

MANAGEMENT DISCUSSION AND ANALYSIS (Form 51-102F1)

This information is given as of August 12, 2011. As of the date of this report: (a) there are 47,036,150 Glenbriar voting common shares issued and outstanding; and (b) 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: i) the right of employees and directors to make contributions to the employee share purchase plan and receive matching employer contributions (see note 4 of Notes to Consolidated Financial Statements); and ii) a broker option to purchase 50,000 shares at \$0.05 per share before December 23, 2011 (see “Glenbriar Limited Partnership” below and note 3 of Notes to Consolidated Financial Statements).

Description of Business
<p><i>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 250 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.</i></p>

Relocation of Head Office

Glenbriar relocated of its Calgary head office to Suite 1100, 736 – 8 Avenue SW, Calgary, Alberta on July 31, 2011. The new location is the penthouse floor of the Petro Fina Building, an 11 storey Heritage style office building at 8th Avenue and 7th Street SW in downtown Calgary, with two way access to Calgary’s elevated “Plus 15” pedestrian network and convenient connections to the C-Train, Calgary’s light rail transit. The building has been recently renovated and updated to modernize the infrastructure and bring out the unique art deco elements of its original design, and includes fitness and conference facilities for tenants.

The move to larger, more interesting office space reflects Glenbriar’s expanding and growing business demand as it increases its focus on the enterprise space. The new location is being built out to Glenbriar’s specifications, and includes a private balcony, enhanced server room and stylish décor. Glenbriar will be operating out of Suite 1040 pending completion of renovations.

Relocation of Waterloo Office

Glenbriar and Peartree relocated their Ontario office to 100A Lodge Street, Waterloo, ON N2J 2V6 in the third week of February 2011. The new location is more centrally located near Wilfrid Laurier University facing Lodge Street and Weber Street, a main artery in Waterloo. Lease costs are 25% lower in the new space. Fully renovated, the new office space provides a spacious training and meeting room, individual offices for quiet innovation and R&D, open concept areas for collaboration and room to accommodate growth. The state-of-the-art support desk will be integrated with our Calgary and Vancouver branches to provide seamless support across time zones.

Reorganization of Peartree Software

Glenbriar’s software production and consulting services are conducted through its wholly owned subsidiary, Peartree Software Inc. Glenbriar is considering amalgamating Peartree with Glenbriar on September 30, 2011. In anticipation of this amalgamation, David Moser’s title was changed to Vice-President, Enterprise Software Consulting for Glenbriar from President of Peartree and Vice-President, Ontario Region for Glenbriar on May 1,

2011. Mr. Moser’s position will change from full-time employee to independent contractor on October 1, 2011. Roy Clarke, Peartree’s CTO, converted from an employee to an independent contractor on April 1, 2011.

A new business development position was added to the Waterloo office in December 2010. This is part of Glenbriar’s initiative to enhance its market share and develop its corporate brand.

Limited Partnership

Glenbriar set up a limited partnership structure in the first quarter of 2011 to provide a source of funds for product rollouts, marketing and sales. See “Glenbriar Limited Partnership” below for details. Glenbriar is still seeking additional funds for strategic acquisitions and reduction of long term obligations.

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Frankfurt Listing

In June 2011, Glenbriar retained Peter Koch GmbH of Frankfurt, Germany to act as its initial sponsor to comply with recent changes to the Frankfurt Stock Exchange. Under the changes, stocks quoted on the Xontro platform are being moved to the Xetra platform, and listing requirements have been strengthened. As part payment for implementing these changes and acting as Glenbriar’s designated sponsor, Glenbriar issued 100,000 common shares from treasury at \$0.05 per share.

Products and Services

IT Services

Glenbriar leverages technology advances to increase scalability by “productizing” the delivery of IT services. These advances include virtualization, cloud computing, network appliances, blade servers, solid state storage and managed perimeter security protection.

