

12 October 2020  
ASX Code: MXC

## MGC Pharma ships first ever high THC formulations direct to patients in Brazil via ONIX online platform

### Key Highlights:

- MGC Pharma completes initial shipments of Mercury Pharma line, which includes high THC products, directly to patients in Brazil via the supply and distribution agreement with ONIX
- Major operational and commercial achievement as MGC Pharma is now the first company globally to ever supply high THC formulations directly to patients in Brazil under the country's Compassionate Use Program
- Brazil is a strategically important market with a population of over 210m<sup>1</sup> people and a pharmaceutical market value of ~A\$24 billion<sup>1</sup> per annum
- Potential for immediate development of material new sales and cashflow pipeline - new patients registering daily in Brazil for MGC Pharma products in week after first successful delivery
- ONIX is actively recruiting doctors in Brazil and is targeting to have over 1,000 doctors with the ability to prescribe cannabinoid products by mid-2021 - significantly expanding the market opportunity for MGC Pharma to supply its formulations

**MGC Pharmaceuticals Ltd (ASX: 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 completed the first shipments of its Mercury Pharma line which includes the high THC ratio products directly to patients in Brazil through its binding supply and distribution agreement with Brazil-based ONIX Empreendimentos e Participações ('ONIX'), (refer ASX release 3 March 2020).

In a major operational achievement, MGC Pharma has become the first company globally to ship high THC formulations directly to a patient's door in Brazil, without the need to visit a pharmacy.

MGC Pharma has shipped its Mercury Pharma (MP) branded products directly to patients in compliance with Brazil's Compassionate Use Program following the receipt of patients' prescriptions provided by an ONIX referring doctor. ONIX currently has more than 100 referring doctors in Brazil able to prescribe cannabinoid products under the Compassionate Use Program and is targeting to have more than 300 referring doctors by the end of calendar 2020 and over 1,000 by mid-2021. The full Mercury Pharma line is now available in Brazil which, based on the Company's medical teams years of experience, includes a range of products from pure CBD (MP100) through different ratios (1:30, 1:1, 7:1, 15:1) up to pure THC products MP25<sup>2</sup>.

### Brazil – Large Target Market Access Underway for MGC Pharma

The existing pharmaceutical medicine market in Brazil represents a strategically important geography for MGC Pharma as Brazil has a population of over 210m people<sup>1</sup>. The National Healthcare Expenditure in Brazil is estimated at A\$267b<sup>1</sup> with total pharmaceuticals expenditure estimated at A\$24 billion<sup>1</sup> per annum. According to Interfarma (Pharmaceutical Research Industry Association), the Brazilian pharmaceutical market is expected to grow from A\$59.9 billion in 2019 to A\$66 billion by 2023<sup>3</sup>, through the selling of approximately 238 million units<sup>3</sup>.

<sup>1</sup> Prohibition Partners, LATAM Cannabis Report, 2018

<sup>2</sup> View Mercury Pharma Brochure through the Company's website

<sup>3</sup> Interfarma Guide 2019

A  
S  
X  
  
R  
E  
L  
E  
A  
S  
E

Additionally, there are 10,000 patients in Brazil currently registered with the Brazilian local authority, ANVISA, to receive cannabinoid products directly that are suffering from various medical conditions. There are also only 350 doctors out of more than 500,000 doctors across Brazil currently authorised to prescribe cannabinoid products. This is expected to change due to a number of initiatives being employed by ONIX.

## ONIX

ONIX is a Brazilian based company that assists companies conducting business within the region. It develops its business under the brand ONIXCANN and is an established distributor of phytocannabinoid based products in Brazil connecting doctors and patients. ONIXCANN has an innovative digital platform and telemedicine called CANTERAMED that connects potential patients with the relevant medical professionals. CANTERAMED is a complete digital health platform that facilitates safe and legal access to phytocannabinoid products and to provide guidance to doctors and patients about the available treatments.

ONIX has made a partnership with one of the major Universities in Brazil, Anima Educação, and has developed a post-graduation course composed of 12 nano degree courses of 30 hours each designed to train experienced doctors on CBD and THC products and authorise them to prescribe cannabinoid products.

ONIX has launched the second generation of its CANTERAMED platform to help doctors better service their patients. The CANTERAMED platform has facilitated the doctor's practice with its protocols to use MGC Pharma products and register treatment results. CANTERAMED includes a telemedicine platform that connects patients with doctors trained to prescribe MGC Pharma products.

ONIX is also currently visiting doctors in the traditional pharma model educating doctors about products and is targeting to have more than 1,000 doctors with the ability to prescribe cannabinoid products to patients by mid-2021.

These initiatives are expected to continue to drive market awareness and penetration of cannabinoid products for eligible patients in Brazil.

**Roby Zomer, Co-founder and Managing Director of MGC Pharma, commented:** "I am delighted to be able to announce that we have successfully shipped our Mercury Pharma THC line of products to Brazil. This is an incredible achievement as no other company has shipped high THC formulations directly to patients in Brazil before. We have been working closely with our Brazilian partner ONIX and remain confident that Brazil will be a huge strategically and commercially important region for us going forward. Feedback to date from patients in Brazil has been extremely positive and we are seeing rapidly increasing demand for our Mercury Pharma products."

**Marcelo Galvão, Founder of ONIX, commented:** "We are very happy to make this announcement. It has always been an important part of our strategy to bring high THC products to Brazil. There are more than 30,000 patients currently using homemade oils in Brazil and those patients really need quality products that we now carry with the Mercury Pharma Line."

--Ends--

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

**PR/IR Advisors – Media & Capital Partners**

Melissa Hamilton (PR) +61 417 750 274

Rod Hinchcliffe (IR) +61 412 277 377

[Melissa.Hamilton@mcpartners.com.au](mailto:Melissa.Hamilton@mcpartners.com.au)

[Rod.Hinchcliffe@mcpartners.com.au](mailto:Rod.Hinchcliffe@mcpartners.com.au)

**MGC Pharmaceuticals Ltd**

Roby Zomer

CEO & Managing Director

+61 8 6382 3390

[info@mgcpharma.com.au](mailto:info@mgcpharma.com.au)

## About MGC Pharma

MGC Pharmaceuticals Ltd (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.

Follow us through our social media channels    