Monthly Report – March 2017

CSE Form 7

CSE ISSUER	TRADING SYMBOL	NUMBER OF OUTSTANDING SECURITIES	DATE
Glenbriar Technologies Inc.	GTI	48,421,510	April 3, 2017

Report on Business

1. *General Overview and Discussion*

Glenbriar Technologies Inc. (CSE: GTI) provides leading edge 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 Managed IT Services, Cloud & Hosting Services, and Unified Communications as a Service. See www.glenbriar.com for more details.

Rights Offering

In February 2017, Glenbriar announced a rights offering to shareholders of record as of February 21, 2017. Glenbriar issued 1 right for each share held. 2 rights entitles the holder to purchase 1 Common Share for $0.02 per share, with an additional subscription privilege to obtain additional Common Shares at the same price per share. These additional shares represent shares not taken up by other rights holders under the basic subscription privilege, and will be allocated on a pro rata basis if the total issue is oversubscribed. No rights certificates are being issued, and the rights will not be listed or posted for trading. The rights are freely transferable. The shares issued upon exercise of the rights will trade on the Canadian Securities Exchange. The rights expire on May 20, 2017.

A Rights Offering Notice was been mailed to each shareholder. If you did not receive your rights, please send an e-mail to proxy@glenbriar.com or contact Robert Matheson of Glenbriar at (403) 450-7410 to correct this. Additional details are available in the Rights Offering Circular filed on Glenbriar's profile on Sedar at sedar.com, on the CSE website at thecse.com, and on Glenbriar's website at glenbriar.com.

The Rights Offering Notice and Circular are based on NI 45-106F14 and F15, which require that when an issuer has a working capital deficiency, it must state in bold type at the top of the document how long it will last with its current working capital, and how much of the issue is required to be subscribed for the issuer to last for 12 months. This calculation is relevant to a startup with no revenue and a specified monthly burn rate, but it is quite inappropriate for Glenbriar. Glenbriar has had a working capital deficiency in each of the last 2 fiscal years, with the size of the deficiency decreasing in fiscal 2016 and again this quarter. Our ability to stay in business is determined by our revenue and expenses, not by the amount of working capital. However, as we are restricted in our ability to include future financial projections, it is an academic exercise to specify a number of months as required by the regulation. Weighing these factors, management erred on the side of caution and used conservative figures of 6 months at the current level of working capital, and 12 months if 33% of the offering is subscribed.

The board of directors chose to do the rights offering for a number of reasons:

1. Despite generating more than $300k in EBITDA from February through September 2016, the market turned down in October, with additional clients going out of business in Alberta. This resulted in a loss in the first quarter of 2017. Initial indications are that things have picked back up, with the expectation for a profit in the second quarter. A successful rights offering would go

a long way in making this a sustained recovery.

2. Rights offering are inherently fair from a corporate governance perspective, as each shareholder is given an equal opportunity to maintain his or her ownership interest and to participate in increasing that ownership. This prevents dilution of existing shareholders.

3. Glenbriar has not gone to the market for financing in well over a decade. The equipment portion of new investments in back office infrastructure and Cloud data centre were financed using $292k from a revolving bank line and $301k in equipment leases, repayments of which have placed additional burdens on operating cash flow. The services portion of these investments of over $200k were paid from operating cash flow.

4. The bank line has now been substantially paid down from $292k in April 2016 to $54k today, and is scheduled to be completely paid out in May 2017. Equipment leases have been reduced from $301k to $128k currently. While a portion of this has been paid down from cash flow, employees who are not directors have also advanced significant amounts to assist with meeting the repayment schedules. These advances directly benefitted the shareholders, and now have to be repaid.

5. Reducing the working capital deficiency frees up operating cash flow to be used for sales and marketing to create organic growth.

6. In December 2015, the Canadian Securities Administrators substantially simplified the steps required to conduct a rights offering, making this the quickest and least expensive path to market.

7. CSE rules require that private placements be done at no less than $0.05 per share, which was out of market range. In addition, a private placement does not allow equal participation by all shareholders.

8. The directors have indicated their intention to maintain their current ownership levels in order to leave room for participation in the additional subscription privilege by other shareholders.

9. If successful, this rights offering will allow Glenbriar to move forward with non-organic growth opportunities, such as acquisitions, and finally leverage its position as a public company for the benefit of all shareholders.

2. *Activities of Management*

The 2017 Q1 Report was released on February 27, 2017. See www.glenbriar.com for details.

Glenbriar completed the upgrade of its back office applications and infrastructure in January 2016. This new infrastructure replaces a number of proprietary systems that Glenbriar developed over the years with state of the art industry standard applications.

3. *New Products or Services Developed or Offered*

Glenbriar has transferred its internal infrastructure to its Cloud infrastructure. Existing hosted clients are also being migrated and added to new Cloud hosted clients. 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.

