



ASCENT INDUSTRIES CORP.

CSE FORM 2A

LISTING STATEMENT

August 9, 2018

This Listing Statement incorporates by reference certain information from the Joint Management Information Circular dated July 2, 2018 (the “**Information Circular**”) of Ascent Industries Corp. and Paget Minerals Corp. The Information Circular is filed on SEDAR under the issuer profile for Paget.

All capitalized terms used in this Listing Statement but not otherwise defined have the meanings set forth in the Glossary of Terms set out in Appendix A hereto.

Cautionary Statement

This Listing Statement relates to the securities of entities that currently do, and are expected to continue to, indirectly derive a portion of their revenues from the cannabis industry in certain U.S. states, which industry is illegal under U.S. Federal Law. Ascent is, and upon completion of the Amalgamation, the Resulting Issuer will be involved (through wholly-owned subsidiaries) in the cannabis industry in the United States in those States where local state law permits such activities, as well as the medical cannabis industry in Canada. Canada has regulated medical use and commercial activity involving cannabis and proposed Bill C-45, referred to as the Cannabis Act (Canada), to regulate the production, distribution and sale of cannabis for unqualified adult-use. While Bill C-45 received royal assent in June 2018, implementation of various aspects of the regime, including preparing markets for retail sales, will not occur until October 17, 2018.

Almost half of U.S. states have enacted legislation to regulate the sale and use of medical cannabis without limits on tetrahydrocannabinol ("**THC**"), while other states have regulated the sale and use of medical cannabis with strict limits on the levels of THC. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act (the "**CSA**") in the United States and as such, may be in violation of federal law in the United States.

As a result of the conflicting views between state legislatures and the United States federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, which may adversely affect the current and future investments of the Ascent and the Resulting Issuer in the United States. As such, there are a number of risks associated with Ascent and the Resulting Issuer's existing and future investments in the United States, and such investments may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada and the United States. As a result, Ascent and the Resulting Issuer may be subject to significant direct and indirect interaction with public officials. See "Information Concerning the Resulting Issuer - Risk Factors Related to the United States" in the Information Circular.

For the reasons set forth above, Ascent and the Resulting Issuer's interests in the United States cannabis market may become the subject of heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities in Canada. It has been reported by certain publications in Canada that CDS may implement policies, the effect of which would be to refuse to settle trades for cannabis issuers that have investments in the United States. CDS is Canada's central securities depository, clearing and settlement hub settling trades in the Canadian equity, fixed income and

money markets. The TMX Group, owner and operator of CDS subsequently issued a statement on August 17, 2017 reaffirming that there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the U.S., despite media reports to the contrary and that they were working with regulators to arrive at a solution that will clarify this matter, which would be communicated at a later time. On November 24, 2017, The TMX Group issued a further statement acknowledging that the matter is complex and touches multiple aspects of Canada's capital markets system and, as such, requires close examination and careful consideration. The TMX Group noted that CDS continues to work with regulators and exchanges to arrive at a solution that will clarify this matter for issuers, investors, participants and the public. This solution will be founded on each exchange's role in applying listing requirements, including exchange rules related to issuers' compliance with applicable laws. In the interim, the TMX Group reiterated there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the U.S. On February 8, 2018, following discussions with the Canadian Securities Administrators and recognized Canadian securities exchanges, the TMX Group announced the signing of a Memorandum of Understanding (the "**MOU**") with Aequitas NEO Exchange Inc., the CSE, the Toronto Stock Exchange, and the TSXV. The MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures, and regulatory oversight of the exchanges and CDS as it relates to issuers with cannabis-related activities in the United States. The MOU confirms, with respect to the clearing of listed securities, that CDS relies on the exchanges to review the conduct of listed issuers. As a result, there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States. However, there can be no guarantee that this approach to regulation will continue in the future.

