

13 February 2024

ASX Code: MXC

LSE Code: MXC

Dispatch of General Meeting Documents

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MGC Pharmaceuticals Ltd ('MGC Pharma' or 'the Company') provides the following documents regarding a General Meeting of shareholders being held at 3:00 PM (AWST) Monday, 18 March 2024, at Suite 1, 295 Rokeby Road, Subiaco WA 6008.

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

—Ends—

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 prominent European pharmaceutical company with a strong commitment to creating accessible and ethically produced cutting-edge medicines. Our approach combines in-house research with innovative technologies, all aimed at discovering and producing treatments for currently unmet medical conditions.

The company's founders and executives are distinguished figures in the global pharmaceutical industry. Our central business strategy revolves around the development and supply of innovative medicines, responding to the increasing demand in the medical markets of Europe, North America, and Australasia.

MGC Pharma maintains a robust development pipeline that addresses two prevalent medical conditions, with additional products currently in the developmental stages. We've established strategic partnerships with renowned institutions and academia, fostering the optimization of our medicines' development. These medicines are produced in our EU-GMP Certified manufacturing facilities, ensuring the highest quality standards.

With a growing patient base in key regions like the USA, UK, Australia, and Ireland, MGC Pharma has also built a global distribution network through a wide-reaching group of commercial partners. This extensive network places us in a prime position to supply the global market effectively.

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 Monday, 18 March 2024 at 3:00pm (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: 183581

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

For your proxy appointment to be effective it must be received by 3:00pm (AWST) on Saturday, 16 March 2024.



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: 3:00PM (WST)
DATE: 18 March 2024
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 3:00PM (WST) on 16 March 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to **Argent Biopharma Ltd.**”*

2. RESOLUTION 2 – ISSUE OF INCENTIVE OPTIONS TO RELATED PARTY – LAYTON MILLS

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 120,000 Options to Layton Mills (or his nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – ISSUE OF INCENTIVE OPTIONS TO RELATED PARTY – DANIEL ROBINSON

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 120,000 Options to Daniel Robinson (or his nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES

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 1,480,000 Shares and 740,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - BRIGHGT GLOBAL

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 26,087 Shares to Brighgt Global on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - ELAD SEGEV

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 55,462 Shares to Elad Segev on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - 2020 VENTURES PTY LTD

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 67,440 Shares to 2020 Ventures Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

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

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - BRETT MITCHELL

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 65,033 Shares to Brett Mitchell on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - CHIEFTAIN SECURITIES (WA) PTY LTD

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 36,232 Shares to Chieftain Securities (WA) Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - NICOLE GODRESSE

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 13,595 Shares to Nicole Godresse on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - TURNER POPE INVESTMENTS

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 54,191 Shares to Turner Pope Investments on the terms and conditions set out in the Explanatory Statement.”

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

12. RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - PETERHOUSE CAPITAL

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 33,277 Shares to Peterhouse Capital on the terms and conditions set out in the Explanatory Statement.”

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

13. RESOLUTION 13 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES - AUSTRALIAN CANNABIS VENTURES

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 133,454 Shares to Australian Cannabis Ventures on the terms and conditions set out in the Explanatory Statement.”

