EDC

Canada
EXECUTION COPY

LOAN AGREEMENT

February 29, 2016

Enablence Technologies Inc.
390 March Road, Suite 119
Ottawa, Ontario K2K 0G7
Canada

Attention: Evan Chen, Chief Executive Officer, Enablence Technologies Inc.

RE: Loan up to CAD3,000,000 from Export Development Canada to Enablence Technologies Inc.
EDC Loan No. 880-61777

Capitalized words or phrases not otherwise defined herein will have the meanings set forth in Schedule A.

Export Development Canada ("EDC") hereby agrees to establish a credit facility in favour of the Borrower for the Purpose, on and subject to the following terms and conditions:

1. Borrower: Enablence Technologies Inc.
Ottawa, Ontario, Canada

"Borrower Financial Year" means each 12 months period ending June 30, commencing June 30, 2016.

The Borrower's "Jurisdiction of Incorporation" means Canada.

2. Guarantors:

A. Enablence Canada Inc. ("Enablence Canada")
Ottawa, Ontario, Canada

Enablence Canada's "Jurisdiction of Incorporation" means Canada.

B. Enablence USA Components Inc. ("Enablence USA")
Fremont, California, United States of America

Enablence USA's "Jurisdiction of Incorporation" means Delaware.

(separately, each a "Guarantor" and collectively, the "Guarantors")

3. Buyer: [redacted]

4. Exporter: Enablence Technologies Inc. and/or Enablence USA

5. Loan Amount: Up to CAD3,000.000. The currency of account and the currency of payment under this Agreement is CAD.

6. Purpose: To assist in financing working capital for the fulfillment of Purchase Orders up to a maximum of 85% of the amount of each Purchase Order.

7. Goods: Certain goods being supplied in respect of Purchase Orders.

8. Purchase Order: Various purchase orders, as amended, issued by the Buyer for the purchase of the Goods from the Borrower and approved by EDC.

9. Advance: The loan will be disbursed in multiple advances, which will be made to the Borrower in CAD, no later than the date which falls eighteen (18) months after the date hereof (the "Termination Date"), subject to EDC receiving a Request for Advance and subject to the terms of this Agreement. There shall be no more than one (1) advance per month.

The Borrower shall submit for each advance an irrevocable Request for Advance to EDC. Each Advance shall relate to one or multiple Purchase Orders. EDC shall within three (3) Business Days from receipt of the Request for Advance, indicate its approval of the corresponding Purchase Orders or notify the Borrower that the Purchase Orders are not approved for financing; however, if EDC does not contact the Borrower within three (3) Business Days, EDC shall be deemed to have not approved the Purchase Orders. If EDC approves the Purchase Orders, EDC will disburse the related advance within three (3) Business Days of EDC's approval. Notwithstanding any other provision of this Agreement, the Borrower agrees that EDC shall not be obligated in any manner whatsoever to approve any Purchase Orders submitted for financing hereunder. EDC shall decide in its sole discretion whether or not in any instance it shall approve Purchase Orders.

EDC will have no obligation to make an advance: (i) which exceeds 85% of the amount of the Purchase Order that is the subject of such advance; and (ii) which, when aggregated with all other outstanding advances, exceeds the Loan Amount.

EDC will be entitled to retain from the advance, such fees or other amounts due and unpaid by the Borrower on the date that the advance is made and the Borrower will be deemed in each case to have received an advance in the amount requested by the Borrower prior to such retention. In the event only one (1) advance shall be made hereunder, all references herein to the initial advance shall be deemed to refer to the advance.

10. Principal: The Borrower will repay to EDC the outstanding advances in seventeen (17) substantially equal, consecutive monthly installments on each Interest Payment Date commencing on the tenth (10^{th}) day of the eighteenth (18^{th}) month following the month in which the initial advance is made (the "First Repayment Date").

Each installment will be in an amount equal to the result obtained by dividing the principal amounts advanced and outstanding by the number of installments then remaining. The last installment will be in the amount necessary to repay in full the aggregate of all advances then outstanding. Amounts repaid or prepaid may not be re-borrowed.

If an advance is made in the twenty (20) days prior to an Interest Payment Date, the principal and the interest on the said advance will be payable on the second Interest Payment Date following.

11. Interest: (a) Interest on the outstanding principal amount will be calculated and payable in arrears by the Borrower to EDC on each Interest Payment Date (both before and after the First Repayment Date) at the rate of interest equal to the sum of: Prime Rate plus 10.00% per annum.

(b) Subject to applicable law, default interest on amounts due and payable but unpaid will be payable by the Borrower to EDC on demand at the rate set out above increased by 2% per annum from the date of payment default and for so long as such default will continue (as well before and after demand and/or judgment) and compounded on each Interest Payment Date (both before and after the First Repayment Date).

12. Fees: (a) Administration Fee: The Borrower has paid to EDC a non-refundable administration fee equal to CAD30,000 prior to the execution of this Agreement.

13. Costs and Expenses: The Borrower will reimburse EDC within thirty (30) days of EDC's request therefor for all of EDC's out-of-pocket costs and expenses incurred in respect of the preparation, consularization, translation, negotiation, execution, amendment, operation, waiver, or enforcement of, or the preservation of rights under this Agreement and any other Transaction Document including travel costs of EDC and its independent legal counsel. The fees and expenses of independent legal counsel for EDC as well as travel costs of independent legal counsel shall be billed directly to the Borrower by independent legal counsel and shall be paid by the Borrower in accordance with the terms thereof.

