



MANAGEMENT DISCUSSION AND ANALYSIS

This information is given as of January 20, 2015 under NI Form 51-102F1. As of the date of this report, there are 48,421,510 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.

Description of Business

Glenbriar Technologies Inc. (CSE: GTI) is a leading provider of Cloud-enabled business technology solutions. From its offices in Calgary, Vancouver and Waterloo, Glenbriar's IT professionals and software developers design, manage and support solutions that include IT Services, Cloud Services, Portals & Collaboration, Unified Communications and Software Services.

Glenbriar sold its Peartree Dealership product effective December 31, 2013 for total proceeds of \$107,000. This product represented less than 4% of Glenbriar's total revenue, and was determined to no longer represent a strategic asset by the board of directors. The terms of the agreement provide for a seamless transition for users, and allow for more product development going forward than if Glenbriar had retained the product. Glenbriar retained its information technology consulting relationships with Peartree Dealership clients who used those services.

Social Media

Glenbriar's social media reach evolved in fiscal 2014 to include a more defined strategy over a variety of platforms. Leveraging our social reach helps to keep in touch with clients, market Glenbriar's services to a wider audience and improve overall awareness of the Glenbriar brand. By encouraging interaction with our audience, and by promoting our client's own social media accounts, Glenbriar seeks to foster loyalty with its clients and increase awareness of their brands and businesses.

Glenbriar Technologies can be found on Twitter  (@Glenbriar), Facebook  (Glenbriar Technologies page), LinkedIn , Google+  and on our blog page www.glenbriar.com/corporate/blog.

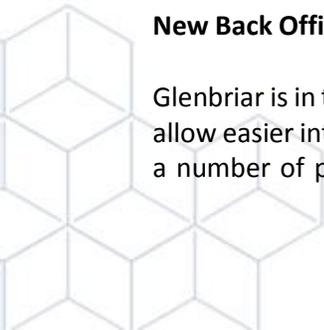
Human Resources

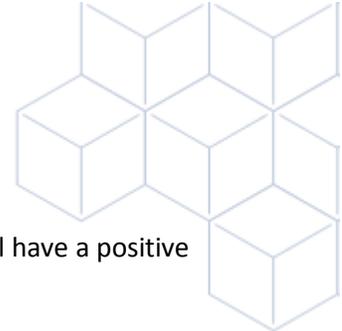
In fiscal 2014, Glenbriar implemented a multi-faceted recruitment platform which provides automatic job posting to several sites nationally, applicant tracking, and scientifically validated screening and assessment tools. Additional enhancements are scheduled for fiscal 2015 to develop processes and procedures for training hiring managers and improving orientation and onboarding experiences.

Brian Tijman stepped down as CFO in the first quarter, but remains a director. Sherri Saunders of Glenbriar's Waterloo office took over as Acting CFO. Ms. Saunders has extensive experience in accounting and financial management.

New Back Office

Glenbriar is in the process of upgrading its back office applications and infrastructure to improve efficiencies and allow easier interoperability between branches, clients and service delivery. This new infrastructure will replace a number of proprietary systems that Glenbriar had developed over the years with state of the art industry





standard applications. It is expected that this upgrade will be completed in fiscal 2015, and will have a positive effect on all aspects of operations going forward.

Products & Services

Cyber-security

In June 2014, Glenbriar entered into an exclusive Canadian licence with Deep-Secure Ltd., a world-class cyber security firm headquartered in the United Kingdom. The licence will allow Glenbriar to market and distribute Deep Secure products across Canada, either on a stand-alone basis, or incorporated within Glenbriar's existing products and services.

The acquisition of this licence fits into Glenbriar's broader strategic vision of repositioning its product and service offerings to better meet growing client demand for enhanced cyber-security.

The principal focus of Deep-Secure is the securing of information sharing activities among computer networks, applications and the people who operate them. From the secure handling of supply chain documentation to the protection of process controls managing critical infrastructure, Deep-Secure provides high assurance solutions that are now being used across a wide range of industries, as well as by criminal justice, defence and intelligence agencies.

Cloud Services

Glenbriar commenced the configuration and initial installation of its new Cloud hosting infrastructure in November 2014, with commercial availability scheduled for early 2015. The new data centre infrastructure is located in Alberta. By focusing on keeping the data in Canada, new hosting opportunities arise in industries that are sensitive to the location and storage of their data and intellectual property, such as health care, financial services, technology innovation and natural resources.

