Enablence Announces Increase in Secured Term Loan Facility with EDC

Ottawa, Canada – August 18, 2016 - Enablence Technologies Inc. ("Enablence" or the "Company") (TSXV: ENA), a leading supplier of optical components and subsystems for access, metro and long-haul markets, is pleased to provide the following update on recent activities.

Enablence is pleased to announce the expansion of the relationship with Export Development Canada ("EDC") in support of the Company's growing optical subassembly business. Enablence's Senior Loan Facility with EDC has been increased from CAD$3mm to CAD$5mm to provide additional working capital in support of the fulfillment of customer orders. The Company expects to be drawing on the expanded facility in the near term.

As previously announced, the Loan Facility is available to Enablence in the form of a term loan for a period of 18 months, with the repayment of principal to commence 18 months after the first draw on the loan. Principal then is to be repaid in 17 equal monthly installments and is secured against all the assets of the Company and guaranteed by the Company's subsidiaries.

About Export Development Canada

EDC is Canada's trade finance agency, providing financing and insurance solutions locally and around the world to help Canadian companies of any size respond to international business opportunities. As a profitable Crown corporation that operates on commercial principles, EDC works together with private and public-sector financial institutions to create greater capacity for Canadian companies to engage in trade and investment.

About Enablence Technologies Inc.

Enablence is a publicly traded company that designs, manufactures and sells optical components and subsystems to a global customer base. It utilizes its patented technologies, including planar lightwave circuit ("PLC") intellectual property, in the production of an array of photonic components and broadband subsystems that deliver a key portion of the infrastructure for current and next-generation telecommunication systems. The Company's product lines address all three segments of optical networks: access - connecting homes and businesses to the network; metro - communication rings within large cities; and long-haul - linking cities and continents. For more information, visit www.enablence.com.

Forward-looking Statements

This press release may contain forward-looking statements regarding the future loan arrangements, future orders from customers, additional financing requirements, funding of ongoing operations, operations becoming profitable, are based on current expectations, future demand for products, forecasts and assumptions which involve risks and uncertainties associated with our business and the economic environment in which the business 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 statements of historical facts may be deemed to be forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. We caution our readers of this press release not to place undue reliance on our 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 Company's continuous disclosure documents that can be found on SEDAR www.sedar.com. Enablence does not intend, and disclaims any obligation, except as required by law, to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

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