During the first nine months of fiscal 2011, Glenbriar designed and installed new server infrastructure, desktops and networks for a wide variety of clients, including several oil and gas clients, flooring companies, a dental office, a janitorial services company, several non-profits, and a real estate brokerage. Glenbriar participated in a number of relocation projects, including moving several clients to a hosted cloud environment in a virtualized data centre, relocations and upgrades for law firms, and new infrastructure and connectivity for an alternative energy company, a private education and training company, a human resources agency, a commercial realtor and oil and gas companies. Virtualization, managed services implementations and wireless mesh network solutions were also implemented for a number of clients, including an industrial lift supplier, a shoring and foundation supplier, and a land development engineering firm. Glenbriar also upgraded the core network structure for a private technology institute, and started projects to migrate a data centre to a new location for a property management firm, virtualized a precast concrete company’s servers, and added new Managed Services clients, including energy companies, an industrial waste contractor, an industrial centrifuge manufacturer, an industrial fastener supplier and an investment management firm. Web server and SharePoint projects were undertaken for steel and nursery industry suppliers and non-profits.

Glenbriar designed and implemented a number of infrastructure upgrades for Peartree enterprise software clients during the six month period.

Communications

Glenbriar provides enterprise communications solutions that deploy unique distributed architecture, best in class system management, ease of use and award winning devices. Glenbriar supplements this with proprietary software which permits virtual call attendants to work for multiple business units across the globe.

Glenbriar’s IP Communications solutions combine ShoreTel phones, switches and software with Cisco networking equipment, Blackberry Enterprise Servers, iPhones and Glenbriar’s enhancements to produce a truly superior deployment.

During the third quarter, Glenbriar enhanced its IP communications product offering to include the leading enterprise solution for achieving seamless WiFi to cellular call transfer for mobile phones. This product allows employees to use their cellular or smartphones on the corporate land lines through a WiFi connection while in the office, and to have the call seamlessly switch over to the cellular network when the employee gets out of range for the WiFi network. The product works on all leading corporate PBXs, including ShoreTel, Avaya, Cisco and Nortel, and is capable of completely replacing hardwired phone sets within an office environment without incurring major cellphone charges.

Glenbriar also added an enhanced corporate WiFi solution to its product offering. This solution reduces the need for access points within a large environment by deploying up to 16 radios integrated into a single access point, each radio geared toward a particular direction in order to maximize signal strength and minimize interference. Other solutions typically require a much larger number of access points, which compete for available frequencies. Glenbriar completed an install of this product at an industrial client site in June 2011.

During the nine month period, Glenbriar installed and cut over a ShoreTel Pure IP Telephony solution for the head office of a BC school district, an industrial client with 6 offices throughout BC and Alberta, a non-profit management consultancy, a real estate brokerage, an Internet hosting provider, a design studio and a second school district in BC. Glenbriar also installed a teleconferencing and training solution for an international property management client in BC, followed on by a ShoreTel install. Glenbriar is upgrading its client base to ShoreTel 11.1, which provides support for iPhones and Mac computers, a Web based Communicator client, ability to virtualize the server, and distributed database capabilities to eliminate any single points of failure.

Glenbriar implemented mobile enterprise servers and wireless support solutions for several clients during the period, and completed a ShoreTel IP call centre and telephony rollout for an online financial transfer provider with locations in Canada and the UK. Further installs of IP communications solutions included a financial services, manufacturers, and industrial suppliers, including ShoreTel systems and Cisco wireless bridge upgrades and reconfigurations for industrial clients.

Glenbriar continues to acquire new clients who are existing ShoreTel customers that are seeking to fully realize all of the extended benefits of their investments by switching to Glenbriar for their ongoing support and expansion. Glenbriar is currently designing multisite, single image redeployments for three such clients with operations in Western Canada, Northwest Territories and the US.

Software

Glenbriar’s software division, Peartree Software, has leveraged its solid ERP software knowledge into a simpler Web-based interface which can be economically customized to different vertical niche markets, without any limit on scalability or delivery method. Peartree’s modules include dealership, POS and light manufacturing. A professional services module is under development.

Peartree continues to expand its base of opportunities for multivalue application database consulting. Peartree 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 as well.

