

4 August 2023

ASX Code: MXC

LSE Code: MXC

General Meeting of Shareholders

MGC Pharmaceuticals Ltd ('MGC Pharma' or 'the Company') provides the following documents regarding a General Meeting of shareholders being held at 4:00pm (AWST) Tuesday, 5 September 2023, at Suite 1, 295 Rokeby Road, Subiaco Western Australia 6008.

- Notice and Access Letter
- Notice of Meeting
- Sample Proxy Form

-Ends-

Authorised for release by the Managing Director, for further information please contact:

MGC Pharmaceuticals Ltd

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About MGC Pharma

MGC Pharmaceuticals Ltd (LSE: MXC, ASX: MXC) is a European based pharmaceutical company, focused on developing and supplying accessible and ethically produced plant derived 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 derived 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 derived 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.

Follow us through our social media channels:

LinkedIn: MGC Pharmaceuticals Ltd.

Twitter: @MGC_Pharma

Facebook: @mgcpharmaceuticals

Instagram: @mgc_pharma

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

MGC Pharmaceuticals Ltd General Meeting

The MGC Pharmaceuticals Ltd General Meeting will be held on Tuesday, 5 September 2023 at 4:00pm (AWST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 182812

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 4:00pm (AWST) on Sunday, 3 September 2023.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
Suite 1, 295 Rokeby Road, Subiaco, WA 6008

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MGC PHARMACEUTICALS LTD

ACN 116 800 269

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 4:00PM WST
DATE: 5 September 2023
PLACE: Suite 1, 295 Rokeby Road
Subiaco WA 6008

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 (WST) on 3 September 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE SPP AND SHORTFALL 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 7.1 and for all other purposes, approval is given for the Company to issue up to 583,853,943 Options to the SPP Participants and/or the SPP Shortfall Offer Participants 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 – APPROVAL TO ISSUE SHARES UNDER THE SHORTFALL OFFER

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 up to 701,591,081 Shares to the SPP Shortfall Offer Participants 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 – ISSUE OF SPP OPTIONS TO RELATED PARTY – ROBY ZOMER

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 10.11 and for all other purposes, approval is given for the Company to issue up to 6,521,739 SPP Options to Roby Zomer (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

Dated: 4 August 2023

By order of the Board

**Rowan Harland
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 – Approval to issue SPP and Shortfall Options	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 SPP Participants and/or the SPP Shortfall Offer Participants) or an associate of that person (or those persons).
Resolution 2 – Approval to issue Shares under the Shortfall Offer	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 SPP Shortfall Offer Participants or an associate of that person (or those persons).
Resolution 3 – Issue of SPP Options to Related Party – Roby Zomer	Roby Zomer (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) 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 enclosed 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.

Depository Interest holders

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 (UK Time) on 28 August 2023. Any Form of Instruction received after that time will not be valid for the Meeting.

CREST Voting

Holders of Depositary 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 (UK Time) on 28 August 2023.

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 Depositary 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 Depositary Interest holder concerned to take (or, if the Depositary 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, Depositary 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. BACKGROUND TO RESOLUTIONS 1 TO 3

1.1 Share Purchase Plan

On 3 August 2023, the Company lodged a prospectus (**Prospectus**) for the offers of:

- (a) up to 1,167,707,885 fully paid ordinary shares (**Shares**) at an issue price of \$0.0023 per Share (**SPP Shares**), together with one (1) free attaching option (**Option**) for every two (2) Shares issued, exercisable at \$0.003 each, expiring on or before 31 July 2026 (**SPP Options**) to eligible shareholders under the Company's security purchase plan (**SPP**) to raise up to \$2,685,728 (**SPP Offer**); and
- (b) up to 1,167,707,885 Shares and 583,853,943 Options to make up any shortfall under the SPP Offer (**Shortfall Offer**),

(together, the **Offers**).

Under the SPP, Eligible Shareholders who are recorded as holders of Shares at 5:00pm (WST) on 31 July 2023 (the **SPP Record Date**) may apply for SPP Shares up to the value of up to \$30,000 at an issue price of \$0.0023 each. In addition, and subject to Shareholder approval, Eligible Shareholders who participate in the SPP will also be issued one (1) SPP Option for every two (2) SPP Shares subscribed for and issued (being, up to 583,853,943 SPP Options). The full terms and conditions of the SPP Options are set out in Schedule 1.

The SPP Options and the SPP Shares are together referred to as the **SPP Securities**.

The issue of the SPP Options to be issued pursuant to the SPP is subject to Shareholder approval being obtained pursuant to Resolution 1. In the event that there are any securities not subscribed for by Eligible Shareholders under the SPP (**Shortfall**), the issue of any Options pursuant to the Shortfall Offer (**Shortfall Options**) is also subject to Shareholder approval being obtained pursuant to Resolution 1. If Shareholder approval is not obtained, the issue of the SPP Options and the Shortfall Options under the SPP and Shortfall Offer, respectively, will not proceed. Whilst the Company intends to raise \$2,685,728 under the SPP, the Company reserves the right to scale back applications.

