



mgc pharma 

Leading The Way in Phytocannabinoid Derived Medicines - Nature to Medicine Strategy for Delivery to Patients

Company Presentation
June 2020

PRESCRIPTION ONLY MEDICINE
KEEP OUT OF REACH OF CHILDREN
mgc pharma 
MXP 100
ORAL DROPS, SOLUTION
100 mg/ml Cannabidiol
30 ml

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Investment Highlights

MGC Pharma is a European based, vertically integrated bio-pharma company supplying EU-GMP Phytocannabinoid derived products to patients, with products already available in Australia, NZ, UK, Ireland and Brazil through special access schemes and new markets opening in EU and Israel



EU-GMP certified manufacturing facility in Europe, manufacturing phytocannabinoid derived medicines – 3 year GMP license granted



Two Investigational Medicinal Products (IMP's) targeting medical conditions: Refractory epilepsy and dementia & Alzheimer's disease



Additional targeted products in development pipeline with wide IP developments and new Phytotherapeutics line



Rapid growing patient base – delivering affordable cannabinoid medicines to patients



Global distribution via extensive network of commercial partners



Highly qualified management team, supported by leading clinical advisory experts



Company Strategy

Development and commercialisation of Phytocannabinoid derived products through a vertically integrated, core IP value chain delivering a “Nature to Medicine” business strategy with global distribution capability



Genetics

High THC >35% strains
High CBD >20% Strains



Extraction & Isolation into API

Super Critical (Co²)
Alcohol Extraction



Clinical Trials

Europe (EMA)
Australia (TGA)



Product Development

Europe
Australia



Distribution

UK, EU, Australia, NZ
LATAM, MENA



Global Market



Estimated cannabis for medicinal use value ~**£51 Bn** in 2024

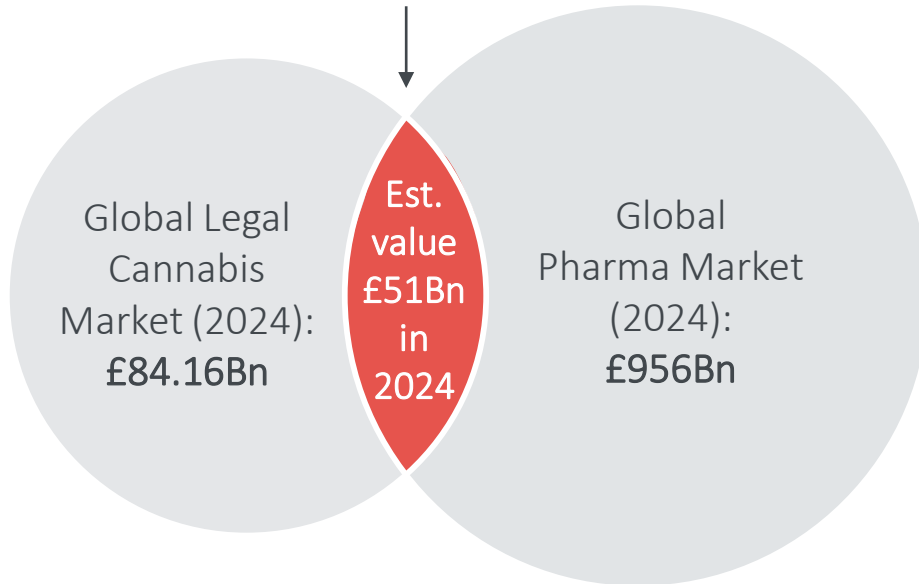


Europe to be largest medical cannabis market.
Total healthcare spend: **£2.1t**



Nov 1st 2018: UK legalised prescription of medical cannabis products

Potential market for MGC – tapping into both markets



- MGC Pharma aims to secure a significant share in the global Cannabis Pharmaceutical Medicine Market
- MGC Pharma targets large markets, where cannabis for medical use is likely to have a high degree of success
- Two pharmaceutical products in late stage development – Phase II

Source: [Prohibition Partners Reports](#) the European Cannabis Report 4th Edition, the Global Cannabis Report November 2019, [Evaluate Pharma World Preview 2019, Outlook to 2024](#)

Corporate Overview

Capital Structure

Current Share Price/Market Cap	2.2c/\$35m
Ordinary Shares	1,575,612,348
Listed Options (MXCOE) (Exercisable at \$0.045 exp August 2021)	85,971,574
Unlisted Options (Exercisable at various prices and dates)	98,400,000
Performance Rights	28,000,000

