FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Enablence Technologies Inc.
400 March Road
Ottawa, Ontario K2K 3H4

2. Date of Material Change

December 6, 2010

3. News Release

Attached as Schedule A is a copy of the news release issued by Enablence Technologies Inc. (the "Corporation") on December 6, 2010 via Marketwire in Canada.

4. Summary of Material Change

On December 6, 2010, the Corporation announced it had completed a public offering of common shares. The Corporation issued an aggregate of 36,599,700 common shares (including 1,599,700 common shares issued pursuant to the partial exercise by the Agents of the over-allotment option) at a price of $0.58 per share for total gross proceeds of $21,227,826. After deducting transaction costs, the net proceeds to the Corporation are approximately $19.7 million.

5. Full Description of Material Change

On December 6, 2010, the Corporation issued an aggregate of 36,599,700 common shares (including 1,599,700 common shares issued pursuant to the partial exercise by the Agents of the over-allotment option) at a price of $0.58 per share for total gross proceeds of $21,227,826 (the "Offering"). After deducting transaction costs, the net proceeds to the Corporation are approximately $19.7 million.

The Corporation anticipates using the net proceeds of the Offering for working capital and general corporate purposes including targeted growth initiatives and funding international expansion of sales, marketing and manufacturing capabilities, as more particularly described in the Corporation's final Prospectus dated November 30, 2010.

The syndicate of agents formed in connection with the Offering was led by Paradigm Capital Inc., Fraser Mackenzie Limited, TD Securities Inc. and Raymond James Ltd. (together, the "Agents"). The Agents received aggregate fees equal to 6% of the gross proceeds of the Offering. The Agents were also issued compensation options entitling them to acquire that number of common shares of the Corporation equal to 4% of the common shares sold as part of the Offering. The compensation options are exercisable at a price of $0.58 per share until December 6, 2012.

Related Party Transaction

An Insider of the Corporation, namely, Tim Thorsteinson, Chief Executive Officer and a director of the Corporation, subscribed under the Offering for an aggregate of 258,620 common shares for gross proceeds of $150,000.

Set out below is the purchase by the Insider as the Offering and the holdings of Common Shares and percentage of the Insider following the Offering:

Name	**Number of Common Shares held prior to the Offering**	**Expected Number of Common Shares purchased in the Offering**	**Expected Number of Common Shares held after the Offering**	**Percentage of Holdings of Issued and Outstanding Common Shares after the Offering**
Tim Thorsteinson (1)	Nil	258,620	258,620	0.06%

Notes:
(1) Mr. Thorsteinson holds options for 2,500,000 common shares.

Tim Thorsteinson is a related party within the meaning of Multilateral Instrument 61-101-*Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Consequently, the participation of the Insider in the Offering constitutes a Related Party Transaction within the meaning of MI 61-101 requiring the Corporation, in the absence of exemptions, to obtain a formal valuation for, and minority shareholder approval of, the Related Party Transaction. The Corporation has determined that an exemption is available from the formal valuation requirements under MI 61-101, specifically under Section 5.5(a) which provides that at the time the transaction is agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves related parties, exceeds 25% of the Corporation's market capitalization. The Corporation has determined that an exemption is also available from the minority shareholder approval requirements using the corresponding exemption under Section 5.7(a) of MI 61-101. The Insider purchased 258,620 common shares, representing a fair market value, based on the offering price of $0.58 per share, of approximately $150,000. As of September 30, 2010, before giving effect to the Offering, there were 384,428,831 common shares of the Corporation issued and outstanding. The closing price of the common shares on the TSX-V on September 30, 2010 was $0.60, resulting in a market capitalization of the Corporation of $230,657,299.

The board of directors of the Corporation consists of five "independent directors" as defined in MI 61-101 and approval of all five independent directors on the prospectus and Related Party Transaction was obtained by resolution in writing dated November 29, 2010. All of the independent directors approved of the Related Party Transaction and there were no materially contrary views of any director. The board of directors of the Corporation, with Mr. Thorsteinson abstaining, determined that the Offering, including the Related Party Transaction, was in the Corporation's best interests. In its determination, the board of directors came to its conclusion on the basis that the Insider will not be receiving preferential treatment vis-à-vis the other purchasers of the Offered Shares pursuant to the Offering and that all shareholders are being treated equally.

