GLOBAL RAILWAY INDUSTRIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012

Global Railway Industries Ltd. (the "Company" or "Global") was the parent company of subsidiaries including CAD Railway Industries Ltd. ("CADRI") and its wholly-owned subsidiary, CAD Railway Properties Inc., which were sold on September 23, 2011 to 2290693 Ontario Inc. (the "Buyer"), GBI Industries, Inc., which was wound up on October 14, 2011, and 1703558 Ontario Inc. ("1703558", formerly Bach-Simpson Corporation), which commenced a voluntary wind up on September 22, 2011. In accordance with a resolution passed by Global's shareholders at the Company's special meeting held on August 30, 2011, Global's Board of Directors initiated the voluntary wind-up of the Company on October 13, 2011.

The Company's common shares are traded on the NEX, a separate board of the TSX Venture Exchange, under the ticker symbol "GBI.H".

The following is Management's Discussion and Analysis ("MD&A") of Global's financial condition and results of operations for the three and nine month periods ended September 30, 2012. This MD&A has been prepared as of October 31, 2012. Except where otherwise indicated, all financial information is expressed in Canadian dollars. This discussion is intended to assist the reader in understanding the key factors underlying the Company's financial condition. This analysis should be read in conjunction with the Company's unaudited Condensed Consolidated Interim Financial Statements, which are available on SEDAR at www.sedar.com.

This document contains forward-looking statements, which are qualified by reference to, and should be read together with the "Forward-Looking Statements" cautionary notice, which can be found at page 12 of this MD&A.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management prepared the Condensed Consolidated Interim Financial Statements for the Company and is responsible for the integrity and fairness of the data presented therein. The accounting policies followed in the preparation of the Consolidated Interim Financial Statements conform to International Accounting Standards ("IAS") 34, Interim Financial Reporting. This MD&A has been prepared in accordance with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company are responsible for establishing and maintaining the Company's disclosure controls and procedures and internal controls over financial reporting. The Board of Directors of the Company (the "Global Board"), which is comprised entirely of independent directors, acts to ensure that Management fulfills its financial reporting and internal control responsibilities. In performing its duties, the Global Board acts only in an oversight capacity and necessarily relies on the work and assurances of the Company's Management relying on reviews and discussions with Management. In light of its roles and responsibilities, the Global Board has approved the Company's 2012 third quarter condensed consolidated interim financial statements.

Performance Data

The following represents unaudited data for the three and nine month periods ended September 30, 2012 and 2011:

	Q3 - Three months		YTD - Nine months	
	2012	**2011**	**2012**	**2011**
Sales	$ -	$ 8,634,063	$ -	$ 30,907,423
Loss from operating activities	$ (277,517)	$ (13,611,234)	$ (592,137)	$ (13,773,738)
Loss	$ (247,867)	$ (13,587,380)	$ (513,498)	$ (13,966,021)
Loss per share				
Basic and diluted	$ (0.02)	$ (0.89)	$ (0.03)	$ (0.92)
Weighted average number of common shares outstanding for operations				
Basic and diluted	15,264,065	15,252,399	15,264,065	15,252,399
Total Assets	$ 4,838,921	$ 27,593,423	$ 4,838,921	$ 27,593,423

Plans for the Company

The sale of CADRI was completed on September 23, 2011. On October 13, 2011, the Global Board initiated the voluntary winding up of the Company, which was approved by shareholders at the special meeting held on August 30, 2011.

In connection with the wind-up, the Global Board declared dividends for an initial return of capital distribution to shareholders in the amount of $15,264,065 or $1.00 per common share, which was paid on November 2, 2011. A second return of capital distribution to shareholders of $6,105,626 or $0.40 per common share was paid on May 14, 2012. Global intends to distribute its remaining cash to shareholders in one or more installments as its remaining liabilities and obligations are settled. However, the amount and timing of such distributions have yet to be determined by the Global Board. See "Statement of Net Assets", below.

Review of Financial Condition

Following the CADRI sale, the Company ceased to carry on an active business and no longer generates any operating revenue. The Company's operating expenses are limited to corporate costs, classified as administration expenses for financial statement purposes, in connection with the wind-up and the ongoing administration of the Company, including audit and review fees, professional fees, legal fees as well as other costs directly associated with the operation and maintenance of a publicly traded company and increase in provision. The Company's loss of $513,000 for the nine months ended September 30, 2012, represents corporate costs of $592,000 less net finance income of $62,000 and tax recovery of $17,000. The Company's loss of $248,000 for the three months ended September 30, 2012, represents corporate costs of $278,000 less net finance income of $13,000 and tax recovery of $17,000.

