

3 March 2016

ASX Code: MXC

Global Strategic Partnership with SipNose takes MGC Pharmaceuticals into Epilepsy Market

- MGC Pharmaceuticals has signed a strategic Collaboration Agreement with Israeli-based therapeutics company [SipNose Ltd](#), to develop an approved medical cannabis treatment of the symptoms of epilepsy
- Combines SipNose's unique intra-nasal drug delivery device with MGC Pharma's cannabinoid compounds to treat central nervous system disorders, including severe epilepsy and Dravet syndrome
- MGC Pharma has also secured the option to acquire the exclusive global license for the SipNose delivery device when used with any cannabinoid compounds for the treatment of epileptic seizures
- Epilepsy is a central nervous system disease impacting an estimated 65 million people worldwide
- Extensive R&D program to commence at Israel's leading epilepsy research institute, the [Hadassah Medical Center](#), marking MGC Pharma's entry into pharmaceutical medical research sector
- Confirms MGC Pharma's strategic business plan to secure key industry partnerships with potential to provide exponential value to the Company's underlying asset base

MGC Pharmaceuticals Ltd (ASX: MXC, "MGC Pharma" or "the Company") is pleased to announce it has entered an important strategic industry agreement that marks its entry into the medical research market for the treatment of severe epilepsy with cannabinoid compounds.

The Company has executed a Collaboration Agreement with SipNose Ltd, an Israeli-based therapeutics company, to combine SipNose's unique intra-nasal drug delivery system with MGC Pharma cannabinoid compounds to treat patients with central nervous system (CNS) disorders, initially focussing on the treatment of the symptoms of epilepsy, a disease impacting 65 million people worldwide (Source: [Cure Epilepsy](#)).

SipNose is a speciality therapeutics start-up company developing a platform for bypassing the Blood Brain Barrier (BBB) to effectively deliver pharmaceuticals to the brain. Its novel drug delivery system enables direct nose-to-brain delivery of a wide spectrum of pharmaceuticals, providing new treatment options for CNS diseases such as Alzheimer's, Parkinson's and Epilepsy.

Under this strategic Collaboration Agreement, MGC Pharma can acquire an exclusive global license for the SipNose nasal delivery device to develop a medical cannabis based treatment to relieve the symptoms of epilepsy.

For personal use only

SipNose and MGC Pharma will also commence an extensive medical research and development program at Israel's leading epilepsy research institute, the [Hadassah Medical Center](#), marking the Company's first entry into pharmaceutical R&D in the medical cannabis sector. It also signals MGC Pharma's first step towards establishing its platform for pharmaceutical grade R&D operations.

The [Hadassah Medical Center](#) is considered Israel's leading medical research centre with extensive experience in the medical cannabis field, including clinical trials in epilepsy. With two major medical centre hospitals in Israel and more than 1,000 beds, the Hadassah provides nearly one million people with hospital services each year and offers the high standard of clinical research needed for MGC Pharma's robust clinical research.

There now is a wealth of anecdotal evidence across the globe, including laboratory studies and small clinical studies, that the cannabinoid compounds in cannabis are an effective treatment for patients with epilepsy.

The success of medical cannabis has been driven by a number of high profile and well-documented patient cases, particularly in the USA. The successful treatment of a number of patients with severe epilepsy with Cannabidiol (CBD) oils, such as Charlotte Figi who was treated for Dravet syndrome with CBD (her successful treatment is commonly known as Charlotte's Web), have prompted positive changes medical attitudes to the use of medical cannabis that have been a core driver of US legislative change for medical cannabis laws.

Examples of the SipNose device options:



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

"This strategic partnership represents our first step towards establishing MGC Pharma's platform for our medical R&D operations. Our partnership with SipNose also signals our commitment to becoming a leading medical cannabis pharmaceuticals company and accelerates our path to market, along with the co-operation of the Hadassah Medical Center.

"There is a wealth of evidence available to show that medical cannabis can be an effective solution in the treatment of epilepsy and for this reason we have chosen to work with SipNose and the Hadassah Medical Center to develop a treatment using SipNose's novel and non-invasive nasal delivery device."

For personal use only

Co-founder and CEO of SipNose, Iris Shichor commented:

“We have developed a device to deliver medication to the brain in a non-invasive and non-disruptive method. Years of research and development have gone into developing the device and I am delighted to be at the stage where we can partner with pharmaceutical companies to trial the delivery of medication, in this case cannabidiol. The MGC Pharma and SipNose collaboration is a natural fit as our device is well suited to the delivery of anti-epileptic agents to the brain, which can overcome the inherent low bioavailability of medical cannabis treatments.”

Unique SipNose Drug Delivery Device

SipNose’s nasal delivery device provides a platform for the effective deposition of drugs in the olfactory epithelium (nasal tissue) for direct nose-to-brain delivery, with no lung contamination. The device has proven to be highly effective in delivering compounds directly to the brain and has been engineered to by-pass the BBB to increase efficacy of the compound. MGC have chosen the SipNose device due to the inherent limited bioavailability of medical cannabis and by bypassing the BBB, MGC expects the bioavailability of the medical cannabis to be enhanced and the efficacy of the compound to be increased.

SipNose is led by Co-founder and CEO Iris Shichor, PhD and Co-founder and CTO Mr Daniel Shahaf. Dr Shichor has extensive experience of R&D within the medical sector. Her previous experience includes: Vice President of R&D at ClearFarma, a senior scientist and project leader at NanoCyte Ltd. (today-StarletDerma), a post-doctoral fellowship at Harvard-MIT (HST). Mr Shahaf is a successful entrepreneur in the field of medical devices for the human respiratory system and has led the development of several projects in the field of nanotechnology-based diagnostics at the Technion Institute of Technology in Israel.

-Ends-

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

MGC Pharmaceuticals Ltd

Brett Mitchell
Executive Chairman
+61 8 9389 2000
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.