If such a ban were to be implemented, it would have a material adverse effect on the ability of holders of Resulting Issuer Shares to make and settle trades. In particular, the Resulting Issuer Shares would become highly illiquid as until an alternative was implemented, investors would have no ability to effect a trade of the Resulting Issuer Shares through the facilities of a stock exchange. See "Information Concerning the Resulting Issuer – Risk Factors Related to the United States" in the Information Circular.

Cautionary Statement Regarding Forward-Looking Information

This Listing Statement, the Information Circular and the documents incorporated by reference herein and therein contain certain statements or disclosures that may constitute forward-looking information or statements (collectively, "**forward-looking information**") under Applicable Securities Laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that management of Ascent and Paget, as applicable, anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as "forecast", "future", "may", "will", "expect", "anticipate", "believe", "could", "potential", "enable", "plan", "continue", "contemplate", "pro forma" or other comparable terminology. Forward-looking information presented in this Listing Statement includes statements or disclosures which, among other things, relate to: completion of the Amalgamation and satisfaction of the closing conditions relating thereto; the anticipated benefits from the Amalgamation; the expected completion and implementation date of the Amalgamation; certain combined operational and financial information; the nature of the Resulting Issuer's operations following the Amalgamation; sources of funds; forecasts of capital expenditures, including general and administrative expenses, and the sources of the financing thereof; expectations regarding the ability to raise capital; the Resulting Issuer's business outlook following the Amalgamation; plans and objectives of management for future operations; forecast business results; and anticipated financial performance. Some of the specific forward looking statements in this Listing Statement include, but are not limited to, statements with respect to the following:

- expenses that will be incurred by the Resulting Issuer once it becomes a public company;
- the use of the Resulting Issuer's available funds;
- the performance of the Resulting Issuer's business and operations;
- the intention to grow the business and operations of Ascent and the Resulting Issuer;
- the completion of the acquisition of Agrima Meadows by Ascent/the Resulting Issuer in the fourth quarter of 2018;
- the Resulting Issuer's plans to increase cultivation and production operations;
- sufficient working capital and the Resulting Issuer's ability to raise additional funding going forward;
- the intention to complete the Amalgamation;

- future legislative and regulatory developments involving medical and adult-use cannabis that may affect the Resulting Issuer;
- the description of the Resulting Issuer and its operations that assume the completion of the Amalgamation;
- expected growth in the number of users of medical and adult-use cannabis in Canada;
- number of grams of medical and adult-use cannabis expected to be used by each user;
- expected growth in the Resulting Issuer's growing capacity;
- the methods used by the Resulting Issuer to deliver cannabis;
- the competitive conditions of the industry;
- the legalization of cannabis for recreational use in Canada and the United States, including federal, provincial and state regulations pertaining thereto and the timing related thereof and the Resulting Issuer's intentions to participate in such markets, if and when such market is legalized;
- the Resulting Issuer's ability to successfully brand products;
- the development of cannabis markets North America, Europe and globally;
- the timing of legalization of adult-use cannabis in Canada;
- access by the Resulting Issuer to debt and/or equity markets on acceptable terms to the Resulting Issuer;
- statements related to the effect and consequences of certain regulatory initiatives and related announcements, and the impact thereof for shareholders, industry participants and other stakeholders;
- expectations with respect to future production costs;
- expectations with respect to the renewal and/or extension of the Resulting Issuer's licenses;
- any commentary related to the legalization of cannabis and the timing related thereto;
- changes in laws and regulations affecting the Resulting Issuer;
- the competitive and business strategies of the Resulting Issuer;

- the Resulting Issuer's operations in the United States, the characterization and consequences of those operations under federal law, and the framework for the enforcement of medical cannabis and cannabis-related offenses in the United States;
- the grant and impact of any license or supplemental licence to conduct activities with cannabis or any amendments thereof;
- the anticipated future gross margins of the Resulting Issuer's operations; and
- other currently unforeseen factors.

