



Announcement Summary

Entity name

MGC PHARMACEUTICALS LTD

Announcement Type

New announcement

Date of this announcement

30/8/2021

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

| ASX +security code | +Security description | Maximum Number of +securities to be issued |
|--------------------|---|--|
| MXCAF | OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES | 45,367,806 |

Proposed +issue date

31/12/2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

MGC PHARMACEUTICALS LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

116800269

1.3 ASX issuer code

MXC

1.4 The announcement is

New announcement

1.5 Date of this announcement

30/8/2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

Yes

7A.1a Conditions

| Approval/Condition | Date for determination | Is the date estimated or actual? | ** Approval received/condition met? |
|---|------------------------|---|-------------------------------------|
| Other (please specify in comment section) | 31/12/2021 | <input checked="" type="checkbox"/> Estimated | |

Comments

As per Announcement dated 27/8/21, the unlisted options are to be issued to AMC Holding Inc on satisfaction of the following conditions:

1. AMC being granted key regulatory approvals and achieving purchasing milestones; and
2. AMC has issued to MXC, 10% of the equity in each of its Operating Companies

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

MXCAF : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

Number of +securities proposed to be issued

45,367,806

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?



No

Please describe the consideration being provided for the +securities

AMC Holding Inc satisfying key commercial milestones contained in the US Supply and Distribution Agreement announced on 27/8/2021

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

31/12/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

43,367,806

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To incentivise AMC Holdings Inc to achieve key commercial milestones contained in the US Supply and Distribution Agreement announced 27/8/21

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

The unlisted options to be granted on satisfaction of key commercial milestones are to be granted with exercise prices ranging from 0.05GBP to 0.18GBP. Vesting conditions are structured to incentivise the Grantee to achieve key sales/ordering targets over the initial 3 year term of the Agreement