



For Immediate Release

News Release

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## HERBAL DISPATCH PROVIDES CORPORATE UPDATE

**Vancouver, B.C.** – Herbal Dispatch Inc. (formerly, Luff Enterprises Ltd.) (CSE: **HERB**) (“**Herbal Dispatch**” or the “**Company**”) is pleased to provide an update regarding its core growth strategies for fiscal 2023.

After closing the acquisitions of the NG Biomed Group of Companies and the Herbal Dispatch marketplace in 2022, we are now starting to see a clearer path to position the Company for future success.

The recently completed name change to *Herbal Dispatch Inc.* enables the Company to realize the many synergies and benefits that come with aligning the Company’s name with the positive brand of Herbal Dispatch and its flagship e-commerce website, **herbaldispatch.com**.

The cannabis industry has undergone massive changes in recent years, which has resulted in a challenging and competitive business environment for all companies involved in the space. Some of these challenges include layers of regulatory burdens, severe taxation, oversupply in the market (leading to price compression) and onerous capital requirements to get to positive cashflow. An online marketplace strategy addresses many of these challenges in a highly scalable, yet capital efficient manner. Furthermore, our strategy is to utilize our growing online marketplace to identify and purchase best in class cannabis products that can be sold in all of Herbal Dispatch’s available product channels: direct to consumer (medical), wholesale to retailers (recreational) and bulk sales (domestic & export).

Our vision is to build a customer centric organization that provides the best cannabis to local and international markets. We will achieve this by focusing on four complementary pillars for revenue generation in the years ahead, which will allow us to scale quickly with minimal additional capital required.

### **FOUR PILLARS FOR REVENUE GROWTH:**

**Medical Sales.** Medical sales will continue through the **herbaldispatch.com** site and will continue to grow organically, through targeted communications to special groups, such as insured clients and within the Company’s growing partnerships with healthcare professionals across Canada. Herbal Dispatch is preparing to launch several affiliate websites in partnership with groups that have a large online following and loyal customer base. Herbal Dispatch will leverage all its in-house digital backend, product inventory, and licensing to streamline the customer onboarding process with minimal additional cost required.

**Recreational Sales.** Recreational sales started in December 2022 when the Company commenced its first Direct Delivery orders in BC to B-to-B customers. This program allows Herbal Dispatch to deliver directly to the roughly 450 private retail stores in the Province of BC. The Company’s aim is to have more than 100 of these retail stores ordering from Herbal Dispatch on a monthly basis by the end of 2023. This



B-to-B wholesale opportunity is very complementary to the Company's existing medical business as the Company is already prepared to manage member orders proficiently, whether they are buyers for dispensary chains or individual clients.

Further to the Company's launch of Recreational sales in BC, Herbal Dispatch is also planning to enter other provinces in the future to expand its recreational wholesale offering in dispensaries nationally.

**Manufacturing Services.** Manufacturing sales will play a meaningful role for the Company moving forward. By offering licensed production services to select vendors/brands, we are building alignment with strategic partners that can add value to Herbal Dispatch's marketplaces. The ability to conduct these services enables the Company to minimize the cost of select products by spot buying bulk flower and then providing subsequent in-house packaging and processing (such as pre-roll manufacturing) for the Company's and its partners' brands. Having control over certain aspects of manufacturing has proven to lower product costs and increase the quality of Herbal Dispatch's product offering.

**Export Sales.** Export sales represents a growing opportunity for Herbal Dispatch and one that shows a lot of promise given the expanding list of countries that have approved federal medical cannabis programs. The Company is exploring opportunities for export to several countries that are interested in importing premium grade and craft focused medical cannabis from Canada. With the oversupply and depressed wholesale pricing domestically, this presents a compelling opportunity for high volume sales with strong margin potential.

"Focusing on these initiatives will drive meaningful revenue and profitable growth in the company," asserts Philip Campbell, Herbal Dispatch's CEO. "Our passionate team is aligned around these goals and we are already seeing many positive results within the first months together since launching Herbal Dispatch. Our customer count is growing steadily and our focus on a differentiated product offering across multiple channels with great customer service is bearing fruit. We are excited about export opportunities as a further way to profitably build our business."

Since the debut of its new marketplace late last year, the Company has generated over \$200,000 in gross sales from **herbaldispatch.com** up to the end of December 2022. The Company anticipates that its sales revenue will meaningfully increase in fiscal 2023 as the Company executes on key growth strategies. The Company plans to update the market regularly in the coming weeks as planned milestones are met.

#### **ABOUT HERBAL DISPATCH INC.**

The Company owns and operates leading cannabis e-commerce platforms and is dedicated to providing top quality cannabis to informed consumers at affordable pricing. The Company's flagship cannabis marketplace, **herbaldispatch.com**, is a trusted source for exclusive access to small-batch craft cannabis flower and a wide-array of other product formats. The Company's common shares trade on the Canadian Securities Exchange under the symbol "HERB".

#### **For further information:**

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Certain statements in this news release, including statements or information containing terminology such as “anticipate”, “believe”, “intend”, “expect”, “estimate”, “may”, “could”, “will”, and similar expressions constitute “forward-looking statements” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events, or developments that the Company or a third party expect or anticipate will or may occur in the future, including the Company’s future growth, results of operations, performance, and business prospects and opportunities are forward-looking statements. These forward-looking statements reflect the Company’s current beliefs and are based on information currently available to the Company. These statements require the Company to make assumptions it believes are reasonable and are subject to inherent risks and uncertainties.

Actual results and developments may differ materially from the anticipated results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond the Company’s control. These risk factors are interdependent and the impact of any one risk or uncertainty on a particular forward-looking statement is not determinable. Examples of forward-looking statements in this news release and the key assumptions and risk factors involved in such statements include, but are not limited to, growing the Company’s business in Canada and the future success of Herbal Dispatch. The successful execution of the Company’s growth initiatives is subject to a number of risks and uncertainties, including industry competition and future customer demand for the Company’s products, among others.

Consequently, all of the forward-looking statements made in this news release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected effects on the Company. These forward-looking statements are made as of the date of this news release. Except as required by applicable securities legislation, the Company assumes no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

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