

14 November 2017

MMJ Commits A\$500,000 Cornerstone Investment in eSense-Lab Limited

- **eSense-Lab is an ASX listed, Israel-domiciled life sciences company that has developed the world's first 100% natural reformulated cannabis terpene profiles**
- **ESE currently has 10 formulations of the world's most popular cannabis strains commercially available – with 20 further strains in late stage development**
- **Investment in line with MMJ's recently announced strategy to develop an incubator for domestic and international investments covering entire cannabis value chain**
- **MMJ's 59%-owned TSX-V subsidiary Harvest One Cannabis will enter into strategic collaboration agreement with ESE**

MMJ PhytoTech Limited (ASX: MMJ) (“**MMJ**” or “**the Company**”) is pleased to advise that it has agreed to invest A\$500,000 in ASX listed Israeli life sciences company eSense-Lab Limited (“**eSense**” or “**ESE**”) (ASX: ESE).

MMJ will be issued 2,500,000 ordinary shares in eSense at the price of A\$0.20 per share, and will receive 1 free option for every 2 shares issued at a \$0.30 exercise price and expiry date of 3 years from date of issue (subject to shareholder approval).

In parallel with MMJ's cornerstone investment, ESE is undertaking a Share Placement (“the Placement”) to raise up to A\$1,619,719 via the issuance of new fully paid ordinary shares to sophisticated investors at an issue price of A\$0.25 per share.

Upon completion of the Placement, MMJ will have an approximate 3.51% shareholding in ESE.

In addition, MMJ's 59%-owned subsidiary Harvest One Cannabis Inc. (“Harvest One”) (TSX-V: HVST) will enter into a collaboration agreement with ESE, with Harvest One providing technical expertise and its access to global networks.

As previously advised (see ASX release dated 10 October 2017), MMJ has expanded its strategic direction to provide its shareholders exposure to a range of global opportunities spanning the entire cannabis value chain in favourable jurisdictions including Australia, North America, South America, Europe and Africa.

MMJ has also announced a proposed change of company name to MMJ Capital Limited – which remains subject to shareholder approval at AGM to be held on 29th November 2017.

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About eSense-Lab Ltd

eSense-Lab Ltd 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.

ESE 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 please visit www.esense-lab.com

MMJ's Managing Director, Andreas Gedeon, commented:

"This investment represents a significant step in our evolution as a leading cannabis industry incubator, having identified ESE as an exciting investment opportunity for our shareholders.

"The strategic alignment with our Canadian subsidiary, Harvest One, will also provide ESE with access to increased technical and industry expertise which we believe will significantly assist with unlocking considerable value from ESE in the near-term.

"We look forward to growing this strategic partnership and the Board will provide further updates on additional investment opportunities in due course."

– ENDS –

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About MMJ PhytoTech Limited

MMJ PhytoTech Limited (ASX. MMJ) is focused on becoming a large-scale cannabis producer, targeting direct supply to the growing Canadian medical and recreational markets which will have an estimated combined value of C\$8-9 billion by 2024. The Company controls operations across the

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entire medicinal cannabis value chain through its ~59% interest in TSX-V listed **Harvest One Cannabis Inc** (TSXV: HVST) and its 100% interest in Israeli research and development subsidiary, **PhytoTech Therapeutics Ltd**, both of which are strategically located in favourable jurisdictions with supportive regulatory frameworks in place.

About Harvest One Cannabis Inc.

Harvest One Cannabis Inc. (TSXV: HVST) controls operations across the entire cannabis value chain through three business units, with Harvest One serving as the umbrella company over horticultural arm United Greeneries and medical arm Satipharm AG. Each business is strategically located in favourable jurisdictions with supportive regulatory frameworks in place. United Greeneries has received a Canadian medicinal cannabis cultivation licence, making Harvest One one of only a few companies globally with the capacity to commercially cultivate cannabis in a federally regulated environment.