NOTICE

RE: CONDENSED CONSOLIDATED INTERIM FINANCIALS STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017.

The third quarter financial statements for the three and nine months ended September 30, 2018 and 2017 have not been reviewed by the auditors of Greenbriar Capital Corp.

GREENBRIAR CAPITAL CORP.
"Jeff Ciachurski"
JEFF CIACHURSKI
Chief Financial Officer

Greenbriar Capital Corp.

Condensed Consolidated Interim Financial Statements
For Three and Nine Months Ended September 30, 2018 and 2017 (unaudited)
(amount expressed in thousands of Canadian dollars, except where indicated)

Greenbriar Capital Corp.

Condensed Consolidated Interim Statements of Financial Position

As at September 30, 2018 and December 31, 2017

(amounts expressed in Canadian dollars, except where indicated - Unaudited)

	Note	As at September 30, 2018	As at December 31, 2017
Assets			
Current assets			
Cash		$ 192,788	$ 132
Deposits and prepaid expenses		6,962	3,136
Other receivables		66,091	34,533
Asset held for sale	4	796,784	713,743
		1,062,625	751,544
Non-current assets			
Land	4	796,784	713,743
Power project development and construction cost	5	2,854,225	2,495,113
Intangible assets	6	1,618,125	1,568,125
Smart glass distribution agreement	7	2,311,955	2,745,746
Total assets		$ 8,643,714	$ 8,274,271
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	$ 4,423,618	$ 4,047,826
Loans payable (current portion)	9	1,363,023	1,592,489
		5,786,641	5,640,315
Non-current liabilities			
Loans payable	9	-	211,697
Convertible debenture	10	567,895	310,435
Total liabilities		6,354,536	6,162,447
Shareholders' equity			
Share capital		9,770,811	8,278,156
Reserves		3,848480	2,545,209
Accumulated other comprehensive income		603,620	458,435
Deficit		(11,933,733)	(9,169,976)
Total shareholders' equity		2,289,178	2,111,824
Total liabilities and shareholders' equity		$ 8,643,714	$ 8,274,271

Nature of operations and going concern (note 1)
Commitments and contingencies (note 16)
Subsequent events (note 17)

Approved by the Board of Directors

__________"Jeff Ciachurski"_____________ Director ________"Cliff Webb"__________ Director

The accompanying notes are an integral part of these consolidated financial statements.

Greenbriar Capital Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For three and nine months ended September 30, 2018 and 2017

(amounts expressed in Canadian dollars, except where indicated - Unaudited)

	Notes	Three Months Ended September 30,		Nine Months Ended September 30,	
		2018	2017	2018	2017
General and administration expenses					
Consulting fees		$ (349,966)	$ (20,605)	$ (810,971)	$ (155,123)
General and administrative		(17,798)	(140,369)	(154,383)	(188,778)
Marketing		(34,264)	-	(313,486)	-
Finance cost		(67,791)	(36,333)	(195,237)	(91,914)
Share-based compensation expense	11	(151,683)	-	(593,064)	-
Professional fees		(41,352)	(25,325)	(138,418)	(197,005)
		(662,854)	(222,632)	(2,205,559)	(632,820)
Other (expenses) income, net					
Foreign exchange gain (loss)		52,257	(90,133)	(109,184)	(169,631)
Finance income		-	5,654	-	16,962
(Loss) gain on settlement of debt		(9,517)	187,971	(15,223)	219,267
Smart glass distribution agreement amortization		(146,186)	-	(433,791)	-
Share of loss of joint-venture		-	(5,611)	-	(17,402)
Net (loss) income		(766,300)	(124,751)	(2,763,757)	(583,624)
Income tax recovery – future		-	-	-	-
Net (loss) income after tax		(766,300)	(124,751)	(2,763,757)	(583,624)
Other comprehensive (loss) gain (“OCI”)					
Cumulative translation adjustment		(83,557)	(573)	145,185	1,262
Total comprehensive loss		(849,857)	(125,324)	(2,618,572)	(582,362)
(Loss) income per share – basic and diluted		$ (0.04)	$ (0.01)	$ (0.15)	$ (0.04)
Weighted average shares outstanding – basic and diluted		18,764,391	14,605,517	18,040,829	14,277,628
Total shares issued and outstanding		18,833,176	16,969,647	18,833,176	16,969,647

The accompanying notes are an integral part of these consolidated financial statements.

Greenbriar Capital Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the three and nine months ended September 30, 2018 and 2017
(amounts expressed in Canadian dollars, except where indicated - Unaudited)

