
MGC PHARMACEUTICALS LTD

ACN 116 800 269

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 4:00 PM (AWST)

DATE: Wednesday, 5 October 2022

PLACE: 1202 Hay Street, West Perth, WA, Australia 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 PM (AWST) on Monday, 3 October 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,500,000 Convertible Notes to Mercer Street Global Opportunity Fund, LLC (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,320,000 Convertible Notes on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES - MERCER STREET GLOBAL OPPORTUNITY FUND, LLC

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 21,511,545 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – EMPLOYEES /CONSULTANTS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

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5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – BIOHEKA LIMITED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 65,841,924 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 31 August 2022

By order of the Board

**David Lim
Company Secretary**

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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Approval to issue convertible notes	A person who intends to participate in the issue or is a counterparty to the agreement being approved (namely Mercer Street Global Opportunity Fund, LLC (or their nominee)) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of convertible notes	A person who participated in the issue or is a counterparty to the agreement being approved (namely Mercer Street Global Opportunity Fund, LLC (or their nominee)) or an associate of that person or those persons.
Resolution 3 – Ratification of prior issue of Shares - Mercer Street Global Opportunity Fund, LLC	A person who participated in the issue or is a counterparty to the agreement being approved (namely Mercer Street Global Opportunity Fund, LLC (or their nominee)) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Shares – Employees/Consultants	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 5 – Ratification of prior issue of Shares - Bioheka Limited	A person who participated in the issue or is a counterparty to the agreement being approved (namely Bioheka Limited) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

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Depository Interest holders

Persons Entitled to Vote

The Form of Instruction (accompanying this Notice of Meeting) must be signed by the depository interest holder or an attorney duly authorised in writing and deposited at the office of the Depository, Computershare Investor Services PLC, located at The Pavilions, Bridgewater Road, Bristol BS99 6ZY by 4.00 PM (UK Time) on Friday 30 September 2022. Any Form of Instruction received after that time will not be valid for the Meeting.

CREST Voting

Holders of Depository Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "**CREST Voting Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 4.00 PM (UK Time) on Friday 30 September 2022.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Holders of Depository Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the Depository Interest holder concerned to take (or, if the Depository Interest holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this connection, Depository Interest holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6382 3390.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL TO ISSUE CONVERTIBLE NOTES

1.1 General

As announced on 29 July 2022, the Company has entered into an agreement (**Convertible Securities Agreement**) with Mercer Street Global Opportunity Fund, LLC (**Mercer**), whereby Mercer has conditionally agreed to provide the Company with up to a total of US\$10 million in funding, via subscriptions for convertible notes in the Company with a face value of US\$1.00 each (**Convertible Notes**).

The first tranche of 1,320,000 Convertible Notes (representing a subscription amount of US\$1.2 million) were issued on 4 August 2022, under the Company's existing Listing Rule 7.1 placement capacity (**Initial Convertible Notes**). The Company is seeking Shareholder ratification for this issue pursuant to Resolution 2.

Under the Convertible Securities Agreement, the Company may request additional drawdowns of up to a further US\$8.8 million, in exchange for the issue of a further 9,680,000 Convertible Notes.

As at the date of this Notice, no additional drawdowns have been requested by the Company. However, pursuant to this Resolution 1, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 5,500,000 Convertible Notes in advance of future funding drawdowns (up to US\$5.0 million) made by the Company (**Subsequent Convertible Notes**).

The Company notes that this approval does not guarantee that future drawdown requests will be made by the Company.

1.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue or agree to issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The proposed issue of the Subsequent Convertible Note does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

1.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Subsequent Convertible Notes. In addition, the issue of the Subsequent Convertible Notes (and any Shares issued on conversion of the Subsequent Convertible Notes) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will still be able to proceed with the issue of the Subsequent Convertible Notes, but only to the extent that such issue does not exceed the Company's available placement capacity under Listing Rule 7.1 (calculated based on the number of Shares that may be issued on

conversion of the Subsequent Convertible Notes). This may also impact the Company's ability to access future tranches of funding under the Convertible Securities Agreement.