Peartree added several new clients for its Web based enterprise software during the first nine months of fiscal 2011, including new RV, marine and used car dealerships clients in BC, Ontario, New Brunswick and Prince Edward Island. These installations take place over a few months due to server upgrades, database conversions and training. Peartree's next software release is scheduled for October 2011. Peartree's website for its Dealership product may be viewed at www.peartreedealetership.com, which includes self-guided online demos. Peartree has developed a cloud pricing model for clients who may be interested in online delivery of its Dealership product.

Peartree's Select Web order entry application is now live, and will be updated in the coming months to incorporate client requests for additional functionality. This application provides online order, review and inventory requirements for clients of greenhouse and nursery businesses through a portal. The portal integrates Peartree's web-based software tools and database with its ORDX order entry module to allow the customers of the greenhouse and nursery supplier to conduct their business online, while being a fully integrated part of the supplier's ERP system. Peartree is working with a major client to consider opportunities for creating a market for this application in the coming months.

Peartree's Lineside Labeling product has now been deployed to 30 production lines, with 20 additional lines scheduled for deployment. This product has now been live for a few months, and was created out of OEM (original equipment manufacturer) mandated inventory and shipping accuracy requirements, particularly from Toyota and Honda. Users of this software are now able to capture the data required for industry performance tracking OEE (overall equipment effectiveness) reporting. Once fully deployed, this product will replace existing third party solutions that had been implemented to deal with preventive maintenance and other plant tracking software. Peartree is currently interfacing the inventory enhancements with the general ledger module, and is considering marketing strategies for this new product.

Peartree has completed updates to its ERP software to conform to the electronic data initiative mandated by the Mexican government. This initiative uses digital technology to create, process, transmit and store digital fiscal documents to eliminate the issuance and managing of paper invoices and other records. Invoices must be on preprinted forms from authorized print houses, must contain specific information, and must be stored in hard copy for five years. The regulations also require electronic signatures, automated electronic accounting systems, simultaneous accounting records created at the time of sale, use of a specified XML format, monthly electronic reporting to government, and electronic archiving and retrieval.

Financial Review

Changes in Accounting Policies and Estimates

Canadian generally accepted accounting principles (GAAP) are changing to International Financial Reporting Standards (IFRS) for public companies in Canada for fiscal years starting on or after January 1, 2011. Glenbriar will adopt IFRS on October 1, 2011. Harmonization of Canadian GAAP with IFRS over the last few years resulted in substantial changes to Glenbriar's financial statements for 2008 through 2011. These changes caused large losses to be recorded in order to bring the statements into line with the new standards. Because

of these revisions, Glenbriar expects only a minor impact when it fully adopts IFRS, in that most of the effects of the transition have already been incorporated into the statements.

The effect of these changes contributed to a loss of \$2.5 million for 2008 and a cumulative noncash reduction in assets on the balance sheet of approximately \$3.3 million. These changes are reflected in accelerated amortization of the proprietary software asset, which will be completed in the fourth quarter.

To compare operating results before and after these changes, Glenbriar calculates earnings before interest, taxes, amortization, gains on marketable securities and stock compensation expense (EBITAS) after deducting both operating and capitalized portions of research and development (R&D). EBITAS is not recognized under GAAP or IFRS, and may be applied differently by different issuers.

(\$000's)	Audited					Unaudited
	2006	2007	2008	2009	2010	2011Q3
Revenue	5,110	5,510	6,374	5,685	5,081	4,739
Expense	4,821	5,295	6,135	5,757	4,956	4,294
R&D (all)	481	348	303	120	120	86
EBITAS	(192)	(133)	(56)	(192)	5	404

Glenbriar has benefitted from reduced overall spending on R&D over the past years due to the completion of the core modules for Peartree's Web-based enterprise software. Results for the first half of fiscal 2011 are showing recovery from the global recession of 2009-10.

Glenbriar Limited Partnership

Glenbriar Limited Partnership ("GLP") is an Alberta limited partnership which carries on the business of developing and extending the market for enterprise information technology solutions created or supported by Glenbriar. The General Partner of GLP is Glenbriar Solutions Inc., which exercises control over GLP's operations. Glenbriar Solutions Inc. is a wholly owned subsidiary of Glenbriar. The Limited Partners of GLP are Glenbriar, and from time to time, private investors who have provided capital to GLP by purchasing limited partnership units ("LP Units") at a price of \$5,000 per LP Unit.