14. Security: As security for the due and punctual payment and performance of all the Borrower's obligations to EDC hereunder, each Transaction Party, as the case may be, will deliver to EDC, each in form and substance satisfactory to EDC:

(a) from the Borrower:

(i) a general security agreement whereby the Borrower grants to EDC an exclusive first ranking priority security interest over all of the Borrower's present and after-acquired personal and movable property including, but not limited to, intellectual property, patents, trademarks and licenses set forth in Schedule E hereto, subject only to Permitted Liens;

(b) from Enablence Canada:

(i) an unconditional and irrevocable guarantee from Enablence Canada (the "Enablence Canada Guarantee");

(ii) a general security agreement whereby Enablence Canada grants to EDC an exclusive first ranking priority security interest over all of Enablence Canada's present and after-acquired personal and movable property including, but not limited to, intellectual property, patents, trademarks and licenses set forth in Schedule E hereto, subject only to Permitted Liens;

(c) from Enablence USA:

(i) an unconditional and irrevocable guarantee from Enablence USA (the "Enablence USA Guarantee");

(ii) a security agreement whereby Enablence USA grants to EDC an exclusive first ranking priority security interest over all of Enablence USA's present and after-acquired personal and moveable property including, but not limited to, intellectual property, patents, trademarks and licenses set forth in Schedule E hereto, subject only to Permitted

Liens having priority under applicable law or under a contract with EDC; and

Each of the Enablence Canada's Guarantee and Enablence USA's Guarantee are collectively referred to as the "Guarantees".

The documents referred to in this section 14, together with any subordination, postponement or intercreditor agreements which may be required under Schedule C, Part 1, Section (d), are collectively referred to as the "Security Documents".

15. Conditions Precedent: EDC will have no obligation to make:

(a) the initial advance hereunder until the conditions described in Part 1 of Schedule C hereto have been fulfilled; and

(b) any advance hereunder until it has received the documents described in Part 2 of Schedule C and unless the additional conditions described in Part 2 of Schedule C have been satisfied when each advance is to be made.

16. Representations: As at the date of this Agreement and as at the date of each advance, each Transaction Party (unless otherwise indicated) makes or is deemed to make, all representations and warranties set forth in Schedule A and further represents and warrants that the audited consolidated financial statements of the Borrower for the years ended June 30, 2014 and 2015, copies of which have been delivered to EDC, are true and correct and fairly and accurately present the financial condition of the Borrower and the results of its operations for the period covered and there has been no material adverse change in the condition, financial or otherwise, of the Borrower since June 30, 2015.

17. Covenants: Until all amounts owing hereunder are indefeasibly paid in full, each Transaction Party (unless otherwise indicated) agrees to comply with all covenants set forth in Part 3 of Schedule A and further agrees that:

(a) within one hundred and twenty (120) days after the end of each Borrower Financial Year, the Borrower will deliver to EDC a copy of its audited consolidated financial statements for such Borrower Financial Year;

(b) the Purchase Orders are in full force and effect and there have been no amendments to the terms of the Purchase Orders which would decrease the purchase price of the Goods or change the time and manner of payment under the Purchase Order or any other material amendment ("Material Amendment"), other than as disclosed to EDC; there exists no default in the due performance or observance of any material term of any Purchase Order caused by the Borrower, nor, to the best of the Borrower's knowledge, does there exist any such a default caused by the Buyer ("Material Performance Default"); there has been no pre-payment to the Borrower of any amount or any kind under any Purchase Order other than as disclosed to EDC; there are no disputes between the Borrower and the Buyer which could: (a) entitle the Buyer to set-off or withhold any amounts due under any Purchase Order; (b) reasonably be expected to materially impair the ability of the parties under the relevant Purchase Order to timely and fully perform their obligations under the Purchase Order; or (c) reasonably be expected to materially impair the ability of the Borrower to timely and fully perform its obligations hereunder ("Material Dispute").

(c) it will not permit its operations, its records or the collateral granted as security pursuant to the Security Documents to be located at any location other than the locations in Schedule B;

(d) it will not at any time directly or indirectly create, incur, assume or otherwise be or become liable with respect to any indebtedness without the prior written consent of EDC except: (i) indebtedness created hereunder; (ii) indebtedness outstanding on the date hereof and which has been disclosed to EDC, and any refinancing of such indebtedness provided that the amount of such refinancings does not exceed the amount of such indebtedness (including principal outstanding and interest accrued but unpaid) on the date hereof; (iii) indebtedness subordinated to indebtedness created hereunder; (iv) indebtedness in respect of trade accounts payable incurred in the ordinary course of business and not more than forty five (45) days past due; or (v) indebtedness secured by Permitted Liens;

(e) it will promptly notify EDC upon becoming aware of the occurrence of any Material Performance Default, Material Amendment, Material Dispute, cancellation or termination, in each case, in respect of any Purchase Order;

(f) it will not cancel or terminate any Purchase Order without the prior written consent of EDC; and

(g) it will not agree to any Material Amendment in respect of any Purchase Order.

