

ASX RELEASE



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CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING eSense-Lab Ltd

On behalf of the Board of Directors, I would like to welcome you to the **eSense-Lab Limited's** ("eSense" or the "Company") (ASX: ESE) Annual General Meeting.

My name is Piers Lewis, and I was appointed as Chairman of eSense in November. For a little about my background, I have over 20 years' corporate experience in finance banking, management, and M&A across the resources, banking and technology sectors in Australia, Asia and Europe.

Joining me on the Board at the same time was Mr Amit Edri, who has extensive experience in the medicinal cannabis industry and has served as an independent consultant for several international medical cannabis companies.

Our role at eSense is to help steer the Company's commercialisation activities and assist in its overall strategy, leadership and direction.

eSense was established with the purpose of "reverse engineering" rare or high-value plants and reconstructing the terpene profile of those plants, using alternate natural sources, in a more cost-effective and sustainable way.

Terpenes are naturally occurring compounds which account for the flavour and fragrance of plants. eSense's technology creates a reconstructed terpene profile replicates the flavour, fragrance and other desired characteristics of the targeted plant to a similarity of 99.9%.

eSense's initial focus has been on the cannabis plant, however, future high-value target plants include ginseng, saffron and other medicinal plants and spices.

In early 2017, eSense was the first Israeli Incorporated Company to list on the Australian Securities Exchange following a successful oversubscribed IPO capital raising. Since our last AGM in March 2018, we have made significant progress with regards to our commercialisation activities and research and development.

In June, we announced that we had achieved a major R&D achievement consisting of the development of an e-liquid formulation that provides the aroma of various cannabis strains.

Later that month, we announced progress with other R&D activity that demonstrated robust antioxidant and anti-inflammatory activities for our medical cannabis terpene blends. Further to this, we were also able to show signs of cellular growth arrest, suggesting that terpenes may be able to assist in a range of medical conditions including the fight against cancer.

At the end of June, we received a cannabis permit from the Israeli Ministry of Health. This permit allows us to perform R&D on cannabis strains available in Israel and to further perfect our terpene formulations.

In October, we announced the successful completion of a AUD\$3.15 million a capital raising. The capital raising followed growing interest from investors and was oversubscribed. We have since been putting that capital to good work, implementing a new expanded commercialisation strategy and continuing to build our entry into significant markets and expanded product offerings with our terpenes.

Our efforts culminated in a new shipment of our product being sent to UK-based group E-Quits at the end of 2018 following a successful trial period.

E-liquids are used for vaporising (or “vaping” as it is more commonly known) and are a safer and healthier alternative to smoking. E-Quits purchased our product to serve this growing vaping market.

I am pleased to report that E-Quits has made a significant investment in marketing eSense’s product with satisfactory results and positive responses from customers. We may explore expanding that partnership with E-Quits and the possibility of additional agreements throughout the UK and Europe.

The momentum we gathered at the end of 2018 carried over into 2019 with the signing of a multi-year distribution agreement to supply E-juice to VaporSpec. Under the agreement, VaporSpec will distribute our products throughout North America, purchasing up to 5 million bottles of eSense products by the third year of the partnership.

VaporSpec is a major player in the US’ vaping market and may also open the door to further opportunities in the region. In addition, we are performing testing programs with companies in other markets, including the development of different products that will allow us to enter the food additive and supplements segments.

As eSense’s new Chairman, I would like to thank the Board of Directors, staff, contractors, Shareholders and stakeholders for their support during this exciting time for the Company. For the remainder of 2019 and beyond, we will continue to build on our strong R&D foundations and accelerate our commercialisation efforts. We look forward to further updating you on our progress and creating value for you, our shareholders.

For further information, please contact:

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About eSense-Lab

eSense-Lab Ltd (ASX: ESE) is a life sciences company specialising in the commercialisation of the phytochemical profiling of plants. The Company combines genetics, mRNA, protein expression and phytochemical profiles to generate a comprehensive model of rare or high value plants. eSense-Lab can then use this model to ‘reverse engineer’ a terpene profile, which is a naturally occurring formulation of different individual terpenes which together account for many of the plant’s health and medical benefits, whilst also exactly replicating the flavour, fragrance and other desired characteristics of the targeted plant, at a more sustainable and cheaper cost

To learn more about eSense-Lab, visit www.esense-lab.com