

12-31-2025 Medical Cannabis Production Establishment Board Meeting Minutes

Deputy Commissioner Amber Brown Calls Meeting To Order - Utah Department of Agriculture and Food

Members in Attendance:

Deputy Commissioner Amber Brown

Chief Jason Williams

Desiree Hennessy

Susan Spiers

Dr. Edward Walker

Miles Maynes

Drew Gubler

Deputy Commissioner Amber Brown Reads Public Comment Guidelines: "All participants will be muted until asked to speak by the board. If you are a company representative please click Raise Hand when it is your time to speak and one of our admin will unmute you. During the public comment period please type in the chat box or click Raise Hand to be called on by the board, at which point you will be unmuted. Thank you to everyone for working with the department to ensure a professional and efficient meeting."

Medical Cannabis Tier 1 Processing Application Approval: Two West Medical

Cody James Introduces Two West Medical: "So this is kind of a continuance for the board from the December 4th meeting, as you may recall, but I'll just kind of go through this a little bit. Two West is applying for a Tier 1 processing license. This is the company that has previously applied for a Tier 1 processing license and each of the last four years, they received their original intent to license from the board in December of 2021. If approved this time, they will have another year to get into or to actually start to produce there. Just a reminder for the board that in Utah code under 4-41A-2019, the licensing board may revoke a license under that part if the cannabis production does not begin cannabis production operations than one year after that. So again, this is really just an entirely new application, even though they've been doing this for the last four years. So they have yet to become fully licensed, which is one of the concerns that we mentioned back in the first week of December. As Two West has had some issues with communications with the department in years past and even so, obviously how it went down on December 4th of this month there and which again, why we moved this. At this time they have been able to send in all of their application information. So it looks to be in order and they did make the payments as required for the application as well. So at this point, the only concerns really the department has is a continuance of an applicant holding one of the places for licensing and processing licenses were capped in recent years. So there's only so many that go give out there. And with this giving an intent to this company, it does possibly hinder other people from even having an opportunity to do that. And then obviously with the concerns as far as producing anything that is a little bit of a concern for the department. But as far as the application goes again that everything has been sent in there and so it is obviously good to go to the board for their decision."

Two West Medical States: "Yes, this is Colin Schmutz. I'm counsel for Two West Medical. Thank you. First and foremost, thank you. I know it's December 31st. Desi, I know you are ice skating. I am hiding out in a hotel room while my family's in the middle of the desert. So I know everybody has sacrificed a little bit to be here today. So first, thank you for the time. Thank you for the consideration. And also thank you for, for, you know, we had the hearing early in December and you've allowed us to come back today before the end of the year. So thank you. Just want to speak to some of the points of progress that we've been making. First, as Yolanda mentioned last call, she came on board last year. I came on board in about October as well. This is a company that is just at the point of producing. There's been significant progress over the last six months and that's continuing. Just a couple of high level points just to show you how close we are at this point. We've been properly authorized by the city of Spanish Fork to have a facility in Spanish Fork. We've gone through that process. We've hired chemists who are on site who are ready to go. We've commissioned equipment or excuse me, we've ordered equipment. We're ready to commission that probably end of next month. In addition to that, we've got a C1B1 contaminant facility going in next week. I mean, we are at the point of being ready to move this forward and start producing. I think there have been some issues with communication in the past, which I think has been remedied. I know Yolanda had been in communication potentially with the wrong department, but we're doing our best efforts to make sure that we are fully compliant. We are in communication with you guys directly and we're ready to go. The next step for us is just making sure we have this intent to license moving forward in the next year. We're hopeful that we have final inspections with you guys sometime Q1 of this year. Any questions for us?"

• Deputy Commissioner Amber Brown opens the Medical Cannabis Productions Establishment Board Questions;

Q. Dr. Edward Walker: "You mentioned that you're hopeful that you will have final inspections by Q1. That means really going to work fast in the next three months, you know, and could you list some of the objectives you have in place where we can get to that point?"

A. Two West Medical: "I do think some of the things I just hit on, we have some steps we still have to go through. We have to get the contaminant facility up there. We've got to get the equipment. We've ordered it. We need to get it to the warehouse. We need to get it commissioned. Then there's a couple other steps we need to take. But when I say hopeful, I'm just, that's more expressing my faith and desire that this is gonna happen, Q1. And we've taken the necessary steps and we have the steps lined up as well to get there. Those are the high-level ones. There's, of course, additional small steps that we'll be making a long way, but we've hired the personnel and we've got the equipment, so we're ready to go."

Q. Dr. Edward Walker: "This would seem to indicate a real step up in activity compared to what we've seen in the past. Is that correct?"

A. Two West Medical: "Yes, that's correct. One of the keys was Yolanda came on board and helped us raise some money to get to the point we're at now. That was one of the issues in the past was everything costs money, it's an expensive world. And so once we got some financing lined up and really dug into that side, it's enabled us to take all these additional steps. And that's why you're seeing this quick progress now because the financing came through."

Q. Desiree Hennessy: "I just want to know just personally what kind of products are you expecting to make or what kind of products do you have a history of making. That you're going to bring to the Utah market that's maybe going to be different or better or cheaper or any of those things."

A. Two West Medical: "We're going to be focusing on gummies and vapes. The difference between our facility versus others is that we are going to be using a process that's done at a lower cost. We're going to be doing things at a lower cost than the other facilities, so that's going to be different. However, we have a scientist that has done a lot of products from everything. She's got a lot of formulas, and so our advantage is that we have her on board. She has worked for NASA in the past, and so she's ready to go, but we are primarily going to focus on gummies and vapes."

Q. Deputy Commissioner Amber Brown: "Can you clarify the intent to license versus just an application for a processor license? What's the difference?"

A. Two West Medical: "The application, obviously, is the group just letting the department know and then the board that they want to become licensed. They've had to submit their operating plans and pass the background checks and all the owner aspects, as far as the statute is concerned, and be ready to go. And then we bring that to the board and if the board does confirm or approve the application for licensing, what we do is give them that year to get into production by giving them an intent to license. As you hear us say quite a bit with new licenses and sometimes even renewals, is that there's a handful of things that we need to make sure are in place, such as the bond that is required to be held by the licensee. Obviously, some local ordinance things such as business licensing, things like that, as well as making sure that all of their equipment and all of their processes are meeting any requirements, such as either our statute or possibly other statutes, whether it be through our regulatory services and maybe some GMP aspects. Making sure that they are signed up and have access to the inventory control system and are able to go through and do that work, have all their agents in place and things like that. So we just we really call it an intent to license. They are ready to be licensed at that point with the exception. There's just those finalized things depending on whatever level if they're at that we're going to want to verify before we allow them to start processing or doing any of that work. And then once we do our final inspection is when we did that really final license to give that to them. So really, we call it an intent to license because they're not allowed to actually start production until they get that final piece of paper. But we're just waiting on a handful of things, depending on what those are, that need to be verified by the department before we can let them move. And I think that most companies don't want to start to spend a whole lot of money until they know for sure that there is a good chance they're going to get licensed too. So it's kind of a, you know, both sides of that."

Q. Deputy Commissioner Amber Brown: "So this would be the only board vote on this license, is that correct?"

A. Two West Medical: "Correct."

- **Desiree Hennessy moves to approve the Medical Cannabis Tier 1 Processing Application for Two West Medical**
 - **Motion Seconded - Dr. Edward Walker**
 - **All Present - YES**
- **Dr. Edward Walker moves to adjourn the 12-31-2025 Medical Cannabis Production Establishment Board Meeting**
 - **All Present - YES**