

EARLY WARNING REPORT
Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to common shares (“**Common Shares**”) of Enablence Technologies Inc. (the “**Issuer**”). The Issuer’s head office is located at:

390 March Road
Ottawa, Ontario
K2K 0G7

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The requirement to file this report was triggered as a result of the Issuer calling a meeting of its shareholders to seek the requisite shareholder approvals to complete the Recapitalization Transaction (as defined below), which the Issuer announced on August 23, 2021.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Dan Bordessa
95 Roxborough Street East
Toronto, Ontario
M4W 1V9

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

Mr. Bordessa, together with his joint actor (collectively, the “**Acquiror**”), is a participant in the recapitalization plan (the “**Recapitalization Transaction**”) announced by the Issuer on August 23, 2021. The Recapitalization Plan is comprised of a restructuring of the Issuer’s secured debt, a shares-for-debt settlement with certain unsecured creditors (“**Shares-for-Debt Settlements**”), the Shares-for-Services Settlement (as defined below), a concurrent \$11 million private placement of subscription receipts that will convert into units, each unit comprised of one post-consolidation Common Share and one-fifth of a warrant (the “**Private Placement**”), and a share consolidation. A copy of the Issuer’s press release describing the Recapitalization Transaction in more detail has been filed by the Issuer on SEDAR at www.sedar.com.

The Acquiror is among the creditors that are parties to Shares-for-Debt Settlements, and he agreed to exchange \$574,727 of the unsecured debt owed to him by the Issuer for common shares of the Issuer (“**Common Share**”) (of which \$535,170 was subsequently acquired by Vortex ENA LP (“**Vortex**”)), at a deemed price of \$0.025 per Common Share being the closing price of the Common Shares on the TSX Venture Exchange on August 20, 2021 (the “**Recap Price**”) and \$20,895,356 of the unsecured debt owed to him by the Issuer at a discount of 20% to such amount owed, in exchange for units of the Issuer (“**Units**”) at a deemed price equal to the Recap Price, whereby each Unit entitles the holder to receive one Common Share and one-fifth of a warrant (the “**Debt Settlement Warrants**”). Each full Debt Settlement Warrant entitles the holder to purchase one Common Share at a price of \$0.03 per share for a period of 36 months following the closing date of the Recapitalization Transaction.

On July 30, 2021, the Issuer entered into an engagement letter (the “**Engagement Letter**”) with the Acquiror in relation to a proposed financial restructuring of the Issuer’s balance sheet. Pursuant to the Engagement Letter, the Acquiror is entitled to receive a fee equal to \$1 million upon the announcement of the Recapitalization Transaction, payable in Common Shares at the Recap Price, subject to the completion of the Recapitalization Transaction (the “**Shares-for-Services Settlement**”). The Acquiror will also be reimbursed in cash for up to \$25,000 in third party expenses incurred in the performance of the services. Where tax is applicable, an additional amount equal to the amount of the tax owing will also be paid in cash by the Issuer to the Acquiror at the same time the Shares-for-Services Settlement fee is paid. It is expected that all securities issued pursuant to the Shares-for-Service Settlement will be subject to a hold period of four months and one day from the date of issuance, in accordance with applicable securities legislation. In addition, the securities issued pursuant to the Shares-for-Services Settlement will be subject to a contractual restriction on resale, which will be released to the Acquiror in increments of 25% on each of the 6-month, 9-month, 12-month and 15- month anniversaries of the closing date of the Recapitalization Transaction.

2.3 State the names of any joint actors.

Maria Semenko

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s security holding percentage in the class of securities.

As of the date of this report, the Acquiror does not have ownership and control of any Common Shares. Following completion of the Recapitalization Transaction, the Acquiror will have ownership and control of 710,233,337 Common Shares and 133,730,200 Debt Settlement Warrants. Assuming all of the remaining Shares-for-Debt Settlements provide for creditors exchanging 100% of their debt for Common Shares at the Recap Price: (a) if no funds are advanced under the Vortex grid note (the “**Grid Note**”), this represents approximately 33.1% of the issued and outstanding Common Shares and approximately 37.1% on a partially-diluted prior to completion of the Private Placement, and approximately 27.5% of the issued and outstanding Common Shares and approximately 31.1% on a partially-diluted basis following completion of a fully

subscribed Private Placement, and (b) if the full \$3 million is advanced under the Grid Note and the entire amount is converted into Common Shares in connection with the Recapitalization Transaction, this represents approximately 30.4% of the issued and outstanding Common Shares and approximately 34.2% on a partially-diluted prior to completion of the Private Placement, and approximately 25.6% of the issued and outstanding Common Shares and approximately 29.0% on a partially-diluted basis following completion of a fully subscribed Private Placement.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See Items 2.2 and 3.1.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See Item 3.1.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

See Item 3.1.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 – Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

See Item 2.2 above.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 2.2 above.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

See Item 2.2 above.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**

- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Acquiror is participating in the Recapitalization Transaction in the ordinary course of business and agreed to acquire Common Shares for investment purposes and not for the purpose of influencing the control or direction of the Issuer. Depending on various factors including, without limitation, the Issuer's financial position, the price levels of the Common Shares, conditions in the securities markets and general economic and industry conditions, the Issuer's business or financial condition and other factors and conditions the Acquiror deems appropriate, the Acquiror may increase or decrease its beneficial ownership of Common Shares or other securities of the Issuer whether in the open market, by privately negotiated agreement or otherwise.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent’s best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

The certificate must state the following:

I, as an authorized representative of the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: August 30,2021

“Dan Bordessa”
Signature