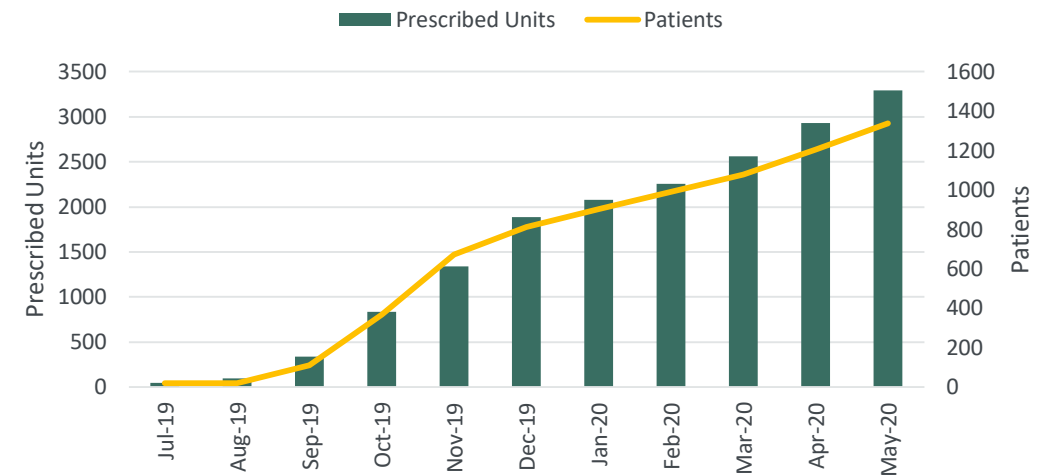
Company Mission

“To Build an Innovative, Vertically Integrated bio-pharma company providing Standardised, Affordable Phytocannabinoid Derived Medicines of the Highest Regulatory Compliance for Targeted global markets and patients”

Board of Directors

Mr Roby Zomer	CEO & Managing Director
Mr Brett Mitchell	Executive Chairman
Mr Nativ Segev	Non-Executive Director
Dr Stephen Parker	Non-Executive Director
Dr Ross Walker	Non-Executive Director

MGC Pharma Prescribed Units & Patient Numbers



Distribution and Patient Access



EU-GMP Manufacturing Facility



Slovenian EU-GMP certified facility has the capacity to manufacture up to 12,000 prescription products per month – 3 year GMP license granted



Based on 5,000 units per month, the Company would be at operating cashflow breakeven, excluding Research costs.*

