

Glenbriar Releases 2006 3rd Quarter Results & Update

WATERLOO, ON, **August 1, 2006** — Glenbriar Technologies Inc. (CNQ: GBRT) today released its unaudited financial results for the 9 months ended June 30, 2006:

Glenbriar Technologies Inc.	9 months ended March 31	
	2006	2005
Revenue	\$4,000,861	\$3,766,100
EBITDA*	297,552	266,614
Earnings	178,808	161,618
Earnings per share	\$0.006	\$ 0.006
Average Common Shares (diluted)	27,806,333	25,789,928

**EBITDA = Earnings before interest, taxes, depreciation, depletion and amortization*

Revenue from information technology sources rose 10% for the 9 months ended June 30, 2006 over the prior year period. All of this additional revenue was attributable to new IP telephony and software sales. Net earnings from information technology sources increased to \$178,808 from \$55,272 for the 9 months ended June 30, 2006 from 2005.

Enterprise Communications (VoIP)

VoIP Deployment to BC ISP

During the third quarter, an ISP in the Lower Mainland of British Columbia deployed the Glenbriar's VoIP solution at a second location, following on an earlier successful installation at their original location.

VoIP Deployment to Alberta Dealerships

During the second and third quarters, Glenbriar's business VoIP solution was deployed at three dealerships in central Alberta. As a result, the Pontiac-Buick, Nissan and Kia dealerships were combined into a single integrated IP telephony system over multiple locations. This integration reduces the need for local trunks, provides single switchboard capability, and enhances business workflow. ShoreTel's new key system capabilities are being deployed in the parts departments to optimize business efficiency. In addition, the ability to add additional sites in remote locations, enhance functionality for mobile and teleworkers, facilitate computer telephony integration, and cost reductions made the Glenbriar Communications Solution the optimal choice.

VoIP Deployment to Alberta Oilfield Service Company

During the third quarter, Glenbriar's VoIP solution was deployed at an oil and gas service company in southern Alberta. The first installation was at the Red Deer field office, with the head office in Calgary scheduled to be added in the coming months. Mobile and teleworker functionality of the Glenbriar solution play an important role for this client.

VoIP Deployment to Oil and Gas Companies

During the third quarter, Glenbriar's VoIP solution was deployed at an energy company in Calgary. In addition, a junior energy company with exposure to several oil sands projects deployed the Glenbriar solution in their new Calgary office after an earlier successful installation of the Glenbriar solution in their Vancouver head office, allowing integration of both sites.

VoIP Deployment to BC School District

In the second quarter, Glenbriar deployed a VoIP communications solution for BC School District No. 72. SD 72 required a native IP-based voice communications solution that supports a stringent set of criteria for call processing, voice messaging, management and administrative features. . Glenbriar received an initial order for a second location for this client in the third quarter. School District 72 is located on the east coast of central Vancouver Island, serving 6,300 students in 19 schools.

Enterprise Software Expansion

Harvest Reports

Peartree has continued to roll out its Harvest Reports product to its existing base of manufacturing and distribution customers. *Harvest Reports* is a sophisticated data reporting tool that allows businesses to access data stored in a multivalue or relational database and transform it into a highly formatted, graphically-enabled report. Output is available in Word, Excel, PDF and a variety of other formats. During the third quarter, Peartree expanded the EDI module of its Manufacturing Management Software (MMS) to utilize the automatic emailing and fax features of Harvest Reports.

MMS Suite

In the third quarter, Peartree welcomed two new clients to its portfolio of manufacturers deploying its MMS enterprise resource planning solution. The first client is Cambridge Brass, a waterworks brass manufacturer in Ontario that was previously operating under a relationship with Delta Faucet. The second client is Edscha de Mexico S.A. de C.V., a subsidiary of the Edscha Group of Germany, whose Hinge Systems Division is the world market leader and leader in innovation for door hinges and door checks in the automotive industry.

Dealership

Six recreation vehicle dealership management sites have been added and are operating as fully functional commercial sites. Two of these sites have now been expanded to include the finance and insurance integration which Peartree has undertaken through a third party supplier. Peartree is also well underway with a pilot project to extend its dealership software into the truck refrigeration unit sales and maintenance segment. Development is continuing for the multisite and customer relationship module enhancements.