1.4 Convertible Note Agreement

A summary of the material terms of the Convertible Securities Agreement between the Company and Mercer (the **Noteholder**) is set out in Part 1 of Schedule 1.

1.5 Material Terms and Conditions of the Subsequent Convertible Notes

A summary of the material terms of the Subsequent Convertible Notes is set out in Part 2 of Schedule 1.

1.6 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the Subsequent Convertible Notes will be issued to Mercer, who is not a related party of the Company;
- (b) the maximum number of Subsequent Convertible Notes to be issued is 9,680,000, which will convert into a maximum of 987,755,102 Shares¹;
- (c) the Subsequent Convertible Notes will be issued on the terms and conditions set out in Part 2 of Schedule 1;
- (d) any Shares issued on the conversion of the Subsequent Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Subsequent Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Subsequent Convertible Notes will occur on the same date;
- (f) the Subsequent Convertible Notes will be issued at an issue price of US\$0.90909 per Convertible Note. The Company will not receive any other consideration for the issue of the Subsequent Convertible Notes;
- (g) the purpose of the issue of the Subsequent Convertible Notes is to raise an additional US\$8.8 million, which the Company intends to apply in accordance with the table set out below;

Allocation of Funds	
Operating costs	136,000
Research and laboratory costs	1,627,000
General Administration costs	3,022,000

¹ This assumes that the Subsequent Convertible Notes are converted at the lowest possible conversion price (being \$0.014), and USD exchange rate of \$0.70. The actual number of Shares to be issued on conversion will be calculated in accordance with the conversion formula for the Subsequent Convertible Notes, as detailed in Schedule 1.

Allocation of Funds	
Purchase of Property Plant and Equipment	215,000
Total	US\$5,000,000

Notes:

1. The above table is a statement of current intentions as of the date of this Notice. As with any budget, intervening events (including Research and Development success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.
- (h) The Subsequent Convertible Notes are being issued in accordance with the terms of the Convertible Securities Agreement, which is summarised in Part 1 of Schedule 1; and
- (i) the Subsequent Convertible Notes are not being issued under, or to fund, a reverse takeover.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

2.1 General

As detailed in Section 1.1 above, on 4 August 2022, the Company issued the Initial Convertible Notes to Mercer under its existing Listing Rule 7.1 placement capacity.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Initial Convertible Notes.

2.2 ASX Listing Rules 7.1 and 7.4

A summary of ASX Listing Rule 7.1 is set out in section 1.2 above.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the prior issue of the Initial Convertible Notes.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Initial Convertible Notes will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Initial Convertible Notes.

If Resolution 2 is not passed, the Initial Convertible Notes will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Initial Convertible Notes.

2.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to this Resolution 2:

- (a) 1,320,000 Initial Convertible Notes were issued;
- (b) the Initial Convertible Notes were issued with a face value of US\$1.00 at a subscription price of \$0.90909 per Initial Convertible Note;
- (c) the Initial Convertible Notes were issued on the terms and conditions set out in Part 2 of Schedule 1;
- (d) the Initial Convertible Notes are convertible at a minimum of A\$0.014 per Note, which represents a maximum of 134,693,878 Shares² which may be issued on conversion, on the same terms and conditions as the Company's existing Shares ;
- (e) the Initial Convertible Notes were issued to Mercer who is not a related party of the Company;
- (f) the funds raised from this issue will be used to fund the execution of its business commercialisation strategy, primarily with Sciensus Rare in the UK and EU, and AMC in the USA, as well as advance regulatory approvals for the Company's proprietary products in order to drive revenue growth, assist in the rollout of the ZAM App and provide funding for the Group's general corporate expenses; and
- (g) the Initial Convertible Notes were issued pursuant to the Convertible Securities Agreement, a summary of which is included in Part 1 of Schedule 1.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – MERCER STREET GLOBAL OPPORTUNITY FUND, LLC

3.1 General

On 3 August 2022, the Company issued 21,511,545 Shares to Mercer as a commence fee pursuant to the Convertible Securities Agreement, under its existing Listing Rule 7.1 placement capacity.

