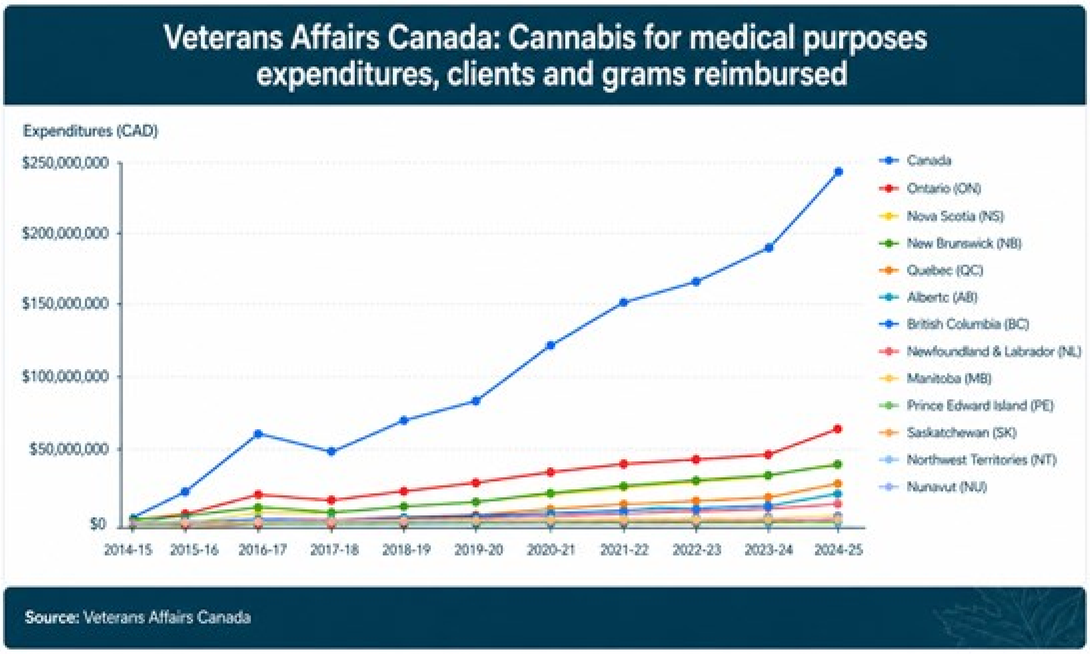
Herbal Dispatch Launches Next-Generation E-Commerce Platform, Targeting High-Growth $245 Million Insured Medical Cannabis Segment

Vancouver, British Columbia--(Newsfile Corp. - May 5, 2026) - Herbal Dispatch Inc. **(CSE: HERB) (OTCQB: LUFFF) (FSE: HA9)** ("**Herbal Dispatch**" or the "**Company**"), a cannabis e-commerce and distribution platform, is pleased to announce the launch of the upgraded HeroDispatch.com, alongside significant enhancements to HerbalDispatch.com for standard medical patients.

These upgraded platforms are designed to position Herbal Dispatch as a preferred partner for both patients and clinic operators nationwide, delivering improvements across integration, user experience, and operational scalability.

Platform Advantages

The enhanced HeroDispatch platform streamlines clinic workflows and elevates the patient experience, creating a more efficient and scalable medical channel. Herbal Dispatch operates a portfolio of Shopify-based e-commerce platforms tailored to distinct customer segments, enabling the Company to optimize user experience, marketing, and product offerings while leveraging a shared backend infrastructure. HeroDispatch.com serves as the Company's dedicated platform for veterans and insured medical patients, supporting insurance-backed purchasing, and clinic integration to drive higher conversion, retention, and lifetime value within this segment. The veteran channel delivers strong unit economics for the Company, with **gross margins exceeding 50%**, reinforcing its position as a highly scalable and high-quality recurring revenue stream.



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For customers, the platform delivers a simplified and personalized experience through curated product selection, transparent pricing, concierge-style support, and seamless direct insurance billing. These features support strong patient satisfaction, high retention, and recurring revenue.

Strategic Market Opportunity

The upgraded HeroDispatch.com targets Canada's large and underpenetrated insured medical cannabis segment for veterans and fully insured patients-a market driven primarily by Veterans Affairs Canada reimbursements of approximately $245 million annually based on recent reporting, with reimbursements expected to continue to grow into 2026.

Canada currently has approximately 600,000+ veterans, with research from Statistics Canada indicating that Chronic Pain is one of the highest causes of disability or activity limitation for Veterans. Chronic pain is one of the most common conditions where medical cannabis is used, however, only approximately 30,000 veterans are currently participating in reimbursement programs, indicating significant underpenetration and a substantial opportunity to expand adoption within this segment.

Despite recent policy adjustments in Budget 2025, the Company continues to see resilient demand in this segment, which is characterized by high retention and recurring purchasing. Herbal Dispatch believes this positions HeroDispatch as a leading platform to capture share in one of the most attractive verticals in Canadian cannabis.

Chronic Conditions by Total Veteran Population (2023)

CHRONIC CONDITION	PROPORTION OF VETERANS (%)	CHRONIC CONDITION	PROPORTION OF VETERANS (%)
Arthritis	40.8%	PTSD	16.3%
Back problems	43.2%	Alzheimer's or other dementia	2.1%
Mood disorder	17.9%	Chronic fatigue syndrome	2.4%
Anxiety	18.4%	Multiple chemical sensitivities	2.2%

Source: 2023 Veterans' Well-being Community Health Needs Assessment
Health Professionals and Policy and Research Divisions, Veterans Affairs Canada

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The Company believes HeroDispatch is well positioned to become a leading platform for insured medical cannabis patients in Canada, supported by its integrated technology, patient-centric model, and expanding national footprint.

Future Initiatives

In parallel, Herbal Dispatch is evaluating the launch of its own medical clinic to enhance service delivery, accelerate onboarding, and capture additional value across the patient lifecycle. The Company currently incurs recurring third-party costs related to initial patient registration and annual renewals; internalizing these functions is expected to materially increase per-patient margin contribution while improving conversion, retention, and overall operating leverage.

"HeroDispatch.com represents a meaningful advancement in how we provide medical cannabis to our customers. We have focused on eliminating friction for clinics while delivering a more seamless and personalized experience for patients. The strength of our model is reflected in our retention and ongoing patient engagement, and we continue to see increasing adoption from both patients and healthcare providers," stated Philip Campbell, CEO of Herbal Dispatch. "From a business standpoint, this channel is highly efficient, with strong margins and recurring revenue that support long-term scalability and predictable growth."

ABOUT HERBAL DISPATCH INC.

Herbal Dispatch Inc. is a leading operator of cannabis e-commerce platforms in Canada, delivering quality medical and recreational products to discerning consumers at competitive prices. Its flagship marketplace has earned trust as a premier destination for exclusive access to small-batch craft cannabis and a wide selection of curated cannabis products. The Company is also actively expanding through exports to international markets, positioning it for sustained growth and new revenue opportunities. 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, future growth of sales related to the veterans channel and achieving targeted gross margins from those 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 by veterans and insured medical patients, 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.