

Monthly Progress Report – May 2010

CNSX Form 7

CNSX ISSUER	TRADING SYMBOL	NUMBER OF OUTSTANDING SECURITIES	DATE
Glenbriar Technologies Inc.	GTI	42,210,216	June 1, 2010

Report on Business1. *General Overview and Discussion*

Glenbriar Technologies Inc. (CNSX:GTI) supports the IT needs of companies in Alberta, BC and Ontario from its offices in Calgary, Vancouver and Waterloo. From our 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.

Whether taking complete responsibility for overall IT requirements so that the client can focus on its core business, or partnering with their in-house staff to design, deliver and manage crucial enterprise solutions, Glenbriar's clients all receive the same high level of service and support.

Glenbriar's software activities are conducted through its wholly owned subsidiary, Peartree Software Inc. See www.glenbriar.com for more details.

2. *Activities of Management*

Glenbriar requires additional funds for product rollouts, marketing and sales, strategic acquisitions and bank obligations.

Glenbriar launched its new website in late February 2010. The new site has an updated look and feel, which will be used to develop new marketing material to reflect Glenbriar's rebranding and repositioning efforts. Peartree's website will be updated in the coming months to reflect a similar look and feel.

The Canadian Institute of Chartered Accountants (CICA) has been harmonizing Canadian GAAP with International Financial Reporting Standards (IFRS), which will replace Canadian GAAP in 2011. These changes are applied retrospectively, which has had major effects on the financial statements since fiscal 2008. See the 2010 2nd Quarter Report released in April 2010 and the 2009 Annual Report for details regarding this transition.

3. *New Products or Services Developed or Offered*

IT Services. Glenbriar completed an Exchange 2010 implementation for a non-profit client in Calgary in May 2010, including a new backup solution using a communications vault server, Microsoft Office Communications Server, broker server and virtualized environment. Glenbriar's Waterloo office continued moving 20 clients to its new remote server monitoring platform in May 2010, with the balance, including Peartree clients, scheduled to be completed in June 2010. This enables enhanced Managed Services product offerings in that market. In addition, Glenbriar installed a new server for a two location law firm, set up a managed services hosting arrangement for an existing client, and implemented a support program for registered charities at its Waterloo location.

Glenbriar completed cabling projects at two Edmonton offices in Edmonton and updated infrastructure for two oil and gas clients and a property management company in Calgary in May 2010. Glenbriar also upgraded Microsoft licensing for a number of clients during May 2010.

Glenbriar managed the cabling, audio visual, building security, network, telephony, VPN and multisite connectivity for voice and data connections for a major office move for a BC client in the third quarter, and will be further rebuilding this client's infrastructure over the next 6 months.

Communications. Glenbriar completed the first of 50 sites of a multiple site ShoreTel IP telephony installation in May 2010, with the other locations scheduled over the next 3 years. Glenbriar upgraded a number of clients to Shoreware 10.1 in May 2010, which delivers additional functionality and upgrades.

Software. Peartree completed the push out of its standardized release in May 2010, which will be followed by an update in early June 2010. Peartree also enhanced its Harvest Reports product in May 2010 to improve business reporting functions for both legacy and Web based software clients. All products are being updated to comply with HST implementation in BC and Ontario effective July 1, 2010. Peartree reorganized its software update and client services delivery model in April 2010 to allow a common service desk platform for both software and IT support. Peartree is also developing a Web portal for a client to allow its customers to enter and track their orders online.

Peartree's website for its Dealership product may be viewed at www.peartreedalership.com, which includes self-guided online demos. In addition, Glenbriar is developing custom Excel forms to automate daily drilling reports for an oil and gas client in Calgary.

4. *Discontinued Products or Services*

Glenbriar did not discontinue any operations in May 2010.

5. *New Business Relationships*

Glenbriar did not enter any new business relationships in May 2010.