3.2 ASX Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is set out in section 1.2 above and a summary of Listing Rule 7.4 is included at section 2.2 above.

² This assumes that the Initial Convertible Notes are converted at the lowest possible conversion price (being \$0.014), and USD exchange rate of \$0.70. The actual number of Shares to be issued on conversion will be calculated in accordance with the conversion formula for the Initial Convertible Notes, as detailed in Schedule 1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the prior issue of the Shares.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

If Resolution 3 is not passed, the Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

3.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 21,511,545 Shares were issued to Mercer;
- (b) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares were issued on 3 August 2022;
- (d) the Shares were issued at a nil price as a commencement fee for the provision of funding by Mercer under the Convertible Securities Agreement. The Company has not and will not receive any other consideration for the issue of the Shares;
- (e) the purpose of the issue of the Shares was to satisfy the Company's obligations under the Convertible Securities Agreement; and
- (f) the Shares were issued to Mercer under the Convertible Securities Agreement. A summary of the material terms of the Convertible Securities Agreement is set out in Part 1 of Schedule 1.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – EMPLOYEES/CONSULTANTS

4.1 General

On 3 August 2022, the Company issued 15,000,000 Shares under its existing Listing Rule 7.1 placement capacity, to employees/consultants of the Company at a deemed issue price of \$0.019 per Share in lieu of \$285,000 of salary/wages and fees.

4.2 ASX Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is set out in section 1.2 above and a summary of Listing Rule 7.4 is included at section 2.2 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the prior issue of the Shares.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

If Resolution 4 is not passed, the Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

4.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) 15,000,000 Shares in aggregate were issued to employees/consultants of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 3 August 2022;
- (e) the Shares were issued at a nil issue price as consideration for services provided by employees of the Company. The Company has not and will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of the Shares was to provide consideration for services provided by employees/consultants of the Company; and

- (g) the Shares were not issued under an agreement.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – BIOHEKA LIMITED

5.1 General

As announced by the Company on 28 July 2022, the Company has entered into an agreement to acquire a 40% interest in ZAM Software Limited, a UK incorporated entity and the owner a proprietary Artificial Intelligence data gathering software algorithm, which has real-time data collection applications for use across the pharmaceutical and health care sectors (**Acquisition Agreement**). Under the terms of the Acquisition Agreement, the Company agreed to issue £700,000 in Shares to acquire a 40% shareholding in ZAM Software Limited (**Acquisition**).

On 5 August 2022, the Company issued 65,841,924 Shares under its existing Listing Rule 7.1 placement capacity, to Bioheka Limited at a deemed issue price of \$0.018700 per Share (being the volume weighted average price per Share as traded on the London Stock Exchange during the ten (10) trading days preceding completion of the Acquisition Agreement) in consideration for the Acquisition.

5.2 ASX Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is set out in section 1.2 above and a summary of Listing Rule 7.4 is included at section 2.2 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the prior issue of the Shares.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

If Resolution 6 is not passed, the Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

5.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) the Company issued 65,841,924 Shares to Bioheka Limited;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:

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- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (d) the Shares were issued on 5 August 2022;
 - (e) the Shares were issued at a nil issue price, in consideration for the Acquisition. The Company has not and will not receive any other consideration for the issue of the Shares;
 - (f) the purpose of the issue of the Shares was to satisfy the Company's obligations under the Acquisition Agreement; and
 - (g) the Shares were issued to Bioheka Limited under the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement is set out in Schedule 2.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means MGC Pharmaceuticals Ltd (ACN 116 800 269).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF CONVERTIBLE NOTES

1. Convertible Securities Agreement

The material terms of the convertible securities agreement between the Company and Mercer are as follows:

- (a) **First Investment Amount:** Subject to all of the relevant 'Closing Conditions' (detailed below) being satisfied or waived, the Investor agrees to advance the Company US\$1,200,00 (less taxes and transaction costs) (**First Investment Amount**).
- (b) **Issue of Convertible Notes:** In consideration of the First Investment Amount the Company will issue Mercer 1,320,000 convertible notes (**Initial Convertible Notes**) with an aggregate face value of US\$1,320,000, within 5 business days of the satisfaction of the applicable Closing Conditions to the First Investment Amount (**First Closing Date**).
- (c) **Subsequent Investment:** At any time following the First Closing Date (and no later than 18 months from the execution date of the Convertible Securities Agreement), the Company may request additional funding from Mercer of up to US\$8,800,000 (less taxes and transaction costs) (**Subsequent Investment Amount**), subject to:
 - (i) the Company providing Mercer with written notice requesting the Subsequent Investment Amount (or part thereof); and
 - (ii) the Investor, in its sole discretion, agreeing to advance the requested funds, the subject of the notice; and
 - (iii) the relevant 'Closing Conditions' (detailed below) being satisfied or waived.

The Company may provide multiple subsequent investment request notices, provided that the aggregate Subsequent Investment Amount paid to the Company under the notices is not greater than US\$8,800,000.

The Company is under no obligation to provide any requests for the Subsequent Investment Amount (or part thereof) and the Investor has no obligation to agree to advance funds in respect of any such requests.

- (d) **Issue of Subsequent Convertible Notes:** In consideration for each tranche of the Subsequent Investment Amount advanced to the Company, the Company will issue Mercer the number of convertible notes (**Subsequent Convertible Notes**) (with a face value of US\$1.00 each) equal to 110% of the relevant Subsequent Investment Amount, within 5 business days of the satisfaction of the applicable Closing Conditions to the relevant Subsequent Investment Amount (**Subsequent Closing Date**).
- (e) **Secured Debt Security:** Repayment of the face value of the Initial Convertible Notes and any Subsequent Convertible Notes is secured by a first ranking general security granted by the Company in favour of Mercer.
- (f) **Reconstructions:** In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, the terms of the

Convertible Securities will be reconstructed to the extent necessary to comply with the ASX Listing Rules.

(g) **Commencement Fee:** At, or prior to, the First Closing Date, the Company shall grant to the Investor (or its nominee) Shares to the total value of US\$300,000 (being 3% the total amount of funding that may be advanced under the Convertible Securities Agreement) (**Commencement Shares**).

(h) **Satisfaction of Convertible Security:** The face value of each Convertible Security issued is to be satisfied by:

(i) being converted into Shares;

The Investor may (at its absolute discretion) convert the Initial Convertible Notes or any Subsequent Convertible Notes (in a minimum parcel with a face value of at least \$25,000) at any time prior to the date which is 18 months from their date of issue, by giving the Company a conversion notice. The conversion will occur within 5 business days of receipt of the notice.

The number of Shares to which the Investor is entitled upon conversion of the relevant Convertible Securities is determined by the following formula:

$$\text{Number of Shares} = (\text{FV} * \text{ER}) / \text{CP}$$

Where:

- **FV** means the aggregate face value of the Convertible Securities being converted.
- **ER** means the spot rate of exchange as reported by Bloomberg LP on the date immediately prior to the date of issue of a conversion notice by the Noteholder.
- **CP** means the applicable conversion price per Convertible Security. The applicable conversion price is set out below.

(ii) being repaid; or

If the Investor has not notified the Company in writing by the day that is 10 business days prior to the relevant Maturity Date that it will be converting the relevant Convertible Securities (in whole or in part), the Company is to pay in full to the holder of the Convertible Securities, the face value of the Convertible Securities (and any accrued but unpaid interest), within 20 business days of the Maturity Date.

If an event of default is subsisting after the Company has notice, the Company must repay the face value of the outstanding Convertible Securities held by the Investor together with any accrued by unpaid interest.

If there occurs a change of control event or a delisting event, the Investor may require repayment by the Company of some or all of the Convertible Securities.

- (iii) the relevant Convertible Security being repurchased

Provided that the Company is:

- (A) in compliance with its obligations under the Convertible Securities Agreement;
- (B) there is no existing event of default; and
- (C) the Investor has not issued a conversion notice,

the Company may (by written notice to the Investor) elect to repurchase all of the outstanding Convertible Securities on issue at any time, for a 3% premium to the face value, provided such repurchase is permitted by law and the ASX Listing Rules.

