

E.S.I. ENVIRONMENTAL SENSORS INC.

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NEWS RELEASE

E.S.I. TO COMPLETE PRIVATE PLACEMENT AND RESTRUCTURING TRANSACTIONS

July 22, 2020 – Vancouver, British Columbia – E.S.I. Environmental Sensors Inc. (TSXV: ESV.H) (the “**Company**”) announces that its board of directors has approved a consolidation of the Company’s common share capital on a one-for-seven basis (the “**Share Consolidation**”), and a change of name (the “**Name Change**”) to “ESV Resources Ltd.” The Company currently has 20,346,755 common shares outstanding and, following completion of the Share Consolidation, it is expected to have approximately 2,906,680 shares outstanding.

In connection with completion of the Share Consolidation, the Company intends to offer up to 21,428,570 post-Share Consolidation units (each, a “**Unit**”) by way of non-brokered private placement (the “**Private Placement**”). The Units will be offered at a price of \$0.07 per Share, for gross proceeds of up to \$1,500,000. Each Unit will consist of one post-Share Consolidation common share and one-quarter-of-one transferable share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to acquire an additional post-Share Consolidation common share at a price of \$0.10 for a period of twelve months.

The Company intends to use the net proceeds of the Private Placement to pay down existing trade payables, to cover the costs associated with the Share Consolidation and Name Change, to satisfy continuous disclosure and regulatory obligations, and to evaluate potential strategic acquisition opportunities. In connection with completion of the Private Placement, the Company may pay finders’ fees to eligible parties who have assisted in introducing subscribers to the Company.

In addition to the Private Placement, the Company also intends to settle (the “**Debt Settlement**”) outstanding indebtedness of up to \$300,000, owing to certain arms-length creditors, through the issuance of up to 4,285,714 post-Share Consolidation common shares at a price of \$0.07 per share.

All securities to be issued in connection with the Private Placement, and the Debt Settlement, will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws and the policies of the TSX Venture Exchange. Completion of the Share Consolidation, the Name Change, the Private Placement and the Debt Settlement, remains subject to the approval of the TSX Venture Exchange. Completion of the Share Consolidation is also subject to the Company meeting certain public distribution requirements prescribed by the TSX Venture Exchange.

For further information, contact Saf Dhillon at safdhillon@gmail.com.

On behalf of the Board,

E.S.I. Environmental Sensors Inc.

Saf Dhillon, Chief Executive Officer

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains statements about the Company's expectations regarding the completion of the Share Consolidation, the Name Change, the Private Placement and the Debt Settlement, the receipt of required regulatory approvals in connection therewith, and the Company's intend use of the net proceeds from the Private Placement, that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements and there can be no assurance that such expectations will prove to be correct. Factors that could cause the actual results to differ materially from those in forward-looking statements include failure to obtain regulatory approval in connection with the Share Consolidation, the Name Change, the Private Placement and the Debt Settlement. The forward-looking statements contained in this news release are made as of the date hereof, and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.