

mgc pharma  
CBD HEALTH



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MGC Pharmaceuticals (ASX:MXC) is a medical cannabis company focused on full vertical integration through the whole medical cannabis value chain.

### Capital Structure

ASX code	MXC
Market capitalisation (as at 6/4/2018)	~A\$85m
Share price (as at 6/4/2018)	7.5c
Cash at Bank (as at 31/12/2017) <b>&amp; nil debt</b>	~A\$12.0m

### Issued Capital

Ordinary shares	1,189,733,730
VHL Shares	13,000,000
Listed Options (6.5c, expiring 30/6/19)	91,382,770
Performance Shares and Rights	114,148,000
Unlisted Options (12.5c, expiring 31/3/21)	20,500,000

MXC's core strategy includes pharmaceutical product research and development, Active Pharmaceutical Ingredient (API) extraction.

This is complemented by MGC Derma's (MXC 51%) cosmetics and dermatological product development and sales.

MGC Pharmaceuticals is the only medical cannabis company listed on the ASX with a combined Israeli, European and Australian clinical research strategy to take advantage of the rapidly changing regulatory landscape

**Led by a strong Executive Management team and Board, who are world leaders experienced in clinical research and conducting successful human trials with medical cannabis.**



## Our Vision

**Be a global leader in  
Phytocannabinoid-based  
medicines within the  
biopharmaceutical industry.**

MGC Pharma's goal is to facilitate the transformation of Phytocannabinoids into true medicinal product pipelines, and to provide breakthrough solutions for prevalent global health issues to improve the quality of patients' lives and contribute to improved public health.

## Our Mission

**To create a global supply chain  
focused on creating high level products  
and improving the lives of patients, by  
developing ground-breaking treatments  
through innovative research across  
multiple markets.**

MGC Pharma's global market view ensures that the Company will be at the forefront of research and development in this exploding market, with the potential to supply our products to research efforts worldwide, and then to the markets that this research opens.



## Nativ Segev

Director of Business Strategy -  
Executive Director MGC Derma

The founder of MGC Pharma, previously CEO of Israel's second largest licensed Medical Cannabis company, with over 10 years of experience in the global medical cannabis industry and over 15 years of experience in executive roles. Founded MGC Pharmaceuticals to expand into the International markets and to raise the quality and viability of Medicinal Phytocannabinoid products.



## Roby Zomer

Managing Director and CEO

Following 10 years of experience in the BioTech and AgroTech sectors alongside running large scale projects, Mr. Zomer joined MGC Pharmaceuticals as Executive Director & CTO, bringing his extensive business contacts, scientific and engineering skillset to bear on ensuring MGC's position as a leader in research and development, as well as ensuring top performance from our global operations.



## Brett Mitchell

Executive Chairman

With over 20 years of experience in the founding, financing and management of both private and publicly listed companies, Mr. Mitchell is responsible for the corporate strategy, capital markets and financial management of the company, and is integrally involved in assisting in building a new industry from the ground up in Australia.



## Dr. Ross Walker

Non-Executive Director &  
Head of Medical Advisory Board

Dr. Walker is a well-known figure in Australian health, as host of a weekly radio program and a prominent Cardiologist who specialises in echocardiography and preventative cardiology. Dr. Walker has published several books, and lectures both nationally and internationally. His contacts in the medical establishment and beyond allow him to facilitate relationships for MGC and draw positive public attention to the brand.

## Multi-million dollar supply and distribution agreements signed



Definitive Supply Agreement signed with Australian Pharmaceutical Distributor

Will bring first medical cannabis medicine, CannEpi™, to the Australian market

Targeting +70,000 Australians suffering from drug-resistant epilepsy

~\$1m annual revenue from patients already registered (<100), with strong growth expected



5 Year Supply & Distribution Agreement signed with European Pharmaceutical Company

MXC will supply medicinal cannabis flower products and CannEpi™ MXC epilepsy medicine

~\$1m annual revenue from patients already registered (<100), with strong growth expected



Exclusive distribution deal for API grade extracts with leading laboratory equipment supplier Mikro+Polo.