The following table provides a breakdown of the Company's corporate costs for the three and nine month periods ended September 30, 2012, with comparative figures for 2011.

Corporate Costs (in thousands of Canadian dollars)	Q3 - Three months 2012	Q3 - Three months 2011	YTD - Nine months 2012	YTD - Nine months 2011
Professional fees	$ (6)	$ (42)	$ 6	$ 68
Salaries	-	190	-	372
Service agreement	45	-	135	-
Corporate development	-	-	-	51
Insurance costs	18	18	54	57
Legal fees	17	64	63	116
Review, Audit and IFRS	(4)	247	38	624
Tax advice	(1)	59	9	98
Board of directors	15	18	48	56
Miscellaneous	(6)	18	39	84
Increase in provision	200	75	200	75
	$ 278	$ 647	$ 592	$ 1,601

Quarterly Financial Results ('000's)

	Q3'12	Q2'12	Q1'12	Q4'11	Q3 '11	Q2 '11	Q1 '11	Q4 '10
Sales	$ -	$ -	$ -	$ -	$ 8,634	$ 10,094	$12,180	$ 12,201
Earnings (loss) from operating activities	$ (278)	$ (161)	$ (154)	$ (464)	$ (13,611)	$ (386)	$ 223	$ (5,741)
Net earnings (loss)	$ (248)	$ (135)	$ (131)	$ (352)	$ (13,587)	$ (581)	$ 202	$ (1,976)
Earnings (loss) per share Basic and diluted	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.89)	$ (0.04)	$ 0.01	$ (0.13)
Earnings (loss) per share from operations Basic and diluted	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.89)	$ (0.04)	$ 0.01	$ (0.12)

Note: 2010 results have been restated to reflect impact of reclassification adjustments between operations (CADRI) and discontinued operations (G&B and Bach-Simpson). 2011 and 2012 results are presented under IFRS. 2010 results are presented under Canadian GAAP.

Liquidity and Capital Resources

As at September 30, 2012, cash and cash equivalents and short-term investments totaled $4.1 million compared to $7.1 million as at December 31, 2011 and $23.1 million as at September 30, 2011. Additionally, $638,000 of escrow funds receivable were outstanding as at September 30, 2012 for total cash and cash equivalents, short-term investments, and escrow receivables of $4.7 million.

During the quarter ended September 30, 2012, Global received an initial distribution of $362,000 of escrowed proceeds from the sale of the shares of CADRI. The remaining escrow receivable of $638,000 has been retained in the escrow account pending resolution of the indemnification claim made by the Buyer under the CADRI Sale Agreement (as defined below) on September 20, 2012. See "Contractual Obligations", below. See "Subsequent Event" below for a description of the resolution of the indemnification claim.

For the nine month period ended September 30, 2012, net cash from operating activities was $3.1 million mainly due to the receipt of the final installment of $3.2 million of escrowed proceeds from the sale of all the common shares of GBI USA Holdings, Inc. ("GBIH") and the net assets of Bach-Simpson Corporation (including interest of $13,904) and the receipt of an initial installment of $364,000 (including interest of $1,433) of escrowed proceeds from the sale of all of the shares of CADRI. For the same period in 2011, the net cash from operating activities was $1.4 million.

As at September 30, 2012, Global had no bank obligations. The Company expects to maintain sufficient cash resources in both the near-term and long-term to fund the wind up.

As at September 30, 2012, the Company did not have any off-balance sheet financial arrangements.

Capital Expenditures

As Global is in the process of winding up, Management has no plans or outstanding commitments for additional capital expenditures.

Contractual Obligations

As at September 30, 2012, the Company had no lease commitments.

Pursuant to the share purchase agreement entered into in connection with the sale of CADRI (the "CADRI Sale Agreement"), Global agreed to indemnify the Buyer for: i) any losses resulting from any breach of representation or warranty of Global (provided that the Buyer and the Acting President and CEO were not aware of such breach as of the date the CADRI Sale Agreement was entered into), ii) non-performance of Global's obligations under the CADRI Sale Agreement, iii) warranty or guarantee claims for products and services delivered by CADRI prior to the closing of the CADRI sale (provided that Global will be responsible for only 50% of such losses) and iv) tax and environmental claims against CADRI under the asset and share purchase agreement entered into between Global and Wabtec Corporation in connection with the sale of G&B Specialties and Bach-Simpson (the "Wabtec Sale Agreement"). Notice of any indemnification claim had to be given within one year of the closing of the CADRI sale. The maximum liability of Global for indemnification claims was $1 million.