	Notes	Shares	Share capital	Share based compensation reserves	Warrants reserves	Convertible debt reserves	Accumulated other comprehensive income	Deficit	Subscription proceeds received	Total equity
Balance at January 1, 2018		16,969,647	$ 8,278,156	$ 1,583,130	$ 917,764	$ 44,315	$ 458,435	$ (9,169,976)	$ -	$ 2,111,824
Net loss for the period		-	-	-	-	-	-	(2,763,757)	-	(2,763,757)
Private placements	11	1,493,625	1,136,554	-	404,880	-	-	-	-	1,541,434
Share issuance cost	11	-	(128,984)	-	21,440	-	-	-	-	(107,544)
Options exercised	11	200,000	289,269	(131,769)	-	-	-	-	-	157,500
Cumulative translation adjustment		-	-	-	-	-	145,185	-	-	145,185
Shares issued settled services	11	139,904	170,405	-	-	-	-	-	-	170,405
Conversion of debt to shares	11	30,000	25,411	-	6,771	(3,983)	-	-	-	28,199
Convertible debt issuance	10	-	-	-		42,818	-	-	-	42,818
Share subscription proceeds received	17	-	-	-	-	-	-	-	370,050	370,050
Share-based payment expense	11	-	-	593,064	-	-	-	-	-	593,064
Balance at September 30, 2018		18,833,176	$ 9,770,811	$ 2,044,425	$ 1,350,855	$ 83,150	$ 603,620	$ (1,933,733)	$ 370,050	$ 2,289,178
Balance at January 1, 2017		13,824,227	$ 4,988,685	$ 1,462,827	$ 805,716	$ 27,720	$ 832,267	$ (4,726,822)	$ -	$ 3,390,393
Net loss for the period		-	-	-	-	-	-	(583,624)	-	(583,624)
Private placements		542,420	348,911	-	109,165	-	-	-	-	458,076
Share issued cost		3,000	(14,440)	-	-	-	-	-	-	(14,440)
Shares issued for services		100,000	80,000	-	-	-	-	-	-	80,000
Convertible debt issuance		-	-	-	-	16,609	-	-	-	16,609
Warrants issued as issuance cost on convertible debt		-	-	-	2,883	-	-	-	-	2,883
Shares issued upon acquisition		2,500,000	2,875,000	-	-	-	-	-	-	2,875,000
Cumulative translation adjustment		-	-	-	-	-	1,262	-	-	1,262
Balance at September 30, 2017		16,969,647	$ 8,278,156	$ 1,462,827	$ 917,764	$ 44,329	$ 833,529	$ (5,310,446)	$ -	$ 6,226,159

The accompanying notes are an integral part of these consolidated financial statements.

Greenbriar Capital Corp.

Condensed Consolidated Interim Statements of Cash Flows

For the three and nine months ended September 30, 2018 and 2017
(amounts expressed in Canadian dollars, except where indicated - Unaudited)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2018	2017	2018	2017
Cash used from operating activities					
Net loss for the period		$ (766,300)	$ (124,751)	$ (2,763,757)	$ (583,624)
Items not affecting cash					
Unrealized foreign exchange loss (gain)		136,966	178,700	100,096	236,020
Gain on settlement of debt		9,517	(187,971)	15,223	(219,267)
Share-based compensation expense		151,683	-	593,064	-
Smart glass distribution agreement amortization	7	146,186	-	433,791	-
Accretion on convertible debt	10	9,337	4,176	18,644	12,107
		(312,611)	(129,846)	(1,602,939)	(554,764)
Change in non-cash operating working capital					
(Increase) decrease in accounts receivable and prepaid expense		(42,169)	(2,370)	(49,580)	(79,326)
Increase in accounts payable and accruals		112,402	132,121	711,304	360,190
		(242,378)	(95)	(941,215)	(273,900)
Cash flows used in investing activities					
Leased land		(45,791)	-	(58,966)	
Power project development and construction costs	5	(33,208)	-	(152,368)	(96,800)
		(78,999)	-	(211,334)	(96,800)
Cash flows used in financing activities					
Loans payable	9	(103,988)	17	(301,081)	(6,672)
Convertible bond net of transaction costs	10	-	-	-	111,367
Interest payment		-	-	(1,454)	-
Subscription received in advance	17	370,050	-	370,050	
Proceeds on options exercised	11	-	-	157,500	
Share units issued for cash, net of issuance costs	11	53,880	-	1,120,190	266,000
		319,942	17	1,345,205	370,695
Increase in cash and cash equivalents		(1,435)	(78)	192,656	(5)
Cash and cash equivalents – beginning of year		194,223	(32)	132	(105)
Cash and cash equivalents – end of period		192,788	(110)	192,788	(110)

1 Nature of business and continuing operations

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

Greenbriar was incorporated under British Columbia Business Corporations Act on April 2, 2009 and is a real estate issuer on TSX Venture Exchange. The Company registered records office is located at Suite 1780 – 400 Burrard, 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 consolidated financial statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to realize its assets and discharge its 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 had a net loss of $2,763,757 for the period ended September 30, 2018, and an accumulated deficit of $11,933,733. As at September 30, 2018, the Company has a working capital deficiency of $4,724,016. To date, the Company has no history of earning revenues. 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 consolidated financial statements, then significant adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses, and the classifications used in the statement of financial position.

2 Basis of presentation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2017.

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its unaudited interim condensed consolidated financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended December 31, 2017. In addition, other than noted below, the accounting policies applied in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2017. The Company's interim results are not necessarily indicative of its results for a full year.

The Company's interim results are not necessarily indicative of its results for a full year.

These unaudited condensed consolidated interim financial statements were approved by the Board of Directors on November 26, 2018

New Accounting Standards Issued But Not Yet Effective

IFRS 16 – Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted, but only in conjunction with IFRS 15.

The Company has not yet completed the process of assessing the impact of IFRS 16 will have on its consolidated financial statements, or whether to early adopt this new requirement.

New Accounting Standards Adopted during the period

IFRS 9 – Financial Instruments ("IFRS 9")

In July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard was adopted on January 1, 2018 and had no impact on the Company's financial statements.

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")

In May 2014, IASB issued IFRS 15 to replace IAS 18 – Revenue, which establishes a new single five-step control-based revenue recognition model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The amended standard was adopted on January 1, 2018 and did not have an impact on the financial statements.

3 Significant accounting estimates and judgments

The preparation of these condensed consolidated interim financial statements in conformity with IFRS 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. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Areas that often require significant management estimates and judgment are as follows:

Share-based payments

Amounts recorded for share-based payments are subject to the inputs used in the Black-Scholes option pricing model, including assumptions such as volatility, forfeiture, dividend yield and expected option life.

Tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable earnings will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable earnings together with future tax planning strategies.

Functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which each operates. The Company's functional and local currency is the Canadian dollar. The functional currency of the Company's subsidiaries is the US dollar. The determination of functional currency may require certain judgments to determent the primary economic environment. The Company reconsiders the functional currency used when there is a change in events and conditions which determined the primary economic environment.

Assets' carrying values and impairment charges

In determining carrying values and impairment charges the Company looks at recoverable amounts, defined as the higher of value in use or fair value less cost to sell in the case of assets, and at objective evidence that identifies significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Value of assets acquired

On September 25, 2017, the Company completed the acquisition of an Ontario based private company which holds the exclusive Canadian sales, distribution and marketing rights for the entire suite of Smart Glass energy products, developed and built by Gauzy of Tel-Aviv, Israel. As the value of the distribution agreement cannot be reliably measured the value assigned to the distribution agreement is equal to the value of the shares issued as consideration.

4 Land

The Company owns land in Tehachapi, California, USA, (the "Property") which it acquired in 2011 for US $1,040,000.

The Company's land consists of the following:

	September 30, 2018	December 31, 2017
Land acquisition	$ 1,346,280	$ 1,304,680
Property taxes	145,425	90,492
Land development	13,179	12,771
Land appraisal & related fees	88,684	19,543
	$ 1,593,568	$ 1,427,486
Amount classified as asset held for sale(1)	796,784	713,743
	$ 796,784	$ 713,743

The unrealized foreign exchange translation loss for the nine months ended September 30, 2018 was $49,241 (2017 - $107,758 unrealized foreign exchange translation loss).

(i) On October 1, 2017, the Company entered into a sale agreement with Captiva Verde Land Corp. ("Captiva") to sell a 50% undivided interest in the property. The sale represents a non-arm's length transaction as the Chief Executive Officer of the Company, Jeffrey Ciachurski, is also the Chief Executive Officer of Captiva. The sale price for the 50% undivided interest is $2,250,000, divided into $112,500 one-year interest-free promissory note, 10,687,500 common shares of Captiva and a carried interest on further development costs for the project which will be covered by Captiva. On October 6, 2018, the Company closed the sale of land to Captiva and received 10,687,500 common shares of the Company at a deemed price of $0.20 per share and $112,500 in cash.

5 Power project development and construction costs

	September 30, 2018	December 31, 2017
Opening balance	$ 2,495,113	$ 2,279,008
Additions	279,555	365,810
Foreign exchange unrealized	79,557	(149,705)
Ending balance	$ 2,854,225	$ 2,495,113

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 Puerto Rico Electric Power Authority ("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.

The Montalva and Lajas Farm Option Agreements, as outlined below, provide for a land 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 a 775 acre site in Puerto Rico (the "Montalva Option Agreement"). Upon execution of the Montalva Option Agreement, the Company paid US $50,000.

The Lajas Farm option agreement is comprised of three separate lease agreements. 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 was 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.

During the period ended September 30, 2018, the Company paid $152,368 (US$116,738) for the Montalva and Lajas option agreements. In fiscal 2017, the Company entered into an amendment where the Company has agreed to pay US $80,000 to cover all past and future option payments. As a result, the Company recorded a gain of $187,971 (US $145,000).

Under the terms of the Master Agreement, the Company filed its 100 MW AC Montalva Solar Project with PREPA on September 5, 2013, requesting an interconnection evaluation and issuance of a project specific PPOA for Montalva. After numerous delays by PREPA and failed attempts by the Company through emails and correspondence to PREPA requesting the interconnection evaluation and issuance of a project specific PPOA for Montalva, the Company filed a Notice of Default under the Master Agreement with PREPA on September 24, 2014. PREPA responded to the Notice of Default on November 3, 2014, taking the position that it had other PPOAs issued that would exceed its system renewable capacity and could not accept any additional renewable projects and further had met its obligations under the Master Agreement.

On May 15, 2015, the Company, filed a legal action against PREPA in the courts of Puerto Rico in order to protect and enforce its rights under the Master Agreement. On September 9, 2016, the Superior Court of Puerto Rico denied an application by PREPA to have the case for contractual enforcement and damages dismissed. The Company may now proceed to have the court enforce the agreement, or in lieu of enforcement, direct PREPA to pay USD $210 Million in monetary damages, or both. In May of 2018 the Company filed a US Federal RICO lawsuit seeking USD $951 Million in damages from PREPA.

Included in the power project development and construction costs balance for AG Solar are costs related to environmental assessments and land lease option payments.

6 Intangible assets

	September 30, 2018	December 31, 2017
Opening balance	$ 1,568,125	$ 1,678,375
Foreign exchange unrealized	50,000	(110,250)
Ending balance	$ 1,618,125	$ 1,568,125

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 was US $1.25 Million. The Company completed 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 $1,450,000 was transferred to intangibles as it is related to the purchase of the Master Agreement (note 5).

7 Smart glass distribution agreement

On September 25, 2017, the Company completed the acquisition of an Ontario based private company which holds the exclusive Canadian sales, distribution and marketing rights for the entire suite of Smart Glass energy products, developed and built by Gauzy of Tel-Aviv, Israel.

In addition, Greenbriar will be entitled to sell the entire suite of products into any other country of the world if the sales are being made to a subsidiary of an entity which has its principal place of business or head office located within Canada. As the value of the distribution agreement cannot be reliably measured the value assigned to the distribution agreement is equal to the value of the shares issued as consideration.