Where the Investor receives a written notice from the Company with respect to the repurchase of Convertible Securities, the investor may elect to convert up to 30% of the Convertible Securities, the subject of such notice.

- (i) **Rights of Investor upon an Event of Default:** Upon the occurrence of an event of default, the Investor may in its sole discretion:

- (i) declare all outstanding obligations by the Company under the Convertible Securities Agreement to be immediately due and payable; or
- (ii) terminate the Convertible Securities Agreement, in which case any amounts payable under the Convertible Securities Agreement to the Investor, become immediately payable.

- (j) **Termination:** The Convertible Securities Agreement may be terminated:

- (i) by the Investor if, in respect of First Investment Amount only, a Closing Condition is not satisfied, becomes incapable of being satisfied, nor is it waived, the Investor may terminate the Convertible Securities Agreement;
- (ii) by the mutual written consent of the parties, at any time;
- (iii) by the Company only after the Initial Convertible Notes and the Commencement Shares have been issued, provided that the Company has paid the Investor all money due and payable under the Convertible Securities Agreement;
- (iv) by the Investor, in an event of default; and
- (v) by the Investor, if, as a consequence of any change of law, regulation or administrative action or policy relating to tax after the execution date, the tax liability of the Investor increases.

Upon termination, any amounts payable under the Convertible Securities Agreement to the Investor or the Company which are unpaid as at the date of termination, become immediately payable.

The provision of First Investment Amount and Subsequent Investment Amount, and any subsequent conversion, are conditional on the following conditions (together, the **Closing Conditions**):

- (k) **shareholding limits:** the issue of the securities will not:
- (i) cause the voting power in the Company of the Investor and its associates to exceed 4.99%, unless the Investor gives its written consent to the Company from time to time, that the Investor's relevant interest may exceed 4.99% but will not exceed 9.99%; and
 - (ii) result in the Investor acquiring a relevant interest in the Shares which causes the voting power in the Company of the Investor and its associates to exceed 19.99%.
- (l) **entitlement to investment:** the Company being entitled under the Convertible Securities Agreement to require the Investor to:
- (i) in respect of the closing of the First Investment Amount and issue of the Initial Convertible Notes (**First Closing**), subscribe for the Commencement Shares and the Initial Convertible Notes and pay the First Investment Amount; and
 - (ii) in respect of the closing of any Subsequent Investment Amounts and issue of any relevant Subsequent Convertible Notes (**Subsequent Closing**), subscribe for the relevant Subsequent Convertible Notes and pay the relevant Subsequent Investment Amount.
- (m) **capacity:** the Company either:
- (i) Closing (**Closing**) or conversion for the purposes of Chapter 7 obtaining shareholder approval to issue the relevant securities the subject of a First Closing or Subsequent of the ASX Listing Rules and for all other purposes; or
 - (ii) having existing placement capacity to issue the relevant securities the subject of the relevant Closing or conversion without any further shareholder approval (including for the purposes of Chapter 7 of the ASX Listing Rules or any other purpose);
- (n) **grant of security:** in respect of the First Closing, the Company having delivered to the Investor a general security deed executed by the Company;
- (o) **conditional on First Closing:** in respect of any Subsequent Closing, the First Closing having completed and the Commencement Shares been issued in accordance with the Convertible Securities Agreement;
- (p) **representations and warranties:** each representation and warranty by the Company in the Convertible Securities Agreement being true and correct;
- (q) **other requirements:** any and all authorisations, in the reasonable opinion of the Investor, necessary at the relevant Closing Date or conversion date, to give effect to the transaction under the Convertible Securities

Agreement, having been obtained by the Company and remaining in full force and effect;