On September 20, 2012, Global received notice from the Buyer of claims for indemnification under the CADRI Sale Agreement. The aggregate amount of the indemnification claims asserted by the Buyer was approximately $638,000. On October 30, 2012 the Company signed a settlement and release agreement ("Agreement") with the Buyer for $450,000. See "Subsequent Event", below. Accordingly, the full $450,000 claimed by the Buyer has been accrued in the September 30, 2012 Condensed Consolidated Interim Financial Statements, representing an increase of $200,000 from the provision amount accrued in the June 30, 2012 Condensed Consolidated Interim Financial Statements.

The claims described above are the only claims asserted by the Buyer prior to the first anniversary of the closing of the CADRI sale and, accordingly, Global's maximum liability to the Buyer under the indemnification provisions of the CADRI Sale Agreement is now limited to $450,000.

In addition, Global continues to have indemnification obligations to Wabtec Corporation pursuant to the Wabtec Sale Agreement in respect of certain tax, environmental and operational matters. Claims under the Wabtec Sale Agreement can be made until the earliest of the third anniversary of the closing of the G&B and Bach-Simpson sales and the completion of the wind up of Global. The maximum liability of Global for indemnification claims is 50% of the purchase price for GBIH and Bach-Simpson.

Share Capital

At September 30, 2012, the Company had 15,264,065 common shares outstanding which represents an additional 11,666 common shares compared to September 30, 2011, which were issued in the fourth quarter of 2011 on the exercise of share options. There were no share options outstanding as at September 30, 2012.

Statement of Net Assets

Global anticipates the wind-up will be substantially completed by the end of the third quarter of 2013. The winding up process consists of the satisfaction of all remaining liabilities and obligations of the Company, the distribution of remaining cash to shareholders, compliance with reporting obligations under applicable laws and regulations until the dissolution of the Company is completed, and such other activities as are ancillary to the winding up and final liquidation of the Company. On October 14, 2011, following the filing by Global of a Notice of Intent to Dissolve, the Company was issued a Certificate of Intent to Dissolve under the *Business Corporations Act* (Alberta) by the Alberta Registrar of Corporations and, upon conclusion of the winding up process, the Company intends to apply for a Certificate of Dissolution.

Set out below is an analysis of Global's balance sheet presented in the form of a statement of net assets at September 30, 2012. The only difference between the unaudited consolidated interim balance sheet and the statement of net assets is the inclusion of estimated future net costs to wind-up and liquidate the Company of $550,000 until September 30, 2013.

As discussed above under the heading "Contractual Obligations", Global has received notice from the Buyer of claims for indemnification under the CADRI Sale Agreement of approximately $638,000 and has signed a settlement and release agreement ("Agreement") with the Buyer for $450,000. See "Subsequent Event", below.

Statement of Net Assets (in thousands of Canadian dollars)		**September 30, 2012**
Assets		
Cash and cash equivalents	$	567
Short-term investments		3,519
Trade and other receivables		83
Escrow receivables		638
Prepaid expenses		31
Total assets		4,839
Liabilities		
Trade and other payables	$	44
Income taxes payable		259
Provisions		450
Total liabilities		753
Net assets as at September 30, 2012	$	4,086
Estimated net costs for the wind-up to September 30, 2013		550
Estimated future net assets as at September 30, 2013	$	3,536
Number of common shares		15,264,065
Estimated Distributable Cash Per Share	$	0.23

Excluding the initial return of capital distribution of $1.00 per share paid on November 2, 2011 and the second return of capital distribution of $0.40 per share distribution that was paid on May 14, 2012, Global estimates that $3.5 million ($0.23 per share) will be available for distribution to shareholders in one or more installments. The Global Board has not determined whether any further interim distributions will be paid to shareholders. It is anticipated that a final distribution of remaining cash, if any, will be made during the second half of 2013, subject to satisfaction of all remaining liabilities of the Company and receipt by the Company of tax clearance certificates from the federal and certain provincial taxation authorities in Canada and the US.

