



the**Hydroponics**company

www.thcl.com.au

*Australia's leading medicinal cannabis company*

ASX RELEASE (24 JULY 2018)

## THC Secures Northern NSW Site and Off-Take Agreements

### Key Points

- Lease for Northern NSW cannabis growing site secured
- THC expediting regulatory approval lodging and site development for growth of THC-owned strains as well as imported strains from international commercial partners
- Northern NSW site to be established as primary cannabis source for THC's large-scale manufacturing operation in Queensland
- Completed off-take agreement for THC's medicinal cannabis for use by Meluka Health
- Completed supply agreement for Meluka's tea-tree extract for use in THC medicinal cannabis products

The Hydroponics Company Limited (THC or the Company), Australia's leading Medicinal Cannabis company<sup>1</sup> advises that the conditions precedent have been met for the lease of a Northern NSW property to be used for the growing of medicinal cannabis strains as a primary source for its own manufacture within its Southport manufacturing facility.

The meeting of the conditions precedent and agreement to terms of the final agreements follow the Company entering into a Binding Term Sheet in May 2018 between THC, Jenbrook Pty Ltd (**Jenbrook**) and Meluka Health Pty Ltd (**Meluka Health**).

The terms agreed relate to the following:

- Medicinal cannabis supply agreement where THC will provide exclusive access to THC's medicinal cannabis for use in honey products by Meluka Health in its Meluka Honey products (the **Cannabis Off-Take Agreement**)
- Lease agreements to secure part of Jenbrook's Northern NSW property for the growing of medicinal cannabis (the **Lease Agreement**); and
- Tea tree supply agreement where THC will have access to Meluka's extract products for use in development of new medicinal cannabis products (the **Tea Tree Extract Agreement**).

Relevant licence applications have been agreed by THC and are being lodged on an expedited basis.

THC Chief Executive Officer, Ken Charteris commented:

"Securing both an additional medicinal cannabis growing site and an off-take agreement further advances THC's path to near term revenue generation from its medicinal cannabis business and complements our acquisition of an industry leading pharmaceuticals manufacturing facility.

"With both a significant growing and manufacturing capability in place, THC is even more attractive to global commercial partners who see THC as being one of the most advanced in the industry".

---

<sup>1</sup> Assessment based on key peers (CAN, AC8) comparison matrix



**For further information, please contact:**



Henry Kinstlinger  
Joint Company Secretary

The Hydroponics Company Limited

Suite 305, Level 3, 35 Lime Street,  
Sydney, NSW 2000 Australia

**P: +61 2 9251 7177**

**E: [henry.kinstlinger@thcl.com.au](mailto:henry.kinstlinger@thcl.com.au)**



Michael Lovesey  
Director Corporate Media Relations

MMR Corporate Services Pty Ltd

Level 2, 131 Macquarie Street  
Sydney, NSW 2000 Australia

**P: +61 2 9251 7177**

**M: +61 449 607 636**

**E: [michaell@mmlcorporate.com](mailto:michaell@mmlcorporate.com)**

**The Hydroponics Company Limited (ASX: THC)**

THC is at the forefront of developing a leading, diversified worldwide cannabis business, focusing on two core business units: Development and delivery of medicinal cannabis, and manufacturing and distribution of hydroponics equipment, materials and nutrients.