As business technology moves from in-house infrastructure to the Cloud, using public, private or hybrid models, Glenbriar is transitioning its clients to optimize their Cloud strategy to fit their business growth, needs and outcomes to ensure the right mix of Cloud, on premise and hybrid solutions to fulfill their objectives.

4. *Discontinued Products or Services*

Glenbriar did not discontinue any products or services in March 2017.

5. *New Business Relationships*

See items 2 and 13 regarding new business relationships in March 2017.

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

Glenbriar's financing arrangements are described in paragraphs 7, 13 and 15 below.

7. *Acquisitions or Dispositions of Assets*

Glenbriar did not acquire or dispose of any significant assets in March 2017.

8. *Acquisition or Loss of Customers*

Glenbriar is in the process of realigning its services for small business customers to allow them to transition to a more Cloud-centric model. This is expected to allow the adoption of a broader range of clients and services for those customers. The downturn in the business cycle in Alberta has led to the bankruptcy or shutdown of a number of Glenbriar's customers in that province.

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

Glenbriar owns the intellectual property rights to its Glenbriar MMS software suite.

10. *Employee Hirings and Terminations*

Glenbriar reduced its staff count by two in March 2017, but is currently interviewing candidates to replacements those positions.

11. *Labour Disputes and Resolutions*

This item is not applicable.

12. *Legal Proceedings*

Glenbriar filed a statement of claim in Alberta Court of Queen's Bench in September 2015 against IT service providers and former senior managers and employees for breach of contract, fiduciary and various common law duties in connection with certain activities in 2014 and 2015. Since November 2015, Glenbriar has settled the claim with 9 defendants, leaving only 1 defendant.

13. *Indebtedness Incurred or Repaid*

Total finance leases had an original balance of $202,376 (current balance – $80,106), with final payments due between November 2017 and September 2019.

The finance loans relate to the purchase of two office operating systems. The financing loans of $99,388 (current balance – $47,877) are non-interest bearing and unsecured, with final payments due on December 1, 2018 and February 1, 2019.

Glenbriar is repaying the Royal Bank of Canada under an agreement that provides for monthly payments of $20,000 until April 20, 2017, with the balance due in May 2017. The bank holds the first secured charge over existing and after acquired property. The outstanding balance on March 31, 2017 was approximately $54,000, which is a reduction from $292,000 in April 2016.

14. *Securities Issued and Options or Warrants Granted*

No shares, options or warrants were issued or granted in March 2017, and no options or warrants are outstanding.

On February 17, 2017, Glenbriar announced a rights offering to shareholders of record as of February 21, 2017. Glenbriar issued 1 right for each share held. 2 rights entitles the holder to purchase 1 Common Share for $0.02 per share, with an additional subscription privilege to obtain additional Common Shares at the same price per share. These additional shares represent shares not taken up by other rights holders under the basic subscription privilege, and will be allocated on a pro rata basis if the total issue is oversubscribed. No rights certificates are being issued, and the rights will not be listed or posted for trading. The rights are freely transferable. The shares issued upon exercise of the rights will trade on the Canadian Securities Exchange. The rights expire on May 20, 2017. There are currently 48,421,510 rights outstanding to purchase up to 24,210,755 common shares at $0.02 per share on or before May 20, 2017.

15. *Loans to or by Related Persons*

The management loan advance as of March 31, 2017 remained at $586,800, which is secured by a second charge on all of Glenbriar's existing and future property. The parties have entered into a forbearance agreement relating thereto which is subordinate to and coterminous with the bank agreement described in paragraph 13 above.

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

There was no change in officers, directors or committee members in March 2017.

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

The shift in business computing toward the Cloud, mobility and big data will continue to be a disruptive influence in almost all industries over the coming decade. Glenbriar's commitment to redesign and redeploy both its internal and external operations will allow us to take advantage of the resulting opportunities for the benefit of our clients and shareholders, including a new Cloud data centre, back office infrastructure, and human resources adaptations and incentives.

The business technology market is moving toward Cloud based provision of applications and services. Glenbriar is building a new Cloud infrastructure to keep abreast of these changes. The downturn in the Alberta economy continued to have a negative impact on Glenbriar, with a number of clients going out of business over the last few quarters. This resulted in a loss and reduction in revenue for the first quarter of fiscal 2017. In response, Glenbriar has engaged in cost cutting and streamlining operations to provide for a return to profitability for the balance of fiscal 2017.

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 CSE 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 CSE Requirements (as defined in CSE 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** March 2017	**DATE OF REPORT YY/MM/DD** 2017/04/03
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CONTACT NAME Robert Matheson	**CONTACT POSITION** President	**CONTACT TELEPHONE NO.** (403) 450-7410
CONTACT EMAIL ADDRESS inquiries@glenbriar.com	**WEB SITE ADDRESS** www.glenbriar.com	
DIRECTOR OR SENIOR OFFICER Robert Matheson	**SIGNATURE** *"Robert Matheson"*	**CAPACITY** President