

31 December 2015

ASX Code: MXC

Prospectus and Related Offers Closed

The Company advises its re-compliance Prospectus dated 18 December 2015 relating to the acquisition of MGC Pharmaceuticals Ltd group of companies is now closed, following the recompliance offer of \$10,000 being fully subscribed on the terms set out in the Prospectus, and the issue today of the July 15 unlisted options under a cleansing prospectus (relating to the exercise and conversion of the June 2015 ERIOB listed options).

The Company is now in the process of finalising the ASX re-compliance documentation with the ASX, including issue of the Prospectus Shares, completing the MGC acquisition and issue of shares to the Vendors.

As set out in the Prospectus, the anticipated date to be reinstated to trading is 14 January 2015.

| Indicative timetable | |
|---|-----------------|
| Completion of Acquisition | 4 January 2015 |
| Issue of Securities under the Offers | 11 January 2015 |
| Dispatch of holding statements | 12 January 2015 |
| Expected date for Shares to be reinstated to trading on ASX | 14 January 2015 |

-Ends-

About MGC Pharmaceuticals Ltd

MGC is EU based specialist medical and cosmetic cannabis company with many years of technical and commercial experience in the medical cannabis industry. The Company's founders were key figures in the Israeli medical cannabis industry and the core business strategy is to develop and supply high quality non-psychoactive Cannabinoid resin extract ("CBD") to the growing European cosmetics and medical markets.