

# ContraPest® Sales Expand in California Agriculture

## **EPA and DPR Grant SenesTech EUP Waiver for Investigation of Specialized Bait Delivery for Poultry California Certified Organic Farmers Approves ContraPest® Use at Lundberg Farms**

FLAGSTAFF, Ariz., Sept. 16, 2019 /PRNewswire/ -- SenesTech, Inc. (NASDAQ: SNES), a developer of proprietary technologies for managing animal pest populations through fertility control, announced today regulatory approval for expanded use of ContraPest® in agricultural settings in California, and expanded sales to agricultural customers.

The California Certified Organic Farmers (CCOF) has provided approval for ContraPest use at Lundberg Farms, one of the largest organic rice farming operations in the state. Organic farming and food production in the State of California is one of the most rapid agriculture growth markets in the country, producing 90% of the nation's organic farming output. Lundberg Farms is one of the largest producers of organic rice and quinoa in the United States. They are currently preparing for a first harvest and processing of 100 million pounds of rice and one-half million pounds of quinoa this fall. They have selected ContraPest as a highly effective, poison-free solution in their IPM program for rodent control. Consumption at the initial ContraPest stations has been dramatic and they are planning immediate expansion of use across the facility.



"I personally visited the organic and sustainable Lundberg Farms operation this week where they are preparing for their first harvest this year. The facility currently has over 1,000 snap traps and stations in this location alone and we intend to replace any poison stations with our product," said Dr. Loretta P. Mayer, SenesTech's co-Founder and Chief Scientific Officer. "Our data suggests that ContraPest will help to significantly reduce grain loss as rat populations decline."

On September 9, 2019, the U.S. Environmental Protection Agency (EPA) approved the Company's request for a waiver of an experimental use permit at a private poultry farm. The California Department of Pesticide Regulation (DPR) followed with its approval on September 11, 2019. The Company has proposed a project to investigate different deployment "feeders" to determine the optimal strategy for deploying ContraPest in this unique environment. The Company will also be collecting consumption data and population data, in cooperation with the facility and its pest management professional. The Company expects to commence these tests immediately.

"In this project, in addition to standard bait box deployments of ContraPest, we will test alternative deployment methods, seeking to mimic how the rats are currently feeding from the facility's water and feed receptacles. This broadens ContraPest's utility under many different application scenarios. Hence, we should be able to demonstrate deployment efficiency within six months, with the opportunity for collecting additional efficacy and efficiency data for an additional six months," stated Brandy Pyzyna, SenesTech's Vice President of Scientific Operations and Technical Service.

"We have been asked to explain the potential of feather facilities, and why we have prioritized them in our sales effort," said Kenneth Siegel, SenesTech's CEO. "Feather facilities have many characteristics that will highlight SenesTech's value in real world situations. They involve both protein production and grain storage, deployment and consumption – factors present across the entire global food chain. This deployment will show how ContraPest can address a myriad of different issues including protein and grain product loss, contamination and disease spread through the dramatic reduction in rodent populations."

Mr. Siegel continued, "Thus, we believe ContraPest offers a unique value statement to feather facility operators.

It also offers a scale of opportunity for revenue, given the size of these facilities. A single facility, such as the ones we are working in now on Ms. Pyzyna's project, represents over \$100,000 in annual revenue when fully deployed—and the total addressable market for egg-laying facilities may be as high as \$70 million. We should add that the customer in Ms. Pyzyna's project has already committed to full deployment as soon as the economic benefit is demonstrated, which could be in less than six months."

Dr. Mayer elaborated, "For rats, the specialized and expensive chicken feed is an ideal food source. Further, feather facilities provide a ready supply of water, intended for the poultry but easily accessible by rats. Our modelling indicates that a reduction in grain loss of only 11.5% is enough to pay for the ContraPest deployment. Our experience with ContraPest deployments is that we can reduce the rat population by that much or more in a matter of a few months."

#### About SenesTech

SenesTech is changing the paradigm of pest management by targeting the root cause of the problem: reproduction.

ContraPest® is an innovative technology with an approach that targets the reproductive capabilities of both sexes in rat populations, inducing egg loss in female rats and impairing sperm development in males. Using a proprietary bait delivery method, ContraPest® is dispensed in a highly palatable liquid formulation that promotes sustained consumption by rat communities. ContraPest® is designed, formulated and dispensed to be low hazard for handlers and non-target species such as wildlife, livestock and pets, where the active ingredients break down rapidly.

We believe ContraPest® will establish a new paradigm in rodent control, resulting in a decreased reliance on lethal options. For more information visit the SenesTech website at [www.senestech.com](http://www.senestech.com).

#### Safe Harbor Statement

*This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may," "future," "plan" or "planned," "will" or "should," "expected," "anticipates," "draft," "eventually" or "projected." You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors and other risks identified in our filings with the Securities and Exchange Commission. Forward looking statements include, but are not limited to, our expectation regarding sales commitments, our expectation regarding the conversion of sales commitments and programs to revenue, our belief that our product is more humane, less harmful to the environment and more effective than traditional methods, and our belief that ContraPest will establish a new paradigm in rodent control without environmental effects of rodenticides. All forward-looking statements contained in this press release speak only as of the date on which they were made and are based on management's assumptions and estimates as of such date. We do not undertake any obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.*

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