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

Dated: 13 February 2024

By order of the Board

**Rowan Harland
Company Secretary**

Voting Prohibition Statements

<p>Resolution 2 – Issue of Incentive Options to Related Party – Layton Mills</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 2 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 2 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>Provided the Chair is not a Resolution 2 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 3 – Issue of Incentive Options to Related Party – Daniel Robinson</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 3 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 3 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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 2 – Issue of Incentive Options to Related Party – Layton Mills	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Layton Mills) or an associate of that person or those persons.
Resolution 3 – Issue of Incentive Options to Related Party – Daniel Robinson	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Daniel Robinson) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Placement Securities	A person who participated in the issue or is a counterparty to the agreement being approved (namely the participants under the Placement) or an associate of that person or those persons.
Resolution 5 – Ratification of prior issue of Creditor Shares - Bright Global	A person who participated in the issue or is a counterparty to the agreement being approved (namely Bright Global) or an associate of that person or those persons.
Resolution 6 – Ratification of prior issue of Creditor Shares - Elad Segev	A person who participated in the issue or is a counterparty to the agreement being approved (namely Elad Segev) or an associate of that person or those persons.
Resolution 7 – Ratification of prior issue of Creditor Shares - 2020 Ventures Pty Ltd	A person who participated in the issue or is a counterparty to the agreement being approved (namely 2020 Ventures Pty Ltd) or an associate of that person or those persons.
Resolution 8 – Ratification of prior issue of Creditor Shares - Brett Mitchell	A person who participated in the issue or is a counterparty to the agreement being approved (namely Brett Mitchell) or an associate of that person or those persons.
Resolution 9 – Ratification of prior issue of Creditor Shares - Chieftain Securities (WA) Pty Ltd	A person who participated in the issue or is a counterparty to the agreement being approved (namely Chieftain Securities (WA) Pty Ltd) or an associate of that person or those persons.
Resolution 10 – Ratification of prior issue of Creditor Shares - Nicole Godresse	A person who participated in the issue or is a counterparty to the agreement being approved (namely Nicole Godresse) or an associate of that person or those persons.
Resolution 11 – Ratification of prior issue of Creditor Shares - Turner Pope Investments	A person who participated in the issue or is a counterparty to the agreement being approved (namely Turner Pope Investments) or an associate of that person or those persons.
Resolution 12 – Ratification of prior issue of Creditor Shares - Peterhouse Capital	A person who participated in the issue or is a counterparty to the agreement being approved (namely Peterhouse Capital) or an associate of that person or those persons.
Resolution 13 – Ratification of prior issue of Creditor Shares - Australian Cannabis Ventures	A person who participated in the issue or is a counterparty to the agreement being approved (namely Australian Cannabis Ventures) 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.

Depositary Interest holders

Persons Entitled to Vote

The Form of Instruction (accompanying this Notice of Meeting) must be signed by the depositary interest holder or an attorney duly authorised in writing and deposited at the office of the Depositary, Computershare Investor Services PLC, located at The Pavilions, Bridgewater Road, Bristol BS99 6ZY by 3:00 pm (UK Time) on 11 March 2024. 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 3:00 pm (UK Time) on 11 March 2024. 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 please do not hesitate to contact the Company Secretary on +61 8 6555 2950.

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. RESOLUTION 1 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 1 seeks the approval of Shareholders for the Company to change its name to “Argent Biopharma Ltd”.

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if Resolution 1 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change. Further, the Company has reserved a new ticker code ‘RGT’ with the ASX. If Resolution 13 is passed, the Company’s ASX ticker code will change to ‘RGT’ from ‘MXC’.

If Resolution 1 is passed the change of name will take effect when ASIC alters the details of the Company’s registration.

2. RESOLUTIONS 2 AND 3 – ISSUE OF OPTIONS TO RELATED PARTIES

2.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 240,000 Options (exercisable at the price which is equal to the volume weighted average price (**VWAP**) of Shares traded on the ASX in the five days immediately prior to the Meeting on or before three (3) years from the date of issue) to Layton Mills and Daniel Robinson (or their nominees) (**Related Parties**) pursuant to the Employee Securities Incentive Plan (**Plan**) and on the terms and conditions set out below. The full terms of these Options are set out in Schedule 1.

Resolution 2 seeks Shareholder approval for the issue of 120,000 Options to Mr Mills and Resolution 3 seeks Shareholder approval for the issue of 120,000 Options to Mr Robinson.

2.2 Director Recommendation

Two of the three Directors (Messrs Mills and Robinson) have a material personal interest in the outcome of Resolutions 2 and 3, on the basis that the Options to be issued pursuant to these Resolutions are to be issued on substantially the same terms, as part of the same series of Director incentives. For this reason, Messrs Mills and Robinson do not consider it is appropriate to make a recommendation on Resolutions 2 and 3 of this Notice.

Mr Zomer, who does not have a material personal interest in the outcomes of Resolutions 2 and 3 recommends Shareholders vote in favour of the Resolutions.

2.3 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 Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Options are proposed to be issued to all of the Directors other than Roby Zomer, the "non-interested director", the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Options. Accordingly, Shareholder approval for the issue of Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

2.4 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Options to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 2 and 3 seek the required Shareholder approval for the issue of the Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

2.5 Technical information required by Listing Rule 14.1A

If Resolutions 2 and 3 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties 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 Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 2 and 3 are not passed, the Company will not be able to proceed with the issue of the Options.