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

Glenbriar's prior revolving credit facility with a chartered bank was termed out in April 2009, with 21 months remaining in the term (current balance – \$222,000). Glenbriar has commenced repayment of a \$65,000 obligation relating to a prior acquisition, and expects to extend similar terms to another \$50,000 portion relating to a separate obligation in the coming months. Payments are based on a 48 month amortization period and 18 month term, subject to accelerated repayment obligations if certain funding levels or capital transactions are entered into prior to the end of the term.

7. *Acquisitions or Dispositions of Assets*

There were no acquisitions or dispositions of significant assets in May 2010.

8. *Acquisition or Loss of Customers*

The automotive parts manufacturing industry in North America has continued contracting over the last few years. Certain manufacturers, such as Dana and Edscha, have gone through bankruptcy proceedings in their home countries, resulting in curtailment of their Canadian and US operations. This has reduced the demand for licensing and consulting services from these customers, including Peartree licences. It is expected that

these customers will maintain minimal licensing for archival purposes over a few more quarters. Most of Peartree's active clients for its ERP software are no longer in the automotive parts manufacturing industry, and most are actively investing in their infrastructure and have been growing their businesses over the last few years.

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

Glenbriar and Peartree implemented continuous improvements in May 2010. Development workflow is being enhanced to include automated testing for quality assurance to make product release and issue response times significantly faster.

10. *Employee Hirings and Terminations*

Glenbriar added three staff members in Calgary in May 2010, made up of a junior business development representative, a Microsoft training expert, and a CRM/Sharepoint expert. Glenbriar also added one technical staff member in its Vancouver office in May 2010.

11. *Labour Disputes and Resolutions*

This item is not applicable.

12. *Legal Proceedings*

A small claims action in Alberta to which Glenbriar had been named as a co-defendant relating to an alleged wrongful dismissal of an employee of an inactive subsidiary was dismissed in April 2010. After reviewing his legal position, the plaintiff sought to avoid substantial costs that would have been incurred by taking the matter to trial. Management had allocated zero potential liability to that claim in the financial statements, as it believed Glenbriar had been improperly included in that claim.

Glenbriar was made party to a legal proceeding in Ontario in February 2010, relating to an alleged wrongful dismissal of an employee who once worked for a company that became a subsidiary of Glenbriar after his dismissal, which subsidiary is now inactive. Management believes Glenbriar has been improperly included in the claim, and that adequate provision has been made in the financial statements regarding any potential liability relating to the proceeding.

13. *Indebtedness Incurred or Repaid*

Glenbriar's bank loan balance stood at approximately \$232,000 at May 31, 2010.

14. *Securities Issued and Options or Warrants Granted*

No shares were issued or options or warrants granted in May 2010.

A share issuance is scheduled to be completed in early June 2010 under the Employee Share Purchase Plan. This issuance will include employee contributions for April 30, and May 15 and 31, 2010, and employer contribution for March, April and May 2010.

15. *Loans to or by Related Persons*

The Glenbriar management advance was \$320,000 as of May 31, 2010, the same as the previous month.

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

There were no changes in officers, directors or committee members in May 2010.

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

The global recession weakened demand in the automotive and recreational vehicle sectors, although those sectors are starting to show initial signs of recovery. Commodity price fluctuations in energy and mining have led to the postponement or cancellation of megaprojects, with some signs of resumption of some of the previously cancelled projects. Glenbriar and its subsidiaries serve all of these sectors. Glenbriar has experienced lower equipment and software sales as businesses postpone capital purchases and cancel capital investments. Glenbriar seeks to partially offset lower levels with cost reductions and increased emphasis on marketing the total cost of ownership through effective use of its IT Services, Communications and Enterprise Software. Glenbriar believes that IT spending will show signs of recovery in the second half of 2010.

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.

NAME OF ISSUER Glenbriar Technologies Inc.		FOR MONTH END May 2010	DATE OF REPORT YY/MM/DD 2010/06/01
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