

ASX RELEASE

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eSense-Lab launches commercial website and progresses commercialisation and R&D activities in September quarter

Investment highlights:

- Launch of new commercial website through which e-Sense can directly sell its products to businesses and customers
- Continued focus on research and development, new products in development
- Cannabis-based research and development continues to expand potential of new products
- Participated in CannX, the 4th International Medical Cannabis Conference in Tel Aviv and promoted eSense to attendees

Life sciences company eSense-Lab Ltd (**'eSense' or 'the Company'**) (**ASX: ESE**) is pleased to provide a summary of the Company's activities for the quarter ended 30 September 2019, along with its Appendix 4C.

During the quarter, eSense launched a new commercial website and continued to ramp up the Company's commercialisation strategy. eSense also continued to advance its cutting edge R&D program and participated in CannX, the 4th International Medical Cannabis Conference in Tel Aviv.

Business activities

Launch of commercial website

During the quarter, eSense launched a newly-designed web site for both Business to Business (B2B) and Business to Consumer (B2C) commercial distribution of the Company's product suite, which is comprised of terpene blends and e-liquids.

Accompanying the launch of the website, eSense unveiled new brand designs for its catalogues, terpene kits and brochures including a new company logo and new product images.

The site, which allows eSense to directly sell its products to businesses and consumers, can be visited at: www.esense-shop.com. Initial feedback has been encouraging and eSense anticipates that it will receive more orders through the website in the months ahead.

Product development

To further ramp up its commercialisation strategy, eSense-Lab has been implementing a number of business development initiatives.

The Company has completed a renewed inventory of terpenes in which expired terpenes were replaced with fresh material. Additionally, work continues on extending the shelf life and stability of terpene blends under ambient and in cooling conditions across a period of 12-24 months.

Newly implemented working standards will improve the shelf life of terpene blends and also enhance routine activities such as the quality assessment of raw materials.

eSense continued to work on the expansion of its product portfolio during the quarter. R&D activities included but were not limited to the following:

- Development of water-soluble terpene blends for water or other beverage infusions (alcoholic and non-alcoholic) – in progress
- Development of Tangie strain terpene blend – in progress
- Development of known hybrids with currently available strains such as Cookies-Kush, Monster-Cookies, Super-Jack, Sour-Kush, Sour-Jack, Super-Sour, Pineapple-Jack – in planning phase

Participation in CannX conference

In parallel, eSense continues to meet with Israeli and international companies to promote increased awareness of the Company and its products.

eSense participated in the CannX conference, a major cannabis industry conference and exhibition held in Israel in September. The Company prepared samples of cannabidiol (CBD) conditioning cream, ointment and lip balm and e-juice all infused with eSense's terpene blends for demonstration. eSense had a booth at the conference from which it distributed the samples and promoted the Company to attendees.

Research & Development

In addition to product development and refinement, the Company has continued to evaluate profiles of Israeli Cannabis strains, with analysis of 20 strains completed.

Further work continues on terpene discovery for use in combination with cannabinoids upon cell-based diseases models:

- Combinations of cannabinoids and eSense terpenes to protect neuronal cell death following exposure to neurodegenerative stimulators (Parkinson, Alzheimer, dimension and more)-Model establishment of dopaminergic neurons is in progress.
- Combinations of CBD/CBG, eSense terpenes and additional active ingredients to accelerate wound healing process in a high glucose environment. Model establishment of skin fibroblast based wound healing is in progress.

Corporate

eSense's cash on hand at the end of the quarter was approximately US\$775,000.

eSense Chairman, Piers Lewis said: "We are very pleased with our progress in the September quarter. The launch of the website has been well-received and we hope to see it drive an increase in sales revenue in the quarters ahead. At the same time, we are making significant progress across our R&D and in the refinement of our product portfolio. We continue to meet with Israeli and international companies and are working hard to commercialise our innovative product portfolio."

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About eSense-Lab | Registered office: Suite 6, 295 Rokeby Road, Subiaco Western Australia, Australia 6008

eSense-Lab Ltd (ASX:ESE) is a life sciences company creating virtual plant-based products for medicinal and recreational consumption. Headquartered in Israel, eSense-Lab combines genetics, mRNA expression, phytochemical characterisation and unique formulations to generate comprehensive models of rare or high value plants. With multi-disciplinary research and development expertise, eSense has game-changing techniques and unique reverse-engineering capabilities, placing it at forefront of the growing international terpene market. eSense has created virtual cannabis, with all the characteristics of the real plant, without the psychoactive and heavily regulated cannabinoid compound, for mass consumer consumption.

To learn more, please visit www.esense-lab.com.