Estimated future net assets as of September 30, 2013 of $3.5 million includes Global's net assets as at September 30, 2012 of $4.1 million less the estimated net costs of wind-up of $550,000 and assumes no unforeseen claims are asserted against the Company. The estimated cash available of $1.63 per share (including the interim distributions of $1.40 per share already paid) is unchanged compared to the estimate of $1.63 per share in the Company's MD&A for the three months ended June 30, 2012 reflecting Management's estimate of monthly costs prior to completion of the wind-up based on the Company's experience to date.

Related Party Transactions

In connection with the closing of the CADRI sale on September 23, 2011, Global entered into a Services Agreement with FTM Capital Inc. for the services of Mr. Fausto Levy and Mr. Ross Corcoran (for the purposes of the Services Agreement, Messrs. Levy and Corcoran are referred to as the "Designated Executives"). FTM Capital Inc. is a company controlled by Mr. Levy and is an affiliate of the Buyer. The provision of the Services Agreement was requested by the Global Board to facilitate the post-closing administration of the Company on a cost-effective basis.

Pursuant to the Services Agreement, FTM Capital Inc. provides, through the Designated Executives, ongoing administrative services to Global as follows:

- Monitor compliance with the Wabtec Sale Agreement and co-ordinate with Global's legal counsel in the event of any indemnification claim under the Wabtec Sale Agreement.

- Prepare and file with appropriate governmental authority all tax returns required to be filed by Global and its subsidiaries.

- Remit all taxes required to be remitted by Global in accordance with applicable statutes, all outstanding Canada Pension Plan contributions and employment insurance premiums, and assist in obtaining clearance certificates from all governmental bodies, including Canada Revenue Agency.

- Prepare and (on approval of by the Global Board) cause to be filed with the appropriate governmental authority all financial statements and reports required to be filed by Global.

- Maintain the continuous disclosure requirements applicable to Global under all applicable securities laws.

- Maintain a listing for the common shares of Global to the extent determined appropriate by the Global Board.

- Assist in the liquidation and dissolution of Global and each of its remaining subsidiaries, or assisting any liquidator in respect thereof to the extent determined appropriate by the Global Board.

- Report to the Global Board in respect of the foregoing.

In consideration of the foregoing services, FTM Capital Inc. is entitled to a monthly work fee from Global of $15,000 during the term of the Services Agreement. The Designated Executives are not entitled to any other compensation from Global for their services as Acting President and CEO and Vice President, CFO and Corporate Secretary, respectively. During the three and nine months ended September 30, 2012, the Company paid $45,000 and $135,000 to FTM Capital Inc. under the Services Agreement.

Global agreed to indemnify FTM Capital Inc. and the Designated Executives from and against all liabilities arising from the services provided under the Services Agreement, other than liabilities arising as a result of their fraud, gross negligence or willful misconduct. Global also agreed to maintain its existing directors' and officers' insurance for the benefit of the Designated Executives.

The Services Agreement will be effective until the completion of winding up of the Company, provided that Global may terminate the Services Agreement without penalty on 30 days prior written notice and FTM Capital Inc. may terminate the Services Agreement without penalty effective immediately on written notice if the obligations under the Services Agreement become incompatible with Mr. Levy's fiduciary duties as an officer of CADRI.

Subsequent Event

October 30, 2012 the Company signed a settlement and release agreement ("Agreement") with the Buyer. The Buyer has made certain claims (collectively, the "Made Claims") against the Company under the CADRI Sale Agreement, as more particularly described in the notice delivered by the Buyer to the Company on September 20, 2012. Under this Agreement the amounts held in escrow pursuant to the Escrow Agreement shall be released (i) as to $450,000, to the Buyer, and (ii) as to the balance of the funds in the escrow account, being $188,000 plus any earned interest to the Company. The Buyer has released the Company from all Made Claims and any further claims of any nature against the Company under the Purchase Agreement.

Business Risks

The Company's primary business risks are listed below:

Warranty Returns and other indemnifications

Under the CADRI Sale Agreement, Global bears 50% of the risk associated with warranty claims made before the first anniversary of the closing of the CADRI sale in respect of products delivered by CADRI prior to the closing, subject to Global's maximum liability for indemnification claims under the CADRI Sale Agreement of $1,000,000. On September 20, 2012, Global received notice from the Buyer of claims for indemnification in respect of warranties or guaranties given by CADRI. The aggregate amount of the indemnification claims asserted by the Buyer was approximately $638,000.

