

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Harvest Health & Recreation Inc. (the "Issuer").

Trading Symbol: HARV

Number of Outstanding Listed Securities: 245,483,931 subordinate voting shares

Date: April 6, 2021

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.

During the month the Issuer remained committed to executing on its business plan and remains focused on returning to profitability in its operations. The Issuer continues to operate in its existing markets with minimal disruption from the Covid-19 pandemic and remains vigilant with its safety precautions by continuously

reviewing, revising, and implementing appropriate protections and procedures related to its operations during the pandemic on a case by case basis.

On March 11th the Issuer announced the opening of its ninth (9th) Harvest-affiliated dispensary in the state of Pennsylvania located in Whitehall, PA.

On March 15th the Issuer announced the settlement of its dispute with Falcon International Corp. ("Falcon") and its affiliates on mutually agreeable terms. On February 14, 2019, Harvest announced a definitive agreement to acquire Falcon. In January 2020, the merger agreement was terminated, and the parties entered arbitration to resolve disputes related to the merger agreement. The parties have reached a mutually agreeable resolution of their disputes and have agreed to a final dismissal of all litigation and arbitration between them arising out of the 2019 merger agreement. In accordance with the settlement terms, Issuer now owns 10% of Falcon. Each share comes with a 10-year warrant entitling Harvest to two (2) common shares of Falcon at an exercise price of US\$1.91, subject to customary anti-dilution adjustments.

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

The Issuer continues to execute on its core goals which include:

- Scaling Issuer's operating team and general operations to return to profitability.
- Expanding Issuer's retail and wholesale footprint across its target key markets in the US.
- Building and expanding brands and distributing them across its footprint and key markets in the U.S.
- Continued efforts to seek regulatory approval for planned acquisitions/divestments.
- Rationalization of resources following completion of acquisitions/divestments.
- Continuing to operate in a disciplined way, evaluating all opportunities on a prudent basis.

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.

None.

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.

None.

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.

None.

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.

None.

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.

None.

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

None.

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

None.

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

Hiring: 112 employees; 102 hourly, non-exempt and 10 salary, exempt

Terminations: 9

Lay-offs: 0

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

None.

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.

None.

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

During the month Issuer made regularly scheduled debt payments of principal and interest in the amount of USD \$208,984.

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

Security	Number Issued/Granted	Details of Issuance	Use of Proceeds⁽¹⁾
Subordinate Voting Shares ("SVS")	17,342,715	Conversions of Multiple Voting Shares ("MVS") to SVS	No proceeds were received by the Issuer upon such conversions.
MVS	15,000	Exercise of Warrants to purchase MVS	USD \$1,576,300
SVS	5,094	Net SVSs received upon vesting of Restricted Stock Units ("RSUs") held by Chief Financial Officer, Deborah Keeley	No proceeds were received by the Issuer

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.
None.
16. Provide details of any changes in directors, officers or committee members.
None.
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Federal

The SAFE Banking Act was reintroduced by a bipartisan group of more than 100 members of the House and 30 members of the Senate. The legislation, originally introduced in March 2019, has passed through the House three times, but has historically stalled in the senate. This year's Bipartisan support, Democratic control of both the House and Senate, along with endorsements by the American Bankers Association and others, strengthens the prospects of the bill passing in both houses of Congress.

The SAFE Banking Act aims to create a safe harbor for banks and credit unions so they cannot be held liable or subject to federal forfeiture action for providing financial services to a cannabis-related business. The SAFE Banking Act will bridge a critical gap that has been created by the conflict between federal and state law.

Arizona

The Arizona Department of Health Services concluded another round of rulemaking with industry, to tweak additional details surrounding the recreational program, now having completed two full months of adult use sales. Rules changes included shoring up the recreational testing program to match that of the medical program and clarifying administrative details to streamline retail processes.

California

California Governor Gavin Newsom has appointed Assemblyman Rob Bonta as the state's chief law enforcement officer, with Attorney General Becerra departing for a position in the Biden Administration. Bonta, an Oakland Democrat, has long been one of the leading cannabis-reform advocates among state lawmakers. Bonta has spearheaded bills to change the statewide medical marijuana regulatory system, as well as sponsoring legislation to lower state cannabis tax rates to allow for the legal, regulated industry to outpace the rampant illicit market.

Florida

A proposed bill in the Florida legislature, placing a cap on allowable amount of THC in medical cannabis, received welcomed news in March: Governor Ron DeSantis will not be endorsing such legislation.

Maryland

Recreational marijuana legalization has stalled this legislative session. Whereas both proposed recreational bills included a strong focus on social equity and industry diversity, lawmakers were unable to agree on specific terms that would allow for a continued path forward this session. This year's bill sponsors are currently working on amendments to set the stage for legalization discussions during the 2022 legislative session.

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 were 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: April 6, 2021

Nicole Stanton
Name of Director or Senior
Officer

/s/ Nicole Stanton
Signature

Secretary
Official Capacity

<i>Issuer Details</i> Name of Issuer Harvest Health & Recreation Inc.	For Month End March	Date of Report 04/06/2021
Issuer Address 1155 W. Rio Salado Parkway, Suite 201		
City/Province/Postal Code Tempe, Arizona 85281	Issuer Fax No. ()	Issuer Telephone No. (480) 494-2261
Contact Name Nicole Stanton	Contact Position Secretary	Contact Telephone No. (480) 493-2571
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