The forward-looking information in statements or disclosures in this Listing Statement is based (in whole or in part) upon factors which may cause actual results, performance or achievements of Ascent and Paget and the Resulting Issuer, as applicable, to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Those factors are based on information currently available to Ascent and Paget, as applicable, including information obtained from third party sources. Actual results or outcomes may differ materially from those predicted by such statements or disclosures. While Ascent and Paget do not know what impact any of those differences may have, their business, results of operations, financial condition and credit stability may be materially adversely affected. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things, the inability of Ascent and Paget, for any reason, to complete the Amalgamation specifically, including the failure to obtain required regulatory or shareholder approvals; the failure of Ascent or Paget to satisfy all of the conditions to closing as set out in the Amalgamation Agreement, changes in government regulation, changes in applicable laws, insufficient access to capital of the Resulting Issuer, being an early entrant to market, operational risks, risks of losses not covered by insurance, difficulty to access capital, financing risk, unforeseen or unexpected taxation matters, litigation risks, the yield from the Resulting Issuer's cannabis growing operations, consumer interest in the products of the Resulting Issuer, competition, internal controls over financial processes and reporting, as well as those other factors discussed in the sections of the Information Circular entitled "Information Concerning Paget – Risk Factors", "Information Concerning Ascent – Risk Factors" and "Information Concerning the Resulting Issuer – Risk Factors". Although Ascent and Paget have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to deviate from stated anticipations, estimates or intentions. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. All of the forward-looking statements made in this Listing Statement are qualified by these cautionary statements.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Ascent and Paget, as applicable, including information obtained from third party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this Listing Statement in connection with the statements or disclosure containing the forward-looking information. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited, to the approval of the Amalgamation by the Ascent Shareholders and the Paget Shareholders, the receipt of all required regulatory approvals, including those of the relevant stock exchanges, and all required consents to complete the Amalgamation, satisfaction of the conditions to closing in the Amalgamation Agreement, and the completion of the Amalgamation, no unforeseen changes in the legislative and operating framework for the business of Ascent and Paget, as applicable, a stable competitive environment, and no significant event occurring outside the ordinary course of business such as a natural disaster or other calamity.

Certain of the forward-looking statements and forward-looking information and other information contained or incorporated by reference herein concerning the medical cannabis industry and the general expectations of Ascent and Paget concerning the medical cannabis industry, the recreational cannabis industry and concerning each of Ascent, Paget and the Resulting Issuer, are based on estimates prepared by Ascent and/or Paget, as applicable, using data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Parties believe to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While neither Ascent nor Paget are aware of any misstatement regarding any industry or government data presented herein, the cannabis industry involves risks and uncertainties that are subject to change based on various factors.

Ascent and Paget are not obligated to update or revise any of the forward-looking information in this Listing Statement, whether as a result of new information, future events or otherwise, except as required by law.

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2. Corporate Structure

- 2.1 The Resulting Issuer will be an entity formed upon an amalgamation (the "**Amalgamation**") of Ascent Industries Corp. ("**Ascent**") and Paget Minerals Corp. ("**Paget**") prior to the listing under the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). The Resulting Issuer will be named Ascent Industries Corp. Ascent is a private company incorporated under the BCBCA. Paget is a public company incorporated under the BCBCA, and listed on the NEX board of the TSX Venture Exchange ("**TSXV**"). Paget will be delisted from the TSXV around the time the Resulting Issuer is listed.

The Resulting Issuer's head office will be the same as Ascent's, 260-22529 Lougheed Highway, Maple Ridge, British Columbia V2X 0T5. The Resulting Issuer's registered office will be located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2X8.

- 2.2 The Resulting Issuer will be amalgamated under the BCBCA. The Articles of the Resulting Issuer are the Articles adopted pursuant to the Amalgamation. They have been attached to the Amalgamation Agreement, which has been filed on SEDAR under the issuer profile for Paget, and the Form 1B Listing Application filed by Ascent.
- 2.3 The organizational chart set out in Appendix B hereto sets out the corporate structure of the Resulting Issuer including its subsidiaries, their respective jurisdictions of incorporation, and the percentage of voting rights held following completion of the Amalgamation.
- 2.4 The Resulting Issuer is not requalifying following a fundamental change, nor is it proposing an acquisition, amalgamation, merger, reorganization or arrangement. The Amalgamation will occur prior to listing.
- 2.5 Not applicable.

