NOTICE TO READER
The management discussion and analysis were prepared by management and approved by the board of directors. They have not been reviewed by Glenbriar's external auditors.

MANAGEMENT DISCUSSION AND ANALYSIS

This information is given as of December 14, 2012 under NI Form 51-102F1. As of the date of this report, there are 47,986,510 Glenbriar voting common shares issued and outstanding. There is no other class or series of shares issued, and no warrants or options or other rights to acquire additional common shares outstanding, except contributions to the employee share purchase plan (see note 10(d) of Notes to the Financial Statements).

Description of Business

Glenbriar Technologies Inc. (CNSX: GTI) has supported the IT needs of some of Canada's largest manufacturing and distribution companies for over 20 years. From its offices in Calgary, Vancouver and Waterloo, Glenbriar's staff of IT professionals manage and support the IT needs of over 300 companies. From its early roots in developing and supporting ERP systems, Glenbriar has branched out to support all things technical under a client's roof, from complete infrastructure and business applications to telephony solutions.

Corporate Reorganization

Glenbriar revamped its Ontario operations in 2011, including relocation of its Waterloo office in February 2011 and absorption of Peartree Software Inc. into Glenbriar by vertical short form amalgamation on October 1, 2011. Peartree is now used as a brand name for Glenbriar's software products. The two former officers of Peartree became part-time contractors, and Christine Padaric was promoted to Vice-President, Human Resources and Software Services, with responsibility for Ontario operations. The former Peartree officer who was also a Glenbriar director resigned that position on the amalgamation. These changes are designed to provide the energy and initiative to drive forward our many enterprise software opportunities.

The Calgary head office was relocated in September 2011 to larger premises to accommodate its growing business demand as it increases its focus on the enterprise space. Effective October 1, 2011, Glenbriar also disposed of its interest in the Glenbriar Limited Partnership and Glenbriar Solutions Inc. to third parties. These dispositions were in response to changes to Canadian tax law in March 2011, which substantially reduced the feasibility of that structure for providing funding for marketing and product commercialization. Glenbriar no longer has any active subsidiaries or partnership interests.

On June 28, 2012, Warren Berg was appointed as Vice-President, Information Technology. Mr. Berg has been with Glenbriar since 2000, and previously held the position of Manager, IT Services. This appointment forms part of a general reorganization of Glenbriar's Calgary operations. Mr. Berg's new duties and responsibilities include those formerly provided by Jamie Skawski, who resigned as Vice-President, Enterprise Services. Mr. Skawski had been with Glenbriar since 1998.

Products

Glenbriar provides full service technology solutions to commercial and nonprofit enterprises: IT Services, Communications and Software. Glenbriar has created, acquired, or licensed the appropriate human and intellectual property resources necessary to deliver the optimal integrated IT solution suite for its clients.

IT Services

Glenbriar continued to implement new and updated infrastructure projects in the first half of fiscal 2012. Glenbriar hardened its security solutions during the period to combat increasing levels of attempted intrusions from overseas sources. These solutions tie in to disaster recovery and internal infrastructure planning processes, which are often done in conjunction with office moves and reorganizations. Glenbriar has seen a growing demand for SharePoint services at all levels of clients, and is growing that portion of its business in response.

Communications

Glenbriar was recognized by ShoreTel for its outstanding achievement in customer satisfaction in calendar 2011. Glenbriar's exceptional score reflects an industry recognized world class level of professionalism and customer care in all aspects of the customer experience as reflected in ShoreTel customer experience surveys administered by an impartial third party during that period.

Glenbriar continued to rollout a number of new IP telephony projects in the first half of fiscal 2012. Most of these are multisite, single image redeployments for clients with operations in Western Canada, Northwest Territories and the US. A number of additional projects are currently in the design phase. Glenbriar is increasing the level and depth of its IP telephony certifications across all of its branches in order to keep up with the growing demand in this area. Glenbriar continued to expand its telephony and wireless integration solutions during the quarter, and is seeing increased demand for the newly designed ShoreTel Conference Bridge.

Software Services

Glenbriar revamped its Dealership and SMB divisional goals during the first quarter to implement a continuous product improvement cycle involving direct user input and feedback to determine the path of updates and introduce new functionality for future releases. These goals include high levels of customer satisfaction, browser independence, smartphone capabilities, Spader compatibility and enhanced middleware.

Glenbriar added three new RV dealership clients in Canada and the US in the fiscal 2012. Glenbriar rolled out its latest software release for its Web based enterprise software in the first quarter of fiscal 2012 using its automated release mechanism. This release includes a major part sale report, integration with an electronic credit and debit card processing facility, and bug fixes. The next release is scheduled for the first quarter of fiscal 2013.

