Enablence Technologies Closes Second Tranche of Equity Offering

Ottawa, Canada – January 12, 2017 - Enablence Technologies Inc. ("Enablence" or the "Company") (TSXV: ENA), a leading supplier of optical components and subsystems for access, metro and long-haul markets, today announced the closing of the second tranche of the private placement of common shares announced on December 8, 2016 (the "Equity Offering"), for 6,250,000 common shares in the amount of $500,000 at a price of $0.08 per share.

Through a combination of the Equity Offering, the exercise to date of outstanding warrants, and the contemplated additional exercise of outstanding warrants, the Company has received funds and commitments that would result in it fulfilling the $4,000,000 financing condition that is a requirement to close the proposed business combination with Esrey Energy Ltd. as announced on December 8, 2016.

The proceeds from the Equity Offering and the exercise of warrants, as previously announced, are intended to be used as growth capital for current and future products, plus general corporate purposes.

The shares issued under the second tranche of the Equity Offering are subject to a four-month hold period pursuant to applicable securities laws until May 13, 2017.

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 potential financing transactions, lending facilities, debt to equity conversion, future sales and orders, funding of ongoing operations based on current expectations, 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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