18. Voluntary/Mandatory Prepayment: Subject to three (3) Business Days prior notice being given to EDC, prepayment will be permitted on any Interest Payment Date at any time after the first Interest Payment Date. Amounts prepaid must be on the basis of one installment of principal or whole multiples thereof and will be applied to the outstanding installments of principal in inverse order of their maturity. Amounts prepaid will not be readvanced.

If any of the collateral granted as security pursuant to the Security Documents is damaged, destroyed or taken by condemnation or expropriated in whole or in part, the Borrower shall make a prepayment in the amount of the proceeds thereof, such payment to be applied against the remaining installments of principal payable hereunder in inverse order of maturity until repaid in full, and then against any other amounts due hereunder, as determined by EDC in its sole discretion.

19. Confidentiality/ Disclosure: EDC agrees with the Borrower that it will use its reasonable efforts to keep confidential and not to disclose any non-public information supplied to it and marked as such by the Borrower in connection with this Agreement, provided that nothing herein shall limit, and the Borrower hereby consents to, the disclosure of any such information (a) to the extent required by statute, rule, regulation, court order or judicial process or by Canada’s or EDC’s international commitments, including in relation to the WTO Subsidies and Countervailing Measures Agreement; (b) to counsel for EDC; (c) to bank examiners, auditors, consultants or accountants for EDC; (d) in connection with any litigation relating to this Agreement or the transactions contemplated hereby to which EDC is a party; (e) to any actual or proposed participants in, and any actual or proposed assigns of, EDC’s rights and benefits hereunder or to successors of EDC; (f) to any actual or prospective party to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payment hereunder; or (g) required to be disclosed pursuant to EDC’s Disclosure Policy being the

name of each Transaction Party, the EDC financial service provided and date of related agreement, a general description of the transactions/project (including country), and the amount of EDC support in an approximate dollar range.

20. Public Statements: None of the Transaction Parties shall make or issue any public statements, notices or press releases concerning this Agreement without EDC's prior written consent, such consent not to be unreasonably withheld or delayed.

21. Governing Law: This Agreement is made under and will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.

22. Jurisdiction of Courts: The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario (and applicable federal courts), the courts of its Jurisdiction of Incorporation, the courts of any jurisdiction where the Borrower may have assets or carries on business and the courts where payments are to be made hereunder. The Borrower agrees that a final judgment against it in any such legal proceeding will be conclusive and may be enforced in any other jurisdiction by suit on the judgment (a certified or exemplified copy of which judgment will be conclusive evidence of the fact and of the amount of the Borrower's indebtedness) or by such other means provided by law.

23. Additional Terms and Conditions: Schedule A to this Agreement which includes definitions, representations and warranties, covenants, events of default and other general terms and conditions forms an integral part of this Agreement.

If this Agreement is acceptable, kindly sign and return the attached copy to EDC. In the event that EDC has not received an executed copy of this Agreement by March 14, 2016 it will be considered null and void.

EXPORT DEVELOPMENT CANADA

By: */s/ Stephen Hebert*
Name: Stephen Hebert
Position: Senior Financing Manager

By: */s/ Pierre Trudel*
Name: Pierre Trudel
Position: Senior Financing Manager

We accept and agree to be bound by the above terms and conditions and those set forth in the attached Schedules.

ENABLENCE TECHNOLOGIES INC.

By: ____*/s/ Yifan Chen*_____________________
Name: Yifan (Evan) Chen
Position: Chief Executive Officer

I have authority to bind the Borrower

ENABLENCE CANADA INC.

By: _*/s/ Yifan Chen*_________________________
Name: Yifan (Evan) Chen
Position: President

I have authority to bind the Guarantor

ENABLENCE USA COMPONENTS INC.

By: _*/s/ Yifan Chen*_________________________
Name Yifan (Evan) Chen
Position: President

I have authority to bind the Guarantor

SCHEDULE A

Section 1 - Definitions

"Agreement" means this agreement, including any and all Schedules, and any agreement or schedule supplementing or amending the Agreement.

"Authorization" means any consent, registration, filing, agreement, certificate, license, approval, permit, authority or exemption and all corporate, creditors' and shareholders' approvals or consents.

"Borrower Financial Year" has the meaning ascribed thereto in Section 1 of the Agreement.

"Business Day" means a day on which banks are open for business in Ottawa, Canada.

"CAD" or "Canadian Dollars" means the currency of Canada.

"Control" means with respect to a Transaction Party, the ownership, directly or indirectly, of more than 50% of its voting securities, of the control over the composition of its board of directors, whether by contract or otherwise or the power to direct its management and policies, whether through the ownership of voting capital, by contract or otherwise or the shareholding in any such party which entitles the owner to receive distributable profits exceeding 50% thereof.

"Environmental Laws" means all requirements under any law, rule, regulation, order, or judgment, decree, license, agreement or other restriction of any governmental authority relating to the environment, pollution, contamination, or the disposal, storage, and discharge of hazardous or toxic substances into the environment.

"First Repayment Date" has the meaning ascribed thereto in Section 10 of the Agreement.

"Guarantee" has the meaning ascribed thereto in Section 14 of the Agreement.

"Interest Payment Date" means the tenth (10th) day of every calendar month following the date of the initial advance; provided that if any such date is not a Business Day, the relevant Interest Payment Date shall be the next occurring Business Day.