Slovenia's largest supplier of laboratory equipment, chemicals and diagnostics to established customer base of laboratories in Slovenia, Croatia and Bosnia.



Multi-year binding agreement to supply cannabidiol (CBD) extract to European distributor, operating in Germany, the Czech Republic and Austria

MXC will supply a minimum 12kg of CBD extract per quarter  
Expected to generate +\$1m in annual sales



**Professor Uri Kramer**

One of the few medical professionals in the world to have run full scale epilepsy trials with Cannabis, Dr. Kramer brings a wealth of experience in various fields (Neurology, Pediatric Neurology, Adolescent Psychology & Child Development). Additionally, Professor Kramer is a Former president of the Israeli League Against Epilepsy, giving him unique insight into the daily struggles of the patients his research benefits.



**Professor David Neubauer**

As Head of Department of Child, Adolescent and Developmental Neurology at University Children's Hospital, Ljubljana, Dr Neubauer is widely published and respected, and has dealt with children and adolescents in Neurological contexts for more than thirty years.



**Professor Stane Srčič**

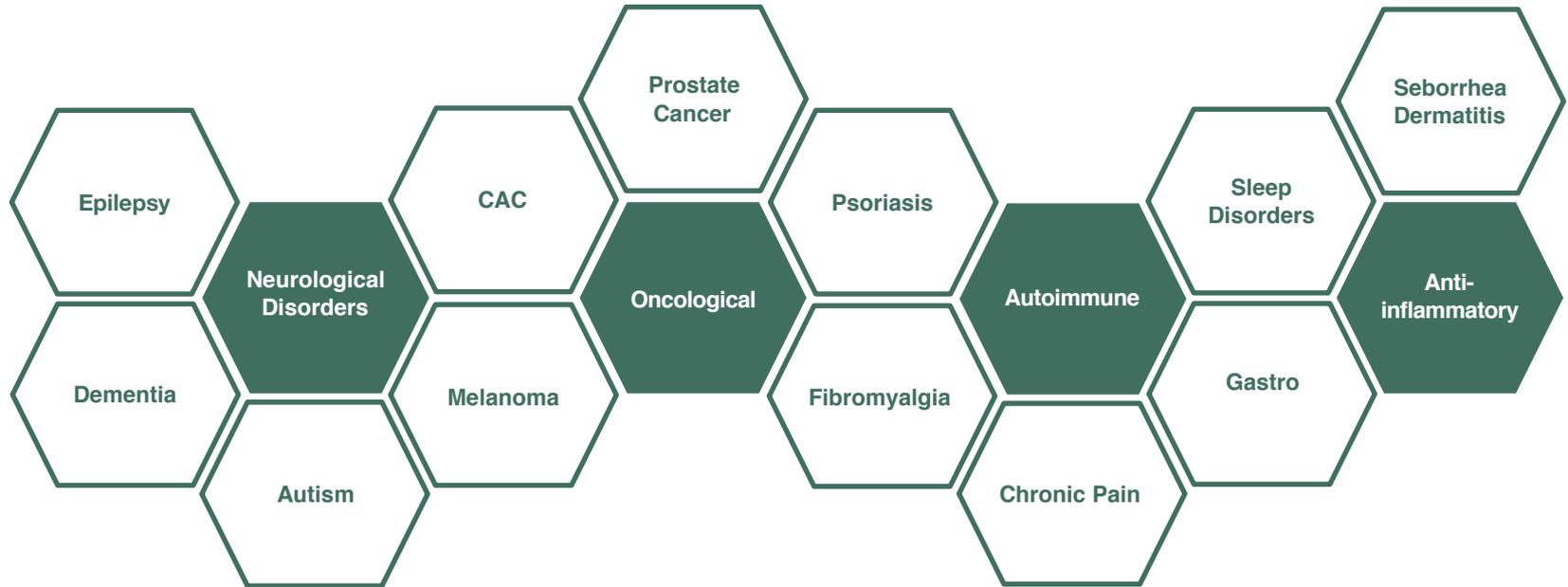
Stane Srčič is a Professor of Pharmaceutics and Head of the Department of Pharmaceutics at the University of Ljubljana, where he held the position of Vice-Dean between 1996 and 2000. From 1987-88 he was Assistant and Associate Professor in Ljubljana before becoming a full Professor and taking on the role of Head of Department.