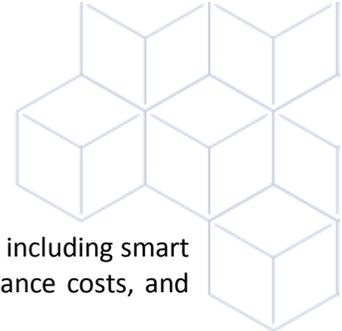
The new Cloud infrastructure deploys the latest generation converged Cloud platform specifically designed for Cloud hosting environments, which delivers substantially reduced data centre complexity and management and process automation to ensure fast, repeatable provisioning of hosted offerings to new and existing clients. This system will allow Glenbriar to publish and deliver its Cloud offerings online. The new infrastructure is designed to be very scalable and manageable.

This new hosting infrastructure will allow Glenbriar to deliver "XaaS", meaning Software as a Service (SaaS), Infrastructure as a Service (IaaS), Platform as a Service (PaaS) and Hardware as a Service (HaaS) to meet the growing and expanding needs of Glenbriar's Cloud offerings, including hosted SharePoint and, in conjunction with another Microsoft partner, hosted Microsoft Dynamics.

Business technology is moving from in house infrastructure to the Cloud, using public, private or hybrid models. Glenbriar works with its clients to optimize their Cloud strategy to fit their business growth, needs and outcomes using the right mix of Cloud, on premise and hybrid solutions that fulfills their objectives.

Portals & Collaboration

Glenbriar's Portals and Collaboration solutions deliver high levels of functionality to organizations through ease of access, empowered site owners, extensive alerts on any changes that occur, and easy location of documents



through the use of custom columns, metadata and views that can be configured to any device, including smart phones, tablets and PCs. This improves organizational efficiency, cuts training and maintenance costs, and facilitates group working, information sharing and electronic document organization.

Glenbriar has implemented and is currently developing comprehensive SharePoint solutions for clients in energy regulation, energy and health care. Microsoft's SharePoint is the world's leading web-based business collaboration platform. SharePoint is changing the way that businesses operate, reducing lost productivity and escalating costs that result from organizations not having the technological capacity or staffing resources to efficiently and cost-effectively streamline their business processes.

Glenbriar completed the design and implementation of a content management system (CMS) for the Independent Electricity System Operator (IESO) in the second quarter. IESO oversees the safe, sustainable and reliable operation of Ontario's power system, and manages Ontario's wholesale electricity market to balance the supply and demand for electricity and set the Hourly Ontario Energy Price. The CMS manages IESO's website content and files using Microsoft's public cloud offering SharePoint Online Public Site Template as a web platform. IESO's CMS solution manages the online public web presence of IESO's corporate website, provides an easy to use online interface for editing page content and page layouts, and handles comprehensive audit controls and workflows for document postings through role based access controls.

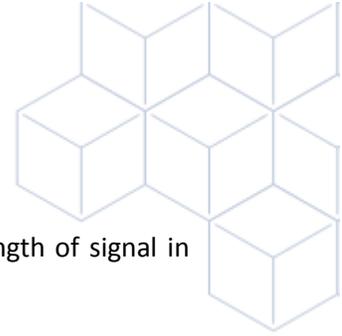
Glenbriar has developed a Health and Safety Management system with a reporting module for the oil and gas industry that includes these modules: a) standard and ad hoc reporting; b) asset management system with audit functionality and workflow process; c) document repository with version control and shared collaboration. These modules can be installed separately or together as an on premise solution, a hosted solution or with SharePoint Online. All the modules are mobile centric, are available for remote users, can be encrypted and offer single sign on for Active Directory users. Enhanced security is provided using with RBAC (Roles Based Access Control). This product has been installed at one client, and is being rolled out at additional locations. Glenbriar is reviewing alternatives to make it available as a multi-tenant application in a private cloud.

Unified Communications

Glenbriar has additional deployments underway for its inclusive Remote Facility Communications solution. This solution works over a fixed, wireless or satellite Internet connection, with all major brands of smartphones and wireless devices, and with all national cellphone carriers, making it available virtually anywhere. Typical payout for clients is less than one year for a huge increase in functionality.