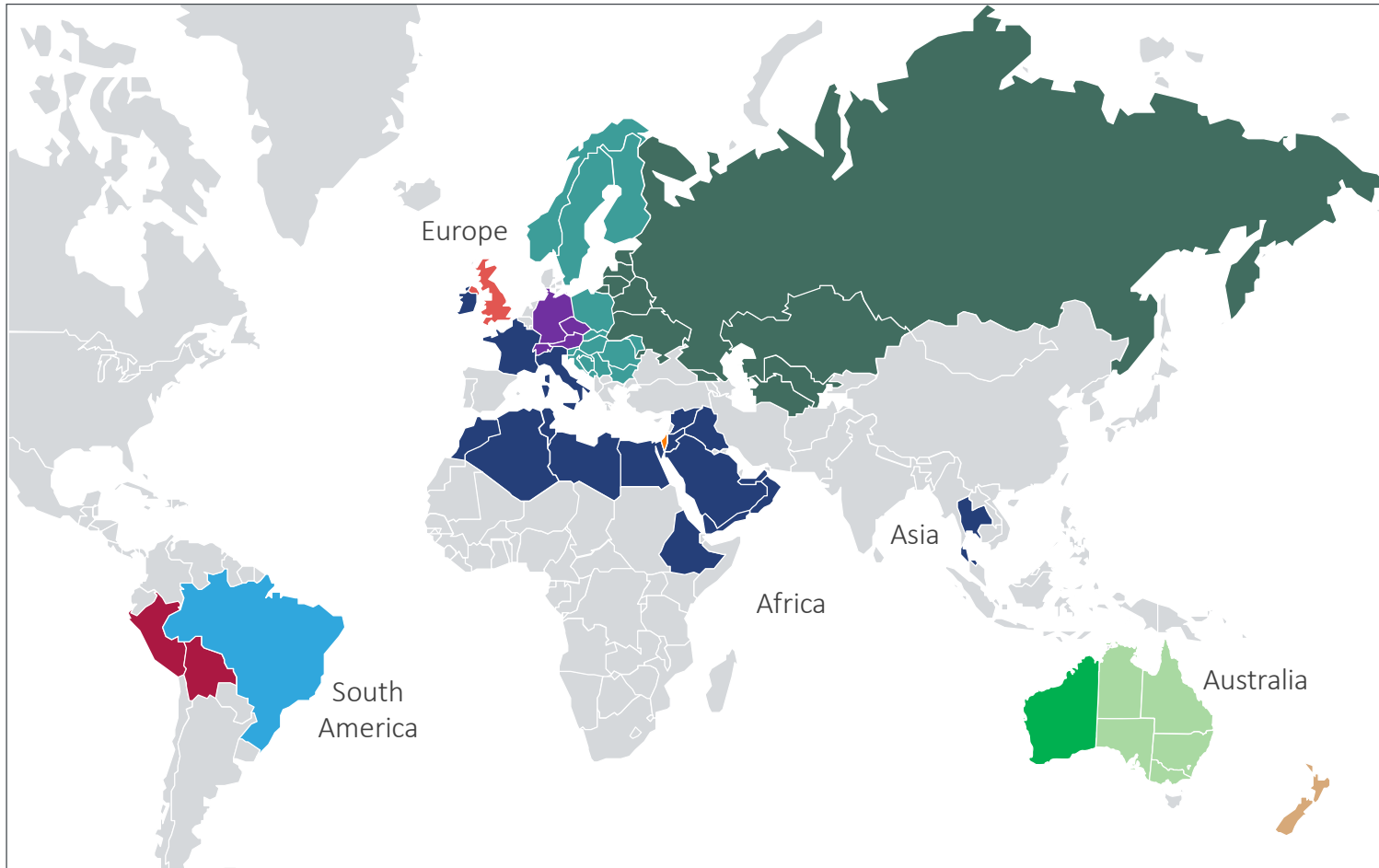


Malta facility, plans in place to build full large scale production facility

* At 5,000 units on a 70% CannEpi[®] and 30% CogniCann[®] sales ratio at current market pricing, as previously announced, for both products, the Company expects to start generating positive operating cashflows which will be used to fund R&D and development costs associated with the Company's clinical trials

Key Global Distribution Partners

Extensive network in place providing access to hospitals, pharmacies and research institutions around the world – Lenis is the Company’s wholesaler/exporter to all distributors globally and is also a direct distributor to key European markets



Key Distribution Partners and Patient Access



Supply and distribution agreement with ONIX in Brazil, with minimum order volumes over a minimum seven-year term



Binding term sheet with K.S. KIM International (subsidiary of SK-Pharma Group) for the sales and distribution of ArtemiC in Israel, Russia, CIS countries and the Balkan region



Mexacare provides the sales, marketing and logistics for diagnostic devices and complementary medical products to pharmacies, labs, hospitals and doctors in Germany, Austria and Switzerland



IPS has extensive experience operating with unlicensed and licenced medicines in the UK and is committed to providing an industry-leading all-round service underpinned by quality and patient safety



Distribution Agreement with Anden Bio Naturals S.A. for the exclusive distribution and commercialisation of MGC products in Peru and Bolivia for a five year period



MGC Products are being access through Early Patient Access Schemes in Brazil, UK, Australia and NZ



Strategic Alliance with Australia's leading epilepsy association, Epilepsy Action Australia

A close-up photograph of a female scientist wearing safety glasses and blue gloves, looking through a microscope. The image is overlaid with a semi-transparent green filter. The text 'Product Research & Development' is positioned on the left side of the image.

Product Research & Development

Clinical R&D – Key Products Trials

3 research areas based on medical experience and large data collections. MGC Pharma has commenced the following clinical trials for three of its products CannEpil[®], CogniCann[®] and ArtemiC

Research Areas

Key Products

Neurology

- Epilepsy
- Dementia
- Cerebral Palsy

CannEpil[®]

Phase IIb Clinical Trial at Schindler Hospital in Israel on the safety and efficacy of CannEpil[®] as an add on treatment in children and adolescents with refractory epilepsy (commencing September 2020)

CogniCann[®]

Phase II Clinical Trial with the University of Notre Dame in Perth, WA to evaluate the potential behavioural benefits CogniCann[®] may have on patients with dementia and Alzheimer's disease

Oncology

- Cachexia
- Pain
- Cancer treatment

Autoimmune

- Anti-Inflammatory
- Anti-Bacterial

ArtemiC

Phase II Clinical Trail with Nazareth Hospital EMMS and Hillel Yaffe Hospital in Israel, ArtemiC is designed to target viral infections with inflammatory complications, and is currently the safety and efficacy is being evaluated on novel coronavirus 2019 (SARS-CoV-2) infected patients



