

MGC Pharma to benefit from UN vote to reschedule cannabis, recognising the significant potential therapeutic value of the drug

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Key Highlights:

- The United Nations has voted for the removal of cannabis and its derivatives from Schedule IV, following recommendations from the World Health Organisation
- Cannabis and its derivatives are now contained under the less restrictive Schedule I classification, citing significant potential therapeutic value
- Demonstrates quickly changing political views on cannabis, making global logistics and operations significantly more efficient
- Provides a clear pathway for more commercial opportunities for MGC Pharma to work with international governments, researchers and patients to provide a broader range of more affordable phytocannabinoid products
- The reduction in red-tape will significantly improve supply-chain logistics for the Mercury Pharma range, while enabling a faster registration and authorisation process for MGC Pharma's flagship products

MGC Pharmaceuticals Ltd (ASX: MXC, 'MGC Pharma' or 'the Company'), a European based bio-pharma company specialising in the production and development of phytocannabinoid-derived medicines, is pleased to announce the United Nations (UN) has voted in favour of the removal of cannabis and its derivatives from schedule IV in recommendations from the World Health Organisation (WHO). Cannabis and its derivatives are now contained under Schedule I of the 1961 UN Single Convention on Narcotic Drugs.

The removal of cannabis and its derivatives from schedule IV means that the UN accepts the opinion of the WHO that cannabis is not "liable to produce ill-effects" on the scale of other drugs in Schedule IV, and that cannabis has significant potential therapeutic value.

This removal, alongside other legislative changes announced this year, further demonstrates the rapidly changing political perspectives on cannabis and the use of cannabis for medicinal purposes which will make operating in the sector less challenging, more efficient and more profitable.

Impact on MXC

The removal of cannabis and its derivatives as a schedule IV drug will have a significant positive impact on MGC Pharma's operations by removing the red-tape which currently creates geographical limitations on movement of MGC Pharma's products and will further facilitate global research into medicinal phytocannabinoid derived products. This will also clear the pathway for more commercial opportunities for MGC Pharma delivering its current and broader range of affordable Mercury Pharma products to new markets in the future.

This change also demonstrates a clear separation in categorisation of pharmaceutical, medical, recreational and wellness-oriented products and ensures the industry's ability to research and develop in earnest without fear of haphazard applications of non-relevant drug laws.

MGC Pharma now has significantly more opportunities to work with international governments, researchers and patients to provide more affordable products. MGC Pharma's flagship phytomedicines will have far fewer obstacles to overcome as they work towards market authorisation, registration and patient access.

Roby Zomer, Co-founder and Managing Director of MGC Pharma, commented: “The vote from the UN is very significant as it effectively validates the global medicinal phytocannabinoid market where MGC Pharma has been established and operating for a number of years. The Company’s first mover advantage means it will be very well positioned to benefit from this change moving forward.”

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About MGC Pharma

MGC Pharmaceuticals Ltd (ASX: MXC) is a European based bio-pharma company developing and supplying affordable standardised 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 two widespread medical conditions – epilepsy and dementia – and has further products in the development pipeline.

Employing its ‘Nature 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 including recent research highlighting the positive impact of using specific phytocannabinoid formulations developed by MGC Pharma 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, the UK, Brazil and Ireland and has a global distribution footprint via an extensive network of commercial partners meaning that it is poised to supply the global market.

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