

8 July 2020
ASX Code: MXC

MGC Pharma awarded Import Licence by Australian Office of Drug Control

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Key Highlights:

- MGC Pharma successfully granted an Import Licence by the Australian Office of Drug Control
- The licence allows for the importation of any MGC Pharma Schedule 4 and Schedule 8 medicinal cannabis products into Australia
- The licence enables MGC Pharma to import a wider range of products from its Mercury Pharma brand
- MGC Pharma will now bulk import its products resulting in significant cost savings to the Company including logistics and handling costs
- This will enable MXC to provide high-quality and affordable medicinal cannabis products to Australian patients via its commercial network at very affordable pricing points
- Progresses company towards becoming a world leading, vertically integrated bio-pharma company

MGC Pharmaceuticals Ltd (ASX: MXC, 'MGC Pharma' or 'the Company'), a European based bio-pharma company specialising in the production and development of phytocannabinoid-derived medicines, is pleased to announce it has been granted an Import Licence by the Australian Office of Drug Control (ODC). This follows the granting of an Indent Wholesale Licence by the Western Australian Department of Health on the 26th of May 2020.

The import licence provides an important opportunity for MXC's Australian operations as it is now able to directly import Schedule 4 - prescription only medication and Schedule 8 - controlled drugs, medicinal cannabis product into Australia from its European production facility, a process that was previously facilitated by Cannvalate and Health House International.

The granting of this licence significantly decreases logistics and handling fees for MXC and supports its business model of providing high-quality affordable medicinal cannabis products to patients and progresses the Company towards becoming a vertically integrated bio-pharma company with global operations.

MGC Pharma will now bulk import its medicinal cannabis products for storage, distribution and sale across Australia through its commercial channel partners and in due course, MXC will expand importation to encompass a wider range of products including products from its Mercury Pharma brand such as MP1:1 (25mg/mL THC:CBD) and MP25T (25mg/mL THC).

The Company continues to work with Cannvalate and other commercial partners to distribute its proprietary products across the Australian market at very affordable pricing points.

The Company's next step is to expand its sales team and clinic access, increasing from the retail profit margins, alongside its distribution channels.

Roby Zomer, Co-founder and Managing Director of MGC Pharma, commented: "The granting of the import licence in Australia is very significant for our Australian operations, with the logistics savings we are able to become more cost effective and are also able to expand our product offering to our Australian customers."

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About MGC Pharma

MGC Pharmaceuticals Ltd (ASX: MXC) is a European based bio-pharma company developing and supplying affordable standardised phytocannabinoid derived medicines to patients globally. The Company's founders were key figures in the global medical cannabis industry and the core business strategy is to develop and supply high quality phytocannabinoid derived medicines for the growing demand in the medical markets in Europe, North America and Australasia. MGC Pharma has a robust product offering targeting two widespread medical conditions – epilepsy and dementia – and has further products in the development pipeline.

Employing its 'Nature to Medicine' strategy, MGC Pharma has partnered with renowned institutions and academia to optimise cultivation and the development of targeted phytocannabinoid derived medicines products prior to production in the Company's EU-GMP Certified manufacturing facility. MGC Pharma has a number of research collaborations with world renowned academic institutions, and including recent research highlighting the positive impact of using specific phytocannabinoid formulations developed by MGC Pharma in the treatment of glioblastoma, the most aggressive and so far therapeutically resistant primary brain tumour.

MGC Pharma has a growing patient base in Australia, the UK, Brazil and Ireland and has a global distribution footprint via an extensive network of commercial partners meaning that it is poised to supply the global market.

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