ArtemiC – COVID-19 Human Patient Clinical Trial Underway

ArtemiC is a natural water-soluble food supplement containing four natural based ingredients consisting of Artemisinin, Curcumin, Boswellia serrata, and Vitamin C



Powered by:



- Over the years clinical research conducted on these ingredients has consistently demonstrated that they possess immunomodulatory, anti-inflammatory, antioxidant, anti-cancer, antibiotic, and even some anti-viral activity.
- The key issue that restricted the clinical use of these active ingredients was the lack of solubility in water and therefore delivery of the active ingredient to the cells.
- **ArtemiC solves this issue – using the MyCell Enhanced™** delivery system technology, a patented platform to deliver natural ingredients more effectively in higher concentrations to the cells, improving bioavailability of natural ingredients.
- Critically, **ArtemiC** base formula has been used in a successful study on 127 patients with Malaria, conducted under WHO guidelines.
- One avenue to counteract the damage caused by the pandemic is to identify and treat core factors driving the malignant form of COVID-19. These include a prominent disturbance of immunological function ultimately provoking what is known as a “Cytokine Storm” that results in a severe acute respiratory syndrome with lethal potential (SARS for short), and severe disruption of additional physiological systems potentially leading to a state of shock and death.
- A human clinical trial testing **ArtemiC** for treatment of COVID-19 has commenced in Israel during May.

R&D – Pre-clinical

Developing medicines that leverage its proprietary medical cannabis formula through clinical trials in Israel, Europe and Australia. Enable future medical product sales across the EU, Australia and other geographies, following the legal and regulatory approvals

Neurological

CepaCann Oral Spray to treat Cerebral Palsy

Preclinical in process

Oncological & Cancer Side Effects

Tetrinol Treatment of Anorexia Cachexia in Cancer Patients

Preclinical in process

MXOT01GB01 Treatment of Glioblastoma (NIB Slovenia)

Preclinical in process

MXOT02ME01 Treatment of Melanoma Cancer (RMIT/CannaHub, Aus)

Preclinical in process

MXOT03PC01 Treatment of Prostate Cancer (RMIT/CannaHub, Aus)

Preclinical in process

Autoimmune Disease – Inflammatory

InCann BiActive Capsule to treat Chron's and IBS (RMIT/CannaHub, Aus)

Preclinical in process

TopiCann Topical treatment of Eczema and inflamed skin (Slovenia, EU)

Study Results: 70% Reduction in 4 weeks



Clinical Advisory Team

Leading experts in the medical cannabis space with unparalleled expertise



Dr. Jonathan Grunfeld
Chief Medical Officer

Certified in Israel, with clinical experience at the MD Anderson Cancer Center, Dr. Grunfeld has spent the last twenty years focusing on Neuro-Oncology, with a focus since 2010 on Cannabis as a treatment for oncological palliative care. Involved in the licensing of care including direct clinical monitoring of circa 5,000 medical cannabis patients in Israel, giving him a unique insight into questions of dosing, patient groups and developing treatment methodology.



Professor Emeritus Uri Kramer
Head of Neurology Product Development

Prof Kramer has a busy paediatric epilepsy clinic with many patients being treated with cannabis. Prof Kramer has run full scale epilepsy trials with cannabis and brings a wealth of experience in various fields (Paediatric Neurology & Child Development). Additionally, Prof Kramer is a former president of the Israeli League Against Epilepsy.



Professor David Neubauer

As Head of Department of Child, Adolescent and Developmental Neurology at University Children's Hospital, Ljubljana, Prof Neubauer is widely published and respected, and has dealt with children and adolescents in Neurological contexts for more than thirty years.



Dr. Nadya Lisovoder
Head of Clinical Research (CRO) and Regulatory

15 years of domestic and international experience in academic and clinical studies in the pharmaceutical, diagnostic and medical devices industry. Dr. Lisovoder is a regulatory expert and has been a clinical adviser to public biotech companies as well as incubator companies. She has managed clinical trials and has been leading for the Israeli government biomedical research in 7 hospitals in northern Israel in cooperation with universities, international Pharma companies, global CROs and biotech companies.