Feeding into a high speed wireless Internet connection, Glenbriar configures and provides a unique wireless array and network equipment at the client's remote location, providing a truly superior Wi-Fi deployment throughout the remote site. At the client's main office, Glenbriar configures and installs a unique mobility router, which is an innovative network appliance that extends voice and unified communications capabilities to mobile devices, while supporting all leading enterprise PBXs. The client's users are then able to communicate as easily and efficiently at the remote site as in the head office. Remote users make cell calls over the wireless Internet network, without using cell time and with no long distance charges, even though they are beyond the range of their cellphone providers' networks. Desk and smartphones, tablets and PCs at the remote site become seamless parts of the same phone system and network as the main office, with no trunk or long distance charges. All communications take place without any delay, jitter or digitization.

Glenbriar continues to implement replacements of end of life and outdated telephony equipment with what Gartner rates as the leading unified communications solution, ShoreTel. These installations are often augmented



with Glenbriar’s enhanced Wi-Fi solutions, which extend the functionality, security and strength of signal in difficult to reach or crowded areas.

Managed Services

Glenbriar commenced a number of IT audits for new and potential clients in the third quarter. New projects are in the design phase for rolling out over the next 2 quarters. Cloud deployments, mobility functionality, managed services and print services will continue to grow in enterprise environments, and bring with them the need for increased emphasis on security. Glenbriar is actively seeking upgraded technologies to meet these new requirements.

In fiscal 2014, Glenbriar has developed and implemented a Managed Backup Service, which has proven popular with our clients.

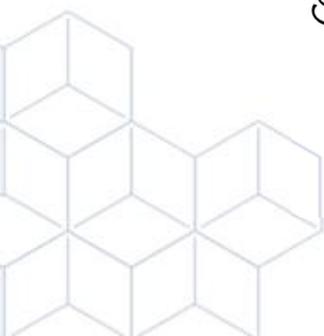
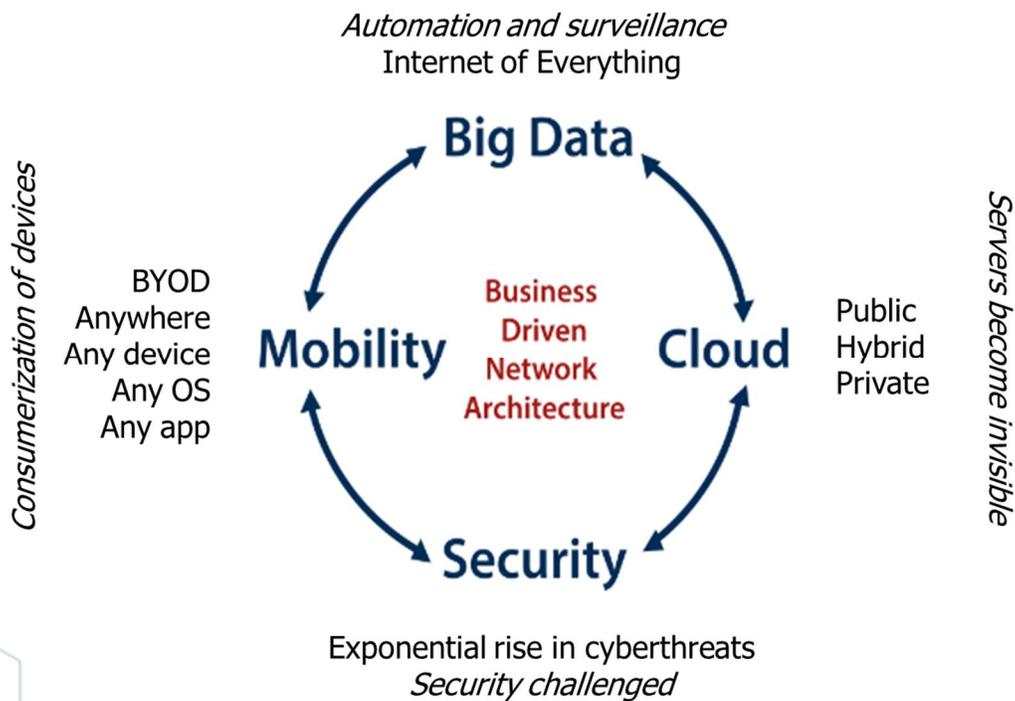
Software Services