- (r) **Company documents delivered:** the Company delivering to the Investor:
- (i) in respect of a Closing, a copy of the resolutions duly adopted by the board of directors of the Company, approving the Closing; and
 - (ii) copies of such additional documents, certificates, payments, assignments, transfers and other deliveries as the Investor or its legal counsel may reasonably request;
 - (iii) a certificate, executed on behalf of the Company, dated as at the relevant Closing Date or conversion date certifying that:
 - (A) the Company has performed or complied in all material respects with all agreements and covenants required by the Convertible Securities Agreement to be performed or complied with by it at or prior to the relevant Closing Date or conversion date;
 - (B) the representations and warranties of the Company contained in the Convertible Securities Agreement are true and correct in all material respects as of the dates as of which they are made or deemed to be made under the Convertible Securities Agreement; and
 - (C) all Closing Conditions have been satisfied;
- (s) **no disclosure or default:** the Investor is of the opinion, acting reasonably, that:
- (i) any offer for sale by the Investor or its nominee of any of the relevant securities, does not and will not need disclosure under Part 6D.2 of the Corporations Act;
 - (ii) the issue of any securities in respect of the relevant Closing or conversion has not and will not result in the Company being in breach of the ASX Listing Rules or any other law;
 - (iii) no event of default has occurred; and
 - (iv) no event of default would result from the relevant Closing or conversion being effected and the relevant securities being issued;
- (t) **compliance with Convertible Securities Agreement:** the Company has complied in all respects with all agreements and covenants required by the Convertible Securities Agreement as at or prior to the relevant Closing Date or conversion date;
- (u) **quotation:** the ASX has not indicated to the Company that quotation of Shares (issued on conversion) on the ASX will not be granted;

- (v) **Cleansing Notice or prospectus lodged:** in respect of:
- (i) the First Closing:
 - (A) a short form prospectus has been lodged by the Company with ASIC and on the ASX announcements platform under which the Initial Convertible Notes are offered to the Investor and such offer remains open as at the First Closing; and
 - (B) a cleansing prospectus has been lodged by the Company with ASIC and on the ASX announcements platform under which Shares are offered and such offer of Shares remains open as at the First Closing;
 - (ii) each Subsequent Closing, either:
 - (A) a short form prospectus has been lodged by the Company with ASIC and on the ASX announcements platform under which the Subsequent Convertible Notes are offered to the Investor and such offer remains open as at the Subsequent Closing; or
 - (B) a Cleansing Notice is lodged by the Company on the ASX announcements platform in respect of the relevant Subsequent Convertible Notes and any Shares into which the relevant Subsequent Convertible Notes are convertible.
- (w) **Conversion Price:** means in respect of the Initial Convertible Notes, the lower of:
- (i) \$0.02; or
 - (ii) 92% of the lowest daily volume weighted average price (**VWAP**) of the Company's shares (**Shares**) selected by the Investor and specified in a conversion notice for the 10 trading days on which the Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant conversion notice,
- subject to:
- (iii) the Conversion Price being not less than \$0.014; and
 - (iv) any Conversion of the Initial Convertible Notes which occurs within two (2) months of issue of the Initial Convertible Notes having a Conversion Price of \$0.02; and
- in respect of any Subsequent Convertible Notes, the lower of:
- (v) \$0.02; or
 - (vi) 90% of the lowest daily VWAP of the shares selected by the Investor and specified in a Conversion Notice for the 10 Trading Days on which Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant Conversion Notice,

subject to the Conversion Price being not less than \$0.014.

The Convertible Securities Agreement otherwise contains representations, warranties and indemnities standard for an agreement of this nature.

2. Terms and Conditions of the Convertible Notes

The key terms and conditions of the Convertible Notes offered pursuant to the Convertible Note Offer, are set out below. This information should be read in conjunction with other information contained in this Notice including the summary of the Convertible Securities Agreement set out above.

