

Medicinal cannabis company to build one of the world's largest production facilities in regional Victoria

ABC Shepparton

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PHOTO: An artist's impression of what the Shepparton facility will look like. (Supplied: Cannatrek Limited)

A regional Victorian town will soon house one of the world's largest medicinal cannabis production facilities, amid a push to drive patients away from the thriving black market.

Key points:

- Cannatrek plans to produce 160 tonnes of medicinal cannabis annually in Victoria
- It's estimated about 500,000 Australians source cannabis on the black market each year to self-medicate
- The scientific evidence on the benefits of using medicinal cannabis is mixed

Australian company Cannatrek has been given the final green light to develop the \$160 million plant near Shepparton.

There are plans to produce 160 tonnes of medicinal cannabis each year and create 400 jobs in the process.

Cannatrek chief executive Tommy Huppert said Shepparton was one of the first locations in Australia to tap into the growing market.

"We believe that the region will become a major centre for the production of medicinal cannabis," he said.

Major employer for the town

The facility — which will operate out of a glasshouse similar to tomato or herbal greenhouses — was approved by the Greater Shepparton City Council this week, after earlier securing Federal Government approvals.

Construction will begin soon and it could be fully operational in 2020.

Mr Huppert said Shepparton was selected because of its "abundant water, long hours of sunlight and passionate people" with significant skills in agri-technology.



PHOTO: There are plans to produce 160 tonnes of medicinal cannabis each year and create 400 jobs in the process. (Supplied: Cannatrek Limited)

The company purchased 178 acres of land about a year ago and worked on obtaining planning permits from the local council.

"We will be a major employer and there will be significant and positive knock-on effects in the region," Mr Huppert said.

"We are now preparing the development to build a scalable project and we have received planning permission for the entire project."



PHOTO: An estimated 500,000 Australians buy cannabis on the black market each year to self-medicate (Courtesy Cannatrek Limited)

He said a wide range of skills would be needed to operate the facility, including researchers and agronomists.

"The facility is over 160,000 square metres, so that's a lot of people to be employed to run the site.

"Researchers are essential to breeding the correct species which will adapt in the environment — once the plants are put into the grow rooms, there's constant taking care of the plant during its lifetime, which is 10 to 12 weeks.

"Then there's the post activity, which is another skill."

The Greater Shepparton City Council has welcomed Cannatrek's investment in the region.

"We would like to thank the State Government for their support of our region and encourage other investors to talk to us about opportunities for growth and investment in Greater Shepparton," Mayor Kim O'Keeffe said.

Stamping out black market risks

According to the Victorian Government, medicinal cannabis can cost a patient up to \$1,000 a week or \$52,000 a year depending on the nature of the condition.

John Teh, a GP and medical director of PlantMed — a clinic which specialises in cannabinoid medicine — said the high cost often led patients to the illegal market.

He hoped more onshore production would reduce both the cost, and the number of people sourcing it illegally.

"At the moment the majority of people will be accessing it illegally because of where the availability and affordability of medicines is at."



PHOTO: Dr Teh is keen for patients to source medicinal cannabis legally "because they want safety, they want to know their medicine is clean". (Supplied: PlantMed)

Cannatrek estimated about 500,000 Australians bought cannabis on the black market each year to self-medicate.

The company's Mr Huppert hoped the facility would contribute to reducing patient risk.

"This is really about ... creating a clean product which is a therapeutic product of choice.

"The problem with the black market is that no-one knows how it's grown or what chemicals are used."

The company said the number of prescriptions for medicinal cannabis has steadily increased, with authorities granting approximately 11,500 approvals under the [Therapeutic Goods Administration's](#) (TGA) Special Access Scheme — and almost 10,500 were approved in the last year.

However Dr Teh said patients actually accessing the medicine could be a problem.

"Because this has only started up in the last few years and there's not many doctors who have the knowledge or time to prescribe it effectively, there's a bottleneck in that area."

In order to prescribe medicinal cannabis, a doctor needs to apply to the TGA for approval for a script of an individual patient's supply, or apply to become an authorised prescriber.



PHOTO: How do patients get access to medicinal cannabis? (ABC News: Mary Lloyd)

Accessing medicinal cannabis

1. Patient gets a script from the doctor, which has to be TGA approved
2. The patient takes the script to a pharmacy
3. The pharmacy orders the drug directly from the cannabis supplier
4. The medicinal cannabis is sent to the pharmacy where the patient collects it

There are 54 authorised prescribers, such as GPs and oncologists, in Australia.

The medicine can be prescribed to relieve sufferers of [chronic pain](#), [epilepsy](#), [inflammation](#), [anxiety](#), [post-traumatic stress disorder](#) and [anorexia](#).

The director of the Australian Centre for Cannabinoid Clinical and Research Excellence, Professor Jennifer Martin, [has previously told the ABC that scientific evidence](#) for medicinal cannabis was mixed.

She said the evidence of benefits was strongest when treating conditions such as epilepsy in children who had not responded to other medication.

"The evidence of non-cancer pain is actually not that strong," she said.

"Certainly some people that have taken cannabinoids do say they have had a lot of benefit, but we have also seen older patients who have side effects."

<https://www.abc.net.au/news/2019-08-22/shepparton-taps-into-budding-cannabis-market/11436218>