"Jurisdiction of Incorporation" has the meaning ascribed thereto in Section 1 or 2, as applicable, of the Agreement.

"Lien" means any mortgage, lien, claim, pledge, hypothecation, encumbrance, charge or other security interest granted or arising by operation of law with respect to the property of any person or any preferential arrangement that has the effect of security for any debt, liability or other obligations.

"Material Amendment" has the meaning ascribed thereto in subsection 17(b) of the Agreement.

"Material Dispute" has the meaning ascribed thereto in subsection 17(b) of the Agreement.

"Material Performance Default" has the meaning ascribed thereto in subsection 17(b) of the Agreement.

"Permitted Liens" means:

(i) carrier's, warehousemen's, mechanic's, materialmen's, repairmen's and general rights of retention and other like Liens, arising both by operation of law and in the ordinary course of business;

(ii) capital leases otherwise permitted pursuant to this Agreement, provided that such capital leases attach only to the assets which are the subject of such capital leases;

(iii) Liens created on property at the time of its purchase solely as security for the purchase price of such property, and any renewal thereof which is limited to the original property and to a renewal of the indebtedness incurred to finance the purchase price thereof;

(iv) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not detract from the value of the affected property or interfere with the ordinary conduct of the business of any Transaction Party;

(v) banker's liens, rights of set-off or compensation or similar rights to deposit accounts or the funds maintained with a creditor depository institution;

(vi) Liens existing on the date hereof and which have been subordinated and postponed under subordination and postponement agreements satisfactory to EDC prior to the initial advance; and

(vii) Liens existing on the date hereof in favour of Royal Bank of Canada with respect to which financing statements with Reference File No. 618895629 with respect to Enablence Canada and Reference File No. 668463084, with respect to the Borrower and have been filed under the *Personal Property Security Act* (Ontario).

"Prime Rate" means, on any day on which such rate is determined, the variable annual rate of interest established and adjusted by Royal Bank of Canada from time to time as a reference rate for the purposes of determining rates of interest it will charge on commercial loans denominated in Canadian Dollars and made in Canada.

"Request for Advance" means the request for advance substantially in the form attached hereto as Schedule D.

"Security Documents" has the meaning ascribed thereto in Section 14 of the Agreement.

"Termination Date" means the date described in Section 9.

"Transaction Documents" means this Agreement, each Guarantee and the Security Documents.

"Transaction Parties" means the Borrower and each Guarantor.

"WTO" means the World Trade Organization.

Section 2 – Representations and Warranties

Each Transaction Party represents and warrants to EDC as at the date of this Agreement and will be deemed to represent and warrant to EDC as at the date of each advance, that:

(a) it is duly incorporated, organized and validly existing under the laws of its Jurisdiction of Incorporation;

(b) the entering into, delivery and performance by it of the terms of the Transaction Documents to which it is a party and of each document to be delivered by it with respect thereto:

(i) are within its corporate powers and have been duly authorized by all necessary corporate action; and

(ii) are not in violation of any law, statute, regulation, ordinance or decree applicable to it and are not contrary to public policy or public order in its Jurisdiction of Incorporation or any other jurisdiction where it operates;

(c) the Transaction Documents to which it is a party have been duly executed and delivered by it or on its behalf and constitute direct, legal, valid and binding obligations of it, enforceable against it in accordance with their respective terms;

(d) all Authorizations required under the laws of its Jurisdiction of Incorporation and any other jurisdiction where it operates in connection with the execution and delivery by it of the Transaction Documents to which it is a party, the performance by it of the terms thereof and the validity and enforceability and admissibility in evidence thereof, have been effected or obtained and are in full force and effect;

(e) except as disclosed to EDC, there are no legal proceedings pending or, so far as is known to it, threatened, which could or would materially adversely affect its financial condition or its operations, or its ability to perform its obligations under any of the Transaction Documents to which it is a party;

(f) except as disclosed to EDC, it is not in violation of any term of its incorporating instrument and by-laws or of any agreement to which it or its business or assets are subject; the entering into, performance of and compliance with the Transaction Documents will not result in any such violation or constitute a default under or be in conflict with any such term or result in the creation of any Lien upon any of its assets pursuant to any such term, other than Liens in favour of EDC;

(g) all payments to be made by it under the Transaction Documents to which it is a party are exempt from any taxes in its Jurisdiction of Incorporation or jurisdiction from which payments are made and it is not required by law to make any deduction or withholding therefrom;

(h) it is in compliance with all applicable laws, regulations and requirements of governmental authorities (including Environmental Laws and laws relating to corruption and bribery);

(i) it is subject to the laws of its Jurisdiction of Incorporation in respect of its obligations generally and is not entitled to claim for itself or its assets immunity from jurisdiction, judgment, set-off, compensation, execution, attachment or other legal process in respect of its obligations under the Transaction Documents to which it is a party;

(j) in any proceedings taken in its Jurisdiction of Incorporation for the enforcement of Transaction Documents to which it is a party, the governing law thereof will be recognized by the courts of its Jurisdiction of Incorporation; the irrevocable submission by it to the non-exclusive jurisdiction of the courts referred to in the Transaction Documents to which it is a party is legal, valid, binding and enforceable; and any judgment obtained in proceedings in such courts would be enforced by the courts of its Jurisdiction of Incorporation in accordance with and subject to the procedure in its Jurisdiction of Incorporation, provided such judgment is not contrary to public policy in its Jurisdiction of Incorporation and prior notice of those proceedings is given to it or its process agent, as the case may be;

