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BioHarvest Sciences Inc. Announces a CAD 4 Million Private Placement to Accelerate its Cannabis Development Program and Production Capacity in Israel.

VANCOUVER, CANADA, and REHOVOT, ISRAEL, August 4, 2021 – [BioHarvest Sciences Inc.](#) (“BioHarvest” or the “Company”) (CSE: BHSC) announces that its board of directors has approved a private placement (the “Offering”) for up to 8,888,889 units at a price of CAD 0.45 (the “Offering Price”) per unit for gross proceeds of up to CAD 4,000,000.

Each unit will consist of one common share of the Company (a “Share”) in the capital of the Company and one-half (1/2) of one share purchase warrant. Each whole warrant (a “Warrant”) will entitle the purchaser to purchase one additional share at a fixed price of CAD 0.55 per Share for a period of one year from the closing of the Offering.

The funds will enhance the Company’s cash position to:

- Accelerate the Company’s Cannabis development program.
- Provide for the required system upgrades for the conversion of the existing 2 Tons/year VINIA® facility into a Cannabis production facility to be operational in H1/2022.
- Enable the hiring of a number of key roles, which will be critical for the Company’s further expansion.

Ilan Sobel, the CEO, said: *“the progress we have made on the Cannabis development front requires us to take a more aggressive approach towards the commercialization of the Company’s Cannabis based products. We now need to dedicate the required financial and human resources to the manufacturing of the BioFarming based Cannabis products. This includes the investment required to convert our existing 2Tons/year VINIA® factory located in Israel to a Cannabis producing facility, given the imminent commissioning of the 20Tons/year Super-Fruit Nutraceutical production facility in Israel. We have confidence we can close this financing in less than four weeks with the terms mentioned above.”*

In connection with the Offering, the Company may pay to registered investment dealers or finders (where permitted by law) cash commissions or finders fees of up to 5% of the cash proceeds of the Offering.

The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Canadian Securities Exchange (the “Exchange”). The securities to be issued under the Offering will have a hold period expiring four months and one day from the date of issuance pursuant to applicable Canadian securities laws.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.



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 become a leading supplier of Cannabis for both medicinal and legal recreational purposes. Visit: www.bioharvest.com.

BioHarvest Sciences Inc.

Ilan Sobel, Chief Executive Officer

For further information, please contact:

Dave Ryan, VP Investor Relations & Director

Phone: 1 (604) 622-1186

Email: dave@bioharvest.com



Forward-Looking Statements

Information set forth in this news release includes 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. There is no assurance of the imminent commissioning of the superfruit facility or the conversion of the two tons VINIA[®] facility to Cannabis production in the first half of 2022. These things are subject to construction and approval delays and uncertainties that may be beyond the control of BioHarvest. There is no assurance that market demand in the US will be the same as Israel or that the Israeli sales numbers will translate proportionately to the US market or that the Company will achieve significant revenues in the US. There is no assurance that we will achieve our objective of being a leading supplier of Cannabis. 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. Projected sales of Cannabis will require the Company to obtain production and/or export licensing which cannot be assured.

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.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accept responsibility for the adequacy or accuracy of this release.

