

12 November 2019

ASX Code: MXC

Company Update: MGC Pharma receives first Australian Government Grant for CogniCann® Phase IIb clinical trial, progress towards LSE dual listing

MGC Pharmaceuticals Ltd (ASX: MXC, 'MGC Pharma' or 'the Company'), a European based 'Seed to Medicine' bio-pharma company specialising in the production and development of phytocannabinoid-derived medicines, is pleased to announce it has received the first payment of the Innovation Connections Grant ('the Grant') from the Australian Commonwealth Government, which is a notable demonstration of Federal Government support for the Company's clinical programs.

Key Highlights:

- First AU\$25,000 of the AU\$50,000 Grant received
- The Grant supports the CogniCann® Phase IIb clinical trial being conducted in collaboration with the University of Notre Dame Western Australia
- Securing the Grant demonstrates the Australian Governments' support for the Company's stated growing Research & Development agenda, alongside broader continued research into the therapeutic use of phytocannabinoids
- The Phase IIb double-blind placebo controlled clinical trial is assessing symptoms associated with dementia and Alzheimer's disease
- The trial will include 50 patients, with recruitment underway and treatment expected to begin in the coming weeks
- CogniCann® is the Company's (3:2) THC (25mg/mL), CBD (17mg/mL) blended phytocannabinoid derived formula targeting symptoms associated with dementia and Alzheimer's disease
- Progress made in respect of its London Stock Exchange dual listing
- Removal of holding lock on final tranche of 10.3m shares relating to the Company's historical acquisition of Senegalese gold exploration company Erin Resources Ltd in 2012

Roby Zomer, Co-founder and Managing Director of MGC Pharma, commented: "This is an important display of support from the Australian Government and recognition for the high-level R&D capabilities of MGC Pharma in partnership with the University of Notre Dame. CogniCann® has the potential to significantly alleviate the symptoms of those suffering from dementia and Alzheimer's disease and I look forward to updating shareholders on the progress of the Phase IIb clinical trial in due course."

LSE Listing Progressing

As announced in August 2019, Canaccord Genuity Limited were appointed in the UK as the Company actively pursued a dual listing on the London Stock Exchange (LSE). Following the UK legalising the prescription of medicinal cannabis in November 2018, MGC Pharma has positioned itself to be one of the first companies utilising cannabis for medicinal purposes, to list on the LSE, or any major exchange in the United Kingdom. The Company will also be conducting normal course marketing meetings with potential UK and Australian institutional and strategic high net worth investors during November.

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Release of Holding Lock on final tranche of Erin Vendor Shares

The Company confirms that as part of the ongoing corporate actions in preparation for the Company's planned LSE dual listing, the Board has approved that the voluntary holding lock be removed on the final tranche of 10.3m ordinary shares relating to the Company's original acquisition of the Senegal gold exploration assets in 2012, through the reverse takeover of Erin Resources Ltd. These VHL Ordinary Shares were part of the original consideration paid to the vendors of Erin Resources Ltd in 2012.

Security Description	Release Date	Number	Applying for Quotation
Ordinary fully paid shares	12 November 2019	10,335,511	Already quoted

These shares are unrelated to the current vendors, directors, business and operations of MGC Pharmaceuticals Ltd, held by independent third parties who were shareholders of Erin Resources Ltd.

No new shares are being issued, and the current quoted ordinary shares on issue remain unchanged through this action. The Company continues to have 1,366,710,986 ordinary shares on issue.

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For further information, please contact:

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About MGC Pharma

MGC Pharmaceuticals Ltd (ASX: MXC, OTCQB: MGCLF) is a European based bio-pharma company supplying phytocannabinoid derived medicines to patients globally. The Company's founders were key figures in the global medical cannabis industry and the core business strategy is to develop and supply high quality phytocannabinoid derived medicines for the growing demand in the medical markets in Europe, North America and Australasia. MGC Pharma has a robust product offering targeting three widespread medical conditions - epilepsy, dementia and IBS – and has further products in the development pipeline.

Employing its 'Seed to Medicine' strategy, MGC Pharma has partnered with renowned institutions and academia to optimise cultivation and the development of targeted phytocannabinoid derived medicines products prior to production in the Company's EU-GMP Certified manufacturing facility. MGC Pharma has a number of research collaborations with world renowned academic institutions, and recent research conducted in collaboration with the National Institute of Biology and University Medical Centre Ljubljana, highlighted the positive impact of using specific phytocannabinoid formulations in the treatment of glioblastoma, the most aggressive and so far therapeutically resistant primary brain tumour.

MGC Pharma has a growing patient base in Australia and the UK and has a global distribution footprint via an extensive network of commercial partners meaning that it is poised to supply the global market. In order to meet the demands of becoming a key global supplier the company is constructing a 15,720m² GMP state of the art facility in Malta.

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