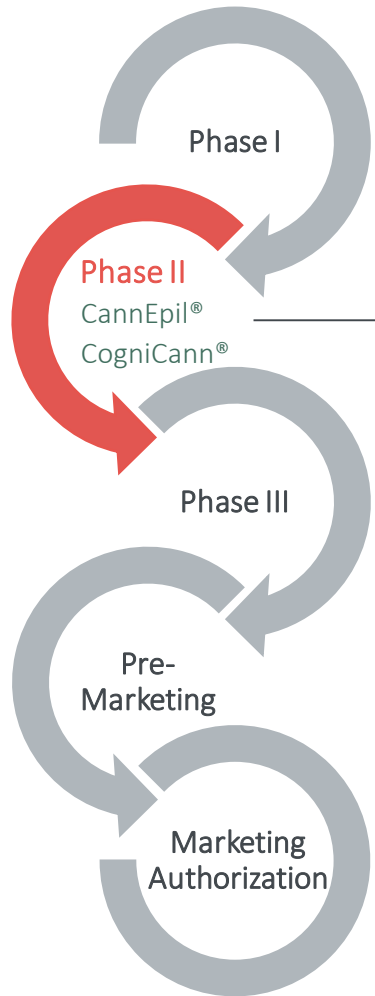


Products



Two Leading Cannabinoid Medicinal Products

Targeting specific medical conditions such as Epilepsy, Dementia and Alzheimer's



CannEpiI®

Epilepsy

- Oral oil solution to treat seizures associated with drug resistant epilepsy
- Based on long term observation research published in Israel by Prof. Uri Kramer
- Phase IIb approved in Israel
- Early access schemes in Australia and UK

CogniCann®

Dementia & Alzheimer's Disease

- Oral spray utilising a specific THC:CBD ratio for relief of dementia symptoms
- Based on longitudinal research in Israel
- Phase IIb approved in Australia, patient treatment commenced
- Early access scheme in Australia



Further Product Pipeline

Pipeline of phytocannabinoid derived products, APIs and unique formulations all manufactured under GMP certified facilities to be used in pharmaceutical treatment and research

CannEpil® is a Phytocannabinoid derived IMP used as a treatment for refractory epilepsy

Neurological
Disorders

- Available to prescribe in Australia and UK as an Investigational Medicinal Product through early patient access schemes
- CannEpil® is an oral oil solution of 20:1 cannabidiol (CBD) and (-)- trans- Δ^9 -tetrahydrocannabinol (THC).
- Produced from two proprietary, preselected, specifically bred genotypes of the cannabis plant with a stable and specific ratio of cannabinoids.
- MGC's first pharmaceutical-grade product targeted for drug resistant (refractory) epilepsy, which accounts for approximately 25% of the people diagnosed with epilepsy.
- **Estimated yearly average treatment costs per patient: £6,000 - £8,000**

Epilepsy

Target Market:

- Over 1,900,000 people have epilepsy in Europe (over 480,000 epilepsy patients in UK)
- Over 200,000 epilepsy patients in Australia
- Approximately 25% of people with epilepsy have a drug-resistant (DRA) form
- Estimated population at launch of marketing authorisation is over 200,000 people with DRA (in Europe and Australia)
- Expected time to marketing authorisation **4 years**

The global
epilepsy market
is expected to be
~£7.3bn
by 2023



Source of target market: [Alacrita Market Projections Report](#); Source of estimated average treatment costs (within the EU): [Alacrita Market Projections Report](#); Source of epilepsy medication market: [Medgadget Market Research Future](#)

CogniCann® is MGC Pharma's second Phytocannabinoid derived IMP designed to improve dementia and Alzheimer's disease patients quality of life

Neurological
Disorders

- Available to prescribe in Australia as an Investigational Medicinal Product through Early Patient Access Scheme
- CogniCann® is a oromucosal spray of cannabidiol (CBD) and (-)- trans- Δ^9 -tetrahydrocannabinol (THC).
- Produced from two proprietary, preselected, specifically bred genotypes of the cannabis plant with a stable and specific ratio of cannabinoids.
- Contains a 3:2 mix of THC (25mg/mL) and CBD (17mg/mL)
- Estimated yearly average treatment costs per patient : £4,400

Dementia

Target Market:

- Over 690,000 people with mild dementia in Europe (over 200,000 mild dementia patients in UK)
- Over 135,000 mild dementia patients in Australia
- Total estimated with mild dementia population 950,000 at marketing authorisation launch (in Europe and Australia)
- Expected time to marketing authorisation **5 years**

The global dementia medication market is expected to exceed
~£23bn
by 2026



Source of target market: [Alacrita Market Projections Report](#); Source of estimated average treatment costs (within the EU): [Alacrita Market Projections Report](#) and Internal Company Evaluation; Source of dementia medication market: [Coherent Market Insights through GlobalNewswire](#)