**Doctor Johnny Gruenfeld**

Certified in Israel, with clinical experience at the MD Andersen Cancer Center, Prof. Gruenfeld has spent the last twenty years focusing on Neuro-Oncology, with a focus since 2010 on Cannabis as a treatment for oncological palliative care. Involved in the licensing of care of over 3000 medical cannabis patients in Israel, giving him a unique insight into questions of dosing, patient groups and developing treatment methodology.

Clinical studies indicate that Cannabinoids are effective in easing symptoms of a wide range of difficult-to-control conditions, including:



MGC Pharma operates in several different segments of the Pharmaceuticals and Medical Cannabis industry, applying high standards of Quality Control (QC) through all of our divisions to assure the best we can provide to our patients and to the public

## MGC Pharma holds four divisions:



(MXC:100%)

The core of the company  
Focused on medical research and development of the Company's pharmaceutical product pipeline



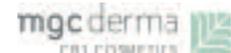
(MXC:100%)

Emerging from a pharmaceutical grade pipeline, MGC Nutraceuticals provides premium phytocannabinoid based products that create balance and wellness within users' internal systems.



(MXC:100%)

Provides raw materials and appropriately matched genetics to treat patients with a variety of diseases across the globe



JV (MXC:51%)

European Subsidiary  
Developing and commercialising the Company's cosmetics and dermatologically tested products in the large global skincare market



This allows MGC to be a key player in all significant areas of production in various global locations and to progress with high level research and development and clinical trials around the world simultaneously and embrace new emerging verticals.

Owner of unique IP which places the Company at the forefront of medical cannabis research and development for indications that will serve large and growing global markets



MGC First Medicinal product - expected to be available in 2Q 2018

CannEpiL™ is a Cannabidiol-based product used for drug-resistant (otherwise known as refractory) epilepsy



GMP Facility

Interim GMP certification granted, final approval pending.  
Production of first CannEpiL™ batch imminent.

MGC Facilities will allow the development of further Cannabis based medications



Landmark  
collaboration

Landmark collaboration with RMIT University, establishing the Cannabis Medicine Library, and focusing on pre-clinical research on melanoma and prostate cancer.  
Umbrella agreement signed and application submitted for Australian research license.



Strategic Alliance with Australia's leading Epilepsy association, Epilepsy Action Australia (EAA)  
MXC products will be introduced by the EAA to its members in accordance with their medical requirements  
Collaboration towards future joint clinical trials using medical cannabis for the treatment of epilepsy

MGC Pharma aims to secure a share of the global pharmaceutical market via its medical cannabis products.

The Company is targeting large markets, where medical cannabis is likely to have a high degree of success.