As consideration for the acquisition, the Company issued 2,500,000 common shares.

The purchase price allocation is summarized as follows:

2,500,000 common shares of the Company at $1.15 per share	2,875,000
Transaction costs	24,876
Total consideration	2,899,876
Amortization	(154,130)
Balance, December 31, 2017	2,745,746
Amortization	(433,791)
Balance, September 30, 2018	2,311,955

The distribution agreement is amortized over 5 years which is the estimated life of the distributions rights.

8 Accounts payable and accrued liabilities

	September 30, 2018	December 31, 2017
Project related accounts payables (i)	$ 2,713,867	$ 2,581,866
Other accounts payable (ii)	650,918	455,713
Accrued liabilities (ii)	1,058,833	1,010,247
Total accounts payable and accrued liabilities	$ 4,423,618	$ 4,047,826

(i) Total project related accounts payable include costs for the AG Solar and Blue Mountain projects. As at September 30, 2018, $1.5 million is payable for initial construction of the Blue Mountain project (December 31, 2017 - $1.4 million), $402,652 is payable for legal fees related to Blue Mountain and AG Solar (December 31, 2017 - $402,515), $144,303 (December 31, 2017 - $139,844) is payable for environmental assessments for Blue Mountain and the remainder $705,241 to various vendors related to the two projects (December 31, 2017 - $623,001).

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

9 Loan payable

	September 30, 2018	December 31, 2017
Shareholder loans (i)	$ 129,450	$ 125,450
Director loans (ii)	349,773	562,516
Initial & secondary loans (iii)	883,800	1,116,220
	1,363,023	1,804,186
Less: current portion	(1,363,023)	(1,592,489)
Loan payable, non-current	$ -	$ 211,697

(i) In September 2014, the Company received two loans totaling $131,170 (US $100,000) from an independent shareholder. Both loans bear interest of 10% per annum, compounded monthly and were repayable on February 25, 2015. The Company is currently renegotiating the repayment terms.

(ii) As at September 30, 2018, the Company had outstanding loans from directors of $349,773 (December 31, 2017 - $562,516). The loans bear interest of between 10% and 12% per annum and are repayable at varying terms from on demand to January 2017. Any loan past repayment date is now due on demand. During the period ended September 30, 2018, $10,000 was repaid on the loans (2017 - $nil). During the period ended September 30, 2018, the Company agreed to convert $322,534 of the loans outstanding from a director into a convertible debenture granted to the lender the ability to convert the loan and interest into units of the Company at the conversion price of $1.25 per unit. Each unit is comprised of one share and one half of one share purchase warrant. One whole warrant entitles the holder to purchase one additional share of the Company at a price of CAD$1.50 on or prior to June 15, 2021.

(iii) As at September 30, 2018, the Company had outstanding loans from the CEO and the CEO's spouse of $883,800 (December 31, 2017 - $1,116,220). The loans bear interest of between 10% and 12% per annum and are repayable at varying terms from on-demand to November 2016. Any loan past repayment date is now due on demand. During the period ended September 30, 2018, $301,081 was repaid on the loans (2017 - $6,655).

10 Convertible debenture

On November 21, 2016, the Company issued two convertible debentures in the aggregate amount of $225,000. The debenture has a maturity term of 3 years from the date of issuance, and bears interest at a rate of 8% per annum compounded semi-annually. The debenture

holder can convert the outstanding principal amount into units of the Company at a price of CAD$1.00 per unit. Each unit shall be comprised of one common share of the Company and one half of one common share purchase warrant entitling the holder to acquire an additional common share at the price of CAD$1.50 on or prior to November 21, 2019.

On September 18, 2018, $30,000 of the $150,000 convertible debentures issued on November 21, 2016 was converted into units of the Company at a price of CAD$1.00 per unit. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant entitling the holder to acquire an additional common share at the price of CAD$1.50 on or prior to November 21, 2019.

Based on the discount factor of 13.5% over the Debenture's term of three years, the equity portion was valued at $27,720. Accretion for the debenture for the nine months ended September 30, 2018 was $7,663 (2017 - $6,450). Interest accrued for the debenture for the nine months ended September 30, 2018 was $13,384 (2017 – $15,436).

As at September 30, 2018, the total accrued interest related to the debenture was $33,357 (December 31, 2017 - $19,973) and was included in account payables and accrued liabilities.

	September 30, 2018	December 31, 2017
Opening balance	$ 210,904	$ 202,281
Accretion	7,663	8,623
Converted equity portion	(28,200)	-
Ending balance	$ 190,367	$ 210,904

On January 13, 2017, the Company issued convertible debentures in the aggregate amount of $125,000. The debenture has a maturity term of 3 years from the date of issuance and bears interest at a rate of 8% per annum compounded semi-annually. The debenture holder can convert the outstanding principal amount into units of the Company at a price of CAD$1.00 per unit. Each unit shall be comprised of one common share of the Company and one half of one common share purchase warrant entitling the holder to acquire an additional common share at the price of CAD$1.50 on or prior to January 13, 2020.

Based on the discount factor of 13.5% over the Debenture's term of three years, the equity portion was valued at $16,595. Accretion for the debenture for the nine months ended September 30, 2018 was $6,715 (2017 – $5,657). Interest for the debenture for the nine months ended September 30, 2018 was $7,479 (2017 – $7,123).

As at September 30, 2018, total interest accrued was $17,123 (December 31, 2017 - $9,644) and was included in account payables and accrued liabilities.

