51-102F3 Material Change Report

Item 1 Name and Address of Company

E.S.I. Environmental Sensors Inc.
2071C Malaview Avenue West, Sidney, BC V8L 5X6

Item 2 Date of Material Change

June 14, 2016

Item 3 News Release

A press release in connection with a material change was issued via commercial news dissemination service on June 14, 2016, a copy of which is attached hereto as Schedule "A".

Item 4 Summary of Material Change

The Company closed a non-brokered private placement for gross proceeds of $600,000 and consisting of 12,000,000 Units at $0.05 per Unit, with each Unit made up of one common share. The Company has issued 12,000,000 common shares. The Company paid finder's fees of $60,000 cash in connection with the proceeds of the placement.

Item 5 Full Description of Material Change

Please see the press release attached as Schedule "A".

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

The Issuer is not relying on subsections 7.1 (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) of National Instrument 51-102.

Item 7 Omitted Information

No material information has been omitted from this report.

Item 8 Executive Officer

For further information you may contact Johan Grandin at (1-604-739-9713).

Item 9 Date of Report

Dated at Vancouver, B.C. on June 14, 2016.

Schedule "A"

ESI Closes $600,000 Private Placement

Victoria, British Columbia, June 14, 2016 – E. S. I. Environmental Sensors Inc. ("ESI" or the "Company"), TSX-V: ESV is pleased to announce the closing of a private placement for gross proceeds of $600,000. The Company issued 12,000,000 common shares. No warrants were included as part of this private placement.

The TSX Venture Exchange has ("Exchange") has provided conditional acceptance of the Company's filings with respect to the private placement and the Company has now filed its final notice for closing. The proceeds from this financing will be used for general working capital purposes. In addition, Company has paid $60,000 in cash finder's fees. All common shares are subject to a four month hold period ending on October 5, 2016.

As disclosed in the Company's news release of May 31, 2016, the Company has already used the subscription proceeds towards its general operating expenses. The new issued and outstanding common shares of the Company will now total 203,467,509.

About ESI

ESI is a leading manufacturer of patented and proprietary solutions for environments where understanding the presence, movement, and/or amount of water are important. Major market sectors include: agriculture, golf and turf, scientific research, civil engineering and crude oil production. ESI solutions have been successfully introduced into more than 40 countries to enable customers to optimize their operations by monitoring the presence and movement of water, managing irrigation systems, and monitoring the integrity of landfill covers.

The Company's Flo·Point™ instrument was designed for the oil industry to measure the volumetric presence of water pumped during crude oil extraction for characterization and optimization of the process. ESI differentiates itself by translating the best technology and science available into practical, easy to use solutions. Irrigation managers, Reservoir Engineers, and Scientists have adopted ESI's products for their accuracy, ease of use, repeatability, and ability to operate in challenging environments. ESI is publicly traded on the TSX Venture Exchange under the symbol "ESV". Further information about ESI may be obtained through the Company's website at www.esisensors.com.

On behalf of the Company:

"Johan Grandin"

____
Johan Grandin
Director

Investor Relations:
E.S.I. ENVIRONMENTAL SENSORS INC.
2071C Malaview Avenue West
Sidney, BC V8L 5X6
Tel: 250.655.3211 or 1.800.799.6324
Email: investor.relations@esica.com
www.esica.com