



ENABLENCE TECHNOLOGIES ANNOUNCES AMENDMENT OF SENIOR LOAN AGREEMENT AND SENIOR MANAGEMENT CHANGES

Ottawa, Canada – January 10, 2022 – Enableness Technologies Inc. ("**Enableness**" or the "**Company**") (TSXV: ENA), a supplier of optical components and subsystems, is pleased to announce that it has entered into an amended and restated senior loan agreement (the "**Amended Senior Loan Agreement**") with Vortex ENA LP ("**Vortex**"), a related party to the Company. The Company is also pleased to announce that T. Paul Rowland will be joining the Company in the role of Interim Chief Financial Officer ("**CFO**"), subject to the approval of the TSX Venture Exchange ("**TSXV**"). Mr. Rowland will replace the Company's current CFO, Craig Mode, effective January 17, 2022. Mr. Mode will remain in his position as Co-Chief Executive Officer ("**Co-CEO**") until January 31, 2022, to assist in transition tasks, after which, he will transition out of the Company and Ashok Balakrishnan will be the sole CEO of the Company.

Amended Senior Loan Agreement

The Company has entered into the Amended Senior Loan Agreement effective as of December 31, 2021, with certain terms described below. A full copy of the Amended Loan is available on SEDAR under the Company's issuer profile.

- Consolidated loan balance, inclusive of principal advances, accrued interest and fees as of December 31, 2021 of approximately \$6.9 million (the "**Loan Balance**");
- Loan Balance includes approximately \$1.0 million of amounts previously recorded in accounts payable of the Company that have been acquired by Vortex under the terms of the Amended Loan;
- Maturity date of December 31, 2025, subject to one six-month extension option at the written request of Enableness;
- Interest rate of 7.5% per annum; interest shall be accrued until December 31, 2023 and payable monthly in cash thereafter;
- Additional advances under the loan shall be subject to the sole discretion of Vortex; and
- All prior defaults have been permanently waived.

As Vortex is a "related party" of the Company, the execution of the Amended Senior Loan Agreement is considered a "related party transaction" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company did not file a material change report more than 21 days before agreeing to the Amended Senior Loan Agreement, as the details of the amendments were not settled until shortly prior to this announcement. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Company is exempt from the formal valuation requirement in Section 5.4 of MI 61-101 in reliance on Section 5.5(b) of MI 61-101 as the Company is not listed on a specified market under MI 61-101. Additionally, the Company is exempt from minority shareholder approval requirement in Section 5.6 of MI 61-101 in reliance on Section 5.7(f) of MI 61-101.

The Amended Senior Loan Agreement is subject to the approval of the TSXV.

Senior Management Changes

The Company is also pleased to announce that T. Paul Rowland has joined the Company in the role of CFO, replacing the Company's current CFO, Craig Mode, effective January 17, 2022. Mr. Mode will also leave his position as Co-CEO on January 31, 2022, following a short transition period. Mr. Mode's resignation has been accepted by the Board of Directors of the Company. Mr. Mode was hired by the Company in May 2021 to lead its recently completed recapitalization transaction. Following the ending of the transition period on January 31, 2022, he will return to his prior role as a venture investor.

Mr. T. Paul Rowland is a seasoned finance executive with over 35 years of experience in various senior finance and accounting roles. Most recently, Mr. Rowland served for four years as CFO and corporate secretary for Brane Inc., a private cryptocurrency and blockchain company. Prior to this role, he served in executive roles with Yamana Gold Inc. and Barrick Gold Corporation and was CFO of a publicly listed resource company. Mr. Rowland is a Chartered Professional Accountant, a Certified Public Accountant (Illinois), and a Chartered Global Management Accountant. He graduated from Western University with an Honours Bachelor of Science. The appointment of Mr. Rowland remains subject to the approval of the TSXV.

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 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 components are key elements in large optical network infrastructure builds which enable global networking and large-scale computing for businesses and individuals, including data centers and 5G telecommunications networks. For more information, visit www.enablence.com.

Forward-looking Statements

This news release contains forward-looking statements regarding the Company based on current expectations and assumptions of management, which involve known and unknown risks and uncertainties associated with our business and the economic environment in which the business operates. All such statements are forward-looking statements under applicable Canadian securities legislation. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In particular, this news release contains forward-looking statements pertaining to the timing and ability of the Company to obtain regulatory (including the TSX Venture Exchange) approvals of the Amended Senior Loan Agreement and the appointment of the Interim CFO. By their nature, forward-looking statements require us to make assumptions. Assumptions are based in part on the ability to secure regulatory approval. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks relating to the Company failing to obtain the requisite regulatory (including the TSX Venture Exchange) approvals; the terms as described hereof may be amended following the date hereof; the impact of the evolving COVID-19 pandemic on the Company's business, operations and sales; uncertainties relating to the ultimate spread, severity and duration of COVID-19 and related adverse effects on the economies and financial markets of countries in which the Company operates; and the ability of the Company to successfully implement its business continuity plans with respect to the COVID-19 pandemic. Although the Company

believes that the expectations reflected in the forward looking statements contained in this news release, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. We caution our readers of this news 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. *Additional information on these and other factors that could affect the Company's operations* are set forth in the Company's continuous disclosure documents that can be found on SEDAR (www.sedar.com) under Enablence's issuer profile. 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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