

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: BHSC

Number of Outstanding Listed Securities: 552,051,876

Date: April 5, 2024

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.

This month, the Issuer appointed three senior professionals to key leadership positions in the areas of business development and science to spearhead key initiatives as part of the Issuer's recently launched CDMO Services Business Unit.

The Issuer also wishes to report its continuous efforts in various key areas for the month of April:

- a) **Scaling Up VINIA™ Manufacturing:** The Issuer remains dedicated to expanding the production of VINIA™ red grape cells at its newly established 20+ Ton facility. This expansion is crucial to meet the escalating demand for VINIA™ as part of the marketing efforts for 2024.
- b) **VINIA™ Nutraceuticals New Product Development:** The Issuer's R&D team is actively working on the VINIA™ Hot Beverages pipeline, Cosmetics pipeline, Professional Protein Energy Bar Supplement, Electrolyte Powdered Beverage offerings and a higher dosage nutraceutical product for athletes. Additionally, significant progress is being made by the Issuer in getting its Olive cell product ready for a market launch scheduled for 2025.
- c) **VINIA™ Direct to Doctors:** Dr. Brian Cornblatt, under whose guidance we operate, continues to collaborate with key distribution partners within the Integrative Medicine Market to facilitate the direct engagement of VINIA™ with healthcare professionals.

d) **VINIA™ New Clinicals Pipeline:** Dr. Brian Cornblatt, Chief Medical Officer, is diligently advancing our red grape cell product and future olive cell product with 3rd party research organizations. In addition, the Issuer is making the required arrangements for a clinical trial it plans to do on its new hydration proposition to validate its functional performance.

e) **Cost of Goods Sold (COGS) Reduction:** In the pursuit of enhanced profitability, the Issuer, under the leadership of the Chief Operating Officer, continues to direct resources towards reducing manufacturing costs along the entire value chain. Over recent months, the Issuer has been actively transitioning its major subscription package from a combination of 60 bottle and 30 bottle units to a single 90-bottle package, as well as optimizing delivery costs. The Issuer is also making progress in increasing the size of its bioreactors by 20% to maximize yield levels and reduce COGS.

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

This month, in a bid to further solidify its presence in the investment community, the Issuer's CEO embarked on a journey to New York, USA. During this visit, the Issuer participated in prominent events, including the Benzinga Virtual Healthcare Summit held on March 20. This immersive virtual summit provided a dynamic platform for industry leaders, analysts, and visionaries to converge and shape the future of healthcare. Additionally, the Issuer's CEO was invited to present at the iAccess Alpha Buyside Best Ideas Investor Conference on March 12 and 13.

In addition, management has diligently engaged with its noteholders in an effort to facilitate the conversion of their convertible notes. As a result, a total of CAD \$16,742,435.22 (principal amount plus accrued interest) has been converted into 73,268,708 common shares.

Furthermore, since the events of October 7th in Israel, the management team has committed to maintaining the normal course of daily operations. Management has identified the potential risk of airport closures and is strategically focused on exporting maximum levels of VINIA™ material outside of Israel as a precautionary measure.

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.

The Issuer's research and development team continues to be actively engaged in developing the VINIA™ Professional Protein Energy Bar Supplement, Electrolyte Powdered Beverage, Hot beverage products enhanced with VINIA and Cosmeceuticals creams.

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.

The Issuer appointed three senior professionals: Dr. Itay Mayrose was hired as Senior Artificial Intelligence Scientist, Matt Zrebiec as VP of Business development and Anna Tenstam as VP of Business Development, Cosmeceuticals and Injectables.

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.

On March 28, a total of CAD \$16,742,435.22 (principal amount plus accrued interest) was converted into 73,268,708 common shares. As part of the term of October and November 2023 convertible notes, the Issuer issued 39,775,554 "Early Exercise" warrants at CAD \$0.3 for early conversion. 34,563,008 "Early Exercise" warrants will expire on October 30, 2025, and 5,212,546 will expire on December 22, 2025.

