
MGC PHARMACEUTICALS LTD
ACN 116 800 269
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 4:00PM (AWST)

DATE: 16 February 2022

PLACE: 1202 Hay Street West Perth, Perth, Western Australia 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm on 14 February 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 275,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 9,000,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF MERCER SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 750,000 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE CONSIDERATION SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 8,961,574 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 14 January 2022

By order of the Board

David Lim
Company Secretary

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

| | |
|--|--|
| Resolution 1 – Ratification of prior issue of Shares | A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 2 – Ratification of prior issue of Options | A person who participated in the issue or is a counterparty to the agreement being approved (namely, Turner Pope Investments (TPI) Ltd (Turner Pope Investments)) or an associate of that person or those persons. |
| Resolution 3 – Ratification of prior issue of Shares | A person who participated in the issue or is a counterparty to the agreement being approved (namely, Mercer Global Opportunity Fund LLC) or an associate of that person or those persons. |
| Resolution 4 – Approval to issue Shares | A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), namely, the vendors of MediCaNL Inc., or an associate of that person (or those persons). |

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the accompanying Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Persons Entitled to Vote

The Form of Instruction (accompanying this Notice of Meeting) must be signed by the depository interest holder or an attorney duly authorised in writing and deposited at the office of the Depository, Computershare Investor Services PLC, located at The Pavilions, Bridgewater Road, Bristol BS99 6ZY by **4:00pm GMT on 9 February 2022**. Any Form of Instruction received after that time will not be valid for the Meeting.

CREST Voting

Holders of Depository Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "**CREST Voting Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than **4:00pm GMT on 9 February 2022**.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Holders of Depository Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the Depository Interest holder concerned to take (or, if the Depository Interest holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this connection, Depository Interest holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6382 3390.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. CAPITAL RAISE OVERVIEW

1.1 Background

On 1 December 2021, the Company announced the completion of a placement to professional and sophisticated investors (**Placement**) whereby the Company issued 275,000,000 Shares pursuant to its Listing Rule 7.1 placement capacity at an issue price of 2 pence (~\$0.038) per Share to raise £5,500,000 (~\$10.3m) (**Placement Shares**).

On 30 November 2021, the Company engaged the services of boutique UK Stockbroker, Turner Pope Investments, to act as sole and exclusive lead manager and bookrunner for the Placement into the London market (**Lead Manager Mandate**). The Company agreed to pay Turner Pope Investments the following fees pursuant to the Lead Manager Mandate:

- (a) a £15,000 corporate finance fee; and
- (b) a cash Placement fee of 6% of the funds raised under the Placement received from participants procured by Turner Pope Investments;
- (c) the equivalent of 4% of the funds raised under the Placement procured by Turner Pope Investments in Options, with an exercise price of £0.02 (~\$0.038) (the same price as the Placement Share price), being 9,000,000 Options (**Broker Options**),

as well as an aggregate 4% cash commission for Turner Pope Investments' provision of services in connection to the Placement.

The Company entered into an option agreement with Turner Pope Investments that set out the terms of the Broker Options, executed by the parties on 30 November 2021 (**Broker Option Agreement**).

In addition to the above, the Company also paid Sputnik Enterprises Ltd a cash fee of £80,000 in consideration for Corporate Advisory services provided. Sputnik Enterprises Ltd is an entity controlled by Company Directors Roby Zomer and Brett Mitchell.

1.2 Use of funds

Net proceeds of the Placement receivable by the Company are to be applied towards the following:

- (a) CimetrA™ Emergency Use Authorisation applications and testing procedures in five key countries in Central/Eastern Europe and Central Asia;
- (b) new Malta production facility fit-out and commissioning in 1H 2022;
- (c) costs of additional CimetrA™ dosing trials in USA and Russia to comply with FDA;
- (d) prerequisites for approval, and CannEpil® clinical trials in the US with US Distribution partner AMC Holdings Inc.; and

- (e) general working capital.

Resolutions 1 and 2 seek Shareholder ratification for the issue of the Placement Shares and Broker Options.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

2.1 General

Resolution 1 seeks Shareholder ratification for the prior issue of the Placement Shares on 6 December 2021. Further information in respect of the Placement and the issue of the Placement Shares is set out in Section 1 above.

2.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained approval to increase its limit to 25% at the annual general meeting held on 24 November 2021.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares.

If Resolution 1 is not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares.