	September 30, 2018	December 31, 2017
Opening balance	$ 99,531	$ -
Principle issued	-	125,000
Equity portion	-	(16,595)
Capitalized transaction costs	-	(16,533)
Accretion	6,715	7,659
Ending balance	$ 106,246	$ 99,531

During the period ended September 30, 2018, the Company agreed to convert $322,534 of loans outstanding from a director into a convertible debenture which grants to the lender certain rights to convert the loan and interest into units of the Company at the conversion price of $1.25 per unit. Each unit is comprised of one share and one half of one share purchase warrant. One whole warrant entitles the holder to purchase one additional share of the Company at a price of CAD$1.50 on or prior to June 15, 2021.

Based on the discount factor of 13.5% over the Debenture's term of three years, the equity portion was valued at $42,818. Accretion for the debenture for the nine months ended September 30, 2018 was $4,267 (2017 – $nil). Interest for the debenture for the nine months ended September 30, 2018 was $7,564 (2017 – $nil).

	September 30, 2018	December 31, 2017
Opening balance	$ -	$ -
Principle issued	322,534	-
Equity portion	(42,818)	-
Capitalized transaction costs	(12,700)	-
Accretion	4,267	-
Ending balance	$ 271,283	$ -

As at September 30, 2018, total interest accrued was $7,564 (December 31, 2017 - $nil) and was included in account payables and accrued liabilities.

11 Share capital

a) Authorized and outstanding

As at September 30, 2018, the Company had unlimited authorized common shares without par value and 18,833,176 common issued and outstanding (December 31, 2017 – 16,969,647).

b) Private placement

- On March 2, 2018, the Company announced that it closed a non-brokered private placement, the Company issued 747,142 units at a price of $1.03 per unit and 42,858 units at a price of $1.10 per unit, for a total of 800,000 units and gross proceeds of $646,795 and $169,906 in reduction of accounts payable. Each unit is 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 $1.50 until March 1, 2020. Finders' fees of $49,505 were paid in cash and 32,230 share purchase units were issued.
- On June 15, 2018, the Company announced that it closed a non-brokered private placement, the Company issued 703,625 units at a price of $1.03 per unit for gross proceeds of $477,000 and $247,734 in reduction of accounts payable. Each Unit is 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 $1.50 until June 14, 2020. Finder fees of $3,605 were paid in cash and 3,500 warrants were issued. Each Finder's Fee Warrant entitles the holder to acquire one additional share in the capital of the Company at a price of $1.50 until June 14, 2020.
- On June 21, 2018, the Company issued the 70,802 common shares at price of $1.15 per share to settle certain debts owned to an arms-length party, a loss of $1,488 on settlement of accounts payable was recorded.
- On June 27, 2018, the Company issued the 15,291 common shares at price of $1.35 per share to settle certain debts owned to an arms-length party, a loss of $4,893 on settlement of accounts payable was recorded.
- On September 11, 2018, the Company issued the 53,811 common shares at price of $1.27 per share to settle certain debts owned to an arms-length party, a loss of $9,516 on settlement of accounts payable was recorded.
- On September 18, 2018, $30,000 of the $150,000 convertible debentures issued on November 21, 2016 was converted into units of the Company at a price of CAD$1.00 per unit. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant entitling the holder to acquire an additional common share at the price of CAD$1.50 on or prior to November 21, 2019.

- On February 6, 2017, the Company closed a private placement and issued 50,000 units at a price of $1.20 per unit for gross proceeds of $60,000. Each unit is comprised of one common share and one half of one share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of $1.50 per unit until February 3, 2022. The Company incurred legal fees of $6,800 and issued 3,000 common shares which was recorded as share issuance costs and recorded as a reduction of share capital.
- On April 6, 2017, the Company closed a private placement and issued 492,420 units at a price of $0.80 per unit for gross proceeds of $206,000 and $187,936 in reduction of accounts payable. Each unit is comprised of one common share and one half of one share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of $1.20 per unit until April 7, 2022.
- On June 14, 2017, the Company issued 100,000 common shares to a consultant at a price of $0.80 per share. The shares are subject to a hold period expiring October 9, 2017 pursuant to securities laws and to a voluntary hold period expiring December 9, 2017.
- On September 25, 2017, the Company closed the acquisition of an Ontario based private company which holds the exclusive Canadian sales, distribution and marketing rights for the entire suite of game changing Smart Glass energy products, developed and built by Gauzy of Tel-Aviv, Israel. The company issued 2,500,000 common shares at a deemed value of $1.15 per share for a deemed value of CAD$2,875,000 to shareholders of the Target. There is a six (6) month mandatory hold period for the shares.

c) Stock options

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 June 8, 2018, the Company granted 150,000 common share stock purchase options to a consultant, the fair value of the share options was estimated at $141,967 on the date of grant using the Black-Scholes option pricing model, with the following assumptions: expected option life of 5 years, expected stock price volatility 99.50%, dividend payment during life of option was nil, risk free interest rate 2.15%, weighted average exercise price $1.10, weighted average fair value per option $0.95, weighted average share price $1.24.
- On April 11, 2018, the Company granted 150,000 common share stock purchase options to a consultant, the fair value of the share options was estimated at $130,960 on the date of grant using the Black-Scholes option pricing model, with the following assumptions: expected option life of 5 years, expected stock price volatility 99.13%, dividend payment during life of option was nil, risk free interest rate 2.06%, weighted average exercise price $1.10, weighted average fair value per option $0.87, weighted average share price $1.16.
- On February 7, 2018, the Company granted 450,000 incentive stock options to certain directors, officers and consultants of the Company. The fair value of the share options was estimated at $460,887 on the date of grant using the Black-Scholes option pricing model, with the following assumptions: expected option life of 5 years, expected stock price volatility 95.92%, dividend payment during life of option was nil, risk free interest rate 2.13%, weighted average exercise price $1.10, weighted average fair value per option $1.02, weighted average share price $1.35.
- On May 2, 2018, 75,000 of options were exercised at 0.85 per share.
- On March 14, 2018, 125,000 of options were exercised at $0.75 per share.
- Total share options granted during the period ended September 30, 2018 were 750,000 (2017 – nil). Total share-based payment expense recognized for the fair value of share options granted and vested during the nine months ended September 30, 2018 was $593,064 (2017 - $nil).