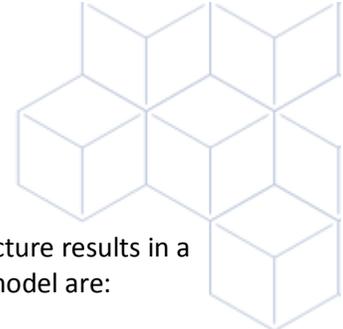
Glenbriar’s MMS is currently being updated to incorporate industry mandated EDI changes, and the Plant Products module has been extended to incorporate additional functionality resulting from a client’s corporate acquisition. A number of MMS clients are implementing server upgrades to provide enhanced performance and functionality.

Glenbriar continues to develop its multivalue application database consulting and production line control products for manufacturers.

Industry Trends

Business technology is experiencing structural change that alters how enterprises, employees and customers use new technologies and communications. The traditional on-premises client-server model is giving way to a new paradigm, as shown below:





This new model focuses on business processes and outcomes, not hardware. This new architecture results in a shift in the skill sets required to design and deliver the desired outcomes. The 4 pillars of this model are:

- a) **Big Data** deals with the expansion in the amount and type of data that is collected, analyzed and used to drive new sources of revenue and efficiency for businesses, particularly with the rise in the number of unmanned devices connected to the Internet (giving rise to the Internet of Things).
- b) **The Cloud** represents the movement of processing capacity away from desktops and on-premise servers to centralized servers, which can be housed in public, private or hybrid environments. As servers move away from being on-premise, they become invisible to consumers and businesses.
- c) **Mobility** represents the shift in end user devices to smartphones, tablets, notebooks and other devices accessing the Cloud on a wide variety of operating systems from virtually anywhere. This pillar incorporates the trends of consumerization of data consumption and BYOD (bring your own device).
- d) **Security** reflects the need for enhanced security requirements resulting from device and data proliferation and accessibility inherent in Mobility, Big Data and the Cloud, which has driven an exponential increase in cybercrime, with the consequent loss of privacy, theft and misuse of identity and intellectual property.

All of these have to be made to work together in new ways in order to improve functionality and security. Glenbriar pursues solutions that leverage new business architecture.

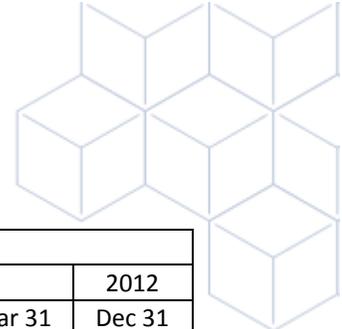
Financial Review

Selected Financial Information

Selected Annual Financial Information (\$)	Year ended September 30		
	2014	2013	2012
Revenue	5,953,532	6,006,154	6,664,487
Gross profit	1,573,688	1,346,362	1,565,943
Net income (loss) before tax	271,122	(145,050)	48,610
Net income (loss)	271,122	(145,050)	48,610
-per share (basic and diluted)	0.01	0.00	0.00
Total assets	911,211	740,796	878,890
Long term liabilities (excl. deferred rent)	345,000	395,000	330,000
Dividends	-	-	-

Revenue decreased less than 1% in 2014, made up of less than 1% decreases in both services revenue and equipment and software sales. Software sales were reduced by the sale of the Peartree Dealership product in December 2013, but other sales more than covered that reduction. Gross margin rose to 26.8% from 22.4% in 2013 and 23.5% in 2012. Net income was \$271,122 in 2014, up from a loss of \$145,050 in 2013 and a profit of \$48,610 in 2012. The 2014 net income includes a \$107,000 gain on sale of Peartree Dealership, and 2012 net income included a \$45,933 of gain on sale of related entities and unrealized gain on securities.





