

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: BHSC

Number of Outstanding Listed Securities: 410,619,089

Date: January 12, 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.

On December 9th, the Issuer reported that its November sales orders (first full month) for the VINIA® nutraceutical e-commerce launch in Israel exceeded the earlier forecast and totaled \$101,000 USD. Based on the first month's demand for VINIA®, the company is increasing its quarterly sales forecast. VINIA®'s 4th Quarter, 2020 sales orders in Israel are now expected to be in the range of US\$230,000- US\$250,000. The Issuer also announced it has hired Yael Morowati to lead all US Marketing and Business Development activities.

On December 23rd, the Issuer announced the first significant win for its VINIA® B2B sales division. Batory Foods, the exclusive US distributor of VINIA®, has received the first Purchase Order of 60kg of VINIA® from "Designs for Health", a trusted source of health care professionals for research-backed health care nutritional products of superior quality.

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

Management focus in December centered on putting in place over the first quarter of 2021 the critical

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building blocks for a successful 2021 launch of VINIA® in the USA with a planned stage by stage geographical roll out commencing in April, 2021. Management also spent significant time re-assessing 2021 targets based on the successful launch of VINIA® in Israel and delivery of sales orders significantly ahead of budget.

On December 31st, the CEO sent an open letter to Shareholders of the Company to reflect the achievements made in 2020 and to discuss management plans for BHSC in 2021. To see the full content of the Shareholder letter please click on [https://bioharvest.com/bioharvest-sciences-inc-ceos-2020-end-of-year-message-to-shareholders/Provide a general overview and discussion of the activities of management](https://bioharvest.com/bioharvest-sciences-inc-ceos-2020-end-of-year-message-to-shareholders/Provide%20a%20general%20overview%20and%20discussion%20of%20the%20activities%20of%20management).

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.

On December 1, 2020 the Issuer cancelled and returned to treasury 33,836,246 of its common shares that it had acquired from its wholly-owned subsidiary BioHarvest Ltd. (the "Subsidiary") Under the terms of an agreement dated October 26, 2020 the Issuer agreed to acquire 48,337,496 of its common shares from its Subsidiary. The additional 14,501,250 common shares remain in escrow and will be acquired and cancelled by the Issuer upon their release from escrow.

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

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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.

In December 2020, the Issuer granted the following options:

4,975,000 stock options to 22 employees/consultants and 150,000 stock options to a director of the Issuer. The stock options granted are exercisable to purchase a common share of the Issuer at a price of \$0.19 per share for a term of 10 years. 820,682 stock options granted will vest quarterly over a 2-year period and 4,304,318 will vest quarterly over a 3-year period.

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

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 January 12, 2021

David Ryan
Name of Director or Senior Officer

"David Ryan"
Signature

Vice-President of IR
Official Capacity

Issuer Details			
Name of Issuer	For Month Ended	Date of Report YY/MM/DD	
BioHarvest Sciences Inc.	December 2020	21/01/12	
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:	Web Site Address		
dave@bioharvest.com	www.bioharvest.com		