A summary of stock option information as at September 30, 2018 and December 31, 2017 is as follows:

	September 30, 2018		December 31, 2017	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding – beginning of year	1,100,000	$ 1.49	850,000	$ 1.58
Granted	750,000	1.10	250,000	1.20
Exercised/Expired	(125,000)	0.75	-	-
Exercised/Expired	(75,000)	0.85	-	-
Exercised/Expired	(125,000)	2.60	-	-
Outstanding – end of period	1,525,000	$ 1.30	1,100,000	$ 1.49

The following table discloses the number of options and vested options outstanding as at September 30, 2018:

Number of options outstanding	Weighted average exercise price	Weighted average remaining contractual life (years)	Number of options Outstanding and exercisable	Weighted average exercise price	Weighted average remaining contractual life (years)
275,000	0.85	3.21	275,000	0.85	3.21
750,000	1.10	4.46	300,000	1.1	4.42
250,000	1.20	3.89	125,000	1.20	3.89
250,000	2.50	0.08	250,000	2.50	0.08
1,525,000	**$1.30**	**3.42**	**950,000**	**$1.41**	**2.86**

The following table discloses the number of options and vested options outstanding as at December 31, 2017:

Number of options outstanding	Weighted average exercise price	Weighted average remaining contractual life (years)	Number of options Outstanding and exercisable	Weighted average exercise price	Weighted average remaining contractual life (years)
125,000	0.75	0.13	125,000	0.75	0.13
350,000	0.85	3.96	350,000	0.85	3.96
250,000	1.20	4.64	62,500	1.20	4.64
125,000	2.60	0.57	125,000	2.60	0.57
250,000	2.50	0.83	250,000	2.50	0.83
1,100,000	**$1.49**	**2.58**	**912,500**	**$1.55**	**2.16**

d) Warrants

The following table discloses the number of warrants outstanding as at:

	September 30, 2018	December 31, 2017
Outstanding – beginning of year	1,963,460	1,688,500
Granted	797,541	274,960
Exercised/Expired	-	-
Outstanding – end of period	2,761,001	1,963,460

Outstanding warrants	Expiry Date	Exercise price
684,000	September 12, 2019	$2.00
102,500	May 4, 2020	$1.75
202,000	November 25, 2020	$1.75
3,750	January 13, 2020	$1.50
400,000	February 21, 2021	$0.60
300,000	April 21, 2021	$0.60
25,000	February 3, 2022	$1.50
246,210	April 22, 2022	$1.20
427,229	March 1, 2020	$1.50
355,312	June 14, 2020	$1.50
15,000	November 21, 2019	$1.50
2,761,001		

On March 2, 2018, the Company announced that it closed a non-brokered private placement, the Company issued 747,142 units at a price of $1.03 per unit and 42,858 units at a price of $1.10 per unit, for a total of 800,000 units and gross proceeds of $646,795 and $169,906 in reduction of accounts payable. Each unit is 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 $1.50 until March 1, 2020.

The fair value of these warrants at the date of grant was estimated at $180,932 using the proportionate allocation method. The warrants for this method were valued using the Black-Scholes option pricing model with the following assumptions: a 2 year expected average life; 91% volatility; risk-free interest rate of 1.77%; and a dividend yield of 0%. The fair value of the finder's warrants at the date of grant was estimated at $18,965 using the Black-Scholes method with the following assumptions: a 2 year expected average life; 91% volatility; risk-free interest rate of 1.77%; and a dividend yield of 0%. The 3,500 finders fee warrants were valued at $1,981 using the same assumptions.

On June 15, 2018, the Company announced that it closed a non-brokered private placement, the Company issued 703,625 units at a price of $1.03 per unit for gross proceeds of $477,000 and $247,734 in reduction of accounts payable. Each unit is 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 $1.50 until June 14, 2020. Finder fees of $7,979 were paid in cash and 3,500 warrants were issued. Each Finder's Fee Warrant entitles the holder to acquire one additional share in the capital of the Company at a price of $1.50 until June 14, 2020.

The fair value of these warrants at the date of grant was estimated at $156,231 using the proportionate allocation method. The warrants for this method were valued using the Black-Scholes option pricing model with the following assumptions: a 2 year expected average life; 93.13% volatility; risk-free interest rate of 1.89%; and a dividend yield of 0%. The fair value of the finder's warrants at the date of grant was estimated at $1,981 using the Black-Scholes method with the following assumptions: a 2 year expected average life; 93.13% volatility; risk-free interest rate of 1.89%; and a dividend yield of 0%. The 32,230 finders fee warrants were valued at $18,965 using the same assumptions.

On September 18, 2018, $30,000 of the $150,000 convertible debentures issued on November 21, 2016 was converted into units of the Company at a price of CAD$1.00 per unit. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant entitling the holder to acquire an additional common share at the price of CAD$1.50 on or prior to November 21, 2019.

The fair value of these warrants at the date of converted was estimated at $2,719.67 using the proportionate allocation method. The warrants for this method were valued using the Black-Scholes option pricing model with the following assumptions: a 1 year expected average life; 97.13% volatility; risk-free interest rate of 0.74%; and a dividend yield of 0%.

