

**Monthly Progress Report – May 2009**  
CNSX Form 7

CNSX ISSUER	TRADING SYMBOL	NUMBER OF OUTSTANDING SECURITIES	DATE
Glenbriar Technologies Inc.	GTI	33,634,119	June 2, 2009

**Report on Business**

1. *General Overview and Discussion*

**Glenbriar Technologies Inc.** (CNSX:GTI) is a leader in Enterprise IT Innovation for small and medium businesses. Glenbriar integrates information technology, voice and software strategies in a number of market verticals spearheaded by an internally developed Managed Services (MS) approach. Glenbriar's **Peartree Software Inc.** division develops software solutions for specific market verticals. Glenbriar currently has offices in Alberta, British Columbia and Ontario. See [www.glenbriar.com](http://www.glenbriar.com) for more details.

2. *Activities of Management*

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 response to bank tightening of business credit facilities, Glenbriar has been required to renegotiate its borrowing facility with a Canadian chartered bank. See item 6 below.

In its 2008 Annual Report, Glenbriar noted the effect of early adoption of certain accounting policies on its financial statements for the year ended September 30, 2009 and subsequent periods. The Canadian Institute of Chartered Accountants (CICA) has been implementing staged changes to Canadian GAAP to harmonize it with International Financial Reporting Standards (IFRS), which will replace Canadian GAAP in 2011. These changes are being applied retrospectively, which affects prior periods and increases the impact of the changes. Glenbriar early adopted certain policies for fiscal 2008, resulting in a significant non-cash downward revaluation of the software asset. Management further determined that in view of the current global economic crisis, the valuation of the future tax and goodwill assets was too uncertain, so they were written off. Please see the 2008 Annual Report for details regarding these nonrecurring, noncash items.

Glenbriar continued the initial steps in developing a new sales and marketing strategy in May 2009, which will include a new website for Peartree Software to be rolled out in June 2009. More details regarding this initiative will be released over the next few months.

Glenbriar implemented Peartree's new professional services module in its Burnaby location in May 2009, with the Calgary location scheduled for implementation this summer.

3. *New Products or Services Developed or Offered*

**Services.** Glenbriar continued to implement major network design and upgrades for existing clients in Vancouver and Calgary. Glenbriar commenced a network design and upgrade for a new Peartree Dealership software client in Alberta in May 2009.

**Communications.** Glenbriar was awarded a contract for a \$200,000 IP telephony solution for an Alberta based client and completed a major upgrade of an IP call centre in Atlanta for an international secure hosting company in May 2009. Glenbriar is in the process of migrating its IP telephony client base from Shoreware 7.5 to 8.1.

**Software.** Peartree Software, Glenbriar's software subsidiary, added an automotive dealership in Winnipeg and an RV dealership in Alberta as new Dealership clients in May 2009. Additional clients are expected to be added in the next few months for both Dealership and SME modules.

Peartree is now in controlled release of a new version of its Dealership and SME modules. This new version includes substantial improvements and additional features. The new version will be rolled out to all of Peartree's customers once field testing is complete.

4. *Discontinued Products or Services*

Glenbriar did not discontinue any operations in May 2009.

5. *New Business Relationships*

Glenbriar did not enter any significant new business relationships in May 2009.

6. *Expiry or Termination of Contracts or Financing Arrangements*

In response to tightening credit conditions being imposed on small and medium businesses, Glenbriar was required to change the terms of its revolving credit facility with a chartered bank. The new terms call for the loan to be termed out over 41 months based on an initial balance of \$411,000, with an additional principal payment due on October 31, 2009 to reduce the principal to \$250,000. Glenbriar's management is currently reviewing its options to determine what steps will be required to meet the new repayment schedule.

7. *Acquisitions or Dispositions of Assets*

There were no acquisitions or dispositions of significant assets in May 2009.

8. *Acquisition or Loss of Customers*

This is incorporated into item 3 above.

9. *New Developments or Effects on Intangible Products or Intellectual Property*

Glenbriar and Peartree implemented continuous improvements in May 2009. See item 2 above regarding significant changes to the carrying value of intangible and intellectual property assets for the year ended September 30, 2008 and subsequent periods.

10. *Employee Hirings and Terminations*

Glenbriar reduced its technical staff count by one in May 2009.

11. *Labour Disputes and Resolutions*

This item is not applicable.

12. *Legal Proceedings*

Glenbriar is party to claims for an estimated amount of \$25,000 plus interest and costs. Management is defending these claims.

13. *Indebtedness Incurred or Repaid*

Glenbriar's non-revolving bank loan balance stood at approximately \$401,000 at May 31, 2009.

14. *Securities Issued and Options or Warrants Granted*

No options or warrants were granted in May 2009.

15. *Loans to or by Related Persons*

The Glenbriar management advance remained at \$285,000 in May 2009. In addition, a \$50,000 shareholders' loan is carried forward from the Micro-Aid acquisition.

16. *Changes in Officers, Directors or Committee Members*

There were no changes in officers, directors or committee members in May 2009.

17. *Market, Political and Regulatory Trends Affecting Glenbriar*

The rising value of the Canadian dollar reduces revenue from US and Mexican accounts, which are priced in US dollars. With the global recession, demand in the automotive and recreational dealer sectors will be weak, and some automotive parts suppliers and dealers are expected to go out of business. Commodity price variations in energy and mining have led to the postponement or cancellation of some megaprojects. Glenbriar and its subsidiaries serve all of these sectors. Glenbriar expects equipment and software sales will be reduced significantly in the current and coming quarters as businesses postpone capital purchases and cancel capital investments. Glenbriar seeks to partially offset reduced expenditures with cost reductions and emphasizing strong cost reductions available to its clients in total cost of ownership through effective use of its Managed Services, Unified Communications and Enterprise Software.

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**Certificate of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

<b>NAME OF ISSUER</b> Glenbriar Technologies Inc.		<b>FOR MONTH END</b> May 2009	<b>DATE OF REPORT YY/MM/DD</b> 2009/06/02
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