The Corporation disclosed all relevant information with respect to the Related Party Transaction as part of the Corporation's final short form prospectus dated November 30, 2010. This material change report is being filed less than 21 days prior to the closing of the Related Party Transaction. The shorter period was necessary in order to permit the Corporation to close the Offering, including the Related Party Transaction, in a timeframe consistent with usual market practice for transactions of this nature.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

David Toews
Chief Financial Officer
Enablence Technologies Inc.
400 March Road
Ottawa, Ontario K2K 3H4
Telephone: (613) 270-7888

9. Date of Report

December 8, 2010.

<u>**Schedule A**</u>

Press Release

NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH UNITED STATES WIRE SERVICES

ENABLENCE TECHNOLOGIES INC.
400 March Road,
Ottawa, Ontario,
Canada, K2K 3H4

For Immediate Release

Enablence Technologies Raises Over $21 Million

Ottawa, Canada – December 6, 2010 Enablence Technologies Inc. ("Enablence" or the "Company")(TSX VENTURE:ENA), a leading supplier of fiber-to-the-home (FTTH) equipment for triple-play residential and business services and optical components and subsystems for access, metro and long haul markets, is pleased to announce that it has successfully completed its previously disclosed public offering.

The Corporation issued an aggregate of 36,599,700 common shares (including 1,599,700 common shares pursuant to the partial exercise by the Agents of the over-allotment option) at a price of $0.58 per share for total gross proceeds of $21,227,826 (the "Offering"). After deducting transaction costs, the net proceeds to the Company are approximately $19.7 million. An insider, Tim Thorsteinson, Chief Executive Officer of the Company, subscribed for 258,620 common shares in the Offering for gross proceeds of $150,000.

The Corporation anticipates using the net proceeds of the Offering for working capital and general corporate purposes including targeted growth initiatives and funding international expansion of sales, marketing and manufacturing capabilities, as more particularly disclosed in the Company's final Prospectus dated November 30, 2010.

The syndicate of agents in respect of the Offering was led by Paradigm Capital Inc., and included Fraser Mackenzie Limited, TD Securities Inc. and Raymond James Ltd. (together, the "Agents").

This press release is not an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements.

About Enablence Technologies Inc.

Enablence Technologies Inc. (TSX VENTURE:ENA) is a publicly traded company that designs, manufactures and sells optical components, subsystems and systems to a global customer base.

Enablence's Systems Division has an expanding fiber-to-the-premise (FTTP) product portfolio featuring a variety of architectural options. It enables service providers to evolve their access networks from traditional copper-based networks to advanced optical communications access networks that are based on state-of-the-art IP and Ethernet standards, for triple-play voice, video and data services including HDTV, IP Telephony and ultrafast internet access.

Enablence's Optical Components and Subsystems Division is a global leader in applying Planar Lightwave Circuit ("PLC") technology to integrate multiple components into a single optical chip to reduce footprint and costs. Network and equipment designers around the world turn to Enablence for a variety of components and subsystems for access, metro and long-haul including transceivers, splitters, waveguides, optical channel monitors, multiplexers, ROADMs, switches, tunable dispersion compensators, and photodiodes.

Forward-looking Statements

This press release may contain forward-looking statements, in particular with respect to the Company's use of proceeds of the Offering, proposed business objectives, growth of revenue and customer base that are made as of the date hereof and are based on current expectations, forecasts and assumptions which involve risks and uncertainties associated with Enablence's business and the economic environment in which the Enablence operates. All such statements are made pursuant to the 'safe harbour' provisions of, and are intended to be forward looking statements under, applicable Canadian securities legislation. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. By their nature, forward-looking statements require management to make assumptions and are subject to inherent risks and uncertainties Enablence cautions readers of this press release not to place undue reliance on its forward-looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Please refer to the risks set forth in the short form prospectus dated November 30, 2010 and the Enablence's continuous disclosure documents that can be found on SEDAR at www.sedar.com. Enablence does not intend, and disclaims any obligation, expect as required by law, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

FOR FURTHER INFORMATION PLEASE CONTACT:

Enablence Technologies Inc.
David Toews
Chief Financial Officer
613-270-7888
www.enablence.com