



For Immediate Release

News Release

August 29, 2023

HERBAL DISPATCH ANNOUNCES 2023 SECOND QUARTER FINANCIAL RESULTS

- Achieved gross sales of \$1.4 million in Q2 2023, representing growth of 260% from Q1 2023
- Completed first export sale to Australia, consisting of 93 kilograms of premium dried cannabis
- Launched new Hero Dispatch marketplace to provide veterans and first responders access to premium craft cannabis

Vancouver, B.C. – Herbal Dispatch Inc. (**CSE: HERB**) (“**Herbal Dispatch**” or the “**Company**”) is pleased to announce its financial results for the second quarter ended June 30, 2023. Herbal Dispatch continued to make significant progress towards its strategic growth initiatives in the second quarter of 2023, achieving gross sales of \$1.4 million, reflecting a 260% increase from the previous quarter ended March 31, 2023.

“We are very pleased with the strong growth recorded across our core sales channels in 2023,” said Philip Campbell, Herbal Dispatch’s President & CEO. “Since commencing sales in Canada on the acquired marketplace **herbaldispatch.com** last fall, we have achieved significant quarter-over-quarter revenue growth as we continue to grow our customer base and achieve repeat orders. We believe our revenue will continue to increase through the remainder of 2023 as we execute on our growth strategies.”

During the quarter, the Company completed its first export sale to Australia, consisting of 93 kilograms of premium dried cannabis, marking a significant milestone for Herbal Dispatch as the Company enters the global cannabis market. This sale is part of a new partnership with a leading Australian medical cannabis provider and is expected to result in regular and growing shipments. The Company plans to work closely with its new partner to expand its premium and craft focused cannabis offering in Australia where the medical cannabis market is still new but growing rapidly. The Company is also optimistic that an increasing number of global markets will refine regulations, allowing for lower-barrier access to high quality cannabis products produced and distributed from Canada via Herbal Dispatch’s growing distribution platform.

In the second quarter of 2023, the Company also launched the Hero Dispatch marketplace, the second portal created under its affiliate platform. Hero Dispatch provides veterans and first responders access to premium craft cannabis, which are typically funded through their healthcare benefits. In Canada, eligible veterans and first responders receive coverage for medical cannabis through Veterans Affairs Canada (“VAC”) as part of their healthcare benefits. The coverage amount varies by person, but most (60%) are eligible to receive three grams per day at \$8.50/g coverage. As of 2021, VAC had reimbursed licensed producers over \$150 million for medical cannabis sold to eligible veterans, growing to over \$200M in 2022.



The Company believes its online strategy is overcoming many of the challenges that the cannabis industry has been experiencing in recent years in a highly scalable, yet capital efficient manner. Furthermore, the Company's strategy is to utilize its growing online marketplace to identify and purchase best in class cannabis products that can be sold across all of its available product channels: direct to consumer (medical), wholesale to retailers (direct delivery recreational) and bulk sales (domestic & export).

Private placement update

The Company previously announced on May 25, 2023 that it intended to complete a non-brokered private placement of approximately 100,000,000 units of the Company (the "Units") at a price of \$0.01 per Unit for gross proceeds of \$1,000,000 with each Unit consisting of one common share and one common share warrant. Plans for this financing have been postponed for the time being. Monthly revenue has been stronger than budget and management is reviewing non-dilutive financing options for working capital needs.

The full version of the consolidated interim financial statements and associated management's discussion & analysis for the three and six months ended June 30, 2023 can be viewed under the Company's profile on SEDAR+ at www.sedarplus.ca and will also be made available on the Company's website at www.herbaldispatch.com.

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:

Philip Campbell, CEO and Director

Email: IR@herbaldispatch.com

Telephone: 1-833-432-2420



CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

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, executing the Company’s strategic growth initiatives for 2023 and beyond, which includes: (i) growing medical sales from our online e-commerce platforms; (ii) growing recreational sales via direct delivery orders to retailers; (iii) growing revenue from manufacturing services; and (iv) achieving revenue growth from export sales. The successful execution of these 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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