

18 February 2021

ASX Code: MXC

LSE Code: MXC

Master Supply & Distribution agreement signed with Swiss PharmaCan AG for exclusive worldwide¹ distribution of ArtemiC™ Rescue

Key Highlights:

- Minimum three (3) year exclusive worldwide¹ supply and distribution agreement signed with leading European nutraceuticals producer and distributor, Swiss PharmaCan AG, for the distribution of ArtemiC™ Rescue as a food supplement
- This agreement follows the completion of a successful phase II double-blind, placebo-controlled clinical trial on 50 COVID-19 patients across Israel and India that met all its primary and secondary endpoints
- Agreement includes minimum wholesale order quantity to MGC Pharma of 40,000 units of ArtemiC™ Rescue per quarter
- Initial wholesale order of 10,000 units received by MGC Pharma, which has a total retail market value of US\$850,000 for Swiss PharmaCan AG
- MGC Pharma to also produce and provide daily dosage immune support supplement ArtemiC™ Support, for daily use.
- Swiss PharmaCan AG to exclusively distribute ArtemiC™ Rescue and ArtemiC™ Support worldwide¹, with specific focus on countries currently reporting high numbers of COVID-19
- The Company has sufficient manufacturing capacity at its production facility in Slovenia to produce commercial scale batches of ArtemiC™ Rescue and ArtemiC™ Support for distribution by Swiss PharmaCan AG
- Additionally, Swiss PharmaCan AG has already secured agreement with Relay Medical Corp. (CSE: RELA) and Glow LifeTech Ltd. for exclusive North American and Caribbean sales and distribution rights for ArtemiC™ Rescue and ArtemiC™ Prevention
- Swiss PharmaCan AG has also secured ONASIS Holdings Corp. (OTC: ONSS) as Master Distributor of ArtemiC™ Rescue and ArtemiC™ Prevention through their channels in USA and Central America.

MGC Pharmaceuticals Ltd (ASX, LSE: 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 it has signed an exclusive master supply and distribution agreement (the '**Agreement**') with leading European nutraceutical producer and distributor, Swiss PharmaCan AG ("**SPC**") for the sale and distribution of the Company's food supplement ArtemiC™ Product line. ArtemiC™ incorporates SPC's MyCell Enhanced™ delivery system technology.

ArtemiC™ is a clinically tested food supplement (nutraceutical, dietary supplement, natural health product) containing four natural based ingredients consisting of Artemisinin, Curcumin, Boswellia serrata, and Vitamin C.

This Agreement represents the first sales of ArtemiC™ as a food grade product and provides MGC Pharma direct access to the large and rapidly growing markets that are still reporting high numbers of COVID-19 cases.

¹ Excluded territories; Thailand, Myanmar, Israel, CIS (Armenia, Belarus, Kazakhstan, Moldova, Russia, Tajikistan, Uzbekistan) and Ukraine

The signing of this distribution agreement follows the completion of a phase II double-blind, placebo-controlled clinical trial on 50 COVID-19 patients, to evaluate the safety and efficacy of the anti-inflammatory product, ArtemiC™ Rescue in December 2020 (refer ASX release 15 December 2020). Results from the trial highlight that ArtemiC™ Rescue demonstrates the following advantages:

- A full safety and efficacy profile with no drug-adverse events
- The ability to prevent deterioration of COVID-19 patients and achieve faster clinical improvement
- The ability to assist in reducing the pressure on the medical system and support coping with hospitalised patients
- The ability to reduce symptoms and pain associated with COVID-19
- The versatility to be used in community as well as in hospitals

As the mechanism of action of ArtemiC™ Rescue is focused on the anti-inflammatory effect and reducing and prevention of cytokine storm, a wide spectrum of potential indications will be considered for future development.

The Agreement includes a minimum wholesale order quantity of 40,000 units of per quarter and an initial wholesale order of 10,000 has already been received from SPC. This initial 10,000 unit order equates to a retail market value of US\$850,000 to SPC.

Under the terms of the agreement, MGC Pharma will provide ArtemiC™ Rescue to SPC to distribute as a food supplement worldwide (with the exception of excluded territories; Thailand, Myanmar, Israel, CIS countries and Ukraine). MGC Pharma will also produce and provide an additional supplement called ArtemiC™ Support which is specifically designed for daily consumption to support and maintain the strength of the human immune system.

Under the Agreement SPC will be responsible for the obtainment of all relevant permits, approvals, certificates and licenses as well as the marketing, advertising, promotion, certification, import and customs clearance in chosen distribution markets.

The Company will be responsible for providing ArtemiC™ Rescue and ArtemiC™ Support to SPC and has the ability to produce commercial scale batches of both products through its current manufacturing capacity and production facility in Slovenia.

SPC has subsequently secured agreement with Relay Medical Corp. (CSE: RELA) and Glow LifeTech Ltd. for exclusive North American and Caribbean sales and distribution rights for ArtemiC™, and ONASIS Holding Corp (OTC: ONSS) as a master distributor in the USA and Central America under the exclusive distribution agreement, highlighting the demand for the product globally.

Roby Zomer, Co-founder and Managing Director of MGC Pharma, commented: "Following the successful results achieved from our ArtemiC™ Phase II clinical trial in December last year, we are very pleased to have signed this Agreement with Swiss PharmaCan AG for the worldwide distribution of ArtemiC™ as a food supplement as it provides full product validation of ArtemiC™ and its therapeutic benefits."

Michel Fässler, CEO and Member of the Board of Swiss PharmaCan AG, commented: "We are very happy with the successful cooperation between MGC and Swiss PharmaCan AG. The potential of ArtemiC™ is unlimited and a viable, natural solution in the current crisis, offering to so many people possible help and alleviation of their suffering."



ArtemiC products

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Authorised for release by the Board, for further information please contact:

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About MGC Pharma

MGC Pharmaceuticals Ltd (LSE: MXC, 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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About Swiss PharmaCan AG

Micelle Technology AG, parent company of Swiss PharmaCan AG is a dynamic organization dedicated to R&D using natural active ingredients (i.e. vitamins and minerals) to improve human health. As one of the leading innovators of plant-based micelle concentrates, Micelle Technology AG offers a unique technology, which enables the company to harness the full potential of herbal active ingredients.

Website: www.swisspharmacan.ch