2.6 Technical Information required by Listing Rule 10.15 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 2 and 3:

- (a) the Options will be issued to the following persons:
 - (i) Layton Mills (or his nominee) pursuant to Resolution 2; and
 - (ii) Daniel Robinson (or his nominee) pursuant to Resolution 3,each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 240,000 comprising:
 - (i) 120,000 Options to Layton Mills (or his nominee) pursuant to Resolution 2; and
 - (ii) 120,000 Options to Daniel Robinson (or his nominee) pursuant to Resolution 3;
- (c) no Options have been previously issued under the Plan;
- (d) the terms and conditions of the Options are set out in Schedule 1;
- (e) the Options will be issued to the Related Parties no later than 3 years 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 Options will occur on one date;
- (f) the issue price of the Options will be nil, as such no funds will be raised from the issue of the Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (h) the Options are unquoted Options. The Company has agreed to issue the Options to the Related Parties for the following reasons:
 - (i) the Options are unquoted; therefore, the issue of the Options has no immediate dilutionary impact on Shareholders;
 - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Options is also beneficial to the Company as it means the Related Parties are not required to

immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and

- (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options on the terms proposed;
- (i) the number of Options to be issued to each of the Related Parties has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of the Related Parties; and
 - (iii) incentives to attract and retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed;

- (j) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Previous Financial Year ended 30 June 2023	Current Financial Year ending 30 June 2024
Layton Mills ¹	\$4,000	\$75,482
Daniel Robinson ²	Nil	\$55,482

Notes:

1. Appointed as a Director on 1 June 2023.
 2. Appointed as a Director on 1 December 2023.
 3. Comprising Directors' fees/salary of \$48,000 and share-based payments of \$27,482 (being the value of the Options).
 4. Comprising Directors' fees/salary of \$28,000 and share-based payments of \$27,482 (being the value of the Options).
- (k) the value of the Options and the pricing methodology is set out in Schedule 2;
 - (l) a summary of the material terms and conditions of the Plan is set out in Schedule 3;
 - (m) no loans are being made to the Related Parties in connection with the acquisition of the Options;
 - (n) details of any Options issued under the Plan will be published in the annual report of the Company relating to the period in which they were

issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;

- (o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Plan after Resolutions 2 and 3 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (p) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

As at the date of this Notice

Related Party	Shares ¹	Options
Layton Mills	Nil	Nil
Daniel Robinson	Nil	Nil

Post issue of the Options to Related Parties

Related Party	Shares ¹	Options
Layton Mills	Nil	120,000
Daniel Robinson	Nil	120,000

- (q) if the Options issued to the Related Parties are exercised, a total of 240,000 Shares would be issued. This will increase the number of Shares on issue from 43,851,631 (being the total number of Shares on issue as at the date of this Notice) to 44,091,631 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.54%, comprising 0.27% by Layton Mills and 0.27% by Daniel Robinson;

The market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company.

- (r) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$2.00	2 October 2023 to 16 October 2023 and 19 October 2023 to 26 October 2023
Lowest	\$0.001	27 September 2023
Last	\$0.41	6 February 2024

- (s) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 2 and 3; and

- (t) a voting exclusion statement is included in Resolutions 2 and 3 of the Notice.

3. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES

3.1 General

On 10 January 2024, the Company issued 1,480,000 Shares and 740,000 Options (**Placement Securities**) pursuant to a placement to professional and sophisticated investors to raise \$740,000, first announced to the ASX on 22 December 2023 (**Placement**).

The Shares were issued at an issue price of \$0.50 per Share, pursuant to the Company's placement capacity under Listing Rule 7.1A.

The Options (exercisable at \$1.00 each on or before 10 January 2027) were issued free attaching (on a 1 for 2 basis) to the Shares issued under the Placement, pursuant to the Company's placement capacity under Listing Rule 7.1.

The proceeds from the Placement will be used to meet the costs of marketing and legal services provided to the Company.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

3.2 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 securities it had on issue at the start of that 12 month 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 30 November 2023.

The issue of the Placement Securities 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 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 Placement Securities.

3.3 Listing Rule 7.4

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 Securities.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Placement Securities 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 Securities.