3. General Development of the Business

Upon completion of the Amalgamation, the business of Ascent will become the business of the Resulting Issuer. As of the date of this Listing Statement, Paget does not carry on any active business.

Paget previously owned a 100% undivided interest in the Ball Creek Gold-Copper property located in northwestern British Columbia. On April 27, 2015, Paget entered into a purchase and sale agreement with Evrim Resources Corp. to sell its 100% interest in the Ball Creek property for cash consideration of \$150,000, and certain contingent consideration. See "Information Concerning

Paget – General Development of the Business" in the Information Circular for more information.

As at the date of this Listing Statement, Paget holds the following: 69,797 shares of Carube Copper Corp. and 113,806 shares of Sebastiani Ventures Corp.

Since its incorporation in May 2013, Ascent has been pursuing with determination a goal of becoming a global producer and distributor of cannabis-based products. In pursuit of this goal, Ascent has financed its operations privately and to date has raised approximately \$43 million in capital, including approximately \$10 million invested by the founders of Ascent but excluding the Ascent Subscription Receipts. Ascent has used these funds to build its business, including to apply for or acquire regulatory licenses, to acquire assets, to construct or acquire production facilities, to develop products, to conduct research, to distribute products and to build its internal operations to support the expansion of its business, including into other countries.

Prior to fiscal 2016, Ascent had completed the construction of a 20,000 square foot cultivation and processing facility in Maple Ridge, British Columbia, and had applied for federal commercial licenses to cultivate and produce cannabis and cannabis-based products from Health Canada under the ACMPR. In fiscal 2016, Ascent raised approximately \$1.7 million under its Series A private placement financing, part of which was used to pursue regulatory licenses towards an operation in Oregon, which were approved in fiscal 2017. In addition, Ascent offered extraction, formulation, and manufacturing services to approved medical patients at its Maple Ridge facility under the prior regulatory regime of Health Canada.

In fiscal 2017, Ascent raised approximately \$7.5 million under its Series B private placement financing, part of which was used to construct a processing facility in Portland, Oregon and commence its US operations. In addition, Ascent began discussions regarding the potential purchase of medical cannabis licenses and a 37,500 square foot production facility in Las Vegas, Nevada.

In fiscal 2018, Ascent and its wholly-owned subsidiaries have achieved a number of significant milestones, including the following (not necessarily in a particular order):

- raised approximately \$10.2 million under its Series C private placement financing;
- acquired its facility in Nevada, as well as two (2) of a limited number of State of Nevada licenses authorizing the cultivation and production of cannabis and cannabis products for medical and recreational purposes at the facility;

- received Scientific Research and Experimental Development (SR&ED) Program and Canada Revenue Agency (CRA) grants. To date, Ascent has been awarded over \$45,000 in research grants and credits for cannabis related research;
- acquired substantially all of the assets of a craft chocolate producing company, Cocoanymph Chocolates & Confections Inc., and entered into a consulting agreement with its Head Chocolatier;
- acquired an interest in AgTech Scientific Corp., a burgeoning hemp cultivation, production and R&D company based in Kentucky, USA;
- became a Licensed Producer (LP) under the ACMPR in Canada;
- applied for an additional LP site and began construction on the build-out of a 40,000 square foot product manufacturing and distribution facility in Pitt Meadows, British Columbia;
- applied for an additional LP site and entered into an agreement to acquire a 600,000 square foot greenhouse in Pitt Meadows for the cultivation of cannabis;
- acquired an Enterprise Resource Planning (ERP) and seed-to-sale tracking software platform from a US-based ERP and software company, Openforce Inc.;
- opened an office in Copenhagen, Denmark to pursue European operations, made license applications with applicable regulatory authorities in Denmark for a Controlled Drug License and a Wholesaler Dealer License, and submitted applications for the import of eight cannabis-based products from Canada to Denmark via the newly established Danish Medical Cannabis Pilot Program;
- applied for a Dealer's License under the Controlled Drugs and Substances Act (Canada), which was obtained in June 2018. The Dealer's Licence is aligned with a key area of expertise of Ascent, being the manufacturing of cannabis oil-based products, such as gel-caps and tinctures. The Dealer's Licence permits the possession, production, packaging, sale, sending,

transportation and delivery of these products. Furthermore, the Dealer's Licence enables Ascent to conduct research, clinical trials and provide a variety of analytical testing for Ascent and other licenced producers and licenced dealers;