The claims described above are the only claims asserted by the Buyer prior to the first anniversary of the closing of the CADRI sale and, accordingly, Global's maximum liability to the Buyer under the indemnification provisions of the CADRI Sale Agreement was limited to approximately $638,000. On October 30, 2012 the Company signed a settlement and release agreement ("Agreement") with the Buyer for $450,000.

The full $450,000 settled with the Buyer has been accrued in the September 30, 2012 Condensed Consolidated Interim Financial Statements, representing an increase of $200,000 from the provision amount accrued in the June 30, 2012 Condensed Consolidated Interim Financial Statements.

Liquidity of Small Cap Stocks

Potential economic uncertainty and financial market volatility make it challenging at times for investors to liquidate their investment in small cap companies. In addition, the Company transferred its listing from the TSX to the NEX in November 2011 following the closing of the CADRI sale and payment of the initial distribution of capital to shareholders due to its inability to meet TSX listing standards. Global obtained a listing on the NEX in order to maintain liquidity in its common shares during the wind up process; however, Global cannot give any assurance that an active or liquid market for its common shares will develop or be sustained.

Return of Capital and Winding Up

The process of voluntarily winding up a public company such as Global involves significant uncertainties that affect both the amount that can be distributed to shareholders and the time to complete the winding up process. Some of the principal uncertainties relate to the timing and quantum of the settlement of the indemnification claims asserted by the Buyer under the CADRI Sale Agreement, the process of obtaining tax clearance certificates and the potential for tax liabilities or other contingent liabilities to arise prior to the completion of the wind-up. Until completion of the winding up process, the Company will remain a "reporting issuer" under the securities law of certain Canadian provinces and will incur the attendant costs.

The costs associated with the final winding up and dissolution of the Company, as set forth in the Statement of Net Assets in this interim MD&A, represent the current estimates of Management of the Company and are based upon Management's current estimated winding up and dissolution date of not later than September 30, 2013. There can be no assurance that actual costs of winding up and liquidating the Company will not materially exceed such estimated amounts. To the extent that the Company is delayed in the timing of the final dissolution of the Company, it will continue to incur operating costs beyond September 30, 2013.

Accordingly, the total amount of cash to be distributed to shareholders cannot currently be quantified with certainty, and shareholders may receive less than their *pro rata* share of the estimate of the amount available for distribution set forth in the Statement of Net Assets in this interim MD&A.

On October 14, 2011, the Company was issued a Certificate of Intent to Dissolve under the *Business Corporations Act* (Alberta) (the "ABCA") by the Alberta Registrar of Corporations and, upon conclusion of the winding up process the Company intends to apply for a Certificate of Dissolution. The timing of the completion of the final winding up and dissolution of the Company and any final distribution to shareholders is dependent upon the resolution of the indemnification claim asserted against the Company under the CADRI Sale Agreement and any indemnification claims that may be asserted under the Wabtec Sale Agreement, as well as the resolution of other known or unknown claims which may be asserted against the Company and/or its directors or officers and which the Company may contest. Management currently estimates that the winding up and dissolution of the Company can be concluded by September 30, 2013, but the Company can give no assurances as to the actual length of time that may be necessary to conclude the final winding up and dissolution of the Company.

Under the ABCA, the Company's governing statute, despite the winding up and dissolution of the Company, each shareholder to whom any of the Company's property has been distributed is liable to any person claiming under section 227 of the ABCA to the extent of the amount received by that shareholder upon the distribution, and an action to enforce such liability may be brought. Section 227 of the ABCA provides that, despite the dissolution of the Company, a civil, criminal or administrative action or proceeding may be brought against the Company as if the Company had not been dissolved and provides, among other things, that any property that would have been available to satisfy any judgment or order if the Company had not been dissolved, remains available for such purpose. The potential for shareholder liability regarding a distribution continues until the statutory limitation period for the applicable claim has expired. Under the ABCA, the dissolution of the Company does not remove or impair any remedy available against the Company for any right or claim existing, or any liability incurred, prior to its dissolution or arising thereafter.

Critical Accounting Policies and Estimates

In our 2011 Annual Audited Consolidated Financial Statements and Notes thereto, as well as in our 2011 Annual MD&A, we have identified the accounting policies and estimates that are critical to the understanding of our business and the results of operations. For the nine months ended September 30, 2012 there were no changes to the critical accounting policies and estimates of the Company from those found in our 2011 Annual MD&A.