Glenbriar continues to expand its base of opportunities for multivalue application database consulting. Glenbriar has developed specialized expertise using numerous tools common to both its MMS ERP manufacturing and distribution product and its Web based Dealership/SMB product, such as Harvest Reports for customized output and Web based middleware for providing graphical user interfaces. These tools can be leveraged to enhance the functionality of third party multivalue applications.

Glenbriar has a number of customization projects underway for its ERP customers, including moving preprinted forms to Harvest Reports (a Glenbriar report writer), addition of new capacity in Mexico, and enhancement of the Web Order Entry module.

Glenbriar has moved into the second phase of its Lineside Labelling project, which involves the design and deployment of online storyboards to deliver real-time shipping and production status. EDI, Shipping History and Production storyboard applications have been the first to go live. Next in line are the Vanning Loads templates, which ensure that material is loaded on trailers in a precise sequence predetermined by the manufacturer. These changes will initially meet Honda order and processing specifications, and will soon be expanded to include Toyota and other OEMs.

Financial Review

Canadian generally accepted accounting principles (GAAP) changed to International Financial Reporting Standards (IFRS) for public companies in Canada for fiscal years starting on or after January 1, 2011. Glenbriar adopted IFRS on October 1, 2011.

This is Glenbriar's first annual report using IFRS. Harmonization of Canadian GAAP with IFRS over the last few years resulted in substantial changes to Glenbriar's financial statements for 2008 through 2011. Because of these revisions, Glenbriar experienced only a minor impact when it adopted IFRS, in that most of the effects of the transition had already been incorporated into the statements. See notes 2 and 17 of Notes to the Financial Statements.

Glenbriar Limited Partnership

Glenbriar disposed of its interest in the Glenbriar Limited Partnership (GLP) at the end of fiscal 2011. The General Partner of GLP was Glenbriar Solutions Inc. (GSI), a Glenbriar subsidiary which exercised control over GLP's operations. Glenbriar disposed of its shares in GSI at the end of fiscal 2011. During fiscal 2011, the Limited Partners of GLP were Glenbriar, and from time to time, private investors who provided capital to GLP by purchasing limited partnership units ("LP Units"). In December 2010, GLP issued 26 LP Units at a price of $5,000 each for gross proceeds of $130,000. On February 11, 2011, the Corporation purchased all of the outstanding LP Units in exchange for 100,000 common shares of the Corporation per Unit. Management, directors and employees purchased 21 LP Units. A selling concession of $2,500 was paid on the 5 LP Units not sold to management and employees.

The financial results of GLP were included in Glenbriar's financial statements during fiscal 2011, since GSI had full control over GLP's operations and it was a wholly owned subsidiary of the Corporation. In addition, the Corporation had the right to acquire all the LP Units not held by it directly. See note 4 of Notes to the Financial Statements.

Selected Financial Information

Selected Annual Financial Information ($)	Year ended September 30		
	2012	2011	2010
Basis of preparation	*IFRS*	*IFRS*	*GAAP*
Revenue	6,664,487	6,051,730	5,080,988
Gross profit	1,565,943	1,598,447	1,325,400
Net income (loss) before tax	48,610	(229,860)	(423,868)
Net income (loss)	48,610	(229,860)	(423,868)
-per share (basic and diluted)	0.00	(0.01)	(0.01)
Total assets	878,890	940,313	1,037,826
Long term liabilities (excl. deferred rent)	330,000	330,000	356,500
Dividends	-	-	-

See the start of the Financial Review section above relating to changes in financial reporting standards. Revenue increased 10% in 2012 in both managed services and equipment and software sales. Gross margin fell to 23.5%

in 2012 from 26.2% in 2011 and 2010, reflecting corporate reorganizations in Calgary and Waterloo. Net income showed substantial improvement over the 3 years, rising $275,470 in 2012 over 2011, and a further $194,008 in 2011 over 2010.

Selected Quarterly Financial Information ($)	Quarter ended							
	2012			2011				2010
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Revenue	1,538,236	1,779,384	1,677,134	1,669,734	1,312,812	1,542,013	1,891,946	1,304,959
Income from continuing operations	(146,096)	76,163	39,049	79,494	(419,009)	1,802	179,476	7,871
-per share (basic and diluted)	(0.003)	0.002	0.001	0.002	(0.01)	-	0.004	-
Net income	(146,096)	76,163	39,049	79,494	(419,009)	1,802	179,476	7,871
-per share (basic and diluted)	(0.003)	0.002	0.001	0.002	(0.01)	-	0.004	-

All quarters were prepared using IFRS.

