project development and construction costs

	September 30, 2015	December 31, 2014
	$	$
Opening balance	**1,034,910**	-
Transferred from investment and advances	**-**	961,581
Additions	**88,936**	73,329
Foreign exchange unrealized	**369,804**	-
Ending balance	**1,493,650**	1,034,910

Included in the power project development and construction costs balance for AG Solar are costs related to environmental assessments, land lease option payments, consulting services, legal fees, and financing costs which were initially recorded in investments and advances (Note 5(a)).

8) Accounts Payable

	September 30, 2015	December 31, 2014
	$	$
Project related accounts payables (i)	**2,522,811**	1,915,747
Other accounts payable (ii)	**696,317**	527,455
Total Accounts Payable	**3,219,128**	2,443,202

(i) Total project related accounts payable include costs for the AG Solar and Blue Mountain projects. At September 30, 2015, $1.5 million is payable to RMT for initial construction of the Blue Mountain project (December 31, 2014 - $1.2 million) $226,246 is payable to Akin Gump for legal fees related to Blue Mountain (December 31, 2014 - $180,262), $191,324 (December 31, 2014 - $120,012) is payable to Western EcoSystems for environmental assessments for Blue Mountain and the remainder $592,872 to various vendors related to the two projects (December 31, 2014 - $414,550).

(ii) Other accounts payable include costs related to the Company and not to the AG Solar or Blue Mountain projects.

(Expressed in Canadian dollars)

9) Loans Payable

	September 30, 2015	December 31, 2014
	$	$
Captiva loans (i)	**80,721**	80,721
Shareholder loans (ii)	**133,940**	116,010
Director's loans (iii)	**418,646**	344,060
Initial & Secondary loans (iv)	**787,295**	656,381
	1,420,602	1227,172
Less: Current portion	**(469,793)**	(388,267)
Loans payable, non-current	**950,809**	838,905

(i) On April 29, 2014, Captiva Verde Industries ("Captiva"), a company that has directors in common with Greenbriar, loaned the Company $21,902 (US $20,000) with interest bearing 10% per annum, compounded monthly and repayable on April 29, 2016.

On July 14, 2014, Captiva loaned the Company $25,819 (US $24,000) with interest bearing 10% per annum, compounded monthly and repayable on July 14, 2016.

On July 30, 2014, Captiva loaned the Company $33,000. The loan bears interest at 10% per annum, compounded monthly and repayable after two years.

(ii) In September 2014, the Company received two loans totaling $133,940 (US $100,000) from an independent shareholder. Both loans bear interest of 10% per annum, compounded monthly and repayable on February 25, 2015.

(iii) In May 2014 and June 2014, the Company received loans of $40,182 (US $30,000) and $10,000 respectively, from the directors of the Company. Each loan bears interest of 10% per annum, compounded monthly and repayable after two years.

On July 30, 2014, a director of the Company provided a demand loan of $26,778 (US $20,000). The loan bears interest of 1% per month, and shall be paid upon demand.

On November 1, 2013, a director of the Company, loaned the Company $267,880 (US $200,000) ("Original Loan"). Under the terms of the loan agreement, the loan bears interest at 10% per annum, compounded monthly and repayable on February 28, 2014. In the three months ended March 31, 2015, the terms of the loan were extended to February 28, 2016. On December 1, 2014 an additional $13,796 (US$10,300) was loaned by the same director under the same terms and conditions as the Original Loan.

On November 29, 2014 and December 22, 2014 a director of the Company, loaned the Company $11,500 and $3,500, respectively. Under the terms of the loan agreements, these loans bear interest of 1% per month, and shall be paid upon demand.

On January 19, 2015, a director of the Company, loaned the Company $45,000. Under the terms of the loan agreements, this loan bears interest of 1% per month, and shall be paid upon demand.

(iv) On August 1, 2013, the Company entered into a loan agreement for $669,700 (US $500,000) with the spouse of the Company's CEO ("Initial Loan"). The loan bears interest at 10% per annum and was repayable on March 20, 2014. The loan was extended to March 20, 2016 in 2014. A payment of $40,182 (US $30,000) was made on April 20, 2015.

On January 15, 2015, January 30, 2015, March 23, 2015 and May 5, 2015, the spouse of the Company's CEO loaned additional amounts of $6,000, $2,000, $20,000 and $7,000. Each loan bears interest of 10% per annum, compounded monthly and repayable after two years. A payment of $20,000 was made towards the loan on April 20, 2015.