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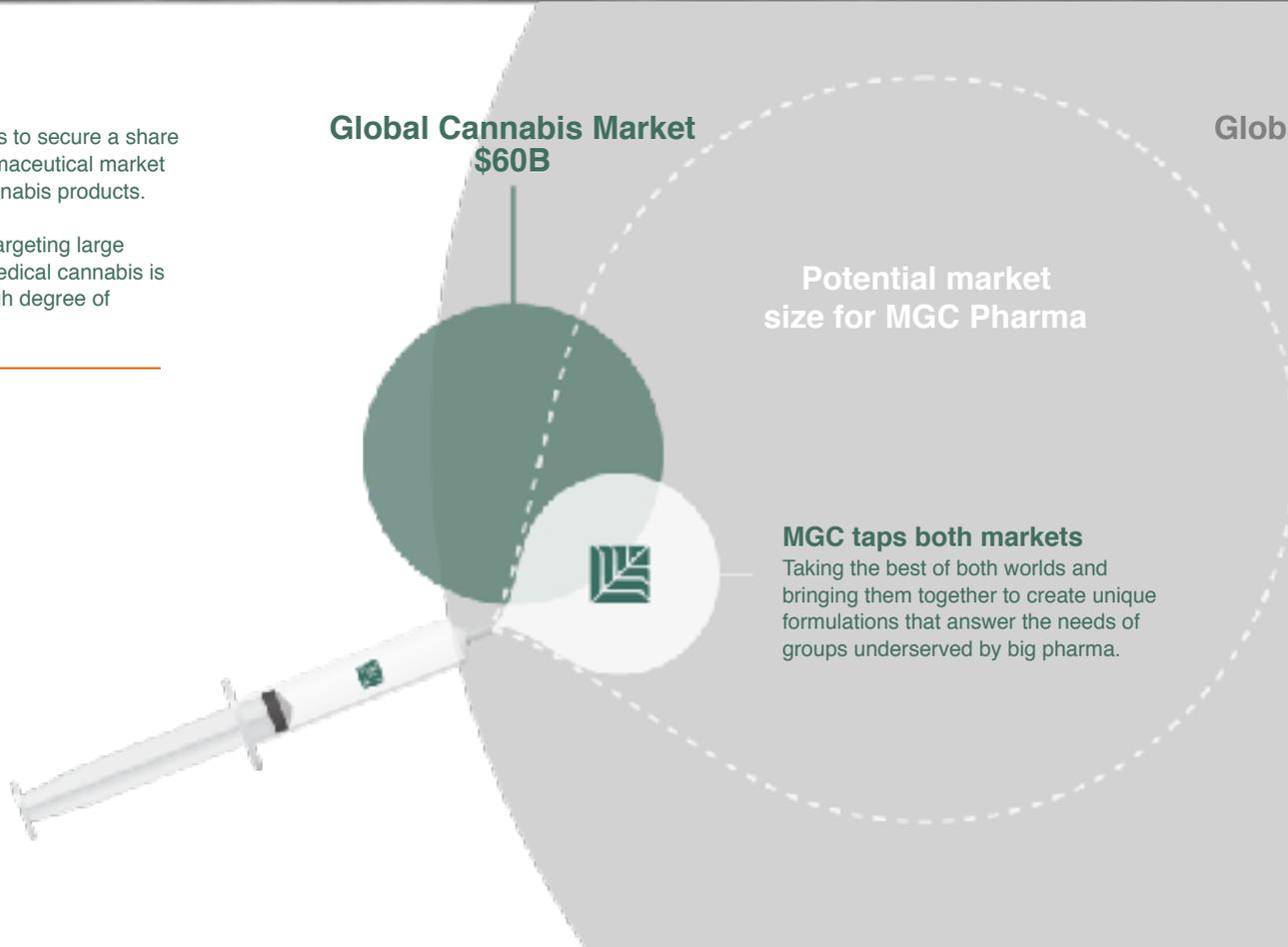
**Global Cannabis Market**  
\$60B

**Global Pharma Market**  
\$1,072B

Potential market size for MGC Pharma

**MGC taps both markets**

Taking the best of both worlds and bringing them together to create unique formulations that answer the needs of groups underserved by big pharma.



Evidence has shown that the market for diseases Medical Cannabis can treat will grow significantly in the coming years.

