

News Release
Acceleware Releases Results for the Second Quarter of Fiscal 2014
For Immediate Release

CALGARY, Alberta – August 20, 2014 – Acceleware® Ltd. (“Acceleware” or the “Company”) (TSX-V: AXE), a leading developer of high performance computing applications, today announced results for the three and six months ended June 30, 2014 (all figures are in Canadian dollars unless otherwise noted). During the second quarter of 2014, the Company achieved a significant increase in software revenue while reducing its total comprehensive loss compared to the second quarter of 2013.

During the three months ended June 30, 2014 (“Q2 2014”), Acceleware reduced its loss from operations and total comprehensive loss compared to the three months ended June 30, 2013 (“Q2 2013”). The improvement was a result of lower expenses and was achieved despite lower revenue. Loss from operations and total comprehensive loss increased from the most recently completed quarter ended March 31, 2014 (“Q1 2014”) due to lower revenue. In Q2 2014, Acceleware recorded software revenue (product sales plus maintenance revenue) in excess of 50% of total revenue for the quarter. The achievement is a direct result of higher seismic imaging software sales. Product sales rose 535% in Q2 2014 compared to Q2 2013, while maintenance revenue grew 22% in Q2 2014 compared to Q2 2013.

Despite the increased software revenue, Q2 2014 sales fell 21% to \$655,084 from \$824,783 in Q2 2013 on lower consulting revenue. Sales also fell 3% from \$672,984 recorded in Q1 2014 also on lower consulting revenue. For the six months ended June 30, 2014, revenue declined 25% to \$1,328,068 compared to \$1,777,810 recorded in the six months ended June 30, 2013, again due to lower consulting revenue. Product revenue rose 95% in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, while maintenance revenue increased 34% over the same period

While revenue has declined, Acceleware also reduced expenses to limit the impact on profitability. During the three months ended June 30, 2014, Acceleware reduced total comprehensive loss 17% to \$72,530 compared to \$87,290 for the three months ended June 30, 2013. Total comprehensive loss in Q2 2014 increased 108% compared to Q1 2014 due to lower revenue and higher general and administrative expenses, particularly loss on foreign exchange. During the six months ended June 30, 2014, loss from operations increased 17% to \$107,903 compared to \$70,810 for the six months ended

June 30, 2013. The increase is a result of lower revenue. Total comprehensive loss increased 580% for the six months ended June 30, 2014 to \$107,903 compared to \$15,798 for the six months ended June 30, 2013 due to lower revenue and other income.

At June 30, 2014, Acceleware had \$191,483 in working capital compared to \$212,724 as at December 31, 2013. Cash and cash equivalents have declined since December 31, 2013 from \$400,810 to \$322,565 as at June 30, 2014. At June 30, 2014 the Company had \$33,540 (December 31, 2013 - \$46,411) in combined short-term and long-term debt in the form of finance leases. The decrease in working capital is related to an increase in accounts payable and accrued liabilities, an increase in deferred revenue and lower cash. On August 14, 2014 the Company completed a private placement of 10,240,000 common shares at \$0.05 per share, for gross proceeds of \$512,000. The financing significantly increases the Company's cash and working capital. The Company actively manages its cash flow and investment in new products to match its cash requirements to cash generated from operations. In order to maximize cash generated from operations, the Company plans to continue to focus on high gross margin revenue streams such as those from software products, consulting services and training; focus on selected core vertical markets; minimize operating expenses where possible; and limit capital expenditure.

Additional information, including the unaudited interim condensed financial statements for the three and six months ended June 30, 2014 and the accompanying notes and management's discussion and analysis relating thereto, and the audited financial statements for the year ended December 31, 2013 and management's discussion and analysis relating thereto, are available on SEDAR at www.sedar.com.

About Acceleware:

Acceleware develops and markets high performance computing (HPC) software solutions for the energy and engineering industries. These solutions allow customers to speed-up simulation and data processing algorithms, benefitting from HPC technologies such as multi-core CPUs and massively parallel many-core GPUs. Acceleware software, specialized HPC training and consulting services are deployed by companies worldwide such as Boston Scientific, Samsung, LG, General Mills, Nokia, Medtronic, Hitachi, FDA, Mitsubishi, Sony Ericsson, Fugro, GeoTomo and Rock Solid Images to speed up product design, analyze data and make better business decisions.

Acceleware is a public company on Canada's TSX Venture Exchange under the trading symbol AXE.

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.

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