2.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Placement Shares were issued to professional and sophisticated investors who were clients of Turner Pope Investments and Mercer Street Global Opportunity Fund, LLC (an existing financier of the Company). Other than Mercer Street Global Opportunity Fund, LLC, the recipients were identified through a bookbuild process, which involved Turner Pope Investments seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 275,000,000 Placement Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued on 6 December 2021;
- (e) the issue price was 2 pence (~\$0.038) per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise £5,500,000 (~A\$10.3m), to be applied towards the activities set out in Section 1.2 above; and
- (g) the Placement Shares were not issued under an agreement.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS

3.1 General

Resolution 2 seeks Shareholder ratification for the prior issue of the Broker Options on 15 December 2021. Further information in respect of the Placement and the issue of the Broker Options is set out in Section 1 above.

3.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The issue of the Broker Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Broker Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the

issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Broker Options.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Broker Options.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Broker Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Broker Options.

If Resolution 2 is not passed, the Broker Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Broker Options.

3.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the Broker Options were issued to Turner Pope Investments;
- (b) 9,000,000 Broker Options were issued and the Broker Options were issued on the terms and conditions set out in Schedule A;
- (c) the Broker Options were issued on 15 December 2021;
- (d) the Broker Options were issued at a nil issue price, in consideration for lead manager services provided in respect of the Placement. The Company has not and will not receive any other consideration for the issue of the Broker Options (other than in respect of funds received on exercise of the Broker Options);
- (e) the purpose of the issue of the Broker Options was to satisfy the Company's obligations under the Lead Manager Mandate; and
- (f) the Broker Options were issued under the Lead Manager Mandate. The material terms of the Lead Manager Mandate are summarised in Schedule B.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES

4.1 General

On 24 November 2021, the Company advised that it has executed an agreement to extend the maturity date of \$2,100,000 final tranche Convertible Notes (**Notes**) held by Mercer Global Opportunity Fund LLC (**Mercer**) under the convertible

securities agreement dated on about 8 September 2020, by 12 months, to 24 November 2022 (**Convertible Note Extension Agreement**).

In consideration for extending the maturity date, the Company agreed to pay Mercer's legal fees and issue Shares to the value of \$31,500 (representing 1.5% of the face value of the Notes), at an issue price of \$0.042 per Share as the commercial fee for the 12-month maturity date extension.

Consequently, on 6 December 2021, the Company issued 750,000 Shares to Mercer pursuant to the Company's Listing Rule 7.1 placement capacity (**Mercer Shares**).

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The issue of the Mercer Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Mercer Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Mercer Shares.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Mercer Shares.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Mercer Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Mercer Shares.

If Resolution 3 is not passed, the Mercer Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Mercer Shares.

4.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Mercer Shares were issued to Mercer Global Opportunity Fund LLC;

- (b) 750,000 Mercer Shares were issued and the Mercer Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Mercer Shares were issued on 6 December 2021;
- (d) the issue price was \$0.042 per Mercer Shares. The Company has not and will not receive any other consideration for the issue of the Mercer Shares;
- (e) the purpose of the issue of the Mercer Shares was to satisfy the Company's obligations under the (Convertible Note Extension Agreement); and
- (f) the Mercer Shares were issued under the Convertible Note Extension Agreement. The material terms of the agreement are summarised in Section 4.1 above.

5. RESOLUTION 4 – APPROVAL TO ISSUE CONSIDERATION SHARES

5.1 General

On 22 April 2021, the Company announced that it had entered into an agreement (**Acquisition Agreement**) with the shareholders of MediCaNL Inc (**MediCaNL**), to acquire 100% of the issued share capital of MediCaNL (**Acquisition**). MediCaNL was the holding company of MediCaNL Israel 2019 Ltd, a private Israeli company operating in and providing specialist services to the pharmaceutical sector for development of new medicines.

In consideration for the Acquisition, the Company agreed to issue the shareholders of MediCaNL (together, the **Vendors**) a total of 89,615,764 Shares (representing consideration of \$6 million, based on a deemed issue price of \$0.067 per Share), pro-rata to their existing holding in the issued capital of MediCaNL.