Conversion Price CAD	Date of Convertible Notes	Interest at Conversion	Total Converted	Shares Issued	Warrants Issued	Conversion Terms
0.26	11/15/2022	35,945.84	235,099.31	904,228	-	See section 14, note 1
0.26	10/22/2022	16,379.30	197,874.23	761,055	-	See section 14, note 1
0.20	07/18/2023	413,393.03	4,376,796.54	21,883,983	-	See section 14, note 2
0.24	10/30/2023	465,219.58	10,368,901.96	43,203,758	34,563,008	See section 14, note 3
0.24	12/22/2023	44,459.90	1,563,763.18	6,515,684	5,212,546	See section 14, note 3
		975,397.65	16,742,435.22	73,268,708	39,775,554	

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

On March 22, the Issuer granted a total of 2,450,000 stock options, 1,950,000 to consultants and employees and, 500,000 to officers of the Issuer. The stock options granted are exercisable to purchase a common

share of the Issuer at a price of CAD\$ 0.285 per share as per the following terms:

Stock Options Granted	Vesting Terms	Expiring Terms
300,000	Vesting Monthly, starting 6 months after grant, until expiry	3 Years
500,000	Vesting quarterly, starting 3 months after grant, over a 33 month-period	39 Months
20,000	Vesting monthly over an 18-month period	10 Years
100,000	Vesting quarterly over a 1-year period	10 Years
400,000	Vesting quarterly over a 2-year period	10 Years
1,130,000	Vesting quarterly over a 3-year period	10 Years

On March 25, upon conversion of 90,000 incentive stock options with exercise price at \$0.19, 90,000 common shares were issued.

A total of CAD \$16,742,435.22 (principal amount plus accrued interest) has been converted into 73,268,708 common shares. As part of the term of 2023 convertible notes, the Issuer issued 39,775,554 “Early Exercise” warrants at CAD \$0.3 for early conversion. 34,563,008 “Early Exercise” warrants will expire on October 30, 2025, and 5,212,546 will expire on December 22, 2025.

Conversion Price	Convertible notes Date	Shares Issued	Warrants Issued	Term of Conversion
\$ 0.26	11/15/2022	904,228	-	See note 1
\$ 0.26	10/22/2022	761,055	-	See note 1
\$ 0.20	07/18/2023	21,883,983	-	See note 2
\$ 0.24	10/30/2023	43,203,758	34,563,008	See note 3
\$ 0.24	12/22/2023	6,515,684	5,212,546	See note 3
		73,268,708	39,775,554	

Note 1: The notes have a term of 24 months and accrue interest at a rate of 9% per annum. The principal amount and accrued interest can be converted into common shares at the holder's option. The conversion price depends on the timing of the conversion notice: \$0.32 if converted within 90 days of the closing date; \$0.35 if converted between 91 and 180 days after the closing date; \$0.39 if converted between 181 and 270 days after the closing date. \$0.44 if converted between 271 days after the closing date and one day before the anniversary. After the anniversary: 75% of the closing price if the price is \$0.50 or less; 80% of the closing price if the price is \$0.51 or greater. If the discounted conversion price falls below \$0.26 per share, the conversion price will be \$0.26. If the discounted conversion price exceeds \$0.65 per share, the conversion price is capped at: \$0.65 if converted within 90 days of the anniversary; \$0.75 if converted between 91 and 180 days after the anniversary; \$0.85 if converted between 181 and 270 days after the anniversary; \$0.95 if converted between 271 days after the anniversary and one day before the maturity date.

Note 2: The Convertible Notes have a 12-month term and pay interest of 9% per annum. The Convertible Notes are convertible as to principal and accrued interest at the option of the holder into common shares of the Issuer at a conversion price of \$0.20 per share.

Note 3: The 12% Convertible Notes and accrued interest are convertible at the option of the holder into common shares of the Issuer at a conversion price that is equal to the closing market price of the Issuer's common shares on the date of conversion less a discount of 20% but in any event, not less than \$0.24 per share (the “Floor price”) or more than \$0.75 per share (the “Ceiling Price”). Holders of Convertible Notes who elect to convert within the first 12 months will be entitled to receive an early conversion warrant for each \$0.30 converted entitling them to purchase a common share at \$0.30 per share for a period from the date of issuance to the date that is 24 months from the original date of issuance of the Convertible Notes.

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.

In March, the Issuer appointed the following persons as officers of the Issuer in accordance with the provisions of the Issuer's Articles and the Business Corporations Act (British Columbia):

Anna Tenstam:	VP of Business Development, Cosmeceuticals and Injectable – CDMO Unit & CEO of OTC Skincare – Therapeutic Unit
Marr Zrebic:	Vice-President, Business Development - CDMO Unit
Bar Moreh:	Vice-President, Finance
Malkit Azachi:	Vice-President, Research & Development
Michal Sapir:	Vice-President, Regulatory Affairs
Jared Turner:	Vice-President, D2C Products Business Unit

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

None

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 April 5, 2024

Ilan Sobel
Name of Director or Senior Officer

"Ilan Sobel"
Signature

CEO
Official Capacity

Issuer Details		
Name of Issuer BioHarvest Sciences Inc.	For Month Ended March 2024	Date of Report YY/MM/DD 24/04/05
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