

7 February 2017

Mr Dale Allen  
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By email: [Dale.Allen@asx.com.au](mailto:Dale.Allen@asx.com.au)

Dear Dale

### PRE-QUOTATION DISCLOSURE

eSense-Lab Ltd. (the **Company**) makes the following pre-quotations disclosure in accordance with ASX's listing conditions. Capitalised terms not defined have the meaning ascribed in the Company's replacement prospectus dated 22 December 2016 (**Prospectus**).

#### Capital Structure

The Company confirms that the revised Capital Structure of the Company as of the IPO, including the relevant ASX escrow restrictions, is as follows. The Company confirms holding locks have been placed over the restricted securities.

Security Class	No escrow	Escrow 12 months from date of issue	Escrow 24 months from date of quotation	Total
Chess Depository Interests (ASX: ESE)	22,500,000	4,500,000	34,861,311	<b>61,861,311</b>
Class A Performance Rights	-	-	3,000,000	<b>3,000,000</b>
Class B Performance Rights	-	-	3,000,000	<b>3,000,000</b>
Class C Performance Rights <sup>1</sup>	-	-	15,000,000	<b>15,000,000</b>
Class D Performance Rights <sup>2</sup>	-	-	15,000,000	<b>15,000,000</b>
<b>Total Performance Rights</b>				<b>36,000,000</b>
Unlisted Options (NIS0.01, expiring 19 January 2022)	-	-	638,689	<b>638,689</b>
Unlisted Options (\$0.25, expiring 7 February 2020)	-	-	5,000,000	<b>5,000,000</b>
<b>Total Unlisted Options</b>				<b>5,638,689</b>

Note 1. The number of Class E Performance Rights to be issued on vesting of the Class C Performance Rights has reduced from 15,000,000 to 10,111,311.

Note 2. The number of Class F Performance Rights to be issued on vesting of the Class D Performance Rights has reduced from 15,000,000 to 10,111,311.

**Performance Rights**

The Company confirms that:

- (a) the milestone for the Class A Performance Rights has changed from a 10 day VWAP in excess of \$0.40 to a 20 day VWAP in excess of \$0.40;
- (b) the milestone for the Class B Performance Rights has changed from a 10 day VWAP in excess of \$0.60 to a 20 day VWAP in excess of \$0.60;
- (c) the number of Class E Performance Rights to be issued on vesting of the Class C Performance Rights has reduced from 15,000,000 to 10,111,311; and
- (d) the number of Class F Performance Rights to be issued on vesting of the Class D Performance Rights has reduced from 15,000,000 to 10,111,311.

**Convertible Notes**

The Company confirms completion of the Convertible Note Agreements between the Company and the various lenders including the issue of 10,000,000 CDI's at a deemed issue price of A\$0.10 each.

**Unquoted Options**

The Company confirms the issue of 5,000,000 unquoted options exercisable at A\$0.25 each on or before 7 February 2020, and that these options are escrowed for 24 months from date of the Company's quotation on the ASX.