

25 September 2018

ASX Code: MXC

Contract Default Notice Issued To Varm Cosmo

MGC Pharmaceuticals Ltd (ASX: MXC or “the Company”) provides the following update on its white label cosmetics supply contract and binding purchase order executed in October 2017 with Varm Cosmo Inc. (“Varm Cosmo”).

The Company has issued a formal Contract Default notice to Varm Cosmo for its failure to meet its commercial obligations to MGC Derma under the Binding Sale Agreement signed on 31 October 2017. MGC Derma has been constantly willing and ready to deliver on its obligations under the contract.

The Company will seek a minimum of \$0.5 million from Varm Cosmo in restitution, plus damages to the Company, for Varm Cosmo repeatedly failing to deliver on its commercial obligations to MGC Derma for the production and supply of \$8.0 million bulk cosmetics product purchase order, signed by the parties in November 2017.

The Company will continue to keep shareholders informed of any material changes or outcomes from these legal proceedings, as the process moves forward.

– Ends –

For further information, please contact:

Media Enquiries

Alex Liddington-Cox
Media and Capital Partners
+61 474 701 469
Alex.liddingtoncox@mcpartners.com.au

MGC Pharmaceuticals Ltd

Brett Mitchell
Executive Chairman
+61 8 6382 3390
info@mgcpharma.com.au

About MXC

MGC Pharmaceuticals Ltd (ASX: MXC) is an EU based BioPharma 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.

Follow us through our social media channels   