As GLP Limited Partners on December 31 of each year, investors are entitled to deduct their share of non-capital losses of GLP for the year to a maximum of \$5,000 per LP Unit. As a result, their share of non-capital losses is not available to Glenbriar to offset future taxable income realized by it.

The financial results of GLP are included in Glenbriar's consolidated financial statements, as Glenbriar Solutions Inc. has full control over GLP's operations and is a wholly owned subsidiary. In addition, Glenbriar has the right to acquire all the LP Units not held by it directly. LP Units and any Glenbriar common shares issued in exchange for LP Units are subject to a 4 month hold period from the date of closing, subject to applicable securities regulations.

In December 2010, GLP issued 26 LP Units at a price of \$5,000 each for gross proceeds of \$130,000. Management, directors and employees purchased 21 LP Units. A selling concession of \$2,500 plus an option for 50,000 shares at an exercise price of \$0.05 per share exercisable before December 23, 2011 is payable on

the 5 LP Units not sold to management and employees. Glenbriar purchased all of the LP Units on February 11, 2011 for 100,000 common shares from treasury per Unit.

Selected Financial Information

Selected Quarterly Financial Information (\$)	Quarter ended							
	2011		2010				2009	
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Revenue	1,542,013	1,891,946	1,304,959	1,129,642	1,618,000	1,143,322	1,190,024	1,174,292
Income from continuing operations	1,802	179,476	7,871	(243,668)	(5,965)	(124,330)	(49,905)	(377,155)
-per share (basic and diluted)	-	0.004	-	(0.006)	-	(0.002)	(0.002)	(0.011)
Net income	1,802	179,476	7,871	(243,668)	(5,965)	(124,330)	(49,905)	(377,155)
-per share (basic and diluted)	-	0.004	-	(0.006)	-	(0.003)	(0.002)	(0.011)

Overall revenue decreased 5% for the quarter ended June 30, 2011 from the prior year period, made up of a 6% decrease in services and a 2.5% decrease in equipment and software sales. These changes reflect special project revenue in the prior year period, while monthly fundamentals show improvement in 2011. Improved profitability reflects the positive impact of cost savings measures implemented during fiscal 2010 and increased marketing and sales activities in fiscal 2011.

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

Liquidity and Capital Resources

As of March 31, 2011, Glenbriar had working capital of \$190,806, up substantially from the \$289,619 deficit at September 30, 2010. This improvement reflects paydown of the demand credit facility and \$130,000 raised by the sale of LP Units, which have since been exchanged for common shares. Marketable securities reflect the fair value of the shares. Inventory changes reflect normal business fluctuations. Inventory is considered relatively liquid. Deferred revenue was up \$23,722 from year end 2010 because of prepayments for hardware and services.

Leasehold allowances received in prior periods became fully amortized in the second quarter of 2011.

The demand credit facility declined to \$100,249 at June 30, 2011 from \$222,291 a year earlier. This reflects a 76% decrease since the demand credit facility was termed out in April 2009 with an initial balance of \$411,372. See note 5 of Notes to Consolidated Financial Statements. This repayment schedule strained cash resources during a difficult business cycle. Glenbriar management took several actions to preserve cash resources and meet its repayment obligations, including making cash advances to Glenbriar, improving collection of accounts receivable, increasing limits and participation in the employee and director share purchase plan, redirecting employee contributions from open market purchases to treasury purchases under the plan, placing certain employees on work share programs, reducing non-strategic staff, extending payables, and raising funds through the issue of LP Units. While several of these initiatives have been reduced due to increased activities, the repayment obligations will continue to be a cash drain until they are completed in April 2012.