Neurological Disorders	Oncological	Autoimmune Anti-inflammatory	Other Indications
<p><b>Epilepsy</b></p> <p>The global epilepsy medication market is approximately US\$3.7B.</p>	<p><b>Cachexia</b></p> <p>The global cancer therapeutics market should reach US\$172.6B by 2022 from \$121B in 2017.</p>	<p><b>Psoriasis</b></p> <p>The global market for psoriasis treatment, should reach US\$12.1B by 2024 from US\$7.8B in 2015.</p>	<p><b>Crohn's Disease</b></p> <p>The global inflammatory bowel diseases (IBD) market is expected to reach US\$9.5B in 2020 from US\$8.5B in 2016.</p>
<p><b>Dementia</b></p> <p>The global dementia medication market is approximately US\$14B.</p>	<p><b>Melanoma</b></p> <p>The global melanoma medication market should reach US\$4.71B by end of 2022 from US\$2.04B in 2016.</p>	<p><b>Fibromyalgia &amp; Chronic Pain</b></p> <p>The market is expected to rise from a valuation of US\$60.2B in 2015 to US\$83.0B by 2024.</p>	<p><b>Insomnia</b></p> <p>The global insomnia therapeutics market is expected to reach USD\$3.45B by 2025.</p>
<p><b>Autism</b></p> <p>Autism is a fragmented \$5.5B market in the US.</p>	<p><b>Prostate</b></p> <p>The global prostate cancer therapeutics market size was valued at US\$7.9 billion in 2016.</p>	<p><b>Seborrhea Dermatitis</b></p> <p>The global atopic dermatitis (AD) market is expected to grow to US\$7.66B in 2025 from US\$4.04B in 2016.</p>	<p><b>IBS</b></p> <p>The global therapeutics market for Irritable Bowel Syndrome is expected to reach \$1.5B by 2023 from \$589.6M in 2013.</p>

## Production of first CannEpi<sup>TM</sup> batch has commenced at European manufacturing facility.

### Neurological Disorders

#### Epilepsy

The global epilepsy medication market is approximately US\$3.7B.



### Production Commenced

MXC's European Medicinal Cannabis manufacturing facility has commenced production of the first batch of CannEpi<sup>TM</sup>, following receipt of its interim GMP certification.

CannEpi<sup>TM</sup> is MXC's first pharmaceutical-grade medical cannabis product targeted for drug resistant (refractory) epilepsy, which accounts for approximately 30% of the estimated 240,000 people diagnosed with epilepsy in Australia each year.

Once distribution of CannEpi<sup>TM</sup> commences, it is expected to generate more than \$1m in annual sales in the Australian market in its first year, based off <100 patients already registered.



### GMP Certification

This is the final step towards full GMP certification for the manufacturing facility, after which it will be one of Europe's most advanced facilities for pharmaceutical grade medical cannabis compounding.

Analysis of the batch will be undertaken to validate that GMP production protocols have been followed, as the final step before full certification is granted.

Once granted, MXC will be able to commence full-scale production of CannEpi<sup>TM</sup> and will be able to produce additional pharmaceutical grade medicinal cannabis products for use by MXC in clinical studies, research pipelines and additional medical products licensed for distribution.



**MGC Pharma's Botanic Division engages with multiple cultivation sites to meet increasing global demand, alongside research into breeding and genetics with leading institutions and academia.**

**Greenhouse facility  
in Czech Republic  
+1,000m<sup>2</sup>**

First cycle of Panax harvested, yielding over 400kg of high CBD and THC flowers.

Biomass will be processed into CBD crystals for use in the Company's MGC Pharma and MGC Derma product lines.



**Open Field Farm  
in Slovenia  
5,000m<sup>2</sup>**

1<sup>st</sup> harvest complete in early October 2017 yielding encouraging 4,000kg of biomass.

Biomass will be processed at MGC's European facilities and used in the Company's MGC Pharma and MGC Derma product lines, and sold as MGC Pharma's Aquiol, a food grade pure CBD product, in the European market.



**Collaborative Partnerships  
in Slovenia**

**University of Ljubljana**

Genetic research program underway to create genetic strains with high levels of CBD and THC for the treatment of specific disease symptoms.

Medicinal cannabis seeds planted in June 2017 for the project.

**IHPS  
The Slovenian Institute of Hop  
Research and Brewing**

Collaboration with IHPS, Ljubljana, to cultivate strains for global export.



## Medical Cannabis cultivation and manufacturing facility license granted by Malta Government (through its economic development and foreign investment agency Malta Enterprise)

### Agreement with Malta Enterprise.

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Granted 4000m<sup>2</sup> of land and a license for the commercial production and cultivation of Medical Cannabis in Malta.