On February 6, 2017, the Company closed the private placement issued 50,000 units at a price of $1.20 per unit for gross proceeds of $60,000. Each unit is comprised of one common share and one half of one share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of $1.50 per unit until February 3, 2022. A finder's fee was paid to PI Financial Corp comprised of 3,000 shares. The fair value of these warrants at the date of grant was estimated at $15,113 using the proportionate allocation method. The warrants for this method were valued using the Black-Scholes option pricing model with the following assumptions: a 5 year expected average life; 89% volatility; risk-free interest rate of 1.07%; and a dividend yield of 0%.

On April 6, 2017, the Company closed a private placement and issued 492,420 units at a price of $0.80 per unit for gross proceeds of $206,000 and $187,936 in reduction of accounts payable. Each unit is comprised of one common share and one half of one share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of $1.20 per unit until April 7, 2022. The fair value of these warrants at the date of grant was estimated at $94,052 using the proportionate allocation method. The warrants for this method were valued using the Black-Scholes option pricing model with the following assumptions: a 5 year expected average life; 90% volatility; risk-free interest rate of 1.12%; and a dividend yield of 0%.

On January 13, 2017, the Company issued 3,750 warrants as part of the transaction costs for the convertible debt. Each warrant entitles the holder to acquire one additional common share at a price of $1.50 per unit until January 13, 2020. The fair value of these warrants at the date of grant was estimated at $2,883 using the Black-Scholes option pricing model with the following assumptions: a 3 year expected average life; 89% volatility; risk-free interest rate of 1.13%; and a dividend yield of 0%.

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.

Categories of financial instrument

	September 30, 2018		**December 31, 2017**	
	Carrying value $	**Fair value $**	**Carrying value $**	**Fair value $**
Financial assets				
Fair value through profit and loss ("FVTPL")				
Cash	192,788	192,788	132	132
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	4,423,618	4,423,618	4,047,826	4,047,826
Convertible debt	567,895	567,895	310,435	310,435
Loan payable and long-term loan payable	1,363,023	1,363,023	1,592,489	1,592,489
Long term obligation	-	-	211,697	211,697

Fair value

Financial instruments measured at fair value are grouped into Level 1 to 3 based on the degree to which fair value is observable:

Level 1 – quoted prices in active markets for identical securities

Level 2 – significant observable inputs other than quoted prices included in Level 1

Level 3 – significant unobservable inputs

The Company did not move any instruments between levels of the fair value hierarchy during the period ended September 30, 2018 and December 31, 2017.

Financial instruments consist of cash, deposits and prepaid expenses, 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.

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.

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.

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:

	Less than 1 year	Over 1 year	Total
Accounts payable and accrued liabilities	$ 4,423,618	$ -	$ 4,423,618
Loan payables	1,363,023	-	1,363,023
Convertible debt	-	567,895	567,895
Total	$ 5,786,641	$ 567,895	$ 6,354,536

Foreign Exchange Risk

The Company operates in Canada and the United States and is exposed to foreign exchange risk arising from transactions denominated in foreign currencies.

The operating results and the financial position of the Company are reported in Canadian dollars. Fluctuations of the operating currencies in relation to the Canadian dollar will have an impact upon the reported results of the Company and may also affect the value of the Company's assets and liabilities.

The Company's financial assets and liabilities as at September 30, 2018 are denominated in Canadian Dollars and United States Dollars and are set out in the following table:

	Canadian Dollars	US Dollars	Total
Financial assets			
Cash	$ 114,342	$ 78,446	$ 192,788
	114,342	78,446	192,788
Financial liabilities			
Accounts payable and accrued liabilities	(1,341,746)	(3,081,872)	(4,423,618)
Loan payable	(404,124)	(958,899)	(1,363,023)
Net financial liabilities	$ (1,631,528)	$ (3,962,325)	$ (5,593,853)

The Company's financial assets and liabilities as at December 31, 2017 are denominated in Canadian Dollars and United States Dollars and are set out in the following table:

	Canadian Dollars	US Dollars	Total
Financial assets			
Cash	$ 79	$ 53	$ 132
	79	53	132
Financial liabilities			
Accounts payable and accrued liabilities	(1,319,654)	(2,728,172)	(4,047,826)
Loan payable	(663,221)	(1,140,965)	(1,804,186)
Net financial liabilities	$ (1,982,796)	$ (3,869,084)	$ (5,851,880)

The Company's reported results will be affected by changes in the US dollar to Canadian dollar exchange rate. As of September 30, 2018, a 10% appreciation of the Canadian dollar relative to the US dollar would have decreased net financial assets by approximately $3,962 (December 31, 2017 - $3,869). A 10% depreciation of the US Dollar relative to the Canadian dollar would have had the equal but opposite effect. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk.

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 period ended September 30, 2018, there has been no change in the Company's management of capital policies.

14 Segment disclosures

The Company is primarily involved in the acquisition and development of wind and solar energy farms in the United States and renewable energy projects in Canada 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 currently has two geographic segments: Canada and the United States of America ("USA"). The head office operates in Canada and the Company's long-term assets are in the USA.

The Company has one reportable operating segment.