If Resolution 4 is not passed, the Placement Securities 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 the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

3.5 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Placement Securities were issued to professional and sophisticated investors who were identified through a bookbuild process, which involved the Directors 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) 1,480,000 Shares and 740,000 Options were issued;
- (d) the Shares issued to participants in the Placement 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;
- (e) the Options issued to participants in the Placement were issued on the terms and conditions set out in Schedule 1;
- (f) the Placement Securities were issued on 10 January 2024;
- (g) the issue price per Share was \$0.50 and the issue price of the Options was nil as they were issued free attaching with the Shares on a 1:2 basis. The Company has not and will not receive any other consideration for the issue of the Placement Securities (other than in respect of funds received on exercise of the Options);

- (h) the purpose of the issue of the Placement Securities was to raise \$740,000, which will be applied towards the Company's marketing costs and legal fees; and
- (i) the Placement Securities were not issued under an agreement.

4. RESOLUTIONS 5 TO 13 – RATIFICATION OF PRIOR ISSUE OF CREDITOR SHARES

4.1 General

On 1 December 2023, the Company issued an aggregate of 484,771 Shares to Bright Global Limited, controlled by Nativ Segev, a former director of the Company, Elad Segev, 2020 Ventures Pty Ltd, Chieftain Securities Pty Ltd, Brett Mitchell, a former Director of the Company, Nicole Godresse, Turner Pope Investments, Peterhouse Capital and Australian Cannabis Ventures Ltd, in lieu of cash payment for consulting services (the **Creditors**).

The issue of the Shares did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 3.2 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 securities it had on issue at the start of that 12 month period.

A summary of Listing Rules 7.1 and 7.4 is contained in Sections 3.2 and 3.3 above.

The issue of the 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 Shares.

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 Shares.

Resolutions 5 to 13 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares.

4.2 Technical information required by Listing Rule 14.1A

If Resolutions 5 to 13 are passed, the 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 Shares.

If Resolutions 5 to 13 are not passed, the 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 Shares.

4.3 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 Resolutions 5 to 13:

- (a) the Shares were issued to the following persons:
- (i) Bright Global pursuant to Resolution 5 in lieu of a cash payment of \$18,000 for Board consultancy fees;
 - (ii) Elad Segev pursuant to Resolution 6 in lieu of a cash payment of \$38,268 for consultancy fees;
 - (iii) 2020 Ventures Pty Ltd pursuant to Resolution 7 in lieu of a cash payment of \$46,533 for corporate administration fees incurred;
 - (iv) Brett Mitchell pursuant to Resolution 8 in lieu of a cash payment of \$44,873 for corporate advisory fees incurred;
 - (v) Chieftain Securities (WA) Pty Ltd pursuant to Resolution 9 in lieu of a cash payment of \$25,000 for corporate advisory fees incurred;
 - (vi) Nicole Godresse pursuant to Resolution 10 in lieu of a cash payment of \$9,380 for sales consultancy fees;
 - (vii) Turner Pope Investments pursuant to Resolution 11 in lieu of a cash payment of \$37,391 for corporate broking services rendered;
 - (viii) Peterhouse Capital pursuant Resolution 12 to in lieu of a cash payment of \$22,961 for corporate broking services rendered; and
 - (ix) Australian Cannabis Ventures pursuant Resolution 13 to in lieu of a cash payment of \$92,083 for greenhouse and cultivation equipment purchased;
- (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) a total of 484,771 Shares were issued, comprising:
- (i) 26,087 Shares issued to Bright Global pursuant to Resolution 5;
 - (ii) 55,462 Shares issued to Elad Segev pursuant to Resolution 6;
 - (iii) 67,440 Shares issued to 2020 Ventures Pty Ltd pursuant to Resolution 7;
 - (iv) 65,033 Shares issued to Brett Mitchell pursuant to Resolution 8;
 - (v) 36,232 Shares issued to Chieftain Securities (WA) Pty Ltd pursuant to Resolution 9;
 - (vi) 13,595 Shares issued to Nicole Godresse pursuant to Resolution 10;

- (vii) 54,191 Shares issued to Turner Pope Investments pursuant to Resolution 11;
 - (viii) 33,277 Shares issued to Peterhouse Capital pursuant to Resolution 12; and
 - (ix) 133,454 Shares issued to Australian Cannabis Ventures pursuant to Resolution 13;
- (d) the 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;
 - (e) the Shares were issued on 1 December 2023;
 - (f) the Shares were issued at a deemed issue price of \$0.69 per Share, in lieu of cash payment for the services set out in Section 4.3(c) above. The Company has not and will not receive any other consideration for the issue of the Shares; and
 - (g) the Shares were not issued under an agreement.

GLOSSARY

\$ or A\$ 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.

