



CBD MADE IN NEW MEXICO: RICH GLOBAL HEMP (RGH) COMING TO MESILLA

Company Plans to Hire 180 New Mexicans to Manufacture CBD

Mesilla, New Mexico, May 20, 2019 – Rich Global Hemp (RGH) announced today it is launching growing operations for hemp plants as well as cannabidiol, or CBD, extraction in Mesilla, where it plans to hire 180 people in the next 18 months.

Rich Global Hemp has acquired and is renovating an existing greenhouse facility in Mesilla Park where it will begin growing hemp plant clones that will later be processed into cannabidiol, or CBD, which is the non-psychoactive oil from the plants that has a wide variety of uses. RGH will start the plants at the greenhouse, provide the juvenile plants to farmers in New Mexico where they will be grown and harvested, then RGH will purchase the harvested plants to use in the production of CBD oil. The plants are bred for high CBD content and contain negligible percentages of THC, the psychoactive chemical in cannabis plants.

“We want to partner with farmers, see how the plants grow in the New Mexico soil and wind, and balance all of those factors. It will be a lot of learning this year,” said Kai Kirk, Co-Founder and Partner at Rich Global Hemp. “Farmers will grow and harvest the crop and we’ll buy back the biomass and then run that through an extraction facility to get the CBD.” The company’s wealth of experience and state-of-the-art technical expertise will be a tremendous asset to helping New Mexico’s farmers succeed.

Today, nearly seven percent of Americans use CBD and Fortune magazine estimates the market could be as large as \$16 billion by 2025 and that’s not including the medicinal pet market, which is expected to grow to more than \$1.1 billion by 2022. CBD is added to tinctures, beverages, balms, lotions and more, and many say it improves certain health conditions. In 2018 the domestic industrial hemp market was around \$800 million. By 2022, some researchers say that could reach \$22 billion.

Kirk expects RGH to hire approximately 125 people in the first year of operation and grow to 180 in 18-24 months.

After a multi-state search, RGH concluded that New Mexico had several advantages over other states for a hemp operation. **“We believe that New Mexico, and in particular the Borderplex region, is well positioned to become a leader in North America’s rapidly-emerging industrial hemp industry,”** said Josh Rich, Founder and Chairman/CEO of RGH. “It has a very favorable growing environment for farmers, leading-edge agriculture research capabilities at New Mexico State University, global value-added product manufacturing in the Borderplex, and biomass processing scalability and global distribution in Santa Teresa.”

New Mexico Governor Michelle Lujan Grisham signed new legislation in April that gave hemp producers a statewide framework for growing the plants, and RGH is the first to locate here because of the changes.

“The state government was eye-opening with its support. It was very much a juxtaposition to California,” Kirk said. “We can walk in and talk to the Secretary of Agriculture and the team there and they provide great collaborative support. That’s awesome. They want their producers to succeed.” The State is tangibly supporting the project by providing a Local Economic Development Act grant of up to \$1.25 million, and up to an additional \$1.4 million from its Job Training Incentive Program.

The state’s affordable, and available, labor force were critical factors in choosing the state, Kirk said, as was its central location and access to logistics infrastructure.

“We’re in the center of the U.S., with easy distribution across the country. We have easy access to rail, including the potential for a rail spur that as we grow that we could use to export finished goods or to receive biomass via rail,” Kirk said. “This property was a huge opportunity.”

Kirk said the company considered starting operations in Nevada and Colorado, but a variety of factors made New Mexico the clear winner, including support from one of the state’s nearby universities. Kirk expects to leverage the opportunities with New Mexico State University (NMSU), which is known for its agricultural science programs. Hemp research will be a key component of the new Center of Excellence on Sustainable Food and Agricultural Systems at NMSU, and the school will host its first hemp conference this May 23 and 24.

“Our proximity to NMSU is key, and we’re excited to partner with them. We’re looking forward to working with undergrads, graduate students, and faculty from NMSU,” Kirk said. “Not many schools are studying hemp like NMSU.”

“New Mexico has long been known for its value-added agriculture industries and our farming roots go back millennia,” said Tim Nitti, President & CEO of the New Mexico Partnership. “Hemp is a 21st-century crop that will complement New Mexico’s other agricultural exports such as pecans, cheese, beef, and green chile. We’ve been working with Kai and his team since they first started actively considering New Mexico, and I’m excited about the tremendous technical expertise and industry knowledge they are bringing to the state.”

“Increasingly, consumers are opting for products made from natural ingredients. With thousands of applications for the hemp plant, this will drive the industrial market over the next decade and beyond,” said Rich.

ABOUT US

The **New Mexico Partnership** is designated by the State of New Mexico to be the single-point-of-contact for locating and expanding businesses in New Mexico. We offer a coordinated approach and a formal network of economic developers to simplify the site selection process by providing expertise on talent, critical infrastructure, educational and R&D institutions, real estate and facilities, incentives and all the other factors that go into a business location decision.

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