(k) except as set forth in the audited consolidated financial statements of the Borrower, it is, after giving effect to the transactions contemplated hereby, and the other Transaction Documents to which it is a party, solvent, able to pay its debts as they become due, it has capital sufficient to carry on its business, and it will not be rendered insolvent by the execution and delivery of the Transaction Documents or by completion of the transactions contemplated hereby and thereby; and

(l) in respect of the security interest granted and/or to be granted by it in the collateral described in the Security Documents to which it is a party:

(i) it is, or with respect to such collateral acquired after the date hereof will be, the sole beneficial owner of such collateral, free and clear of any Liens, except for Permitted Liens and those liens set forth in Section 14 of the Agreement, if any;

(ii) it has, or with respect to such collateral acquired after the date hereof will have, the right to grant a security interest in such collateral in favour of EDC on the terms of the Security Documents to which it is a party; and

(iii) the security interest granted pursuant to such Security Documents has been validly created and will, when registered, constitute a security interest at the ranking required by Section 14 of the Agreement in the collateral granted as security thereunder, duly perfected under all applicable laws.

(m) Schedule E represents a full and complete list of all intellectual property, patents, trademarks and licenses belonging to or registered in the name of a Transaction Party, which is of relevance to incorporated into or necessary for the manufacture, integration, assembly and/or use for purpose of the Goods to be delivered pursuant to the Purchase Orders.

Each Transaction Party shall indemnify and hold EDC harmless on account of any circumstances that make any of the above representations incorrect.

Section 3 –Covenants

Each Transaction Party (unless otherwise indicated) covenants and agrees to:

(a) promptly notify EDC of the occurrence of any Event of Default or of any event that with notice, lapse of time or a determination hereunder or any combination thereof would constitute an Event of Default;

(b) obtain and maintain in force (or where appropriate, promptly renew) all Authorizations necessary for carrying out its business generally, those Authorizations required in connection with the execution and delivery of the Transaction Documents to which it is a party, the performance by it of the terms thereof and the validity and enforceability and admissibility in evidence thereof;

(c) pay when due all taxes payable by it;

(d) at all times comply with all applicable laws and regulations relating to it and its business, including without limitation, any Environmental Laws and any laws relating to corruption and bribery and laws relating to pension funds and pension plans maintained by it;

(e) perform the following undertakings:

(i) maintain and preserve all of the collateral under the Security Documents, if any, in good repair, working order and condition and, from time to time, make all required and proper repairs, renewals, replacement, additions and improvements thereto and carry on its business in a proper and efficient manner so as to preserve and protect such collateral and the earnings, incomes, issues and profits thereof;

(ii) at any reasonable time and from time to time, upon reasonable prior notice, permit EDC or any representative thereof to: (A) examine and make copies of and abstracts from its records and books (including, without limitation, electronic records), and (B) verify the existence and state of the collateral under the Security Documents, if any, in any manner EDC may consider appropriate; and it agrees to furnish all assistance and information and to perform all such acts as EDC may reasonably request in connection therewith and for such purpose to grant to EDC or its representative access to all places where the collateral under the Security Documents, if any, may be located and to all premises occupied by it to examine and inspect such collateral;

(iii) promptly notify EDC of any loss of or damage to the collateral under the Security Documents, if any;

(iv) promptly notify EDC of any change in its name or the location of its chief executive office or any change in its Control;

(v) take all steps and all actions as may be reasonably required or deemed advisable by EDC to perfect or more fully evidence EDC's rights and interest in the collateral under the Security Documents, if any; and

(vi) notwithstanding anything to the contrary contained in the Transaction Documents, with respect to the collateral under the Security Documents, if any, it agrees that no Liens (other than the security interest created in favour of EDC under the Security Documents to which it is a party and the Permitted Liens) will be created or permitted to exist over the collateral under the Security Documents, if any, until all sums due to EDC under the Transaction Documents are repaid; and

(f) on or prior to the date when it takes title to the collateral under the Security Documents, if any, or any portion thereof and so long as any monies remain unpaid hereunder, maintain or cause to be maintained in effect, at its own expense (i) property insurance covering such collateral in an amount not less than the cost of acquisition of the collateral; and (ii) third-party liability insurance in respect thereof of such amount and scope as may be customary in Canada. All policies and subsequent policies taken out in accordance with this Section will be issued by reputable insurance companies or underwriters and be similar in form and substance to its usual policies of insurance and as may be customary for entities carrying on the same business and operations. All property insurance policies shall name EDC as first lender loss payee and provide that all losses in respect of claims shall be paid to EDC. All liability insurance policies shall name EDC as additional insured. In addition, all policies and subsequent policies shall provide that the insurer's rights of subrogation be subordinate to EDC's right of full recovery. In the event that any insurance required under this Section shall not have been renewed prior to the date on which such insurance is scheduled to lapse, EDC or its assignee may (but shall not be obligated to) pay any premium necessary to renew such insurance, and in such event it shall be obligated to indemnify EDC or its assignee immediately, as the case may be, for the payment of such premium.