Selected Quarterly Financial Information (\$)	Quarter ended							
	2014			2013				2012
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Revenue	1,392,609	1,460,363	1,756,829	1,343,731	1,395,535	1,472,250	1,644,830	1,493,538
Income (loss) from operations	(122,013)	77,829	125,160	238,493	(150,688)	(22,409)	11,105	59,984
-per share (basic and diluted)	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Net income (loss)	(145,564)	67,522	117,082	232,082	(173,196)	(29,553)	3,243	54,456
-per share (basic and diluted)	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00

Overall revenue increased 1% for the quarter ended September 30, 2014 from the prior year period, made up of a 1% drop in services and a 5% increase in equipment and software sales. These differences reflect normal business fluctuations.

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

Liquidity and Capital Resources

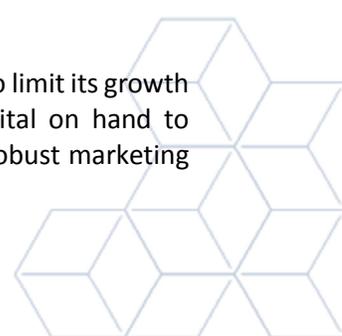
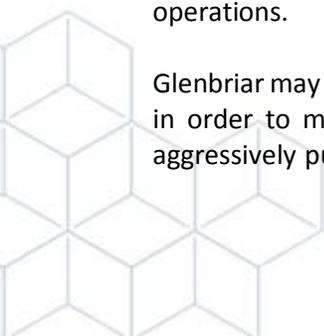
As of September 30, 2014, Glenbriar had working capital of \$58,627 (\$126,048 excluding deferred items, which does not require a direct cash outlay), an improvement from a working capital deficiency of \$133,082 (\$30,118 deficiency excluding deferred items) at September 30, 2013. This increase reflects improved cash position, higher receivables, sale of marketable securities, and lower payables and deferred revenue. Marketable securities were sold in fiscal 2014. 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. The \$35,543 decline in deferred revenue reflects the sale of the Peartree Dealership software, which was billed annually and quarterly, resulting in a deferred revenue component. The balance remaining is made up of software maintenance and service fees on Glenbriar's remaining proprietary software products. Management has implemented cost reductions and is entering into new business delivery models which it believes will be sufficient to satisfy its obligations as they become due and to fund ongoing operations.

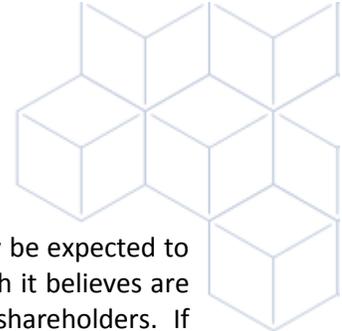
Lease payments under office leases are expensed on a straight-line basis over the life of the lease. Incentives under an operating lease, such as rent-free periods, are recognized as a reduction in rental payments over the lease term. Deferred rent reflects rent free allowances on the office lease in Calgary, which has a remaining term of 7 years.

The \$345,000 loan payable as of September 30, 2014 is payable to Glenbriar's management. These advances are repayable 12 months after a written request for payment, with no such requests received to January 20, 2015, and may be repaid at any time without penalty. See note 7 of Notes to the Financial Statements. Glenbriar has no off-balance sheet arrangements.

Management believes that its ongoing cash flow from operating activities, based on current internal operating forecasts, will be sufficient to satisfy its current and future obligations as they become due and to fund ongoing operations.

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 aggressively pursue its new business delivery model activities, 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.

In prior periods, Glenbriar funded its research and development from internal sources, including cash flow and disposition of non-core assets. With the sale of the Peartree Dealership product, Glenbriar management has eliminated the need for ongoing research and development activities.

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, 2014:

	\$
2015	364,015
2016	312,097
2017	297,230
2018	249,955
2019	197,411
Subsequent years	446,371
Total	<u>1,867,079</u>

Results from Operations

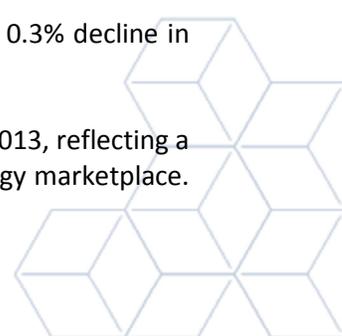
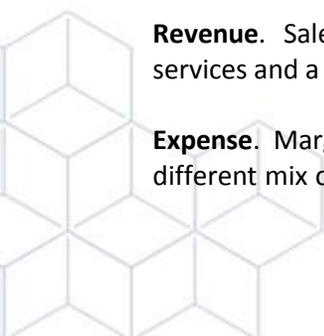
Net income climbed to \$271,122 in fiscal 2014 from a loss of \$(145,050) for fiscal 2013. Both services and equipment and software sales were relatively flat over the two periods. 2014 income includes a \$107,000 gain on sale of the Peartree Dealership product.

