

MARKET RELEASE

23 May 2016

MGC Pharmaceuticals Limited

TRADING HALT

The securities of MGC Pharmaceuticals Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Wednesday 25 May 2016 or when the announcement is released to the market.

Security Code: MXC

Jill Hewitt

SENIOR ADVISER, LISTINGS COMPLIANCE (PERTH)



23 May 2016

Mr Ben Tippet Australian Securities Exchange Level 40, Central Park 152-158 St Georges Tce Perth WA 6000

Via email: <u>tradinghaltsperth@asx.com.au</u>

Dear Mr Tippet

The Directors of MGC Pharmaceuticals Ltd request that the Company's securities be placed in a voluntary trading halt immediately in accordance with ASX Listing Rule 17.1 pending a material announcement in relation to its application for FDA approval of its MGC Derma cosmetic products in the USA and a new material distribution agreement for MGC Derma cosmetics.

The Company requests that the trading halt end on the earlier of the commencement of normal trading on Wednesday 25 May 2016, or when the announcement referred to above is released to the market.

The Company is not aware of any reason why the trading halt should not be granted, nor of any other information necessary to inform the market about the trading halt, and the Company confirms that the request for a trading halt is material.

Yours faithfully

Rachel Kerr Company Secretary