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

- (h) a spouse or child of the member;
- (i) a child of the member's spouse;
- (j) a dependent of the member or the member's spouse;
- (k) 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;
- (l) a company the member controls; or
- (m) 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.

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.

Placement has the meaning given in Section 3.1.

Placement Securities has the meaning given in Section 3.1.

Proxy Form means the proxy form accompanying the Notice.

Related Parties has the meaning given in Section 2.1.

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.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS THE SUBJECT OF RESOLUTIONS 2 TO 4

(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:

(i) **Options the subject of Resolutions 2 and 3:** the price which is equal to the VWAP of Shares traded on the ASX in the five days immediately prior to the Meeting; and

(ii) **Options the subject of Resolution 4:** \$1.00,

(Exercise Price).

(c) **Expiry Date**

(i) **Options the subject of Resolutions 2 and 3:** each Option will expire at 5:00pm (WST) on the date that is three (3) years from the date of issue; and

(ii) **Options the subject of Resolution 4:** each Option will expire at 5:00pm (WST) on 10 January 2027,

(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.

SCHEDULE 2 – VALUATION OF OPTIONS

The Options pursuant to Resolutions 2 and 3 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, noting that the issue date is occurring post the General Meeting, along with the market price of Shares immediately prior to the Meeting and the Share prices which are 50% higher and 50% lower than that price, the Options were ascribed the following value:

Assumptions:			
Valuation date	Date of issue	Date of issue	Date of issue
Market price of Shares	\$0.20	\$0.40	\$0.60
Exercise price ¹	\$0.20	\$0.40	\$0.60
Expiry date (length of time from issue)	3 years	3 years	3 years
Risk free interest rate	3.91%	3.91%	3.91%
Volatility (discount)	86.60%	86.60%	86.60%
Indicative value per Option	\$0.115	\$0.229	\$0.344
Total Value of Options	\$27,482	\$54,964	\$82,444
120,000 Options (Resolution 2)	\$13,741	\$27,482	\$41,222
120,000 Options (Resolution 3)	\$13,741	\$27,482	\$41,222

Note:

1. For the valuation of option purpose, the Options exercise price uses the five (5) day VWAP being \$0.40. This may change depending on the movement of the Share price on the issue date.
2. The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 3 – TERMS AND CONDITIONS OF THE COMPANY’S EMPLOYEE INCENTIVE SECURITIES PLAN

A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of a Share, Option, Performance Right or other convertible security (Securities).
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities	A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right).


	<p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).
<p>Vesting of Convertible Securities</p>	<p>Any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.</p>
<p>Exercise of Convertible Securities and cashless exercise</p>	<p>To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
<p>Timing of issue of Shares and quotation of Shares on exercise</p>	<p>As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>


Restrictions on dealing with Convertible Securities	<p>A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p> <p>However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with Convertible Securities granted to them under the Plan with the consent of the Board.</p>
Listing of Convertible Securities	<p>A Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.</p>
Forfeiture of Convertible Securities	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where a Participant who holds Convertible Securities ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested Convertible Securities will automatically be forfeited by the Participant; (b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (d) on the date the Participant becomes insolvent; or (e) on the Expiry Date.
Change of control	<p>If a change of control event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event.</p>
Adjustment of Convertible Securities	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p> <p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.</p>

	<p>Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.</p>
<p>Plan Shares</p>	<p>The Board may, from time to time, make an invitation to an Eligible Participant to acquire Plan Shares under the Plan. The Board will determine in its sole absolute discretion the acquisition price (if any) for each Plan Share which may be nil. The Plan Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board.</p> <p>Where Plan Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Plan Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under the Rules.</p>
<p>Rights attaching to Plan Shares</p>	<p>All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.</p>
<p>Disposal restrictions on Plan Shares</p>	<p>If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:</p> <ul style="list-style-type: none"> (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
<p>General Restrictions on Transfer of Plan Shares</p>	<p>If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Plan Shares issued under the Plan (including on exercise of Convertible Securities) may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.</p> <p>Restrictions are imposed by Applicable Law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.</p>

	Any Plan Shares issued to a holder under the Plan (including upon exercise of Convertible Securities) shall be subject to the terms of the Company's Securities Trading Policy.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.
Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
Maximum number of Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b)).
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

Need assistance?

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



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AWST) on Saturday, 16 March 2024.**

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: 183581

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 Monday, 18 March 2024 at 3:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2 and 3 by marking the appropriate box in step 2.

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		For	Against	Abstain
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8	<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 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

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

