



BioHarvest Sciences Inc. Receives Approval from Israel's Ministry of Health to Include VINIA in a Health Snack Bar

The Company increases 2021 forecasted VINIA® sales orders in Israel to US\$ 1.3M-US \$1.5M

Vancouver, BC / March 18, 2021 / BioHarvest Sciences Inc. ("BioHarvest" or the "Company") (CSE: BHSC) has received approval from the Ministry of Health in Israel to include VINIA®, its proprietary red grape cell product, in a health snack bar.

This is an important development for BioHarvest as it introduces the Company's innovative and highly differentiated product into the lucrative multibillion-dollar snack bar market. The product will initially be launched in Israel in Q2/2021, to be followed by a launch in the United States in early 2022.

According to A2Z Market Research, the US snack bar market is estimated at US \$10.6B for 2021 and to grow at an impressive annual rate of 13%. As a result of these developments, the Company is updating its 2021 sales order projections for Israel to US \$1.3M-US \$1.5M.

The Company's overall forecast for US sales of the VINIA® dietary supplement will be updated soon after the US launch of VINIA® in May 2021.

This is the first-ever approval for piceid resveratrol as a functional food in Israel. BioHarvest, through its BioFarming technology, has the unique ability to produce piceid resveratrol at industrial and commercial scale in a manner which is non-GMO, maintains the natural structure of the compound, and has superior solubility, bioavailability and efficacy versus other forms of resveratrol.

The product not only has health benefits but has been formulated to ensure it falls below the acceptable threshold set by the Israeli Ministry of Health for sugar, fat, or sodium in a snack bar. As a result, it will be one of the few health bars marketed in Israel that would not be required to carry a "warning" label on the front of the pack. Each bar will be powered by antioxidants and will contain the equivalent piceid resveratrol, polyphenols, and the accompanying health benefits that are contained in two glasses of red wine.

The Company has teamed up with Peanuts Israeli Ltd., a world-class food manufacturer based in Israel, as the manufacturing partner to produce the VINIA® health bars. As VINIA® is already considered both a functional food and a dietary supplement in the US, BioHarvest will have the flexibility to determine the most appropriate introduction of the product to the US market and will be able to make structural and functional claims according to US FDA Guidelines. This new product will cater to the growing health consciousness within the general population and demand among consumers for plant-based foods and functional snack bars.

“The inclusion of the health bars in our product portfolio in Israel will allow us to address additional population groups, increase our customer base and drive greater penetration in this market,” said Ilan Sobel, CEO of BioHarvest Sciences. *“Given the maturity and sophistication of the Israeli market, the health bar launch will be an important yardstick for the Company to assess how to best bring new products to consumers in a highly competitive market with strong local players as well as major US competitors. The VINIA® health bar will be positioned at the premium end of the market based on its differentiated health benefits, versus those of competitive products. While this product allows for the use of multiple distribution channels, we are particularly encouraged by the fact that 40% of snack bar sales take place online (based on A2Z Market Research). This will allow us to leverage the online platform we are building and add more choices to customers visiting our website.”*

“We have just completed a new state-of-the-art production line for health bars, and we could not be happier about teaming up with such an innovative company as BioHarvest,” said Roni Martziparo, VP of International Sales of Peanuts Israeli Ltd. *“The health bar market is growing rapidly, and we believe that the continued marriage between science and food as manifested in the VINIA® snack bar will fuel such growth.”*



**Example of Israeli packaging translated from Hebrew into English.*

About BioHarvest Sciences Inc.

Based in Vancouver BC, BioHarvest Sciences Inc. is the developer and exclusive owner of the proprietary and patent-protected BioFarming technology. It is the first and only industrial-scale plant cell technology capable of producing the active plant ingredients without the necessity to grow the plant itself. The Company's technology is non-GMO and has already been validated by VINIA®, the red grapes cells functional food/dietary supplement produced and sold by BioHarvest Sciences Inc. The Company plans to generate significant revenue within the global nutraceutical ingredients and dietary supplements market with VINIA® and other Super Fruit Nutraceutical products. Further, by adapting this technology to the cannabis plant, and building adequate production capacity, BioHarvest Sciences Inc.'s objective is to also become a leading supplier of cannabis for both medicinal and legal recreational purposes. For more information visit: www.bioharvest.com.

BioHarvest Sciences Inc.

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Forward-Looking Statements

Information set forth in this news release includes might include forward-looking statements that are based on management's current estimates, beliefs, intentions, and expectations, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In particular, there is no assurance that we will achieve our objective of making our products available in multiple markets and exposing our technology to different verticals, in meeting the Company's 2021 sales forecast increase. Delays and cost overruns may result in delays achieving our objectives obtaining market acceptance and regulatory approvals for geographic expansion is subject to risk and cannot be guaranteed. The approval received from Israel's ministry of health to include VINIA® in a health snack bar is not an assurance that the Company will be able to commence commercial production in Israel or in the US when anticipated or at all. Estimated sales amounts are based on the Company's best estimates based on its experience and available market data and are subject to risks and uncertainties including the fact that market acceptance of snack bar products depends on consumer preferences which are not necessarily predictable and may change, accordingly there is no guarantee that projected amounts will be achieved.

All forward-looking statements are inherently uncertain and actual results may be affected by a number of material factors beyond our control. Readers should not place undue reliance on forward-looking statements. BHSC does not intend to update forward-looking statement disclosures other than through our regular management discussion and analysis disclosures.

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