The Company advises that Mr Roby Zomer, Chief Executive Officer and Managing Director of the Company, intends to participate in the SPP to the amount of \$30,000. The Company is seeking Shareholder approval under Resolution 3 to issue up to 6,521,739 SPP Options to Mr Zomer.

In addition, the Company notes that the SPP will not be underwritten and any SPP Securities not subscribed for by Eligible Shareholders under the SPP will comprise the Shortfall and may be placed at the discretion of the Directors.

The Company has existing placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A to issue up to 466,116,804 SPP Shares. In the event that the Shortfall is

less than 466,116,804 SPP Shares, the Company will issue the Shortfall Shares pursuant to its existing placement capacity.

In the event that the number of SPP Shares to be issued under the Shortfall is greater than 466,116,804 Shares, the Company seeks Shareholder approval pursuant to Resolution 2 to issue up to a further 701,591,081 Shares to participants under the Shortfall Offer (**Shortfall Offer Participants**).

Further details regarding the Offers are set out in the announcement dated 1 August 2023 and the Prospectus.

1.2 Use of Funds

The funds raised under the Offers are intended to be applied towards production, raw material and laboratory costs, existing debt, corporate and audit costs, taxes, marketing, ongoing working capital and expenses of the Offers. Please refer to the Prospectus for further detail regarding the use of funds raised under the Offers.

1.3 Indicative Timetable

Action	Date
Record Date for SPP	5:00pm (WST) on 31 July 2023
Announcement of SPP and lodgement of Appendix 3B with ASX	1 August 2023
Lodgement of Prospectus for issue of SPP Securities with ASIC and ASX	3 August 2023
Opening date of the SPP Offer under the Prospectus	4 August 2023
Closing Date of the SPP Offer under the Prospectus**	18 August 2023
Announcement of the results of the SPP	22 August 2023
Issue of SPP Shares and lodgement of Appendix 2A for the SPP Shares with ASX	24 August 2023
General Meeting to approve the issuance of the SPP Options	5 September 2023
Issue of SPP Options	6 September 2023

* The above dates are indicative only and may change without prior notice.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP application form by this date.

2. RESOLUTION 1 – APPROVAL TO ISSUE SPP AND SHORTFALL OPTIONS

2.1 General

As set out in Section 1 above, the Company is offering Eligible Shareholders the opportunity to subscribe for new Shares by way of a share purchase plan to raise up to \$2,685,728.

Under the SPP, Eligible Shareholders who are recorded as holders of Shares at the SPP Record Date may apply for SPP Shares up to a value of \$30,000 at an issue price of \$0.0023 per Share. In addition, and subject to Shareholder

approval, Eligible Shareholders who participate in the SPP or the Shortfall Offer, if there is a Shortfall, will also be issued one (1) SPP Option for every two (2) SPP Shares subscribed for and issued (being, up to 583,853,943 SPP Options).

Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 583,853,943 Options to be issued under the SPP and/or the Shortfall Offer.

2.2 Listing Rules 7.1 and 7.1A

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 however, 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 2022.

The proposed issue of the SPP and Shortfall 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 utilises part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the SPP and Shortfall Options.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Options under the SPP and/or the Shortfall Offer, if there is a Shortfall. In addition, the issue of the Options 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 1 is not passed, the Company will not be able to proceed with the issue of the SPP and Shortfall Options.

Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the SPP and Shortfall Options.

2.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the SPP Options will be issued to Eligible Shareholders who elect to participate in the SPP (the **SPP Participants**) and/or the Shortfall Offer Participants;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients who will receive the SPP or Shortfall Options under Resolution 1 will be:
 - (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,

however, the Company notes it is seeking Shareholder approval pursuant to Resolution 3 to allow the Roby Zomer to be issued SPP Options;

- (c) the maximum number of Options to be issued is 583,853,943, being 50% of the maximum number of SPP Shares to be issued (being approximately 1,167,707,885 SPP Shares) as the Options will be issued free attaching with the SPP Shares on a one for two basis;
- (d) the SPP and Shortfall Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the SPP and Shortfall Options 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 SPP and Shortfall Options will occur on the same date;
- (f) the issue price will be nil per Option as the SPP and Shortfall Options will be issued free attaching with the SPP Shares and Shortfall Shares, respectively, on a one for two basis. The Company will not receive any other consideration for the issue of the SPP and Shortfall Options (other than in respect of funds received on exercise of the SPP and Shortfall Options);
- (g) the purpose of the issue of the SPP Securities is to raise up to \$2,685,728. The Company intends to apply the funds raised in the manner set out in Section 1.2;
- (h) the SPP and Shortfall Options are not being issued under an agreement; and
- (i) the SPP and Shortfall Options are not being issued under, or to fund, a reverse takeover.

3. RESOLUTION 2 – APPROVAL TO ISSUE SHARES UNDER THE SHORTFALL OFFER

3.1 General

As set out in Section 1 above, any Shortfall from the SPP will be placed at the discretion of the Directors and subject to the Listing Rules.

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 701,591,081 SPP Shares (the **SPP Shortfall Shares**) under the Shortfall Offer.

Shortfall Options will be issued pursuant to the approval sought under Resolution 1.