Terms and conditions of Convertible Notes	
Subscription Price	US\$0.90909 per Convertible Note.
Face Value	Each Convertible Note will have a face value of US\$1.00.
Maturity Date	18 months from the date of issue of the Convertible Notes.
Interest Rate	Upon an event of default occurring, the Company must pay interest at a rate of 18% per annum on the amount of the face value of all Convertible Notes issued which have not been converted or repurchased, calculated daily and compounded monthly.
Conversion of Convertible Notes	<p>The Noteholder may (at its absolute discretion) convert the Convertible Notes (in a minimum parcel with a face value of at least US\$25,000) at any time prior to the date which is 18 months from their date of issue, by giving the Company a conversion notice. The conversion will occur within 3 business days of receipt of the notice.</p> <p>The number of Shares to which the Noteholder is entitled upon conversion of the relevant Convertible Notes is determined by the following formula:</p> $\text{Number of Shares} = (\text{FV} * \text{ER}) / \text{CP}$ <p>Where:</p> <ul style="list-style-type: none">• FV means the aggregate face value of the Convertible Notes being converted.• ER means the spot rate of exchange as reported by Bloomberg LP on the date immediately prior to the date of issue of a conversion notice by the Noteholder.• CP means the applicable conversion price per Convertible Note. The applicable conversion price is set out below. <p>Upon conversion of the Convertible Notes:</p> <ol style="list-style-type: none">(a) those Convertible Notes are cancelled and may not be reissued; and(b) the face value of the Convertible Notes which have been converted will be deemed satisfied.
Conversion by the Company	The Company has no right to require the Noteholder to convert any Convertible Notes at any time.

Terms and conditions of Convertible Notes

Conversion Price	<p>in respect of the Initial Convertible Notes, the lower of:</p> <ul style="list-style-type: none"> (a) \$0.02; or (b) 92% of the lowest daily volume weighted average price (VWAP) of the Company's shares (Shares) selected by the Investor and specified in a conversion notice for the 10 trading days on which the Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant conversion notice, <p>subject to:</p> <ul style="list-style-type: none"> (c) the Conversion Price being not less than \$0.014; and (d) any Conversion of the Initial Convertible Notes which occurs within two (2) months of issue of the Initial Convertible Notes having a Conversion Price of \$0.02; and <p>in respect of any Subsequent Convertible Notes, the lower of:</p> <ul style="list-style-type: none"> (a) \$0.02; or (b) 90% of the lowest daily VWAP of the shares selected by the Investor and specified in a Conversion Notice for the 10 Trading Days on which Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant Conversion Notice, <p>subject to the Conversion Price being not less than \$0.014.</p>
Repurchase	<p>Provided that the Company is:</p> <ul style="list-style-type: none"> (a) in compliance with its obligations under the Convertible Securities Agreement; (b) there is no existing event of default; and (c) the Noteholder has not issued a conversion notice, <p>the Company may (by written notice to the Noteholder) elect to repurchase all of the outstanding Convertible Notes on issue at any time, for a 3% premium to the face value, provided such repurchase is permitted by law and the ASX Listing Rules.</p> <p>Where the Noteholder receives a written notice from the Company with respect to the repurchase of Convertible Notes, the Noteholder may elect to convert up to 30% of the Convertible Notes, the subject of such notice.</p>
Redemption	<p>If the Noteholder has not notified the Company in writing by the day that is 10 business days prior to the Maturity Date that it will be converting the relevant Convertible Notes (in whole or in part), the Company is to pay in full to the holder of the Convertible Notes, the face value of the Convertible Notes (and any accrued but unpaid interest).</p>

