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ASX Code: MXC

New UK Distribution Agreement Signed with LYPHE Group – First Order Received for Immediate Delivery

ASX
RELEASE

- Distribution agreement signed with leading UK medicinal cannabis provider LYPHE Group Limited ('LYPHE'), for MGC Pharma's cannabinoid medicines
- First purchase order received for MXC's Mercury Pharma line products totalling 900 units – not consignment stock
- Largest single order of MGC Pharma EU GMP products into the UK to date
- LYPHE is the industry leader in the UK's rapidly expanding medicinal cannabis market and Astral Health's parent company which currently writes over half of all new prescriptions for medicinal cannabis in the UK
- MGC Pharma's products to be registered in UK through LYPHE, imported and delivered directly to the end patient
- First prescriptions for MP1:30, MP1:1 and MP25T already received by LYPHE
- Estimated UK market size for cannabis medicinal uses expected to reach €8.8B by 2028¹
- MGC Pharma remains on track to achieve its target of 5,000 prescriptions per month by Q1 2021

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 that it has signed distribution agreement ('the Agreement') for MGC Pharma's EU GMP cannabinoid medicines with leading United Kingdom medical cannabis provider, LYPHE Group Limited (LYPHE). The Agreement provides MGC Pharma direct access to LYPHE's established distribution channels into the growing UK market for medical cannabis products.

MGC Pharma has already received an initial purchase order from LYPHE for 900 units of MXC's affordable Mercury Pharma medicine line of products. This is a direct shipment sale and not consignment stock, indicating the immediate patient demand from the LYPHE network.

LYPHE have extensive networks and has developed a patient-access and distribution ecosystem which positions the company as the leader in the UK's rapidly expanding medicinal cannabis market.

Under the Agreement, LYPHE will prescribe and dispense Mercury Pharma medicinal cannabis products under LYPHE labels, to patients at its clinics, while reporting real-world anonymised data investigating efficacy, safety, quality of life, and patient-reported outcomes to MGC Pharma. There are no minimum order volumes under the distribution agreement executed.

¹ Source: [Prohibition Partners: The European Cannabis Report™ 4th Edition](#)

LYPHE's recent collaboration with Eaststone Ltd provides MXC with access to one of the UK's leaders in the supply of unlicensed medicines, currently serving over 700 physical pharmacy locations across the UK. Based in the North West of England with an excellent reputation for service and quality, Eaststone Ltd has strong connections to a network of independent pharmacies across the country making it the ideal partner for the LYPHE Group and MXC products.

The size of this first commercial order from LYPHE is the largest single order for MGC Pharma into the UK to date. It is strategically important for MXC as it demonstrates a valuable commercial channel into the UK and represents a key step towards MXC's goal of serving growing patient demand for medicinal cannabis in the UK, which is forecast to be a large market for cannabinoid medicines.

This latest distribution agreement and new product order place MXC in a strong position to achieve its stated target of 5,000 prescriptions per month by Q1 2021.

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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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