3.2 Listing Rules 7.1 and 7.1A

As summarised in Section 2.2 above, 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 however, 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 2022.

The proposed issue of the SPP Shortfall 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 utilises part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the SPP Shortfall Shares.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the SPP Shortfall Shares under the Shortfall Offer. In addition, the issue of the SPP Shortfall Shares under the Shortfall Offer 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 2 is not passed, the Company will not be able to proceed with the issue of the SPP Shortfall Shares under the Shortfall Offer.

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the SPP Shortfall Shares under the Shortfall Offer.

3.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the SPP Shortfall Shares will be issued to the Shortfall Offer Participants;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients who will receive the SPP Shortfall Shares under Resolution 2 will be:
 - (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) the maximum number of SPP Shares to be issued is 701,591,081;
- (d) the SPP 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;
- (e) the SPP Shortfall 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);

- (f) the issue price will be \$0.0023 per SPP Share. The Company will not receive any other consideration for the issue of the SPP Shortfall Shares;
- (g) the purpose of the issue of the SPP Securities is to raise up to \$2,685,728. The Company intends to apply the funds raised in the manner set out in Section 1.2;
- (h) the SPP Shortfall Shares are not being issued under an agreement; and
- (i) the SPP Shortfall Shares are not being issued under, or to fund, a reverse takeover.

4. RESOLUTION 3 – ISSUE OF SPP OPTIONS TO RELATED PARTY – ROBY ZOMER

4.1 General

An overview of the SPP is set out above in Section 1.1. Resolution 3 seeks Shareholder approval for the issue of 6,521,739 SPP Options to Roby Zomer (or his nominee), as a result of his participation in the SPP on the same terms as unrelated participants.

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of SPP Options to Roby Zomer constitutes giving a financial benefit and Roby Zomer is a related party of the Company by virtue of being a Director.

The Directors (other than Roby Zomer who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the SPP Options because the Options will be issued to Roby Zomer (or his nominee) on the same terms as the SPP Options to be issued to non-related party participants in the SPP and as such the giving of the financial benefit is on arm's length terms.

4.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to

a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the SPP Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 3 seeks Shareholder approval for the issue of the SPP Options under and for the purposes of Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the SPP Options to Mr Zomer within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the SPP Options to Mr Zomer (because approval is being obtained under Listing Rule 10.11), the issue of the SPP Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the SPP Options to Mr Zomer.

4.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 3:

- (a) the SPP Options will be issued to Mr Zomer (or his nominee), who falls within the category set out in Listing Rule 10.11.1, as Mr Zomer is a related party of the Company by virtue of being a Director;
- (b) the maximum number of SPP Options to be issued Mr Zomer (or his nominee) is 6,521,739;
- (c) the terms and conditions of the SPP Options are set out in Schedule 1;
- (d) the SPP Options will be issued no later than 1 month 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 anticipated the SPP Options will be issued on the same date;
- (e) the issue price of the SPP Options will be nil as they will be issued free attaching to the SPP Shares. The Company will not receive any other consideration for the issue of the SPP Options (other than in respect of funds received on exercise of the SPP Options);
- (f) the purpose of the issue of the SPP Securities is to raise up to \$2,685,728;

- (g) the SPP Options to be issued are not intended to remunerate or incentivise the Director;
- (h) the SPP Options are not being issued under an agreement; and
- (i) a voting exclusion statement is included in Resolution 3 of the Notice.

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.

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.

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.

Eligible Shareholders means shareholders of the Company who are registered as holders of Shares at 5.00pm (WST) on 31 July 2023 and whose registered address is in Australia.

Explanatory Statement means the explanatory statement accompanying the Notice.

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.

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

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.

Prospectus has the meaning given to it in Section 1.1.

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.

Shortfall Offer has the meaning given to it in Section 1.1.

Shortfall Offer Participants means participants in the SPP Shortfall Offer.

Shortfall Options has the meaning given to it in Section 1.1.

SPP has the meaning given to it in Section 1.1.

SPP Options has the meaning given to it in Section 1.1.

SPP Participants means participants in the SPP.

SPP Record Date has the meaning given to it in Section 1.1.

SPP Shares has the meaning given to it in Section 1.1.

SPP Securities has the meaning given to it in Section 1.1.

SPP Shortfall Shares has the meaning given to it in Section 3.1.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF THE OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.003 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 July 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **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**).

(g) **Timing of issue of Shares on exercise**

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

- (i) 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;
- (ii) 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
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, 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.

(h) **Shares issued on exercise**

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

(i) **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 at the time of the reconstruction.

(j) **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.


(k) **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.

(l) **Transferability**

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

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **4:00pm (AWST) on Sunday, 3 September 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 182812

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of MGC Pharmaceuticals Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of MGC Pharmaceuticals Ltd to be held at Suite 1, 295 Rokeby Road, Subiaco, WA 6008 on Tuesday, 5 September 2023 at 4:00pm (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Approval to issue SPP and Shortfall Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval to issue Shares under the Shortfall Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Issue of SPP Options to Related Party – Roby Zomer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ / Date
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number <input type="text"/>	Email Address <input type="text"/>
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