

BIOHARVEST SCIENCES INC. ANNOUNCES THE OVERSUBSCRIPTION OF PRIVATE PLACEMENT OF CONVERTIBLE NOTES AND CHANGE IN NOTE TERMS.

This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

VANCOUVER, CANADA, and REHOVOT, ISRAEL, OCTOBER 7, 2022 – [BioHarvest Sciences Inc.](https://www.bioharvestsciences.com) (“BioHarvest” or the “Company”) (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) is pleased to announce that its non-brokered private placement of convertible notes (the “Notes”) previously announced of up to \$6,300,000 CAD has been oversubscribed and has now been increased to up to \$10,000,000 CAD in order to further accelerate VINIA® sales growth and Cannabis commercialization activities in North America. The Company also announces the interest rate and conversion terms for the notes have changed to reflect changes in market conditions as follows:

The Notes have a term of 24 months and accrue interest at a rate of 9% per annum. The principal amount and the accrued interest thereon will be convertible, at the option of the holder, at any time from the issuance of the Notes into Common Shares at a price per Common Share (the “Conversion Price”) equal to:

- \$0.32, if the date of the receipt of such Conversion Notice by the Company occurs between and including the Closing Date and the date that is 90 days following the Closing Date;
- \$0.35, if the date of the receipt of such Conversion Notice by the Company occurs between and including the dates that are 91 days following the Closing Date and 180 days following the Closing Date;
- \$0.39, if the date of the receipt of such Conversion Notice by the Company occurs between and including the dates that are 181 days following the Closing Date and 270 days following the Closing Date;
- \$0.44, if the date of the receipt of such Conversion Notice by the Company occurs between and including the date that is 271 days following the Closing Date and the date that is one day prior to the Anniversary; or
- If the date of the receipt of such Conversion Notice by the Company occurs on or following the Anniversary:
 - i. 75% of the closing price of the Shares, on the principal exchange on which the Shares are listed (the “Exchange”), on the date of receipt of the Conversion Notice by the Company (the “Closing Price”) if the Closing Price is \$0.50 or less; or
 - ii. 80% of the Closing Price, if the Closing Price is \$0.51 or greater.

In the event that the Discounted Conversion Price is less than \$0.26 per Share (the “Floor Price”), the Conversion Price will be equal to the Floor Price.

In the event that the Discounted Conversion Price is greater than \$0.65 per Share, the Conversion Price shall not exceed:

- \$0.65, if the date of the receipt of such Conversion Notice by the Company occurs between and including the Anniversary and the date that is 90 days following the Anniversary;



- \$0.75, if the date of the receipt of such Conversion Notice by the Company occurs between and including the dates that are 91 days following the Anniversary and 180 days following the Anniversary;
- \$0.85, if the date of the receipt of such Conversion Notice by the Company occurs between and including the dates that are 181 days following the Anniversary and 270 days following the Anniversary; or
- \$0.95, if the date of the receipt of such Conversion Notice by the Company occurs between and including the date that is 271 days following the Anniversary and the date that is one day prior to the Maturity Date.

The Company plans to close the first tranche of no less than \$6.5 million CAD by October 13th and to close a second tranche no later than November 15th.

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

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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 U.S. will be the same as Israel or that the Israeli sales numbers will translate proportionately to the U.S. market or that the Company will achieve significant revenues in the U.S. 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.