SMB Module

Initial work continues on the small and medium business module, which will be aimed at professional services and retail operations. The professional services component of the SMB module is nearing completion of its initial beta release.

Technology Management

Glenbriar started representing and completed its first install of an appliance-based solution which operates as an intelligent overlay between business frontlines and IP networks to deliver optimal WAN application performance at every location. This appliance is particularly well adapted to multisite or mixed topography WAN environments, and offers exceptional performance on converged networks. In addition, Glenbriar deployed a new large scale imaging solution for a client in Calgary in May 2006.

Relocation of Office to Waterloo

In the second quarter, Glenbriar and Peartree entered into a new five year lease at 550 Parkside Drive, Unit 8A, Waterloo, ON N2L 5V4. The move was completed on April 18, 2006. All phone numbers remain the same.

Registrar and Transfer Agent

Glenbriar appointed Valiant Trust Company as its registrar and transfer agent effective July 1, 2006. Valiant replaces CIBC Mellon Trust Company as registrar and transfer agent for Glenbriar's

Investor Relations Appointment

About Glenbriar

Forward-looking statements

The CNQ has not reviewed and does not accept responsibility for the adequacy and accuracy of this information.

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Balance Sheets

	(unaudited) As at June 30	(audited) As at Sept 30
	2006	2005
Assets		
Accounts receivable	\$ 1,207,933	\$ 893,045
Prepaid expenses	50,288	43,688
Inventory	73,636	101,808
Total current assets	<u>1,331,857</u>	<u>1,038,541</u>
Capital assets – net	237,152	225,072
Intangible assets – net	1,192,636	930,474
Goodwill – net	1,023,756	1,023,756
Future income taxes	<u>1,068,895</u>	<u>1,023,955</u>
	<u>\$ 4,854,296</u>	<u>\$ 4,241,798</u>
Liabilities		
Revolving credit facility	\$ 345,274	\$ 318,219
Accounts payable	491,556	407,220
Deferred revenue	271,093	251,186
Current portion of leasehold allowances	19,360	15,360
Total current liabilities	<u>1,127,283</u>	<u>991,985</u>
Deferred leasehold allowances	48,082	45,140
	<u>1,175,365</u>	<u>\$ 1,037,125</u>
Shareholders' equity		
Common shares	\$ 3,327,174	\$ 3,031,724
Retained earnings	<u>351,757</u>	<u>172,949</u>
	<u>\$ 3,678,931</u>	<u>\$ 3,204,673</u>
	<u>\$ 4,854,296</u>	<u>\$ 4,241,798</u>

Statements of Earnings & Retained Earnings

Revenue

Information technology management
Equipment and software sales
Gas sales – net
Gain on disposal of assets
Interest and other income

For the 9 months ended June 30

2006 **2005**

\$ 2,102,838	\$ 2,107,978
1,890,738	1,522,612
-	21,038
-	101,070
7,285	13,402
4,000,861	3,766,100

Expenses

Information technology management
Cost of goods sold
General and administrative
Depreciation, depletion & amortization
Gas production
Interest and bank charges
Foreign exchange loss

1,464,875	1,579,206
1,459,572	1,228,096
772,688	666,252
67,980	93,965
-	15,762
15,514	11,031
6,174	10,170
3,786,803	3,604,482

Earnings before income tax

Provision for future income tax

214,058	161,618
35,250	-

Net earnings

Retained earnings, beginning of year

178,808	161,618
172,949	22,814

Retained earnings, end of year

\$ 351,757	\$ 184,432
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Net earnings per share

\$0.006	\$0.006
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Statements of Cash Flow

Operating

Net earnings
Gain on disposal of asset
Future income taxes
Depreciation, depletion & amortization

For the 9 months ended June 30

2006 **2005**

\$ 178,808	\$ 96,820
-	(101,070)
35,250	-
67,980	62,810
282,038	58,560
(182,131)	11,698
99,907	70,258

Change in non-cash working capital

Financing

Change in revolving credit facility
Issue of common shares - net

27,055	(72,986)
295,450	-
322,505	(72,986)

Investing

Net proceeds on disposal of assets
Capital expenditures
Software development

-	150,000
(61,557)	(22,532)
(360,855)	(124,720)
(422,412)	2,728

Net change in cash

Cash - at beginning of period

Cash - at end of period

-	-
-	-
\$ -	\$ -