

Would You Like a Piece Of This Australian Cannabis Company?

Louis O'Neill 24 Nov 2020



Cannatrek, a growing Australian cannabis company, is currently running an equity crowdfunding campaign that rewards medicinal patients.

Cannatrek is currently running an [equity crowdfunding campaign](#) via [OnMarket](#), with an offer of fully paid ordinary shares in Cannatrek Limited at \$0.35 per share to raise a maximum of \$2.5 million. Cannatrek's campaign has attracted significant funds in just a few days, having already raised over \$1 Million.

The funds raised will be used to roll out Cannatrek's digital healthcare distribution assets across Australia, to support its mission of providing affordable access to its growing patient base.

As we've covered monthly here at *The Green Fund*, the Australian cannabis industry has seen growing patient numbers, with the most recent month of October enjoying just shy of [6,000 new SAS-B approvals](#). While this was a slight dip from the previous month's [record-high 6,206 approvals](#), October's approvals were still the second-highest in Australia's history for any given month.

Of course, there remains much to be desired here in Australia when it comes to medicinal cannabis prescriptions. Like any nascent industry, the current high prices of medicinal cannabis in Australia can push medicinal users to procure their cannabis on the black market, which isn't helped by the fact that many doctors simply aren't educated enough on the benefits of the plant.

However, there are a lot of things going for the land down under, namely its favourable warm, sunny climate and large open spaces that allow for large scale production. Moreover, the Australian cannabis industry is projected to skyrocket in the coming years, and is estimated to reach a value of USD \$1.5 billion **over the next five years**.

One company seeking to capitalize on Australia's natural benefits and growing medicinal cannabis market, while addressing some of the issues facing the country's medicinal cannabis industry, is Cannatrek.

Cannatrek is one of Australia's leading medicinal cannabis companies, specializing in cultivation, manufacturing, and digital healthcare distribution across the country.

But who exactly is Cannatrek?

Cannatrek: A Seed to Patient Model

Founded by the economist Tommy Huppert, Cannatrek operates under a 'Seed-to-Patient' model, which has seen the company acquire a full suite of medicinal cannabis licenses, including cultivation, processing, distribution and sales licenses.

Mr. Huppert said equity crowdfunding represented an exciting new funding pathway for companies like Cannatrek. "Importantly, equity crowdfunding creates brand awareness for us in the large retail end of the market," he said. "We are a little unusual as we have already raised over \$17 million to date, which has fully funded our operations."

Cannatrek has an operational 3,200 square-metre facility in Queensland, allowing the company to annually produce 3 to 5 tonnes of medicinal cannabis, generating potential revenues of upwards of \$20 million.

Additionally, the company is planning phased construction for one of the "world's largest medicinal cannabis facilities," a behemoth 160,000 square-metre glasshouse facility near the regional town of Shepparton, Victoria. This will be built over a number of stages/phases as the local and global demand builds. The phased model will use solar and "behind the meter" energy-saving solutions to ensure the most efficient use of resources on its fully-owned 178-acre property.

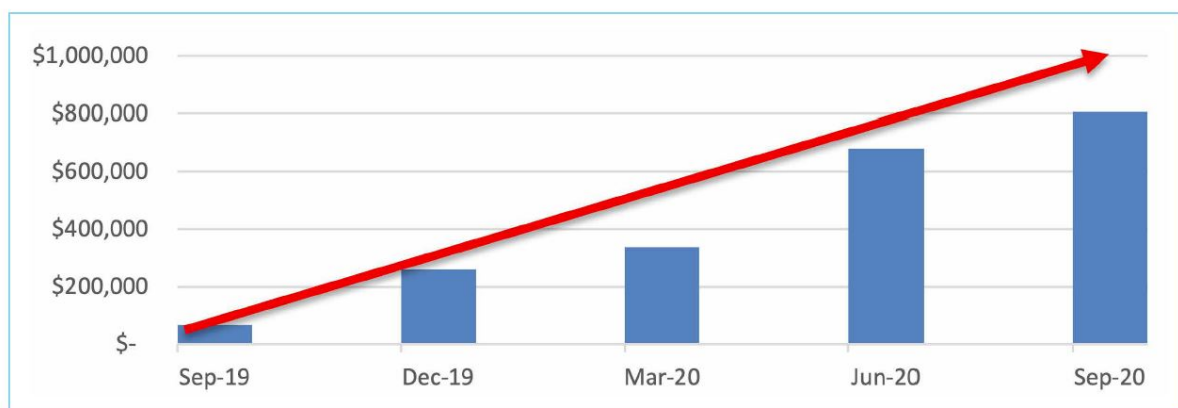
Once the Shepparton facility is built, and as the global cannabis industry expands, Cannatrek's annual production capacity will grow to over 160 tonnes, worth an estimated value of \$500+ million. The fully licenced Shepparton facility already has full Development Approval (DA).