New Accounting Standards

Effective January 1, 2012, Global adopted the following accounting pronouncement, IFRS 7, Financial Instruments: Disclosures. In October 2010, the IASB amended IFRS 7, Financial Instruments: Disclosures ("IFRS 7"). This amendment enhances disclosure requirements to aid financial statement users in evaluating the nature of, and risks associated with an entity's continuing involvement in derecognized financial assets for transfers of financial assets that result in Derecognition. This amendment is effective for the Company's interim and annual consolidated financial statement commencing January 1, 2012. The Company has assessed the impact of this amendment and there is no impact on its unaudited Condensed Consolidated Interim Financial Statements.

Recent Accounting Pronouncements

The International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") have issued the following standards that were not applied in preparing the Company's 2012 quarterly Condensed Consolidated Interim Financial Statements. Unless otherwise indicated the following accounting pronouncements are required to be applied beginning on or after January 1, 2013. Refer to page 15 of our 2011 annual MD&A and note 4 of the Consolidated Financial Statements for the year ended December 31, 2011, for a brief description of each accounting pronouncement. The Company is assessing the impact of the following accounting pronouncements on its Consolidated Financial Statements:

- IFRS 10, Consolidated Financial Statements
- IFRS 11, Joint Arrangements
- IFRS 12, Disclosure of Interests in Other Entities
- IFRS 13, Fair Value Measurement
- IAS 1, Presentation of Financial Statements (amended 2011)

- IAS 27, Separate Financial Statements (amended 2011)
- IAS 28, Investments in Associates and Joint Ventures (amended 2011)
- IAS 32, Financial Instrument: Presentation (amended 2011), effective January 1, 2014
- IFRS 9, Financial Instruments, effective January 1, 2015

The Company intends to adopt these standards and the amendments to the standards noted above in its financial statements for the annual period beginning on January 1, 2013 should the voluntary wind-up of the Company initiated October 13, 2011 not be completed. The Company does not expect these to have a material impact on the financial statements.

Forward Looking Statements

This MD&A contains certain forward-looking statements about the objectives, financial conditions, results of operations and businesses of Global. The use of any of the words "expect", "anticipate", "continue", "objective", "will", "should", "believe", "plan", "intend", "ongoing", "estimate", "may", "project" or similar expressions are intended to identify forward-looking statements. Statements that are not historical facts are forward-looking and are subject to important risks, uncertainties and assumptions. These statements are based on the Company's current expectations about its business, the resolution of indemnification claims and the wind-up process, and upon various estimates and assumptions. The results or events predicted in these forward-looking statements may differ materially from actual results or events if known or unknown risks, trends or uncertainties affect the Company's business, or if its estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that the circumstances described in any forward-looking statement will materialize.

Readers are cautioned that expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Significant and reasonably foreseeable factors that could cause the Company's results to differ materially from its current expectations are discussed in the section entitled "Business Risks" beginning at page 8 of this MD&A.

The Company disclaims any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

Additional information about the Company, including its condensed consolidated interim financial statements, is available on SEDAR at www.sedar.com.

GLOBAL RAILWAY INDUSTRIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012

DIRECTORS **Thomas Dea** [1] Chairman of the Board **Laurie Bennett, CA** [1] Chair, Audit Committee **Jacques Cote** [1] **Alan Sellery** **OFFICERS** **Fausto Levy** Acting President & Chief Executive Officer **Ross Corcoran, MBA** Vice President Finance, Chief Financial Officer & Secretary	**CORPORATE OFFICE** **Global Railway Industries Ltd.** 155 Montreal-Toronto Blvd, Lachine, Quebec, H8S 1B4 Phone (514) 634-3131, Ext. 136 Fax (514) 634-3932 Email info@globalrailway.com Web site: www.globalrailway.com **BANKERS** BMO – Montreal, Quebec **AUDITORS** KPMG LLP London, Ontario **LEGAL COUNSEL** Davies Ward Phillips & Vineberg LLP Montreal, Quebec Toronto, Ontario **TRANSFER AGENT** Computershare Trust Company of Canada 600, 530 - 8th Avenue S.W. Calgary, Alberta T2P 3S8 Phone 1-800-564-6253 **STOCK EXCHANGE** NEX [2] Symbol: GBI.H

[1] Member of Audit Committee
[2] Effective November 4, 2011, Global transferred its listing to the NEX, a separate board of the TSX Venture Exchange