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 sales 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. Sales and services revenue decreased 0.9% in fiscal 2014 over 2013, made up of a 0.3% decline in services and a 0.6% decline in equipment and software sales.

Expense. Margins on managed services increased to 25.4% in fiscal 2014 from 15.9% in fiscal 2013, reflecting a different mix of higher end services required to meet the changes in the information technology marketplace.





Margins on equipment and software sales declined to 27.9% from 33.5% over the same periods, due to the removal of Peartree Dealership for three quarters in 2014, which had a nil cost base. General and administrative expense rose to 16.3% of sales in fiscal 2014 from 15.5% in fiscal 2013, and sales and marketing expenses declined to 5.8% of sales in 2014 from 6.9% in 2013, reflecting a change in the mix of sales and administrative staff.

Accounts receivable. The balance for September 30, 2014 reflects 36 days of sales, which is up marginally from 34 days of sales for year-end 2013.

Accounts payable and accrued liabilities. The total balance was down marginally at \$708,758 at September 30, 2014 from \$715,851 at the end of fiscal 2013.

Deferred revenue. This balance declined to \$61,343 as of September 30, 2014 from \$96,886 at the end of fiscal 2013 due to the sale of the Peartree Dealership product, which was sold on annual and quarterly subscriptions. The remaining balance is for periodic software maintenance and services on Glenbriar's remaining proprietary software products, which are brought into revenue monthly as services are performed.

Forward Looking Statements

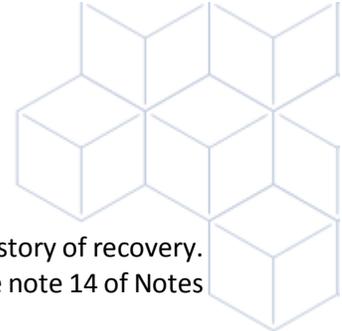
This MD&A may contain forward-looking statements. These forward-looking statements do not guarantee future events or performance and should not be relied upon. Actual outcomes may differ materially due to any number of factors and uncertainties, many of which are beyond Glenbriar's control. Some of these 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

Glenbriar is in the information technology business, which is a rapidly changing and competitive environment. Glenbriar must stay abreast of several new technologies and be ready to quickly and effectively deploy them for its customers. Glenbriar serves the automotive, recreational, energy and mining sectors, all of which were challenged by the global recession and the effects of globalization on their business cycles. See "Changes in Business Technology Market" above for a description of the many changes underway in the IT sector, all of which will have a major effect on the way many of Glenbriar's clients conduct their business over the coming years. The pace of change keeps quickening, and Glenbriar and its clients must adapt promptly, but carefully, to choose the right technologies and strategies to optimize their business technology processes and infrastructure. The consumerization of end user devices, increased mobility, and changing workplaces will continue to place a heavy burden on businesses to remain secure and to keep their data safe but accessible. Glenbriar will have to continue to reliably identify, evaluate, optimize and support these new technologies for its clients in order to remain successful in the coming periods.

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 14 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.

The carrying value of proprietary software assets, deferred tax assets and intangible assets is \$nil. The carrying value of property, plant and equipment is its depreciated cost. Glenbriar management estimates that these assets are fairly valued as at September 30, 2014.

Related Party Transactions

Management loan advances were \$345,000 as of September 30, 2014, a decrease of \$50,000 from the prior year end. See note 7 of Notes to the Financial Statements.

Glenbriar instituted a new employee share purchase plan in February 2008. Participants who elected to participate in the plan purchase Glenbriar common shares in the open market or from treasury. Glenbriar then matched those contributions with shares from treasury by private placement on a quarterly basis. This plan was wound up effective December 31, 2013. See note 8(c) of Notes to the Financial Statements.

Additional Information

Additional information about Glenbriar is available from Glenbriar's website at www.glenbriar.com, the CSE website at thecse.com, 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).