Overall revenue increased 17% for the quarter ended September 30, 2012 from the prior year period, made up of a 6% rise in services and a 32% increase in equipment and software sales. These differences reflect increased capital investments by clients due to economic recovery and greater emphasis on marketing.

Glenbriar has not paid dividends and has no current intention of doing so.

Liquidity and Capital Resources

As of September 30, 2012, Glenbriar had working capital of $(53,047) a substantial improvement from the working capital of $(172,156) at September 30, 2011. This improvement reflects higher receivables and pay down of loan obligations. Marketable securities reflect the fair value of the shares. Inventory changes reflect normal business fluctuations. Inventory is principally made up of items purchased for clients which are in transit from the distributor to client sites, but which remain in Glenbriar's possession pending configuration or an implementation date. Accordingly, inventory is considered relatively liquid and is fairly valued at cost. Deferred revenue was down by $38,061 from the prior year end, and is made up principally of software maintenance and service fees, which are brought into income over the term of the licence renewal. Management believes that its ongoing cash flow from operating activities will be sufficient to satisfy its obligations as they become due and to fund ongoing operations.

Lease payments under office leases are expensed on a straight-line basis over the life of the lease. Incentives under an operating lease, such as rent-free periods, are recognized as a reduction in rental payments over the lease term. Deferred rent reflects rent free allowances on the new office lease in Calgary. The Calgary lease term is 124 months including the rent free period.

The demand credit facility was paid out on March 31, 2012. This facility had been termed out in April 2009 with an initial balance of $411,372. See note 8 of Notes to the Financial Statements. This repayment schedule strained cash resources during a difficult business cycle. Glenbriar management made cash advances to Glenbriar, improved collection of accounts receivable, increased limits and maximized participation in the employee and director share purchase plan, redirected employee contributions from open market purchases to treasury purchases under the plan, extended payables, and raised funds through the issue of LP Units in order to preserve cash resources and meet its repayment obligations.

The $330,000 loan payable as of September 30, 2012 is payable to Glenbriar's management. See note 9 of Notes to the Financial Statements. Glenbriar has no off-balance sheet arrangements.

Glenbriar may be required to seek additional equity or debt financing, reduce its operations or to limit its growth in order to maintain liquidity. In addition, Glenbriar does not have adequate surplus capital on hand to pursue its research and development activities at an optimal rate, to establish and implement a robust marketing and sales program, and to make strategic acquisitions. Accordingly, Glenbriar may reasonably be expected to issue additional equity or take on more debt in order to obtain the additional resources which it believes are necessary to enable it to seek to achieve the growth rates which are sought by investors and shareholders. If additional equity is issued, existing shareholders may experience dilution of their shareholdings. If additional debt is taken on, the business could be put at greater risk of not being able to survive downturns in business cycles, the loss of major accounts, or other negative events. Glenbriar will continue to take steps to improve its working capital position, which may include injection of capital, loans or renegotiation of credit facilities, but there is no assurance that these efforts will be successful.

To date, Glenbriar has funded its research and development from internal sources, including cash flow and disposition of non-core assets. With some products and solutions now ready, and others expected to be completed in the coming months, additional funds will be required to engage in product rollouts, marketing and sales, and make strategic acquisitions.

In February 2011, Glenbriar entered into a 5 year lease for new premises for its Waterloo office. In August 2011, Glenbriar entered into a 10 year lease for new premises for its head office in Calgary. Glenbriar's long term financial commitments for a delivery vehicle, office equipment and office leases were as follows as of September 30, 2012:

	$
2013	265,051
2014	237,835
2015	226,175
2016	201,782
2017	189,240
Subsequent years	828,975
Total	1,949,058

Results from Operations

Net income rose to $48,610 for fiscal 2012 from $(229,860) for fiscal 2011. Most of the improvement reflects better performance in the fourth quarter compared to the prior year. The results reflect increased project spending by clients, reduced amortization of intangibles, gain on sale of related entities, and unrealized gain on marketable securities.

Managed services revenue includes all professional services and consulting revenue. Direct salaries and benefits include the salaries of those employees who directly earn managed services revenue. Margins on managed services are based on a comparison of managed services revenue to direct salaries and benefits. Salaries for administrative and support staff are included in general and administrative expenses, while salaries for sales and marketing staff are included in sales and marketing expense.

Equipment and software revenue includes all revenue from the sale of those items, and cost of goods sold is made up of the cost of equipment and software sales. Both accounts include shipping, but exclude any allocation of salaries or overhead. Margins on equipment and software sales are based on a comparison of equipment and software revenue to cost of goods sold.

