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ASX Code: MXC

## **MGC Pharmaceuticals and University of Sydney Publish Australia's First White Paper on the Domestic Medicinal Cannabis Industry**

### **Highlights**

- The University of Sydney Business School and MGC Pharmaceuticals have today jointly published the first ever White Paper on the Australian medicinal cannabis industry
- It follows the recent federal legislation approved by the Australian Government that lays the foundations to allow the cultivation of cannabis in Australia for medical or scientific purposes
- Australia's first ever White Paper highlights that the current medical cannabis industry locally:
  - Would need to produce 8,000kg of medicinal cannabis per year to service the existing market
  - Australian market currently estimated to be worth A\$100-150 million per annum, and is likely to grow significantly in the next decade
  - Has the potential to help tens of thousands of patients suffering from a wide range of medical conditions such as Multiple Sclerosis, Epilepsy, Cancer, Severe and Chronic Pain
- The White Paper presents a unique opportunity for MGC Pharmaceuticals to work closely with the Government and universities to shape the Australian medicinal cannabis industry

**MGC Pharmaceuticals Ltd** (ASX: MXC, "MGC Pharmaceuticals" or "the Company") is pleased to announce that it has today co-launched together with the University of Sydney Business School, the first ever White Paper published in this country, analysing the Australian medical cannabis industry and the potential commercial opportunities likely to emerge in the domestic market.

The White Paper, entitled *Medicinal Cannabis in Australia: Science, Regulation & Industry*, was developed by the University of Sydney Business School's Community Placement Program, as part of a strategic partnership with MGC Pharmaceuticals. Its publication follows the recent federal legislation and positive changes announced by the Australian Government that will shortly allow the cultivation of cannabis in Australia for medical or scientific purposes.

As the first ever White Paper that analyses the medicinal cannabis industry in Australia, the paper examines international experiences and approaches, supply chain economics, quantities of cannabis required and potential regulatory dynamics. It also serves as a framework for the industry to commence engaging key stakeholders such as the Australian Government and the medical community.

The White Paper can be accessed via the below link:

[http://mgcpharma.com.au/wp-content/uploads/2016/03/mgc\\_whitepaper\\_final-sml.pdf](http://mgcpharma.com.au/wp-content/uploads/2016/03/mgc_whitepaper_final-sml.pdf)

The key findings of the White Paper include:

- The industry would need to produce 8,000kg of medicinal cannabis per year to service current medicinal needs
- The potential market for medicinal cannabis in Australia is very large; estimated to be worth A\$100-150 million per annum, and is likely to continue to grow
- Medicinal cannabis has the potential to help tens of thousands patients suffering from a wide range of medicinal conditions such as Multiple Sclerosis, Epilepsy, Cancer and Chronic Pain
- An independent peak body is needed to represent the industry to Government and to assist with the creation of a suitable regulatory framework

**Nativ Segev, Co-founder and Managing Director, MGC Pharmaceuticals commented:**

“The White Paper confirms to us the strong need for developing the medicinal cannabis industry in Australia, which is estimated to be worth A\$100-150 million per annum based on the estimated current market demand. MGC Pharmaceuticals is going to bring our international experience and unique genetic strains to bear on the Australian market, placing us at the forefront of an emerging industry that is poised to help tens of thousands of Australians suffering from a broad range of conditions such as Multiple Sclerosis, Epilepsy, Cancer and Chronic Pain.

“In the future, we plan to expand this industry and our standing in it, by delivering robust clinical evidence and engaging in research and development to support the use of medicinal cannabis for a myriad of indications and conditions.”

**University of Sydney Business School’s Michael Katz commented:**

“We have an incredible opportunity to ensure that robust analysis and industry insight make a strong contribution towards the formation of this new industry in Australia. What’s exciting about this White Paper is that it brings together the university, the market and government - which is directly in line with the Turnbull Government’s vision for universities to be more engaged in the innovation strategy for the country.”

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**For further information please contact:**

**Media Enquiries**

Andrew Ramadge  
Senior Account Manager  
Media and Capital Partners  
+61 475 797 471  
[andrew.ramadge@mcpartners.com.au](mailto:andrew.ramadge@mcpartners.com.au)

**MGC Pharmaceuticals Ltd**

Brett Mitchell  
Executive Chairman  
+61 8 9389 2000  
[info@mgcpharma.com.au](mailto:info@mgcpharma.com.au)

### **About MXC**

MGC Pharmaceuticals Ltd (ASX: MXC) is EU based specialist medical cannabis company with many years of technical and commercial experience in the medical cannabis industry. The Company's founders were key figures in the Israeli medical cannabis industry and the core business strategy is to develop and supply high quality non-psychoactive Cannabidiol (CBD) resin extract to the growing European cosmetics and medical markets, and be leader in the development of medicinal cannabis markets in Australia.

### **About University of Sydney Business School's Community Placement Program**

The Community Placement Program provides students with the opportunity to work with a diverse range of social businesses. One of the fastest growing sectors in Australia and overseas, social enterprises aim to simultaneously create social and economic value by bringing social impact into the value chain of traditional business models.