All monies and proceeds arising from any policy of insurance covering the collateral may be applied by EDC in accordance with the "Application of Payments" section of this Agreement.

Section 4 – Events of default

If any one or more of the following events (each an "Event of Default") has occurred and is continuing:

(a) the non-payment when due of any sum payable hereunder, within three (3) Business Days of such sum becoming due;

(b) if proceedings are started by any person to dissolve, liquidate, or wind up any Transaction Party or to suspend any of their respective business operations;

(c) if any Transaction Party (i) makes an assignment for the benefit of its creditors; or (ii) petitions or applies to any tribunal for the appointment of a receiver or trustee for itself or any substantial part of its assets; or (iii) starts any proceeding relating to itself under any present or future reorganization, arrangement, adjustment of debt, dissolution or liquidation law of any jurisdiction; or (iv) in any way consents to, approves or acquiesces in any bankruptcy, reorganization or insolvency proceeding started by any other person, or any proceeding by any other person for the appointment of a receiver or trustee thereof or any substantial part of its assets; or (v) allows any receivership or trusteeship to remain undischarged for a period of thirty (30) days; or (vi) becomes or is declared by any competent authority to be bankrupt or insolvent;

(d) if any Transaction Party sells or otherwise disposes of all or a substantial part of its assets or ceases all or a substantial part of its business operations without the prior written consent of EDC;

(e) if any Transaction Party fails to pay any amount due, under any one or more loans or guarantees to which it is a party, on the due date or within any applicable grace period or is otherwise in default under any one or more agreements evidencing its indebtedness or guarantee to which it is a party;

(f) if any representation or warranty made by or on behalf of any Transaction Party in any Transaction Document or in any related document or opinion will have been incorrect when made or deemed to be made;

(g) if any Transaction Party creates or permits to exist or continue any Lien, other than Permitted Liens, over any of its present or future properties, assets or revenues;

(h) if any Transaction Party fails to obtain or maintain in force any Authorization from any administrative or governmental agency or other body required under the laws of such Transaction Party's jurisdiction of incorporation which is or may become necessary for such Transaction Party to fulfill its obligations under the Transaction Documents to which it is a party including without limitation any authorization to acquire and remit in, as applicable by this Agreement, United States Dollars or Canadian Dollars;

(i) if any court makes any judgment or order, or any law, ordinance, decree or regulation is enacted the effect of which is to make any Transaction Document or any material provision hereof or thereof invalid or unenforceable against any Transaction Party, and each such Transaction Party fails to provide replacement documents satisfactory to EDC evidencing, and where applicable, securing, its indebtedness thereunder within thirty (30) days of such event;

(j) if any other event or circumstance occurs which, in the opinion of EDC, is likely to materially and adversely affect any Transaction Party's ability to perform all or any of its obligations under the Transaction Documents to which it is a party;

(k) if any Transaction Party defaults in the due performance or observance of any term of the Transaction Documents to which it is a party other than those specifically dealt with in this Section which is not remedied within thirty (30) days after notice by EDC to do so;

(l) if any Transaction Party, except in the ordinary course of business, sells or otherwise disposes of all or any part of the collateral under the Security Documents, if any, without the prior written consent of EDC or if all or any part of such collateral is seized;

(m) if the Security Documents cease to create a valid and perfected security interest in the collateral thereunder at the rank required by this Agreement, or any Lien other than a Permitted Lien, is created over the collateral under the Security Documents, if any; and

(n) if there is any change in Control of any Transaction Party;

then, EDC is under no further obligation to make advances and EDC may declare all or part of the indebtedness of the Borrower hereunder to be immediately due and payable, whereupon the same will become immediately due and payable without any further demand or notice of any kind. Any exercise, failure to exercise or delay in exercising by EDC of any right or remedy hereunder will not be or be deemed to be a waiver of, or will not prejudice, any other rights or remedies to which EDC may be entitled for any Event of Default or any potential Event of Default.

Section 5 – General Terms and Conditions

The Borrower agrees to the following additional provisions:

Application of Payments
All payments (other than a prepayment pursuant to the "Voluntary/Mandatory Prepayment" section of the Agreement) made by or for the account of the Borrower hereunder will be applied first to all amounts then due and payable other than principal and interest in such order as EDC may elect, then to interest due and payable, then to principal due and payable, and lastly to prepayment of installments of principal in inverse order of maturity. All amounts received by EDC pursuant to any of the Transaction Documents (other than this Agreement) will be applied to the indebtedness of the Borrower to EDC in such order of priority as EDC determines in its sole discretion.

Interest
Notwithstanding anything contained herein to the contrary, the Borrower will not be obliged to make any payment of interest or other amounts payable to EDC hereunder in excess of the amount or rate that would result in the receipt by EDC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)). If the making of any payment by the Borrower would result in a payment being made that is in excess of such amount or rate, EDC will determine the payment or payments that are to be reduced or refunded, as the case may be, so that such result does not occur.

Interest will be calculated on the basis of the actual number of days elapsed divided by 365. The actual yearly rate of interest is calculated by multiplying the said rate by the actual number of days in the year divided by 365.