Phytotherapeutics – Mercury MGC Pharma



Line of EU-GMP certified phytotherapeutic products currently available for prescription by medical professionals under special access schemes



The Mercury MGC Pharma brand of products are non-IMP, providing medical professionals a range of products to prescribe as they see best suited for their patient



This line allows MGC to provide a range of products at a more affordable price point, while maintaining the high-quality EU-GMP certification expected from our patients



The brand, 100% owned by MGC Pharma, includes a suite of products created from the same pipeline used for MGC IMP products



The product line ranges from pure, whole plant CBD extract, through to a high-THC formulation



It also allows MGC to grow our patient base, provide white label services, and thus increase our revenues, while maintaining focus on continuing development of our IMPs

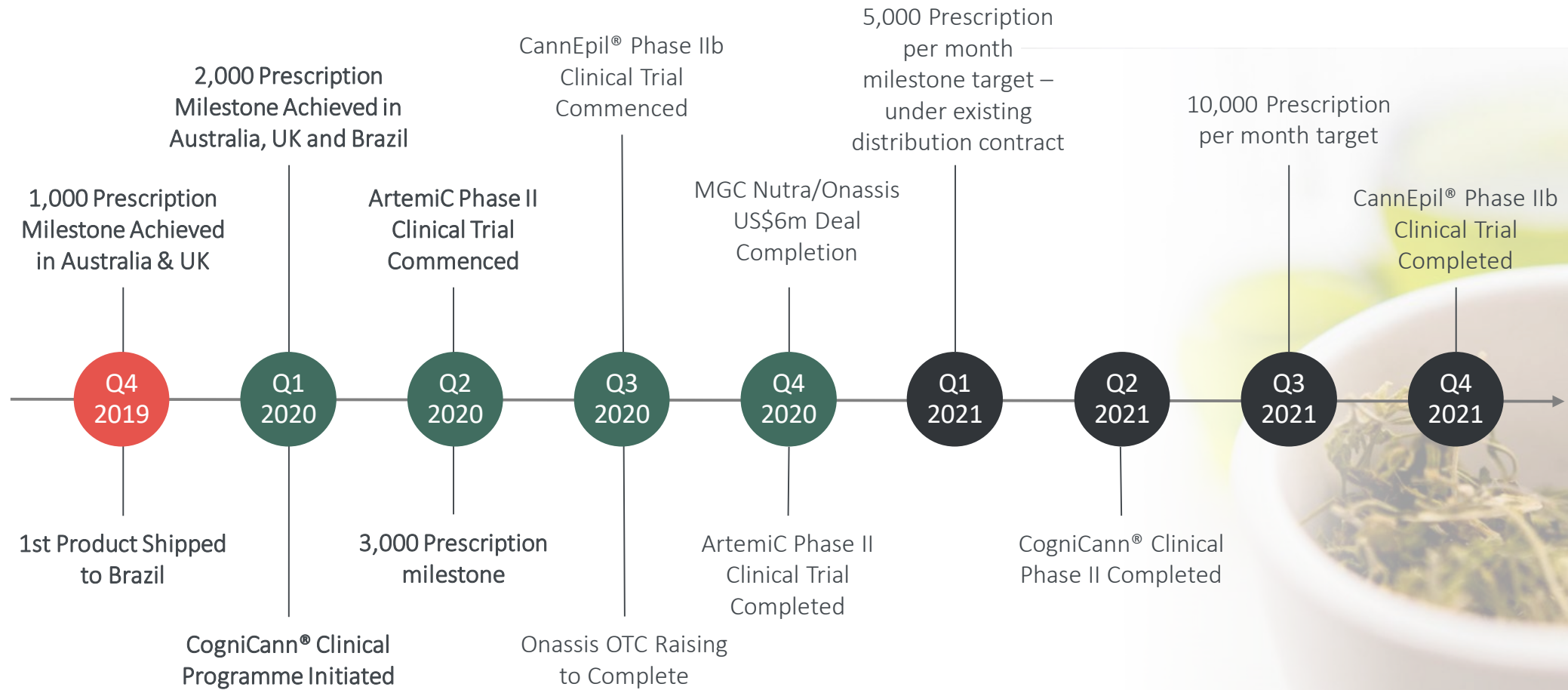


Outlook



Key Milestone Timeline

Working to achieve values over time as “Nature to Medicine” Bio-Pharma Company



Investment Summary

Fully Integrated Model: Research → Product Development → Commercialise

Built on Decades of Experience



Technical team of globally recognised scientists and doctors

Focussed Operations



Core divisions:

