

BioHarvest Sciences Inc. Announces \$11.78M Raised in First Tranche of \$13.5M Private Placement

Vancouver, British Columbia and Rehovot, Israel--(Newsfile Corp. - October 30, 2023) - [BioHarvest Sciences Inc.](#) (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) ("BioHarvest" or the "Company") is pleased to announce that it has closed the first tranche of its non-brokered private placement of convertible notes (the "Notes") previously announced on October 19 and October 20, 2023. The Company has issued Notes in the aggregate principal amount of CA\$ 11,786,489.90, in this first tranche of an announced financing of up to CA\$13.5M.

"The closing of this financing round, despite general adverse market conditions, is a strong validation of the company's growth strategy and a vote of confidence as management executes our growth plan," stated CEO Ilan Sobel, adding, "The power of our Botanical Synthesis Platform Technology has been demonstrated by the success of VINIA, our first commercialized product, and we are now at an inflection point that enables us to address multiple applications of VINIA in different verticals and in diverse geographies. As we increase production capacity, the proceeds of this round will be used to profitably leverage these significant growth opportunities. I look forward to delivering the results that reward the trust endowed by our shareholder partners."

Terms of the Convertible Notes

The Convertible Notes will have a term of 24 months from date of issuance and will bear interest at 12% per annum.

The Convertible Notes and accrued interest will be 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 Company'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").

Major investors who invested \$2,000,000 USD (\$2,700,000 CAD) or more, have received a total of 18,136,072 warrants valid for a period of two years from issuance. Each warrant is exercisable to buy a (1) common share of the Company at CA\$0.30.

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 date of issuance of the Convertible Notes.

In the event that the Company completes an equity financing of not less than \$10,000,000 CAD (the "Equity Financing") during the first three months that the Convertible Notes are outstanding, a noteholder will have the option to immediately convert the principal and accrued interest under their Convertible Notes into common shares at the price per share of the Equity Financing but in any event not less than \$0.20.

The company has paid a total of CA\$ 148,719.24 as commissions or finder's fees.

The Notes and any Common Shares issuable upon conversion of such will be subject to a hold period expiring four months and one day from the date of issuance pursuant to applicable Canadian securities laws and relevant restrictions under the securities laws of other jurisdictions where the note holders may be residents.

About BioHarvest Sciences Inc.

BioHarvest Sciences Inc. (CSE: BHSC) is a fast-growing Biotech firm listed on the Canadian Securities Exchange. BioHarvest has developed a patented bio-cell growth platform technology capable of growing the active and beneficial ingredients in fruit and plants, at industrial scale, without the need to grow the plant itself. BioHarvest is currently focused on leveraging its botanical synthesis technology to develop the next generation of science-based and clinically proven therapeutic solutions, within two major business verticals - nutraceutical health and wellness products such as dietary supplements, and development of plant cell-based Active Pharmaceutical Ingredients (API's) that focus on specific medical indications. 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 might include 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 that expenditure of these funds will make the company profitable as it is subject to risks and uncertainties including changes in costs and of materials and labour for production, changes in consumer preferences that could negatively effect sales and changes in general in the landscape in which the company operates.

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.



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