

Internal Costs Review Completed and Board Change

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MGC Pharmaceuticals Ltd ('MGC Pharma' or 'the Company'), a European based pharmaceutical company specialising in the production and development of plant inspired medicines, advises that as a result of the ongoing strategic review of its business and operations, the board has implemented further cost reductions which enable the Company to direct a greater portion of its working capital to advancing its clinical trial and research programs in 2023.

As a result of this review the board have agreed to an immediate ~35% reduction in director fees, effective from 1 December 2022. In addition to the reduction in director fees, the key executive officer team (i.e. non-directors) of the Company have also agreed to a 10-20% reduction in their cash remuneration, with only the key executive officers to be issued MGC shares in lieu of the reduction in their cash salary.

The board believes that this approach is appropriate in the current economic climate, as it helps to reallocate working capital to the prioritised clinical and research programs in 2023, retain experienced executives to execute the Company's business plans, and better align executives' pay with shareholder returns.

Resignation of Director of Mr Evan Hayes

The board also advises that Mr Evan Hayes has resigned from his position as a non-executive director of the Company, effective 1st January 2023, as part of the Company's transition to a dedicated life sciences pharmaceuticals company. As a result of Mr Hayes' departure, MGC's board will be reduced to 5 directors, with the Company continuing to evaluate the composition of the board over the next 6 months to ensure that it reflects its position as a European based life sciences pharmaceutical company.

The Board would like to thank Mr Hayes for his valued contribution during his tenure on the board, and wish him well for the future.

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Authorised for release by the board of directors for further information please contact:

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About MGC Pharma

MGC Pharmaceuticals Ltd (LSE: MXC, ASX: MXC) is a European based pharmaceuticals company, focused on developing and supplying accessible and ethically produced plant inspired medicines, combining in-house research with innovative technologies, with the goal of finding or producing treatments to for unmet medical conditions.

The Company's founders and executives are key figures in the global pharmaceuticals industry and the core business strategy is to develop and supply high quality plant inspired medicines for the growing demand in the medical markets in Europe, North America and Australasia.

MGC Pharma has a robust development pipeline targeting two widespread medical conditions and has further products under development.

MGC Pharma has partnered with renowned institutions and academia to optimise the development of targeted plant inspired medicines, to be produced in the Company's EU-GMP Certified manufacturing facilities.

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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