

12 April 2018

ASX Code: MXC

Maltese Government Approves MGC Pharma's Fully Licensed Medical Cannabis Facility

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- As announced on 11 April 2018, Malta Enterprise Corporation awarded MXC with 4,000m² of land to construct a state-of-the-art, fully licensed medical cannabis production and cultivation facility
- MXC has also been given approval by Maltese Government for full medical cannabis production and cultivation facility in Malta
- Following the positive evaluation by Malta Enterprise Corporation on the Company's formal business plan submission, MXC to date is one of five entities, and the only Australian company, approved to build and operate a fully-licensed medical cannabis facility in Malta
- The contract terms require the Company to comply with all relevant local licenses and permits, which will be governed under the final legislative changes to Malta's medical cannabis laws which are currently in final stages of parliamentary process

MGC Pharmaceuticals Ltd (ASX: MXC or "the Company") is pleased to provide an update that it has now been given approval by Maltese Government for full medical cannabis production and cultivation facility in Malta and to construct a 4,000m² state-of-the-art medical cannabis production and cultivation facility.

MXC as at today, is one of five companies, and the only company from Australia, to be awarded a full medical cannabis production and cultivation contract. This is following the recent approval by the government agency Malta Enterprise Corporation of the Company's Medical Cannabis Project and Business Plan submission.

Under the agreement, the Company will be permitted to produce all THC and CBD strains of medical cannabis, expanding the commercial opportunity for MXC to develop additional medical cannabis pharmaceutical products into key European and global markets, which derive benefits from THC in addition to CBD.

The Company will be required to comply with all Maltese medical cannabis licences and permits to operate the facility, as required in the normal course of business for all medical cannabis operations globally, which are subject to final legislative changes, which once passed, will permit the cultivation, production and commercialisation of medical cannabis in Malta.

Mario Gala, CEO, Malta Enterprise Corporation states:

“Malta Enterprise welcomes MXC among its community of Foreign Direct Investors establishing commercial operations in Malta. We are pleased to host investment from Australia, a country with such close business and community links to Malta.”

“The medical cannabis sector is a new sector which will continue to enhance our economic growth, which is exceeding 6% annually. This new sector is open exclusively for the production of Cannabis for medicinal, research and scientific use.”

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For further information, please contact:

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About MXC

MGC Pharmaceuticals Ltd (ASX: MXC) is an EU based specialist medical cannabis company with many years of technical clinical and commercial experience in the medical cannabis industry. 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 Cannabinoids based pharmaceuticals products for the growing demand in the medical markets in Europe, North America and Australasia.

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