Resolution 4 seeks shareholder approval for the issue of 8,961,574 Shares to the Vendors (**Consideration Shares**), being the final tranche of consideration payable under the Acquisition Agreement.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the Shares does not fit within any of the exceptions set out in Listing Rule 7.2. The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Consideration Shares. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the issue of the Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

5.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Consideration Shares will be issued to the Vendors, pro-rata to their ending holding in MediCaNL;
- (b) the maximum number of Consideration Shares to be issued is 8,961,574. The Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (d) the Consideration Shares will be issued at a deemed issue price of \$0.067, as part consideration for the Acquisition;
- (e) the purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the Acquisition Agreement;
- (f) the Consideration Shares are being issued to the Vendors under the Acquisition Agreement. A summary of the material terms of the agreement is set out in Schedule C; and
- (g) the Consideration Shares are not being issued under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means MGC Pharmaceuticals Ltd (ACN 116 800 269).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

GMT means Greenwich Mean Time (or UTC +0) as observed in London, United Kingdom.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

VWAP means volume weighted average price.

SCHEDULE A – TERMS AND CONDITIONS OF BROKER OPTIONS

1. Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price

Subject to paragraph 9, the amount payable upon exercise of each Option will be £0.02 (~\$0.038) (**Exercise Price**)

3. Expiry Date

Each Option will expire at 5:00 pm (WST) on the 30 November 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX and the official list of the FCA and to trading on the main market for listed securities on the London Stock Exchange plc, or any other public exchange, make an application for the listing and admission to trading of Shares issued pursuant to the exercise of the Options.

8. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

The Option holder is entitled to elect for the Shares to be registered in the name of its nominee by confirming such request in the Notice of Exercise.

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules and/or the Listing Rules of the FCA at the time of the reconstruction in order to ensure that the Optionholder maintains the same relative rights for the Options.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

11. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE B – MATERIAL TERMS OF LEAD MANAGER MANDATE

| Term | Description |
|---------------------------------------|--|
| Overview | The Company signed a mandate letter on 30 November 2021 pursuant to which Turner Pope Investments has been engaged as Lead Manager of the Placement defined in Section 1 (Lead Manager Mandate or Mandate). |
| Fees | <p>Under the Mandate, the Company has agreed to pay Turner Pope Investments:</p> <ul style="list-style-type: none"> (a) a £15,000 corporate finance fee; and (b) a cash Placement fee of 6% of the funds raised under the Placement received from participants procured by Turner Pope Investments; (c) the equivalent of 4% of the funds raised under the Placement procured by Turner Pope Investments in Options, with an exercise price of £0.02 (~\$0.038), being 9,000,000 Options, <p>as well as an aggregate 4% cash commission for Turner Pope Investments' provision of services in connection to the Placement.</p> <p>each amount being exclusive of GST (together, the Fees).</p> |
| Expenses | The Company has agreed to reimburse Turner Pope Investments for reasonable out of pocket expenses and other professional fees and expenses including any fees of Turner Pope Investments' solicitors (provided that such fees will not exceed £15,000). Any individual expense greater than £1,000 required approval by the Company prior to it being incurred. |
| Governing jurisdiction | <p>The Mandate is governed by the laws of England and Wales.</p> <p>The parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, the Mandate.</p> |
| Representations and warranties | The Mandate contains representations and warranties considered standard for an agreement of its nature. |

SCHEDULE C - MATERIAL TERMS OF ACQUISITION AGREEMENT

On 22 April 2021, the Company announced that it had entered into an agreement with the shareholders of MediCaNL Inc (**MediCaNL**), to acquire 100% of the issued share capital of MediCaNL (**Acquisition**). MediCaNL was the holding company of MediCaNL Israel 2019 Ltd, a private Israeli company operating in and providing specialist services to the pharmaceutical sector for development of new medicines.

In consideration for the Acquisition, the Company agreed to issue the shareholders of MediCaNL (together, the **Sellers**) a total of 89,615,764 Shares (representing consideration of \$6 million, based on a deemed issue price of \$0.067 per Share), pro-rata to their existing holding in the issued capital of MediCaNL as follows:

- (a) (**Tranche 1**) 30% of the Shares (26,884,731 Shares) were issued at settlement of the Acquisition on 10 May 2021 (**Settlement**);
- (b) (**Tranche 2**) 20% of the Shares (17,923,153 Shares) were issued on 20 September 2021;
- (c) (**Tranche 3**) 20% of the Shares (17,923,153 Shares) were issued on 24 November 2021;
- (d) (**Tranche 4**) 20% of the Shares (17,923,153 Shares) are proposed to be issued on or about 22 February 2022; and
- (e) (**Tranche 5**) 10% of the Shares (8,961,574 Shares), being the Consideration Shares the subject of Resolution 4) on or about 22 April 2022.

There were no Board or senior management changes to the Company as a result of the Acquisition.

Otherwise, the Acquisition agreement contained customary terms (including representations and warranties and standard confidentiality provisions).