- Research and Development
- Manufacturing and Distribution

Strategically Located



Operational bases close to key markets supported by corporate headquarters

Robust Product Offering



Portfolio of established and upcoming products targeting key markets

International Reach



Strong network of research and commercial partners globally

Strong Market Outlook



Global phytocannabinoid market gaining traction



Appendix



Key Wholesaler Partner



Lenis – a full-service pharmaceutical distributor

Lenis specializes in the distribution of unlicensed drugs and niche therapeutic areas (licensed in the source country but not in the destination country). This includes:

- New drugs not yet approved in a country
- Discontinued cost-effective drugs (e.g. infertility, ophthalmology, infectious diseases)
- Product alternatives during drug shortages (e.g. oncology)
- Comparator drugs for clinical trials

Lenis provides added value products in niche therapeutic areas and the distribution of innovative pharmaceutical products and generic pharmaceuticals with limited number of competitors.

Lenis is the Company's wholesaler/exporter to all distributors globally and is also a direct distributor to key European markets.

Its core principal is Gilead Sciences, Inc.

Lenis partnership provides the Company with:



Knowledge on regulatory affairs



Market access



Medical Support



Marketing & Sales



Wholesale & Distribution



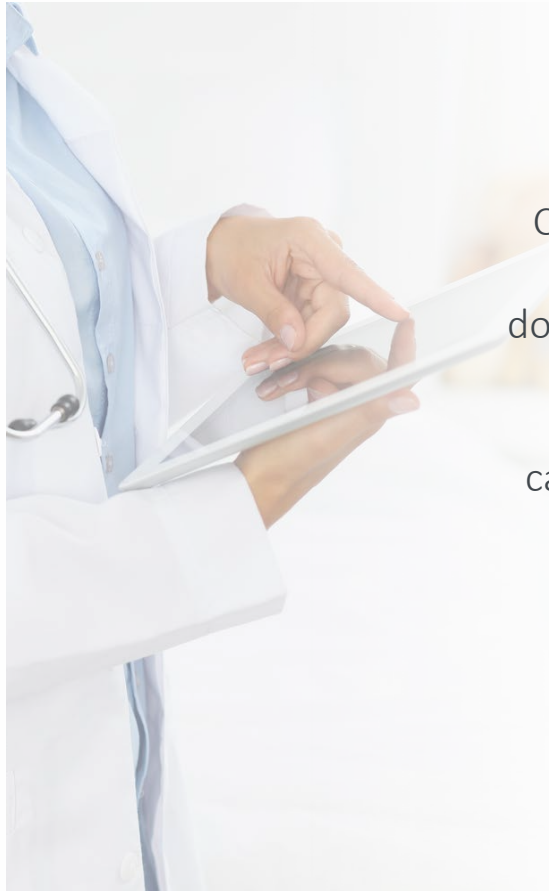
Pharmacovigilance



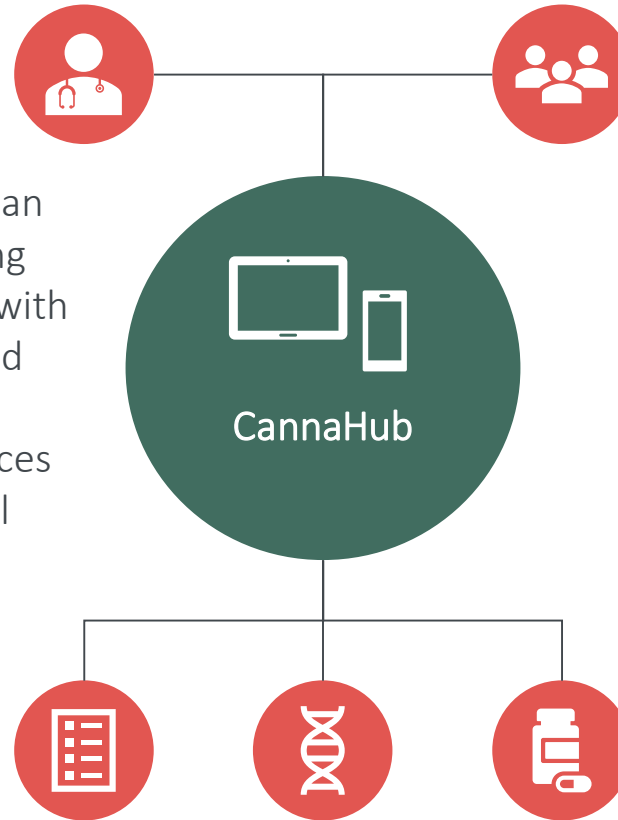
Strategic Partnership with RMIT



MGC Pharma and RMIT developing CannaHub, a digital research hub for the application of Phytocannabinoid derived medicines including the International Library of Cannabinoids (ILC)



