

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: BioHarvest Sciences Inc. (the "Issuer").

Trading Symbol: BHSC

Number of Outstanding Listed Securities: 444,055,335

Date: November 5, 2020

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non- promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

In October 2020, the Issuer closed the second and final tranche of its private placement previously announced of up to 25,428,055 common shares at a price of \$0.15 per share. The second tranche consisted of 3,892,840 common shares for aggregate gross proceeds of \$583,926, net proceeds of \$554,729,70 after payment of finder's fees. In connection to the second tranche closing, the Issuer also issued 194,642 finder's warrants. The finder's warrants are exercisable to purchase a common share of the Issuer at a price of \$0.15 per share for a period of 1 year from the date of issuance.

The Issuer welcomed two new members to its Advisory Board:

1. Dr. David Brady who will act as a strategic advisor to the Issuer in the area of developing and bringing to market superior science based functional nutraceutical products; and
2. Advocate Roberto Chait who brings a wealth of experience in corporate and international trade law, intellectual property law, and cross border international transactions.

The Issuer held a webinar on October 26, 2020. The main objectives was to introduce the Issuer to

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prospective investors and to present the Issuer's growth strategy.

2. Provide a general overview and discussion of the activities of management.

Management continue to be focused on executing the growth plan which was articulated to shareholders on August 5th, 2020.

#### B2C

The Israeli E-Commerce website for the sale of VINIA® , the Issuer's Red Grape Cell product containing the entire matrix of polyphenols contained in Red Grapes with a high concentration of Piceid Resveratrol and other key polyphenols, was re-launched in October with significantly enhanced e-commerce capabilities to better convert consumers through the sales funnel. The launch was also supported by paid media to drive customer acquisition.

#### B2B

The Issuer has been working closely with its exclusive distribution partner in USA, Batory Foods in the development of all sales and marketing materials for the targeting of major food, beverage and nutraceutical customers. High priority customers will be targeted in the months of November and December.

Manufacturing – Following, the signing of a manufacturing agreement with Sugart Israel for the building of a 20 Ton manufacturing facility for VINIA, the cross functional team from Bioharvest Sciences Inc and Sugart have been working closely to finalize the design of the facility and qualify key suppliers for equipment and services. The team continues to make excellent progress and are on track to have the facility operational and producing VINIA® by early Q3, 2021.

#### Trademark Registrations

In line with the Issuer's focus to build global brands, it commenced the registration of VINIA® across multiple relevant classes in key international jurisdictions.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Not Applicable

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Not Applicable

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Not Applicable.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not Applicable

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not Applicable

8. Describe the acquisition of new customers or loss of customers.

Not Applicable

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

Not Applicable

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Not Applicable

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not Applicable

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Not Applicable

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Not Applicable

14. Provide details of any securities issued and options or warrants granted.

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The second tranche consisted of 3,892,840 common shares for aggregate gross proceeds of \$583,926, net proceeds of \$554,729,70 after payment of finder's fees. In connection to the second tranche closing, the Issuer also issued 194,642 finder's warrants. The finder's warrants are exercisable to purchase a common share of the Issuer at a price of \$0.15 per share for a period of 1 year from the date of issuance.

15. Provide details of any loans to or by Related Persons.

Not Applicable

16. Provide details of any changes in directors, officers or committee members.

Not Applicable

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17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Issuer has been impacted by the emerging and ongoing COVID-19 pandemic which is impacting the efficient running of its operations. All efforts are being taken by the Issuer to minimize the impact across the business operations and the Issuer will be in a better position to assess any potential impact on timelines and sales estimates at the end of Q4.

### Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated November 5, 2020

David Ryan  
Name of Director or Senior Officer

"David Ryan"  
Signature

Vice-President of IR  
Official Capacity

<b>Issuer Details</b>		
Name of Issuer	For Month Ended	Date of Report YY/MM/DD
BioHarvest Sciences Inc.	October 2020	20/11/05
Issuer Address		
1140 - 625 Howe Street		
City/Province/Postal Code	Issuer Fax No. ( )	Issuer Telephone No.
Vancouver, BC, V6C 2T6		(604) 622-1186
Contact Name	Contact Position	Contact Telephone No.
David Ryan	VP of Investor Relations	(604) 622-1186
Contact Email Address: <a href="mailto:dave@bioharvest.com">dave@bioharvest.com</a>	Web Site Address <a href="http://www.bioharvest.com">www.bioharvest.com</a>	

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