

ASX RELEASE

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ESENSE-LAB CONTINUES COMMERCIALISATION PROCESS

Life science company **eSense-Lab Ltd** ("**eSense**" or the "**Company**") (**ASX:ESE**) is pleased to announce the continuation of their commercialisation activities with the supply of their material to the UK market.

With the conclusion of a 6-month long testing program that achieved positive and promising results, a UK based company (who at present will not be named), one of the three largest companies operating in the e-liquid market, has moved on to a pilot implementation program stage, and purchased in the aggregate of seven (7) liters of eSense's Super Lemon Haze strain for use in its product line. With the success of the pilot program, eSense Lab intends to move into a full commercial supply agreement.

The UK company is testing eSense's products in the food additive sector. The global cannabis edible market is growing rapidly. The global cannabis-infused edible products market is expected to register a compound annual growth rate ("**CAGR**") of over 25% during the period 2018-2022, according to the latest market research report by Technavio. The UK company is expecting to implement eSense's terpene products into the food additive sector as an alternative to the cannabis infusion edibles, which is still seen as legally problematic in many countries.

An agreement between eSense and the UK company is being negotiated and will be announced shortly.

In addition, the Company is exploring the use of its terpene products into the e-liquid market. According to Beige Market Intelligence report "Global Vapor Market (e-cigarette and vaporizer) Strategic Assessment and Forecast Till 2021" the recent market analysis data approximately 3 million Britons are now vaping e-cigarettes with a market value of over £1. billion in 2015 and predicted it would reach approximately £4.5 annually by 2021. In the UK approximately 12m adults smoke cigarettes and 2.6m use vapour products. Of those, 700,000 are ex-smokers and 1.3m are using both tobacco and vapour products.

Commenting on the above announcement, eSense's CEO Mr. Haim Cohen, stated: "In continuation of our commercialisation efforts, I am extremely pleased with the opportunity that this shipment harbors. Though we are not in a position at this point to reveal the name of the company that we are working with, suffice to say it is one of the largest companies in the UK for the production of e-cigarette liquids".

"together with eSense, we are exploring in collaboration the use of our terpenes into the food additive market".
"eSense's mission is to continue our commercialisation efforts to penetrate the e-cigarette liquid market globally, and in my opinion is on the correct path to successful commercialisation".

"I am very excited with the various opportunities that the future holds for eSense with this important step. eSense is performing these pilots with several different companies in the e-cigarette liquid market, as well as development of different products that will allow the company to grow in the e-cigarette and other related markets.
"I look forward to informing the market on the continuation of our activities and successes".

FOR FURTHER INFORMATION:

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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