

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: HARV

Number of Outstanding Listed Securities: 227,988,722 subordinate voting shares

Date: March 4, 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 February 22, 2021, Issuer announced the divestiture of its dispensary assets in North Dakota. The dispensaries were sold for an immaterial amount of cash. Following the sale, Issuer no longer has operations in North Dakota.

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.

As previously described under Paragraph 1 above, Issuer announced the divestiture of its dispensary assets in North Dakota. The dispensaries were sold for an immaterial amount of cash. Following the sale, Issuer no longer has operations in North Dakota.

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: 135 employees; 123 hourly, non-exempt and 12 salary, exempt.

Terminations: 45

Layoffs: 10

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 \$2,808,813.

On February 11, 2021, one of the Issuer's wholly owned subsidiaries entered into an Equipment Loan Finance Agreement with GrowGeneration Corp. in the amount of USD \$894,192 to finance the purchase of equipment to be used at a cultivation site in Phoenix, AZ. The Issuer previously financed equipment purchases with GrowGeneration Corp. in the amounts of USD\$1,112,910 and USD\$573,548 for Phoenix, AZ and Reading, PA cultivation sites.

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")	2,422,118 SVS	Conversions of Multiple Voting Shares ("MVS") to Subordinate Voting Shares pursuant to their terms.	No proceeds were received by the Issuer upon such conversions.
Subordinate Voting Shares	1,586,976 SVS	Exercised by certain private investors of warrants into SVS	An aggregate of CAD \$4,442,303.24 was received by the Issuer upon exercise of the warrants, and will be used for general corporate purposes.
Incentive Stock Options	511,000 Options	Grant to various employees of Issuer on February 10, 2021 at an exercise	N/A

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		price of CAD \$5.28, expiring February 10, 2031	
Multiple Voting Shares (MVS)	2,545 MVS were cancelled.	On February 9, 2021, the Issuer cancelled 2,545 Multiple Voting Shares held by Concinnity, LLC, an entity controlled by Jason Vedadi, in exchange for extinguishing its right of first refusal under that certain Separation Agreement and General Release, dated March 10, 2020, as amended. The number of Multiple Voting Shares is equal to an aggregate of \$1,000,000 Subordinate Voting Shares divided by a Subordinate Voting Share price of \$3.93.	N/A

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

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

On February 10, 2021, the Issuer issued a promissory note in the principal amount of \$3,000,000 to Harvest of Ohio, LLC. Steve White, CEO of the Issuer, owns 49% of the membership interests of Harvest of Ohio, LLC.

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.

Changes/Updates to State Laws

California

In February, California's Bureau of Cannabis Control became the newest member of the Cannabis Regulators Association (CANNRA), a nonpartisan regulatory group formed last November. CANNRA sent a policy letter to Congress this month outlining the regulatory group's priorities, including reinstating the Cole Memorandum, facilitating access to banking and other traditional financial services, seeking removal of federal obstacles to cannabis research, coordinating product-safety standards across state jurisdictions, creating standardized laboratory testing industrywide, and supporting policies and programs that promote social equity in the industry.

Maryland

Recreational legalization legislation has been introduced via House Bill 32 which would legalize, tax, and regulate cannabis for adults 21 and older and would allow for expungement and release for individuals previously arrested or incarcerated. The bill originated from an informal summer work group composed of legislators from the Black caucus who worked to create legislation to address racial injustices. There are three social equity components within this bill: criminal justice reform, reinvestment in disadvantaged communities, and establishing standards to allow for inclusion in the state's recreational cannabis industry. Jazz Lewis (D) is the bill's sponsor.

Pennsylvania

Bipartisan recreational legalization legislation was introduced by state senators Shari Street (D) and Dan Laughlin (R). A success at the legislature would legalize adult-use cannabis for adults 21 and over, decriminalize a yet-to-be-determined amount of cannabis, and could raise as much as \$1 billion in tax revenue for the state. Polling continues to show that 60% or more of likely voters in the state support legalization. Both Governor Wolf and Lt. Governor Fetterman support legalization.

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: March 04, 2021

Nicole Stanton
Name of Director or Senior
Officer

/s/ Nicole Stanton
Signature

Secretary
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer		February	03/04/2021
Harvest Health & Recreation Inc.			
Issuer Address			
1155 W. Rio Salado Parkway, Suite 201			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Tempe, Arizona 85281		()	(480) 494-2261
Contact Name		Contact Position	Contact Telephone No.
Nicole Stanton		Secretary	(480) 493-2571
Contact Email Address		Web Site Address	
Nstanton@harvestinc.com		Harvesthoc.com	