On August 15, 2015, the spouse of Director loaned an additional amount of $12,389 (US $9,250). The loan bears interest of 10% per annum, compounded monthly and repayable after two years.

In addition, the Company entered into a loan agreement with the CEO of the Company for $100,000 under the same terms as the Initial Loan ("Secondary Loan"). Any non-reimbursable expenses incurred and payments made by the CEO on the Company's corporate credit card may be offset against the Secondary Loan. As at September 30, 2015, the Secondary loan balance was $88,388 (September 30, 2014 - $44,758).

In the year ended December 31, 2014, both the Initial Loan and the Secondary Loan have been extended to March 20, 2016.

On September 2, 2014, the Company's CEO loaned the Company $30,000. The loan bears interest at 10% per annum, compounded monthly and repayable after two years

Further, on November 19, 2014, the CEO loaned the Company $12,000, the loan bears interest at 10% per annum and was repayable on November 19, 2016.

10) Share Capital

a) Authorized and Outstanding

At September 30, 2015, the Company had unlimited authorized common shares without par value and 12,670,227 common shares issued and outstanding (December 31, 2014 – 12,456,305).

b) Private placement of units

On April 17, 2015, the Company issued 205,000 units through a private placement for gross proceeds of $307,500 of which $147,184 (net of issuance costs of $67,708) was allocated to common shares and $92,608 to the share purchase warrants based upon the relative fair values. Each unit is comprised of one common share and one half common share purchase warrant. Each full Warrant entitles the holder to purchase one common share of the Company for a period of five years from the date of issuance at a price of $1.75 per share.

(Expressed in Canadian dollars)

On January 28, 2014 and March 10, 2014, the Company closed a portion of the non-brokered private placement, previously announced on December 12, 2013, issuing 130,000 units and 100,000 units respectively, for a total of 230,000 units. Each unit was at a price of $2.50 per share for total gross proceeds of $575,000 of which $535,735 was allocated to common shares and $39,265 to the share purchase warrants based upon the relative fair values. Each unit was comprised of one common share and one half of one share purchase warrant. Each whole warrant entitles the holder to acquire one additional share in the capital of the Company at a price of $3.00 for a period of 24 months from the date the warrants were issued. Total share issuance costs related to the non-brokered private placement amounted to $13,815 of which $12,872 was allocated to common shares and $943 to share purchase warrants based upon the relative fair values.

c) Debt to Equity

On September 12, 2014, the Company issued 684,000 units to settle debt of $1,094,400 (US $1,000,000) to Alterra in connection with the acquisition of the remaining interest of AG Solar. Each unit is comprised of one common share and one non-transferable common share purchase warrant, at a deemed price of $1.60 per unit for total of $1,094,000 of which $821,464 was allocated to common shares and $272,936 to share purchase warrants based upon the relative fair values. Each warrant will entitle Alterra to purchase one common share of the Company at a price of $2.00 per share for a period of 5 years from the date of issuance. The securities issued in connection with the transaction was issued pursuant to certain prospectus and registration exemptions available under applicable securities legislation and will be subject to a hold period of four months and a day from the date of issuance.

d) Share-based compensation

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.

A summary of stock option information as at September 30, 2015 is as follows:

	Number of options	Weighted average exercise price
		$
Balance at December 31, 2013	1,225,000	1.73
Exercised	(39,305)	0.57
Balance at December 31, 2014	1,185,695	1.77
Exercised	(8,922)	0.57
Balance at September 30, 2015	**1,176,773**	**1.77**

(Expressed in Canadian dollars)

		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 exercisable	Weighted average exercise price
$		$	Years		$
0.57	351,773	0.57	1.42	351,773	0.57
0.75	125,000	0.75	1.42	125,000	0.75
2.60	200,000	2.60	2.64	200,000	2.60
2.60	250,000	2.60	2.95	187,500	2.60
2.50	250,000	2.50	3.07	187,500	2.50
Total	**1,176,773**	**1.77**	**3.06**	**1,051,773**	**1.68**

The Company did not issue stock options for the nine months ended September 30, 2015 or the year ended December 31, 2014. The Company recorded $Nil of share-based compensation expense during the three and nine month period ended September 30, 2015 (2014 – $137,463 and $470,475 of share-based compensation expense respectively, due to the vesting of options issued in previous periods).

e) Loss per share

Stock options and share purchase warrants have not been included in the computation of diluted loss per share for the nine month period ended September 30, 2015 and for year ended December 31, 2014, because to do so would be anti-dilutive.