Place of Payment
All amounts payable by the Borrower to EDC pursuant hereto will be paid in Canadian dollars without set-off, compensation or counterclaim not later than 11:00 a.m. Ottawa time on the day such payment is due and in funds which are for same-day settlement, at such institution and to the credit of such account as EDC may from time to time notify the Borrower. Further, the Borrower agrees, within five (5) Business Days of EDC’s request therefor, to execute a Pre-Authorized Debit Agreement, in form and substance satisfactory to EDC (a "PAD Agreement"), authorizing deductions from the Borrower’s bank account of regular recurring installments of principal, interest, and/or fees payable from time to time arising under this Agreement. In the event that the Borrower makes installment payments to EDC through a third party (the "Third Party Payor"), the Borrower shall cause such Third Party Payor to execute a PAD Agreement authorizing deductions from the Third Party Payor's bank account, it being understood that any such payments by the Third Party Payor will be deemed to be payments made by the Borrower under this Agreement. Further, if the Third Party Payor also acts as Guarantor hereunder, no such payments made by the Third Party Payor under a PAD Agreement shall constitute a payment under its Guarantee.
If a day on which an amount is due is not a Business Day, such amount will be deemed to be due on the following such day.

Evidences of Indebtedness
The loan accounts maintained by EDC in the name of the Borrower will be prima facie evidence (in the absence of manifest error) of the indebtedness of the Borrower to EDC hereunder.

Disclaimer
Where EDC is financing Goods under a Purchase Order, then the Borrower agrees that the invalidity or unenforceability of the Purchase Order or any dispute thereunder will not in any way impair the rights of EDC against the Borrower hereunder.

Taxes
If the Borrower is required by law to deduct or withhold taxes from any payment to EDC hereunder, the sum payable by the Borrower will be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, EDC receives and retains (free from any liability in respect of any such deduction or withholding) the sum it would have received and so retained had no such deduction or withholding been made or required.

Notice
Any communication, demand or notice to be made hereunder will be made in writing and be deemed to have been made (a) when dispatched, in the case of any communication made by facsimile, when transmission thereof is confirmed by an activity report stating the correct number of pages sent and that such transmission transmitted error free; (b) in the case of any communication made by letter, when left at that address or (as the case may be) ten (10) days after being deposited in the post postage prepaid in an envelope addressed to it at that address; (c) in the case of any communication made by email, upon the sender’s receipt of an acknowledgement from the intended recipient (such as the "return receipt requested" function (or a similar function), as available, return email or other written acknowledgement) or (d) if sent by recognized international overnight courier, upon receipt as evidenced

by record of delivery by such overnight courier. All Notices shall be sent to:

i) EDC, at 150 Slater Street, Ottawa, Ontario, Canada, K1A 1K3,

Disbursement and repayment matters:
Attention: Loans Services
Fax: (613) 598-2514
Email: LS-directlending@edc.ca

Financial and covenant reporting matters:
Attention: Covenants Officer
Fax: (613) 598-3186
Email: covenantsofficer@edc.ca

All other matters, including amendments, waivers and consents:
Attention: Credit Risk Management
Fax: (613) 598-3186

ii) Borrower and Enablence Canada, at 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada,

Attention: Gerald Leahy
Fax: (613) 656-2855
Email: gerald.leahy@rogers.com

iii) Enablence USA, at 2933 Bayview Drive, Fremont, CA 94538, USA,

Attention: Evan Chen, CEO
Fax: (510) 226-9900
Email: evan.chen@enablence.com

Assignment

This Agreement will be binding upon and enure to the benefit of the parties and their respective successors and assigns. The Borrower may not assign or transfer all or any part of its rights or obligations hereunder without the prior written consent of EDC.

Counterpart

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which will constitute together one and the same instrument and the parties agree that receipt by fax or portable document format (pdf) of an executed copy of this Agreement will be deemed to be receipt of an original.

English Language

The parties hereto agree that this Agreement and each other Transaction Document will be in the English language or will be accompanied by an English translation certified by the Borrower or upon request by EDC will be accompanied by an English translation certified by an officially sworn licensed translator to be complete and correct.

Entire Agreement

The Transaction Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and supersede any and all prior agreements or understandings, written or oral, with respect thereto.

Interpretation

All calculations for the purposes of determining compliance with the financial covenants contained in this Agreement will be made on a basis consistent with generally accepted accounting principles consistently applied in Canada as existing on the date of this Agreement, unless noted otherwise in the "Covenants" sections of this Agreement.

SCHEDULE B

Location of Operations, Records and Collateral

For the Borrower:

The business operations of the Borrower are located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

The records of the Borrower are located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

The collateral under the Security Documents to which the Borrower is a party is located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

For Enablence Canada:

The business operations of the Guarantor are located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

The records of the Guarantor are located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

The collateral under the Security Documents to which the Guarantor is a party is located at:

- 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada

For Enablence USA:

The business operations of the Guarantor are located at:

- 2933 Bayview Drive, Fremont, CA 94538 USA

The records of the Guarantor are located at:

- 2933 Bayview Drive, Fremont, CA 94538 USA

The collateral under the Security Documents to which the Guarantor is a party is located at:

- 2933 Bayview Drive, Fremont, CA 94538 USA

SCHEDULE C

Conditions Precedent

The conditions referred to in Part 1 and Part 2 of this Schedule C are for the sole benefit of EDC only and may be waived by EDC in whole or in part, with or without conditions, for any advance, without affecting EDC's right to require that such conditions be fulfilled for any other advance.