CannaHub provides an interface connecting doctors and patients with clinical research and information on cannabinoid sequences and their potential treatments



International Library Of Cannabinoids

- ILC is the World's first library of cannabis medicine where details of medical cannabis clinical research, cannabinoid sequences and their treatments can be found
- ILC will collect data from diverse clinical studies, academic publications, patient feedback as well as diverse cannabinoid strains
- Collected and analysed data from the ILC will assist and enhance the work of doctors and researchers and improve industry efficacy estimates of cannabinoid treatment of various disorders
- ILC could be utilised for the design and implementation of clinical trials via its mobile and web-based applications

Proprietary MGC Drug Delivery Technology

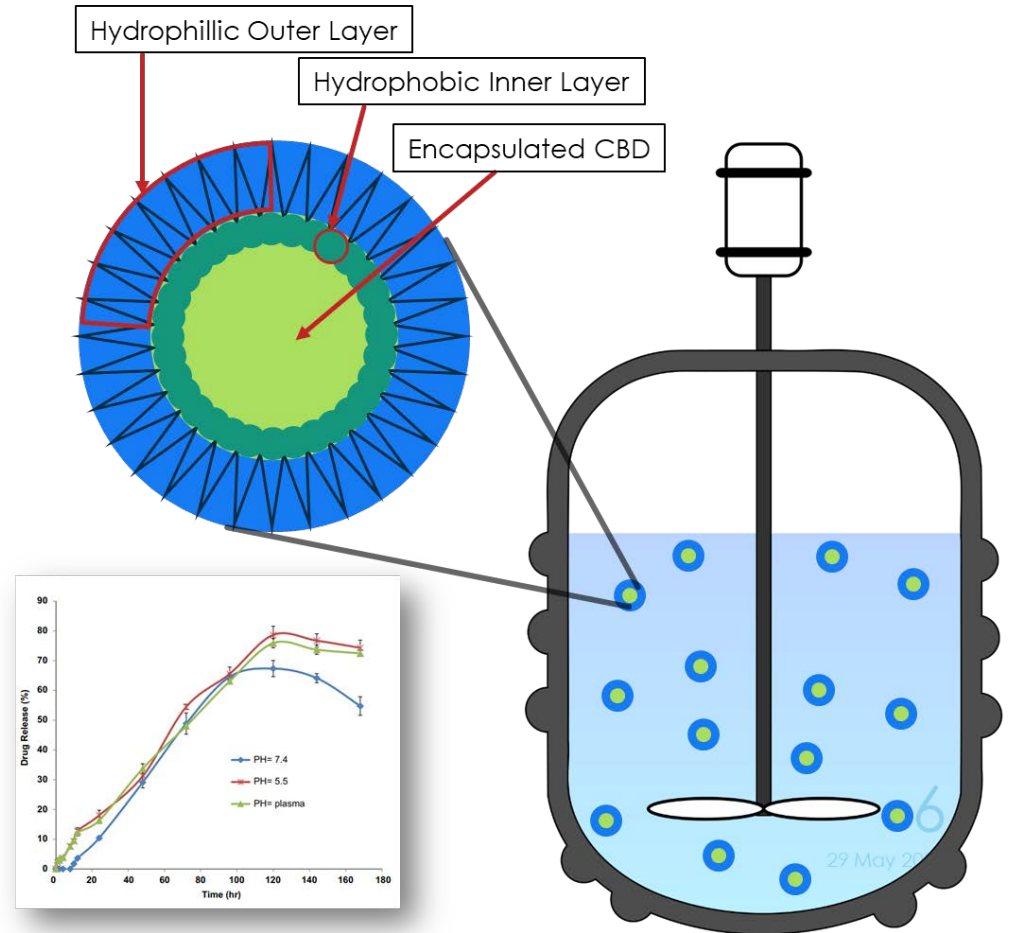
Smart nanostructured materials for drug delivery

Nano-emulsion, Nano particles & Core-shell microcapsules

MGC is currently conducting research development on smart nanostructured materials to deliver drugs to the target sites with reduced dosage frequency and in a controlled manner, to mitigate the side effects experienced with traditional therapies.

Designed to resolve the critical issues encountered with conventional pharmaceutical treatments with the following:

- Specific distribution of the API
- Controllable release of the API
- High bioavailability



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