11) Warrants

Share purchase warrants outstanding as at September 30, 2015:

Expiry date	Share purchase warrants outstanding	Finder's warrants outstanding	Black-scholes value	Exercise Price
			$	$
October 24, 2015	55,500	2,220	24,636	3.00
December 18, 2015	40,000	-	13,988	3.00
January 16, 2016	10,000	-	3,305	3.00
January 21, 2016	55,000	-	19,291	3.00
March 3, 2016	50,000	-	15,726	3.00
September 12, 2019	684,000	-	272,937	2.00
April 16, 2020	102,500	-	92,608	1.75
Total	**997,000**	**2,220**	**442,491**	

Each share purchase warrant and finder's warrant entitles the holder to acquire one common share of the Company upon the payment of the exercised price as indicated for a period of 24 months from the date the warrants were issued.

The share purchase warrants and broker's warrants issued were fair-valued using the Black-Sholes option pricing model with the following weighted average assumptions:

(Expressed in Canadian dollars)

	Three Months Ended		Nine Months Ended	
	September 30, 2015	September 30, 2014	**September 30, 2015**	September 30, 2014
Expected life (in years)	**-**	5.00	**5.00**	2.00
Risk-free interest rate	**-**	1.70%	**1.08%**	0.99%-1.04%
Expected volatility	**-**	30.00%	**70.94%**	30.00%
Dividend yield	**-**	-	**-**	-

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

The fair value of warrants issued during the three and nine month period ended September 30, 2015 is $92,608 (September 30, 2014 three and nine months ended $272,937 and $311,258, respectively).

12) 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

	September 30, 2015	December 31, 2014
	$	$
Loans and receivables		
Cash	**503**	3,184
Deposits	**277,056**	261,745
Interest receivable	**48,815**	35,920
	326,374	300,849
Other financial liabilities		
Accounts payable	**3,219,128**	2,443,202
Accrued interest	**267,240**	134,458
Accrued liabilities	**239,930**	168,470
Loans payable	**1,420,602**	1,227,172
	5,146,900	3,973,302

b) Fair value

Financial instruments consist of cash, deposits, interest receivable, accounts payable, accrued interest, accrued liabilities, and loans payable. 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 interest rates through the interest earned on cash balances, deposits, and loans; however, management does not believe this exposure is significant.

(Expressed in Canadian dollars)

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. In order to meet its financial obligations, the Company will need to generate cash flow from the sale or otherwise disposition of property or raise additional funds. The following table summarizes the remaining contractual maturities of the Company's financial liabilities and operating commitments:

	1 to 3 months	Less than 1 year	1 to 5 years	**Total**
	$	$	$	**$**
Accounts payable	1,325,597	1,893,531	-	**3,219,128**
Accrued liabilities	149,558	90,372	-	**239,930**
Accrued interest liabilities	19,723	245,051	2,466	**267,240**
Corporate loans	203,940	1,177,273	39,389	**1,420,602**
Land lease payments	73,667	75,006	109,831	**258,504**
	772,485	3,481,233	151,686	**4,405,404**

13) 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 properties and acquisitions.

The Company considers the items included in short-term loans and 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 nine months ended September 30, 2015, there has been no change in the Company's management of capital policies.

14) Segmented information

The Company currently has two geographic segments: Canada and the United States of America ("USA"). The head office and management operate in Canada and the Company's long-term assets are in the USA.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

(Expressed in Canadian dollars)

The Company is primarily involved in the acquisition and development of wind and solar energy farms in the United States and has determined that its reportable operating segment is based on the fact that the Company's projects have the same economic characteristics and represent the manner in which the Company's chief decision maker views and evaluates the Company's business. The Company has one reportable operating segment.

	Canada	USA	Total
	$	$	$
As at September 30, 2015			
Total assets	331,385	7,887,727	8,219,112
Non-current assets	82,130	7,887,727	7,969,857
As at December 31, 2014			
Total assets	304,580	6,748,799	7,053,379
Non-current assets	82,130	6,748,740	6,830,870
Three months ended September 30, 2015			
Operating loss	(315,244)	(3,017)	(318,261)
Interest income	4,525	-	4,525
Loss for the period	(310,719)	(3,017)	(313,736)
Three months ended September 30, 2014			
Operating loss	(454,134)	(24,295)	(478,429)
Interest income	4,101	-	4,101
Loss for the period	(450,033)	(24,295)	(474,328)
Nine months ended September 30, 2015			
Operating loss	(751,964)	(12,318)	(764,282)
Interest income	12,895	-	12,895
Loss for the period	(739,069)	(12,318)	(751,387)
Nine months ended September 30, 2014			
Operating loss	(1,132,605)	(13,961)	(1,146,566)
Interest income	11,875	-	11,875
Loss for the period	(1,120,730)	(13,961)	(1,134,961)