The size of Cannatrek's Shepparton facility will allow the company to utilize economies of scale and produce a low-cost cannabis product for supply to pharmaceutical supply chains as an API (Active Pharmaceutical Ingredient) and also supply full spectrum therapeutic products, that seeks to challenge the illicit market and provide legal, affordable access to all Australians.

Cannatrek has a suite of medicinal cannabis products, as well as a host of import agreements with companies like [Organigram](#) in Canada, Clever Leaves in Columbia and now Seach Medical Group from Israel, to ensure the company can support the increasing local industry demand, as local production catches up.

Cannatrek's increasing production capacities also allow the company to enter into [offtake agreements](#) abroad, most recently with the [LYPHE Group](#) in the U.K., allows Cannatrek to service medicinal patients across the globe.

QUARTERLY SALES REVENUE



Source: [Cannatrek's OnMarket Campaign](#)

By October 2020, Cannatrek has sold over 20,000 units of medicinal cannabis products to over 3,000 patients, with a network of 150 prescribing doctors and over 350 pharmacies prescribing via CannaTrek.

To date, Cannatrek has seen strong and consistent quarterly revenue growth, at an increase of almost 1,100% year on year, with \$1.1 million revenue for the four months to 31 October 2020, up from \$68,000 in the quarter ending 30 September 2019. Sales in FY20 were \$1.4 million and the last twelve months (LTM) sales to 31 October 2020 were \$2.3 million.

Lastly, Cannatrek is in the process of developing a digital healthcare platform, designed to manage and deliver access to a potential market of up to 1 million Australian patients, over 100,000 doctors, and over 5,000 pharmacies. The platform, called 'CannatrekPLUS' seeks to streamline the doctor/patient journey via telehealth, compassionate access support services and an e-commerce platform. As the [COVID-19 pandemic](#) continues to shape the way society functions, telehealth will become an increasingly important function, particularly for medicinal cannabis patients who may not have a cannabis-prescribing doctor near them.



Cannatrek's Equity Crowdfunding Campaign

So, do you want to own a piece of Cannatrek for yourself?

Cannatrek is currently running an [equity crowdfunding campaign](#) on [OnMarket](#), with an offer of fully paid ordinary shares in Cannatrek Limited at \$0.35 per share to raise a maximum of \$2,500,000.

The campaign has already seen immense enthusiasm, generating over \$1 million in just a few days of launch.

As Cannatrek isn't yet publicly listed, this is the only way to get a piece of the company for yourself, and should you wish to do so, there are some innovative rewards that you'll receive in return.

Cannatrek is [offering](#) product and service benefits to shareholders who are patients or have a loved one who is. For more details, please click [here](#).

So not only will you gain a piece of a growing Australian medicinal cannabis company which is planning one of the largest medicinal cannabis facilities on the planet, but you'll also get products and services for yourself or someone dear to you who requires the assistance of medicinal cannabis.

Cannatrek plans to utilize the capital for the continued roll-out of the digital health platform, and marketing.

You can learn more about Cannatrek via their website [here](#), and about the capital raise through their Offer Document [here](#).

To see Cannatrek's [OnMarket](#) equity crowdfunding campaign, click [here](#).