Revenue. Revenue increased 10% in fiscal 2012 over 2011, made up of an even rise in services and equipment and software sales. This improvement reflects increased project spending by clients as the economy recovers from the global recession and the benefits of the marketing initiative.

Expense. Margins on managed services dropped to 16.1% in fiscal 2012 from 23.4% in fiscal 2011, reflecting the added costs of reorganizing the service delivery model in that area. Margins on equipment and software sales rose to 33.4% from 30.2% on equipment and software sales over the same periods due to an increase in the proportion of telephony sales, which carry higher margins than other equipment sales. General and administrative expense decreased to 15.0% of sales in fiscal 2012 from 18.1% in fiscal 2011, and sales and marketing expenses rose to 6.6% of sales in 2012 from 5.8% in 2011.

Accounts receivable. The balance for September 30, 2012 reflects 37 days of sales, which is down from 38 days of sales for the year end fiscal 2011.

Accounts payable and accrued liabilities. The increase in this account to $714,639 at September 30, 2012 from $713,346 at the end of fiscal 2011 reflects marginally decreased liquidity.

Deferred revenue. The balance of $162,364 as of September 30, 2012 is for periodic software maintenance and services, which are brought into revenue monthly as services are performed. This is a noncash item.

Forward Looking Statements

This MD&A may contain forward-looking statements. These forward-looking statements do not guarantee future events or performance and should not be relied upon. Actual outcomes may differ materially due to any number of factors and uncertainties, many of which are beyond Glenbriar's control. Some of these risks and uncertainties may be described in Glenbriar's corporate filings (posted at www.sedar.com). Glenbriar has no intention or obligation to update or revise any forward looking statements due to new information or events, except as required by securities legislation.

Risk Factors

The recovery from the global recession continues at a slow pace. Glenbriar serves the automotive, recreational, energy and mining sectors, all of which continue to exhibit recovery from the global recession. Business investment in new infrastructure has been steady thus far in fiscal 2012, as businesses ratchet up capital purchases and investments.

Critical Accounting Estimates

IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting periods presented. Significant estimates include the assessment of recoverability of carrying values of Glenbriar's accounts receivable, inventory, software and other capital assets. Actual results will differ from the estimates.

Glenbriar management assesses the recoverability of accounts receivable based upon its past history of recovery. Past experience indicates that bad debt expense has been consistently less than 1% of sales. See note 16 of Notes to the Financial Statements regarding allowance for doubtful accounts.

Inventory principally represents hardware and software products that are held for delivery to clients pending configuration or an installation date. Accordingly, inventory is current and liquid, and its cost is estimated by management to equal its fair value.

Carrying value of proprietary software assets, deferred tax assets and intangible assets is nil. Glenbriar management estimates that these assets are fairly valued at the current time.

Carrying value of property, plant and equipment is estimated by management to be fairly valued at its depreciated cost.

Related Party Transactions

Management loan advances of $330,000 as of September 30, 2012 are the same as at September 30, 2011. See note 9(a) of Notes to the Financial Statements.

Glenbriar instituted a new employee share purchase plan in February 2008. Participants who elect to participate in the plan purchase Glenbriar common shares in the open market or from treasury. Glenbriar then matches those contributions with shares from treasury by private placement on a quarterly basis. See note 10(d) of Notes to the Financial Statements.

See "Glenbriar Limited Partnership" above and note 4 of Notes to the Financial Statements regarding the participation of employees, directors and management in the purchase of LP Units in first quarter of fiscal 2011. Glenbriar Solutions Inc., a subsidiary of Glenbriar and general partner of the partnership, was sold for $20,000 effective October 1, 2011 to a corporation controlled by an outside director of Glenbriar. Glenbriar's interest in the Partnership was sold for $5,000 effective October 1, 2011 to a corporation whose CEO, director and minority shareholder is an outside director of Glenbriar. The Partnership structure had a carrying value of nil, and had ceased to have any economic value to Glenbriar due to changes in Canadian tax law implemented in March 2011. The proceeds of disposition are included in the statement of comprehensive income and in the statement of cash flows as a gain on sale of related entities.

Additional Information

Additional information about Glenbriar is available from Glenbriar's website at www.glenbriar.com, the CNSX website at www.cnsx.ca, the Sedar website at www.sedar.com, or by request from Glenbriar's head office at 1100, 736 – 8 Ave SW, Calgary, AB T2P 1H4 (Phone 403-233-7300 x117).

Subsequent Event

On November 28, 2012, the Corporation issued 249,000 as the employer's contribution to the employee share purchase plan. The last closing price on the CNSX prior to issuance was $0.015. See notes 10(d) and 18 of Notes to the Financial Statements.