Terms and conditions of Convertible Notes	
	<p>If an event of default is subsisting after the Company has notice from the Noteholder requiring repayment, the Company must repay the face value of the outstanding Convertible Notes held by the Noteholder together with any accrued by unpaid interest. The Convertible Securities Agreement contains various events which constitute events of default which are standard for agreements of this nature.</p> <p>If there occurs a Change of Control Event or a delisting event, the Noteholder may require repayment by the Company of some or all of the Convertible Notes.</p> <p>In this Notice:</p> <p>Change of Control Event means each of:</p> <ul style="list-style-type: none"> (a) a takeover bid being made to acquire all of the Company's shares and: <ul style="list-style-type: none"> (i) the offer under the takeover bid is, or becomes, unconditional; and (ii) either: <ul style="list-style-type: none"> (A) the bidder has acquired at any time during the offer period (or after the close of the offer period) a relevant interest in more than 50 per cent of the shares on issue; or (B) the directors of the Company recommend acceptance of the offer under the takeover bid; (b) a court approves a proposed scheme of arrangement which, when implemented, will result in a person having a relevant interest in 100 per cent of the Shares on issue in the Company (where the requisite shareholder approval has also been obtained), <p>but, for the avoidance of doubt, shall exclude certain agreed transactions previously detailed in the Company's ASX announcements.</p> <p>Delisting Event means where the Company's shares are no longer quoted on ASX, the Company's Shares are suspended from trading on ASX for a period of 20 consecutive business days, or in any case, other than as a result (directly or indirectly) of a Change of Control Event.</p>
Ranking on Conversion	Shares issued on conversion of the Convertible Notes will rank equally with existing Shares on issue.
Security Documents	Repayment of the face value of the Convertible Notes is secured by a first ranking general security granted by the Company in favour of the Noteholder.


Terms and conditions of Convertible Notes	
Reconstruction of Capital	In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, the terms of the Convertible Notes will be reconstructed to the extent necessary to comply with the ASX Listing Rules.
Participation Rights	The Convertible Notes will not carry any entitlement to participate in future issues of securities by the Company prior to any conversion of the Convertible Notes into Shares.
No Voting Rights	Except as required by the Corporations Act, the Convertible Notes will not carry a right to vote at meetings of the Company prior to any conversion of the Convertible Notes into Shares.

SCHEDULE 2 – SUMMARY OF ACQUISITION AGREEMENT

The key terms and conditions of the Acquisition Agreement are as follows:

Transaction	Subject to the terms and conditions of the Acquisition Agreement, the Company will acquired 40% of the issued share capital of ZAM Software Limited (ZAM) from Bioheka Limited (the Vendor), (the Acquisition).
Consideration	<p>Subject to the terms and conditions of the Acquisition Agreement, the Company issued to the Vendor 65,841,924 Shares to Bioheka Limited at a deemed issue price of A\$0.018700 per Share (being the Australian dollar equivalent of the volume weighted average price per Share as traded on the London Stock Exchange during the ten (10) trading days preceding completion of the Acquisition Agreement) in consideration for the Acquisition.</p> <p>The consideration Shares are subject to voluntary escrow for a period of three (3) months, and are subject to successful performance and operation of the AI algorithms and operating platform of the ZAM App.</p>
Minority Shareholding	<p>The Acquisition Agreement includes a number of terms and conditions to protect the Company's minority shareholding position in ZAM, including:</p> <ul style="list-style-type: none">(a) decisions by ZAM's board require unanimous approval by directors, with no casting vote by the chair;(b) ZAM's board of directors to consist of two (2) directors, with one (1) director to be appointed by the Company;(c) for the first two (2) years from completion under the Acquisition Agreement, no shareholder may sell their shares in ZAM without the written consent of the other shareholder;(d) each shareholder in ZAM shall have a first right of refusal to acquire the shares of another party wishing to sell their interest in ZAM;(e) for a period of three (3) years from completion under the Acquisition Agreement each ZAM shareholder is subject to non-compete restrictions, which prevent it from being involved in a venture(s) which own or promotes an application or software similar or competing to ZAM; and(f) the Company to hold an exclusive, irrevocable license to use, and have unrestricted access to, all and any clinical information collected through the ZAM App, for development of the Company's future clinical trials and medicines.
Other terms	The Acquisition Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnity and confidentiality provisions).

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact

MXC

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **4:00pm (AWST) on Monday, 3 October 2022.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of MGC Pharmaceuticals Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of MGC Pharmaceuticals Ltd to be held at 1202 Hay Street, West Perth, WA 6005 on Wednesday, 5 October 2022 at 4:00pm (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Approval to issue Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Ratification of prior issue of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Ratification of prior issue of Shares - Mercer Street Global Opportunity Fund, LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of prior issue of Shares – Employees/Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of prior issue of Shares – Bioheka Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

MXC

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Computershare