The \$404,760 loans payable (including current portion) as of June 30, 2011 is made up of \$320,000 payable to Glenbriar's management, a shareholder's loan for \$39,760 that is being repaid on terms, and a \$45,000 shareholders' loan carried forward from a prior acquisition. See note 6 of Notes to Consolidated 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. Despite a 25% reduction in monthly lease payments, the new lease increases long term lease commitments because the previous lease expired in February 2011. Glenbriar’s long term financial commitments for a delivery vehicle and office leases were as follows as of June 30, 2011:

Fiscal period	\$
2011	29,821
2012	44,759
2013	43,966
2014	40,000
2015	40,000
2016	16,667

Results from Operations

Earnings improved to a gain of \$189,149 from a loss of \$180,200 for the nine months ended June 30, 2011 from the prior year period due to increased capital spending by clients recovering from the global recession, reduced stock compensation expense from lower subscriptions to the employee stock purchase plan, and less change in the fair value of marketable securities.

Revenue. Revenue increased 20% for the nine months ended June 30, 2011 from the prior year period, made up of a 5% rise in services and an 48% rise in equipment and software sales. These differences reflect increased capital investments by clients as they emerge from the global recession.

Expense. Margins on managed services averaged 25.2% in the nine months ended June 30, 2011 compared to 30.9% in the prior year period, and rose to 38.5% from 21.5% on equipment and software sales over the same periods. These changes reflect an increased proportion of equipment and software sales coming from telephony and software, which have initially higher margins due to their specialized nature, but usually require more included support services during the installation phase. Fixed costs, made up of general and administrative, sales and marketing and research and development expenses, declined to 22.7% of sales for the nine months ended June 30, 2011 from 25.1% in the prior year period. This decline occurred despite

increased costs for creation of the limited partnership structure and more focus on marketing and investor relations. Amortization expense will be dramatically reduced in fiscal 2012 due to the following items being fully amortized in the following periods: a) leasehold improvements in the second quarter of fiscal 2011; b) customer lists in the fourth quarter of fiscal 2011; and c) proprietary software in the fourth quarter of fiscal 2011. See “Changes in Accounting Policies and Estimates” above and note 2 of Notes to Consolidated Financial Statements for more details.

Accounts receivable. The balance for June 30, 2011 reflects 47 days of sales, which is similar to 46 days of sales for year-end fiscal 2010, and the prior year period of 45 days.

Accounts payable and accrued liabilities. The decrease in this account to \$612,144 at June 30, 2011 from \$647,448 at the end of fiscal 2010 reflects the higher level of cash, and \$130,000 raised from sale of limited partnership units.

Deferred revenue. This account includes prepayments received for equipment, services, and software maintenance, 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 and its subsidiaries serve the automotive, recreational, energy and mining sectors, all of which continue to exhibit slow recovery from the global recession. Equipment and software sales were lower in fiscal 2009 and 2010, as businesses postponed capital purchases and cancelled capital investments, as well as industry-wide reductions in hardware prices. These sales are showing initial signs of recovery in fiscal 2011.

Critical Accounting Estimates

Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated 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, software and other capital assets. Actual results will differ from the estimates.

Related Party Transactions

Management loan advances of \$320,000 as of June 30, 2011 are the same as at September 30, 2010. See note 6(a) of Notes to Consolidated 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 4 of Notes to Consolidated Financial Statements.

See “Glenbriar Limited Partnership” above and note 3 of Notes to Consolidated Financial Statements regarding the participation of employees, directors and management in the purchase of LP Units.

Subsequent Event

Glenbriar relocated its Calgary head office to Suite 1100, 736 – 8 Avenue SW, Calgary, Alberta effective August 1, 2011. The new location is the penthouse floor of the Petro Fina Building, an 11 storey Heritage style office building at 8th Avenue and 7th Street SW in downtown Calgary, with two way access to Calgary’s elevated “Plus 15” pedestrian network and convenient connections to the C-Train, Calgary’s light rail transit. The building has been recently renovated and updated to modernize the infrastructure and bring out the unique art deco elements of its original design, and includes fitness and conference facilities for tenants.

The move to larger, more interesting office space reflects Glenbriar’s expanding and growing business demand as it increases its focus on the enterprise space. The new location is being built out to Glenbriar’s specifications, and includes a private balcony, enhanced server room and stylish décor.

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 301, 401 – 9 Ave SW, Calgary, AB T2P 3C5 (Phone 403-233-7300 x117).

Notice to Reader

The unaudited interim financial statements and related 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.