

BIOHARVEST SCIENCES INC. ANNOUNCES CLOSING OF THE THIRD TRANCHE OF CONVERTIBLE NOTES

This third and final tranche concludes the successful funds raise of over \$10M CAD

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, DECEMBER 15, 2022 – [BioHarvest Sciences Inc.](https://www.bioharvest.com) (“BioHarvest” or the “Company”) (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) is pleased to announce that it has closed the third tranche (the “Third Tranche”) of its non-brokered private placement of convertible notes (the “Notes”) previously announced on October 7, 2022. Under the Third Tranche, the Company has issued Notes in the aggregate principal amount of \$542,573.73 CAD. With the closing of this tranche the aggregate amount raised under the offering to date is \$10,033,559.70. The notes have a term of 24 months and accrue interest at a rate of 9 per cent 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 as outlined in their news release issued October 7, 2022.

Ilan Sobel, CEO, said *“I am delighted by the completion of this funds-raise. I am also grateful to our new partners who entrusted BioHarvest to deliver on its scalable Biotech innovation vision. As described in today’s (December 15th) announcement, we are not only aiming in 2023 for at least 3X growth in revenue but also for a cash flow break-even in Q4 2023.”*

In connection with the Third Tranche, the Company has paid finder's fees of \$27,128.69 to finders. Upon and for each conversion of any portion of the principal amount of certain notes in the aggregate principal amount of \$542,573.73, the company may issue warrants to the finders. The finders' warrants are exercisable to purchase up to a number of common shares of the company, equal to 5 per cent of the converted amount divided by the conversion price of such conversion for a period of 12 months from such conversion.

The Notes issued under the Third Tranche, and any Common Shares issuable upon conversion of such Notes, are subject to a four month and one day hold expiring April 16, 2023.

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. 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.

There is no assurance that strong sales metrics experienced to date will result in future demand or that proposed additional marketing expenditures will result in increased sales. Consumer acceptance cannot be determined in advance, and markets for nutraceuticals and Cannabis are unpredictable and subject to changes in consumer tastes and trends as well as economic factors beyond our control. 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. There is no assurance that the Company sales revenue for 2023 will reach USD 17 to 20million and there is no assurance that the Company cash flow break-even point will be achieved in 2023. There is no assurance of commercial availability of our Cannabis products in 2023. These things are subject to construction of factories and approval delays and uncertainties that may be beyond the control of BioHarvest. Projected sales of Cannabis will require the Company to obtain production and/or export licensing which cannot be assured.

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

