Enablence

Enablence Technologies Closes First Tranche of Financing

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Ottawa, Canada – May 19, 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 first tranche of the private placement of common shares previously announced (the “Financing”) for 30,699,971 common shares representing gross proceeds of approximately $2,148,998 at a price of $0.07 per share.

The proceeds from the Financing, as previously announced, are intended to be used as growth capital for current and future products, plus general corporate purposes. A portion of the funds will be used to fund a capital expenditure program to expand the production of the Company’s Planar Lightwave Circuit (PLC) chips. This expansion is needed to satisfy existing purchase orders and anticipated future demand of the Company’s metro market focused 100G TxRx products. A portion of the funds will also be allocated to complete the development of the 100G TxRx product for the fast growing data centre market and for research and development activities focused on the Company’s next generation 200/400G products. The balance of the funds will be used for general corporate purposes and working capital.

As previously announced on April 5, 2017, a “related party” of the Company participated in the Financing and subscribed for 17,142,857 common shares. Participation of a related party of the Company in the Financing constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Financing is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of securities being issued to the related party nor the consideration being paid by the related party will exceed 25% of the Company’s market capitalization. The Company did not file a material change report 21 days prior to the closing of the Financing as the details of the participation of the related party of the Company had not been confirmed at that time.

The common shares issued under the first tranche of the Financing are subject to a four-month hold period pursuant to applicable securities laws until September 20, 2017.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, or for the account or benefit of U.S. persons (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended).

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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