



Enablence Technologies Provides Update on Strategic Alternatives Process for the Systems Division

Toronto, Canada – AUGUST 29, 2011 – Enablence Technologies Inc. (“Enablence” or the “Company”), a leading supplier of optical components and subsystems (“OCS”) for access, metro and long-haul markets and fiber-to-the-home (“FTTH”) equipment is pleased to provide an update on its strategic alternatives process as first announced on April 28, 2011. Enablence and certain of its subsidiaries have signed a definitive asset purchase agreement under which part of Enablence’s Systems business will be sold to Aurora Networks, Inc. for a total purchase price of \$5.1 million, comprised of \$2.75 million of cash and the assumption of certain liabilities and contingent liabilities (the “Aurora Transaction”). The Aurora Transaction is expected to close by September 15, 2011, subject to the satisfaction of certain conditions, notifications to creditors and receipt of certain regulatory approvals including the TSX Venture Exchange.

The Aurora Transaction includes the sale of Enablence’s Trident7™ Universal Access Platform for delivery of FTTP services through optical networks. Also included in the sale are related inventory, certain patents, certain product and process technology and customer contracts and lists. Approximately 25 Enablence employees are expected to move to Aurora effective at the close of the Aurora Transaction. Under terms of the purchase agreement, Aurora will honour customer contracts and agreements for the Trident7 and its related product lines. Aurora and Enablence are committed to working together for a seamless transition for all stakeholders.

The Company also announced that Enablence and certain of its subsidiaries have signed a definitive asset purchase agreement to sell its MAGNM™ FX product line, by divesting certain assets and transferring certain warranty obligations to FX Support, LLC (the “FX Transaction”). The FX Transaction is expected to close by September 15,

2011, subject to the satisfaction of certain conditions and receipt of certain regulatory approvals including the TSX Venture Exchange.

The Company also announced that it had implemented a workforce reduction of approximately 40 individuals representing substantially all of its remaining employees in the US Systems business leaving a team of people to support ongoing customer obligations of the Systems business.

Enablence has continued to make progress in the process of divesting its International Systems business located in Israel. Enablence expects the strategic alternatives process to be completed by September 30, 2011.

Enablence had \$11.5 million of cash at June 30, 2011, including cash in discontinued operations, but excluding cash held at the Company's Joint Venture with SUNSEA Telecommunications Co Ltd. of China. The JV with SUNSEA expects to commence operations by the end of the calendar year. At the conclusion of the strategic alternatives process, the ongoing focus of the Company will be on the Components division which will constitute the sole and core business of Enablence.

The Company expects to announce the results for its fiscal year ending June 30, 2011 in mid-October, at which time more details on the results of the strategic alternatives process and the ongoing activities of the Components division will be provided.

About Enablence Technologies Inc.

Enablence Technologies Inc. is a publicly traded company that designs, manufactures and sells optical components and subsystems for access, metro and long-haul markets to a global customer base and fiber-to-the-home (FTTH) equipment. Enablence delivers a key portion of the infrastructure for 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.

About Aurora Networks

Aurora Networks, the No. 1 optical transport solutions provider for cable operators, is evolving cable by focusing on innovative solutions that build future-proof networks to accommodate the cable subscriber services of today and tomorrow. Using its proven understanding of cable networks, Aurora Networks delivers unique solutions - such as its Fiber Deep architecture and universal digital return technology - to address specific issues of the cable industry. A technology leader driven by innovation and industry-firsts, Aurora Networks enables leading cable operators across the globe to compete with a cost-effective, optimized launch pad for next-generation cable services. To learn more about Aurora Networks' core cable solutions, please call 408-235-7000 or visit www.aurora.com.

About FX Support, LLC

FX Support consists of the same Inteleflex engineers and customer support personnel that have been supporting Inteleflex customers since 1999. The Inteleflex platform provides excellent POTS, ADSL2+, T1, and special services with integrated optical or T1 transport. For sales, please call (972) 633-1897, and for support, please call (972) 633-1899.

Forward-looking Statements

This press release may contain forward-looking statements, in particular with respect to the disposition of the Trident 7 and FX product lines, the strategic alternatives and divestiture of the Systems Division including the International Systems Division, the timing of financial results being released and the timing around the operations of the joint venture that are made as of the date hereof and are 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FOR FURTHER INFORMATION PLEASE CONTACT:

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