15) Related party transactions

Key management includes directors and officers of the Company. In addition to related party transactions described in Note 9, the Company had the following expenses paid to key management:

	Three Months Ended		**Nine Months Ended**	
	September 30 2015	September 30 2014	**September 30 2015**	September 30 2014
	$	$	**$**	$
Salaries & wages	**27,000**	18,000	**81,000**	43,150
Management fees	**39,771**	35,152	**116,703**	35,152
Share-based compensation	**-**	41,778	**-**	285,902
Total	**66,771**	94,930	**197,703**	364,204

(Expressed in Canadian dollars)

On July 1, 2014, the Company entered into a consulting contract with the President of the Company. The agreement provides for an annual fee of US $120,000 in which the President will lead all the wind and solar development in obtaining permitting, environmental compliance and raising of capital to construct the renewable energy facilities ("Annual Fee"). In addition, the Company agrees to reimburse all reasonable expense incurred related to office expenses, daily travel per diem, mileage expense and health and life insurance premium expense. Further, upon the Company closing certain development milestones allowing for an equity raise of at least US $2 Million or the sale of any Company assets or project rights including the Tehachapi land whichever comes first, the agreement provides for a one-time payment of US $250,000 in recognition of the President's unpaid work in support of the Company's projects since March 2013. Lastly, the President will be paid a US$3 Million development completion bonus at the time the Montalva Solar Project completes all key milestones necessary for the Company to obtain project financing for the Montalva Solar Project. As at June 30, 2015, the President of the Company has not been paid any fees under the contract due to the Company's capital position. As at September 30, 2015, included in accounts payable are fees and expenses due to the President of the Company of $224,892.

16) Commitments

As at September 30, 2015, the Company had the following commitments outstanding:

	Within 1 year	2-3 years	Over 3 years	**Total**
	$	$	$	**$**
Puerto Rico land leases (i)	148,673	109,831	-	**258,504**
Utah land option (ii)	80,364	-	-	**80,364**
Consultant bonus (iii)	334,850	-	-	**334,850**
PBJL share transfer (iv)	629,518	-	-	**629,518**
Total	1,193,405	109,831	-	**1,303,236**

(i) The Company entered into four separate land options agreements with Jose Arturo Acosta, leasing a total of 1,590 acres of land in the Municipality of Lajas and Guanica of Puerto Rico. The Company made initial payments on the execution date of each options agreement and will thereafter pay advances for each successive four-month period during the option terms. The annual rent will be revised once the land area needed for the energy facility is determined and will have an initial term of twenty-five years with an extension of four consecutive periods of five years each. As at September 30, 2015, the Company capitalized $494,239 (US $369,000) in land costs under the Puerto Rico project.

(ii) The second amended Rezek Option Agreement signed September 23, 2014, allows the Company to extend its land purchase option in San Juan County, State of Utah for the Blue Mountain project. The first of four extension payments of US $30,000 was paid on September 30, 2014. The second and third extension payments of US $15,000 each were due November 24, 2014 and November 30, 2014 respectively. The final extension payment of US $30,000 was due May 31, 2015. Due to the Company's capital position, the November 24 and 30, 2014 and May 31, 2015 payments remain outstanding. The Company is currently renegotiating the extension payments, however the Company can not predict whether it will be successful in obtaining further extensions to keep the option agreement in good standing.

(iii) The Company agreed to pay the President a one-time consultant bonus of US $250,000 (Note 15).

(iv) On April 23, 2013, 330 common shares, approximately 33% interest, of PBJL were transferred between the spouse of an officer to AG Solar and the Company. The Company will be required to pay approximately US $500,000 for these shares on terms yet to be negotiated.

17) Subsequent events

Subsequent to September 30, 2015, the Company issued 404,000 units at price of $1.50 per unit through a private placement for gross proceeds of $606,000. Each unit is comprised of one common share and one half common share purchase warrant. Each full Warrant entitles the holder to purchase one common share of the Company for a period of five years from the date of issuance at a price of $1.75 per share. The Company also paid 50,000 common shares as a finders' fee in connection with the financing. The common shares from the financing and any shares issued upon the exercise of any Warrants are subject to a hold period until March 25, 2016.