License remains subject to final legislative changes to Malta's medicinal cannabis laws, currently in final stages of parliamentary discussion.



### MXC is one of five entities approved to establish a Medical Cannabis facility.

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The license is subject to final legislative changes, which once passed, will permit the cultivation, production and commercialisation of Medical Cannabis in Malta.

Currently taking place in Malta's parliament, with the bill expected to pass shortly.



### Cannabis legalised in Malta for medicinal purposes.

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Malta's climate is ideal for cannabis cultivation and as part of the EU - a very attractive country for MXC to establish a fully licensed Medical Cannabis facility in.

Parliamentary discussions follow the recent legalisation of cannabis for medicinal purposes in Malta.

A bill passed in Malta on 23 March 2018, which legalised cannabis for medicinal purposes.

Positioned as one of the leading CBD cosmetics brands with distribution deals signed into multiple markets, currently in discussions to engage in new markets.

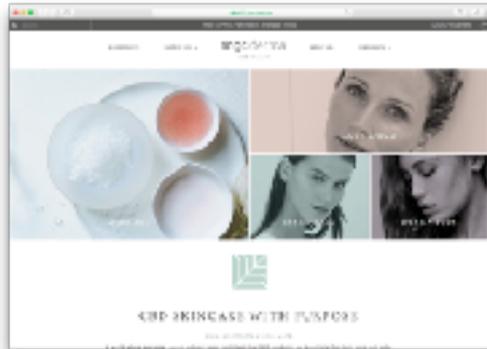
## MGC Derma

CBD based cosmetics products

MGC Derma CBD based cosmetics products available for sale since May 2017

Range of 19 products will increase to ~50

Product launch in UK, North America, Asia for 2018



## DermaPlus

CBD based dermatologically tested products

Range of dermatologically tested, clinically trialed skincare products

Launch expected in early Q1 2018

Proven to have a positive effect relieving symptoms of volunteer patients with psoriasis, eczema and acne skin ailments



*cult*  
**BEAUTY**

**\$675 billion USD**

global cosmetics market by 2020<sup>1</sup>

Targeting several key geographies, including Europe, the US & Australia

Product launch in U.K. and North America planned for 2018

**Emerging from a pharmaceutical grade pipeline, MGC Nutraceuticals provides premium phytocannabinoid based products that create balance and wellness within users' internal systems.**

## MGC Nutraceuticals

eCommerce website launching soon.

To coincide with the launch, the release of a new product catalogue and new e-commerce website supporting the MGC Nutraceuticals range is now live.

Visit <http://www.mgcnutraceuticals.com/>



## Pharmaceutical Grade Nutraceuticals

Promoting inner health and wellbeing, MGC Nutraceuticals' product range includes multiple premium products, comprising supplements and food grade products in flavours such as forest fruit, blueberry and vanilla.

The products contain high grade phytocannabinoids, which have been grown, extracted and processed under the Company's strict quality control guidelines and standards, alongside natural vegan proteins and vitamins.