PART 1 - Documentation for the initial advance

(a) an executed copy of the Agreement;

(b) an executed copy of each Guarantee executed by each Guarantor;

(c) all the Security Documents and evidence satisfactory to EDC as to the registration and rank of the security created in favour of EDC by the Security Documents;

(d) executed copies of any subordination or intercreditor agreements, as required by EDC, from other secured creditors having Liens over any Transaction Party's assets or from shareholders or related parties to any Transaction Party;

(e) an officer's certificate satisfactory to EDC, (i) setting out the names of persons authorized to sign the Transaction Documents and any other documents required thereunder including any Request for Advance, on behalf of each Transaction Party, with specimen signatures of such persons, and (ii) attaching a certified copy of the constating documents of each Transaction Party; as amended to date, and of the resolutions of the shareholders, the Board of Directors or any other governing body of each Transaction Party as EDC may require, authorizing the Transaction Documents;

(f) an opinion of (i) a law firm satisfactory to EDC acting as counsel to the Borrower, and (ii) a law firm satisfactory to EDC acting as counsel to each Guarantor, in form and content satisfactory to EDC;

(g) as required by EDC, in respect of Enablence Canada, an executed copy of a landlord's waiver of distraint from Kanata Research Park Corporation, with respect to the premises located at the address municipally known as: 390 March Road, Suite 119, Ottawa, Ontario K2K 0G7, Canada;

(h) as required by EDC, an executed copy of a landlord's waiver of distraint from PSB Northern California Industrial Portfolio LLC, with respect to the premises located at the address municipally known as: 2933 Bayview Drive, Fremont, CA 94538, USA;

(i) evidence of insurance coverage (together with first lender loss payee and additional insured certificates satisfactory to EDC) for each Transaction Party as required pursuant to the terms of the Transaction Documents;

(j) all governmental, shareholder and third party consents and approvals necessary or in the reasonable opinion of EDC, desirable; and

(k) such financial or other information or documents relating to each Transaction Party as EDC may reasonably require.

PART 2 - Additional conditions precedent for each advance

(a) EDC will have received and approved the Request for Advance fully executed by the Borrower for an amount not exceeding 85% of the amount of the Purchase Order which is the subject of the advance;

(b) a copy of the Purchase Order which is the subject of the advance;

(c) except as permitted or required hereunder, each of the representations and warranties in the Agreement and in the other Transaction Documents will be true and correct as if made and repeated on the date of the advance;

(d) no Event of Default or event that with notice, lapse of time or a determination hereunder or any combination thereof would constitute an Event of Default, will have occurred and be continuing;

(e) EDC will have completed to its satisfaction a due diligence investigation of the operations and undertakings of each Transaction Party and no event or circumstances shall have occurred which has resulted in, or would reasonably be expected to result in a material adverse effect on the condition, financial or otherwise, or to the earnings, operations, assets, business affairs or business prospects of any Transaction Party or on the ability of any Transaction Party to perform their respective obligations under the Transaction Documents; and

(f) the Borrower shall have paid all fees (including all invoiced legal fees of EDC), expenses and other amounts payable under the Agreement.

SCHEDULE D

Request for Advance

EXPORT DEVELOPMENT CANADA [Date]
150 Slater Street
Ottawa, Canada K1A 1K3

Attention: Loans Services
Fax: (613) 598-2514
Email: LS-directlending@edc.ca

Re: Loan Agreement dated as of February 29, 2016 between Enablence Technologies Inc. and Export Development Canada (the "Loan Agreement")
EDC Loan No. 880-61777

1. This Request for Advance is delivered to you pursuant to Section 9 of the Loan Agreement. Expressions defined in the Loan Agreement have the same meaning when used in this Request for Advance.

2. We hereby request an Advance as follows:

(a) Proposed Borrowing Date:

(b) Currency and Amount of Advance:

(c) Beneficiary Name (Name on Account):

(d) Beneficiary Bank:

(e) Account Number:

(f) Beneficiary Bank Code and Bank Transit Number:

(g) SWIFT Code or ABA or Routing Number:

(h) Correspondent Bank Name:

(i) Correspondent Bank’s SWIFT Code or ABA or Routing Number:

3. Except as permitted or required under the Loan Agreement, each of the representations and warranties in the Loan Agreement and in the other Transaction Documents and any other documents required thereunder will be true and correct as if made and repeated on the date hereof.

4. No Event of Default or event that with notice, lapse of time or a determination hereunder or any combination thereof that would constitute an Event of Default, has occurred and is continuing.

5. No events or circumstances have occurred which have resulted in, or could reasonably be expected to result in a material adverse effect on the condition, financial or otherwise, or to the earnings, operations, assets, business affairs or business prospects of any Transaction Party or on the ability of the Borrower or any other Transaction Party to perform its respective obligations under any of the Transaction Documents and any other documents required thereunder, including, without limitation, the ability of each Guarantor to perform its obligations under its respective Guarantee.

ENABLENCE TECHNOLOGIES INC.

Signature:
(Authorized signing officer):
(Print Name):
(Print Title):

Schedule E

Patents and Licenses

[redacted – list of patents]