

THC Global Group Ltd

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THC Global shares rise after securing medicinal cannabis export licence

THC Global Group Ltd's (ASX:THC) shares are trading about 8% higher intra-day after being granted a medicinal cannabis export licence by the Australian Office of Drug Control (ODC).

Securing this licence is a key milestone in developing a future export pathway of THC Global's Australian cannabis and places the company in an increasingly stronger position to take advantage of its industry leading manufacturing capability and its global reach.

Northern NSW cultivation - increased cultivation capacity

THC Global has confirmed its binding intention with EVE Investments Ltd (ASX:EVE) to lease additional USDA certified organic land to bring the total leased land for the Northern NSW cannabis cultivation site up to a potential 150,000 square metres.

The lease is subject to THC Global confirming that the additional land is suitable for lodgement of a cultivation licence application with the ODC.

READ: THC Global raises nearly \$3 million to fund transition into full-scale medicinal cannabis production

The currently leased 60,000 square metre land is the subject of a medicinal cannabis cultivation licence lodged by THC Global last year, which has now progressed to "assessment phase" by the ODC and is expected to be received this year.

Receipt of this licence will allow for the first part of the extended project to commence which is expected to deliver biomass for production at THC Global's biopharmaceutical manufacturing facility as well as for supply to EVE under an off-take agreement for Meluka Health's proposed cannabis honey product.

Product development at manufacturing facility

THC Global has received in-principle advice from the Therapeutic Goods Administration (TGA) advising that subject to relevant licencing and approval of procedures, both cannabis and non-cannabis products will be able to be produced from the company's Queensland bio-pharmaceuticals extraction facility.

This will provide THC Global with the ability to monetise excess production capacity through extraction of other botanicals for medical, pharmaceutical, or nutraceutical purposes as the company progressively increases cannabis extraction activities.

READ: THC Global Group progresses core drivers of revenue growth

Price: 0.395

Market Cap: \$53.95 m

1 Year Share Price Graph



Share Information

Code: THC

Listing: ASX

52 week	High	Low
	0.63	0.375

Sector: Pharma & Biotech

Website: www.thcl.com.au

Company Synopsis:

THC Global Group Ltd (ASX:THC), formerly The Hydroponics Company Ltd operates under a pharmaceutical model and is currently delivering high quality medicinal cannabis products to Australian patients through the existing access schemes.

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Successful pilot-scale extraction of tea-tree product has been completed for EVE as part of the collaboration agreement with THC Global.

The potential to conduct other complex botanical extractions at large scale is being explored, which may enable the formulation of novel cannabis-blended products for sale into other markets.

EVE partnership

THC Global remains committed to the cannabis off-take agreement with EVE whereby EVE will be able to purchase cannabis cultivated at the Northern NSW site for producing cannabis honey products under their Meluka Health brand.

Additionally, THC Global's expansion into new markets such as Canada, New Zealand, and the Asian region may provide stronger routes to market for EVE's cannabis honey product whilst also expanding THC Global's product offering internationally.

READ: THC Global acquires site in Canada for cannabis production

THC Global chief executive officer Ken Charteris said: "We are pleased to be able to secure additional land for our cannabis cultivation activities on EVE's USDA certified organic land in Northern NSW.

"We will formally commit to the lease and settle terms upon confirmation that THC Global will be able to receive a medicinal cannabis cultivation licence over this extension.

"Additionally, our success in using our bio-pharmaceutical manufacturing facility for other complex botanical extractions, including EVE's tea-tree product, confirms that we may be able to explore the development of novel cannabis-blended formulations in the near future."

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