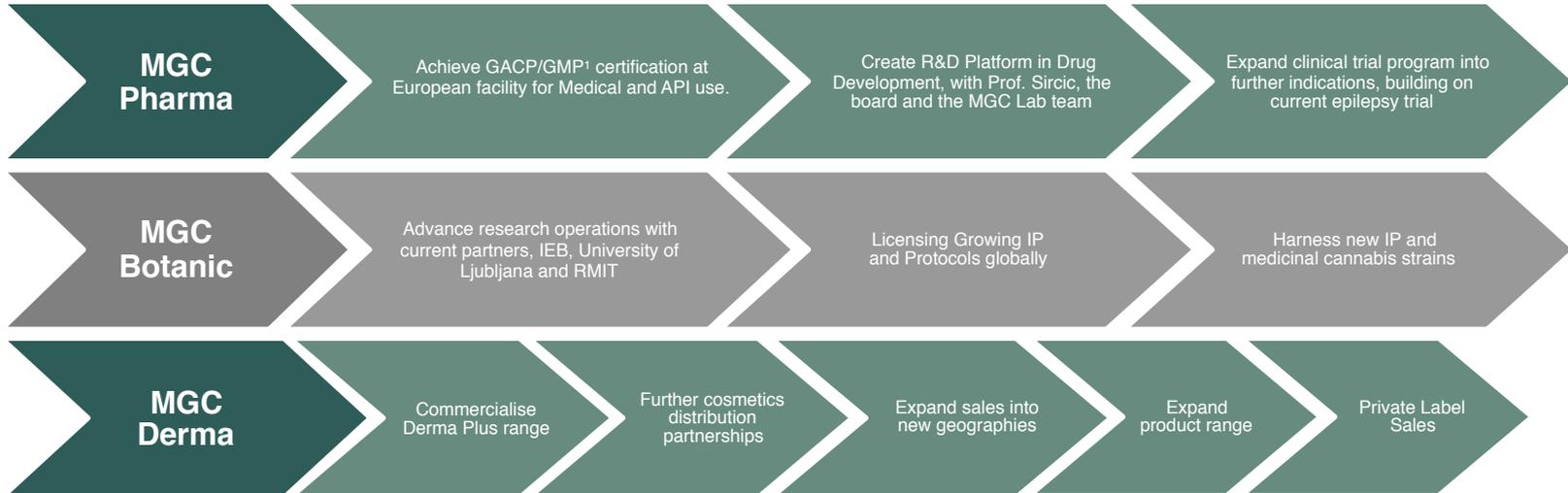
**\$561 billion USD**

global nutraceuticals market by 2020<sup>1</sup>

Targeting several key geographies, including Europe, the US & Asia

Product launch  
in Q2 2018

1. <https://www.mordorintelligence.com/industry-reports/global-nutraceuticals-market-industry>



1. GACP: Good Agriculture Collection Practice. GMP: Good Manufacturing Practice

MGC is at the forefront of a shift to Cannabis medications as viable alternatives to current therapies, engaging with patient groups to ensure commercial viability.

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- Pending approval of Australian research license, commencement of RMIT collaboration research projects starting with Melanoma treatment
- CBD extract sales on the wholesale market have commenced, new contracts underway
- Good Manufacturing Practice (GMP) certification for the production of CannEpi™
- GMP certification for the production of Active Pharmaceutical Ingredients (API)
- Commencement of medical grade APIs, pharmaceutical sales
- Further exclusive distribution deals expected to be signed in 2018 for MGC Derma CBD-based cosmetics range with North American and European based partners
- Dermatological product sales, including launch of full DermaPlus range

<b>Diversified Business Model</b>	<b>Geographically Scalable</b>	<b>Clear Australian Strategy</b>
<p>Pharmaceutical products Research and Development CBD based cosmetics line Dermatological products range</p>	<p>IP is transferrable globally, with active collaborations with global research institutions to facilitate immediate entry into new markets as they open.</p>	<p>Industry leadership position: University of Sydney White Paper, RMIT Medical Cannabis Library  Advanced discussions on Australian genetics and breeding operation, and commencement of Clinical Trials</p>
<b>World Class Assets</b>	<b>Substantial Market Opportunity</b>	<b>Strong Leadership</b>
<p>World-class European API grade Phytocannabinoids, GMP Extraction facility and Pharma Clean rooms  Genetics and Breeding research collaboration with the Ljubljana University and Czech Republic's Institute, fully licensed</p>	<p>Medical cannabis market is estimated to be worth +US\$100b by 2020<sup>1</sup>  Emerging research continues to validate the significant medical application of cannabis</p>	<p>Experienced Board and Executive Management team  World leaders in MC research and clinical trials (Prof Kramer and Dr Neubauer), with access to world's best research institutes</p>

<sup>1</sup> Source: <http://www.technavio.com/news/want-research-medical-marijuana-israel-open-business>



Thank You

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