	Canada	USA	Total
As at September 30, 2018			
Total assets	$ 2,584,324	$ 6,059,390	$ 8,643,714
Non-current assets	2,318,917	6,058,956	8,377,873
As at December 31, 2017			
Total assets	$ 2,783,608	$ 5,490,663	$ 8,274,271
Non-current assets	2,745,746	4,776,981	7,522,727

	Canada	USA	Total
Three months ended September 30, 2018			
Operating loss	(741,158)	(25,142)	(766,300)
Loss for the period	$ (741,158)	$ (25,142)	$ (766,300)
Three months ended September 30, 2017			
Operating loss	(127,720)	(2,685)	(134,405)
Interest income	5,654	-	5,654
Loss for the period	$ (122,066)	$ (2,685)	$ (124,751)

	Canada	USA	Total
Nine months ended September 30, 2018			
Operating loss	(2,692,042)	(71,715)	(2,763,757)
Interest income	-	-	-
Loss for the period	$ (2,692,042)	$ (71,715)	$ (2,763,757)
Nine months ended September 30, 2017			
Operating income	(597,687)	(2,899)	(600,586)
Interest income	16,962	-	16,962
Gain for the period	$ (580,725)	$ (2,899)	$ (583,624)

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:

The Company incurred the following expenses with related parties during nine months ended September 30, are as follows:

	2018	2017
Management fees	$ 198,495	$ 71,038
Total	$ 198,495	$ 71,038

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.

On October 15, 2016, the President entered into an amended compensation agreement with the Company. Under this new agreement, the President agreed to settle all unpaid fees and late penalties with a US$168,750 loan at interest of 8% per annum compounded semi-annually. His base fee will be reduced to US$5,000 per month until such time as a PPOA for a project has been executed with PREPA or other such milestone has occurred as determined by the board. The fee will then be reverted back to US$10,000 per month. Further the development completion award for the Montavla solar project will be reduced to US$1.95 million from the initial US$3 million

August 13, 2018, the Company renegotiated the terms of an outstanding loan comprising certain debt due to Clifford M. Webb, the Company's President, for services rendered to the Company. Mr. Webb has agreed to extend the term of the loan until June 15, 2021. In recognition of Mr. Webb's efforts to move the Company's Montalva project in Puerto Rico forward to date and as a further inducement to ensure Mr. Webb's continued contribution to the advancement of the Montalva Project, the Company has agreed to grant a bonus of $65,000 to Mr. Webb. Payment of the outstanding loan as at June 15, 2018 and the bonus payable have been included in a new convertible loan for the principal amount of $322,534. Interest on the loan will be 8% per annum, compounded semi-annually. The principal and interest of the loan are convertible into units of the Company. Each unit is comprised of one common share and one half of one warrant, each whole warrant entitling the holder to acquire one additional common share at a price of $1.50 per share until the date which is three years from the date of acceptance by the Exchange. The principal will be convertible at $1.25 per unit and the interest will be convertible at a price in accordance with TSX Venture Exchange policies.

During the period ended September 30, 2018, the Company agreed to convert $322,534 of the loans outstanding from a director into a convertible debenture granted to the lender the ability to convert the loan and interest into units of the Company at the conversion price of $1.25 per unit. Each unit is comprised of one share and one half of one share purchase warrant. One whole warrant entitles the holder to purchase one additional share of the Company at a price of CAD$1.50 on or prior to June 15, 2021.

During the three and nine months ended September 30, 2018, the President of the Company has been paid a total of $103,429 (2017 - $22,755) fees under the contract. As at September 30, 2018, included in accounts payable are fees and expenses due to the President of the Company of $140,472 (December 31, 2017 – $98,952).

16 Commitments and Contingencies

As at September 30, 2018, the Company had the following commitments and contingencies outstanding:

	Within 1 year	Over 1 year	Total
Puerto Rico land leases (i)	$ -	$ -	$ -
PBJL Share transfer (ii)	647,250	-	647,250
Total	$ 647,250	-	$ 647,250

(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.

(ii) 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 may be required to pay approximately US $500,000 for these shares on terms yet to be negotiated. Any future payments will be subject to available funds and the completion of a significant financing of the Company in the future.

17 Subsequent events

(i) October 1, 2018, the Company closed a private placement of 500,000 units at a price of $1.03 per unit for gross proceeds of $515,000. Each Unit is comprised of one (1) common share and one half of one (1/2) common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share in the capital of the Company at a price of $1.50 per common share until October 1, 2020. As at September 30, 2018, the Company received $370,050 in deposits related to the private placement recorded as subscription proceeds received in advance.

A 10% finder's fee was paid to Ascenta Finance Corp. comprised of a cash payment of $33,915 and the issuance of 32,927 options (the "Finder's Options") to purchase units of the Company at a purchase price of $1.03 per unit until October 1, 2020. Each unit (a "Finder's Unit") consists of one common share of the Company and one-half of one non-transferable common share purchase warrant, each whole warrant (a "Finder's Warrant") entitling the holder thereof to purchase one additional common share of the Company at an exercise price of $1.50 per share until October 1, 2020.

A 7% finder's fee was also paid to Jian Xu comprised of a cash payment of $5,047 and the issuance of 4,900 Finder's Units.

(ii) On October 6, 2018, the Company closed the proposed sale of land to Captiva (see note 4) and received 10,687,500 common shares of the Company at a deemed price of $0.20 per share and $112,500 in a cash.

(iii) On November 16, 2018 the Company issued 48,317 common shares to Roy Lewis Eiguren LLC at a deemed average price of $1.213 per share in payment of invoices issued under the services agreement with the consultant. Under the Agreement, the consultant provides strategic consulting services on behalf of the Company in connection with the Company's Montalva Project in Puerto Rico. The Company has also issued 23,212 common shares at a deemed price of $1.357 per share to Ascenta Finance Corp. in payment of an invoice issued under the investment banking agreement with Ascenta.