- entered into a supply agreement with Aurora Cannabis Inc. ("**Aurora**"), one of Canada's largest Licensed Producers, to supply Aurora with 20,000 kg of cannabis flower and 6,000 kg of cannabis trim per year for five (5) years;
- entered into a Letter of Intent with Australian Natural Therapeutics, a burgeoning Australian licensed producer and R&D company;
- applied for a Licensed Producer sales license under the ACMPR, which is also expected to be received in the near future. This would provide Ascent the ability to sell medical cannabis and cannabis oils online to any approved medical cannabis patients in Canada; and
- acquired a medical clinic and pharmacy in Winnipeg, Manitoba with the intent of acquiring and partnering with more clinics to create a Canada-wide network of medical clinics offering medical services, including education and access to medical cannabis through medical practitioners in Canada and by telemedicine where appropriate.

In addition, Ascent continues to expand its internal operations, including with respect to product development, production, and sales and marketing, and started developing an intellectual property portfolio, including trademarks for certain of its products, as well as applying for certain patents. As a result, Ascent is poised to take advantage of the proposed legalization of adult-use cannabis in Canada later this year, as well as the development of both medical and adult-use cannabis markets globally.

4 Narrative Description of the Business

Upon completion of the Amalgamation, the business of Ascent will become the business of the Resulting Issuer, and the business objectives, milestones and principal products of the Resulting Issuer will be the same as those of Ascent.

Overview of Business

Ascent is in the business of the cultivation, processing, production, development and distribution of cannabis and cannabis-based products in Canada and the

United States. Ascent has also initiated operations in Denmark from which it plans to expand into Europe. The head office of Ascent is located at 260-22529 Lougheed Hwy, Maple Ridge, British Columbia. The registered office of Ascent is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2X8. Ascent's telephone number at its head office is (604) 380-3840. Ascent's website is www.ascentindustries.com. Information contained on Ascent's website does not constitute a part of this Listing Statement.

In Canada, Ascent, via its wholly-owned subsidiary Agrima Botanicals Corp. ("**Agrima**"), is a Licensed Producer under the ACMPR of Health Canada, with licenses to cultivate cannabis and produce cannabis products. Ascent has applied for a sales license to distribute cannabis products in Canada, including through an online e-commerce platform, under the ACMPR which management expects to receive in the near future.

In addition, Ascent (through Agrima) has received a Licence for Controlled Drugs and Substances (the "**Dealer's Licence**") from Health Canada pursuant to the *Narcotics Control Regulations* of the *Controlled Drugs and Substances Act* (Canada). The Dealer's Licence is aligned with a key area of expertise of Ascent, being the manufacturing of cannabis oil-based products, such as gel-caps and tinctures. The Dealer's Licence permits the possession, production, packaging, sale, sending, transportation and delivery of these products. Furthermore, the Dealer's Licence enables Ascent to conduct research, clinical trials and provide a variety of analytical testing for Ascent and other licenced producers and licenced dealers.

In the United States, Ascent holds licenses for the production, processing and wholesale distribution of cannabis in State of Oregon and for the production and cultivation of cannabis in State of Nevada. In Europe, Ascent has applied for a Controlled Drugs License and a Wholesaler Dealer License in Denmark and has also submitted applications to import and distribute eight (8) cannabis-based products from Canada to Denmark under the new Danish Medical Cannabis Pilot Program.

Ascent's operations currently include a licensed facility in Maple Ridge, British Columbia, and licensed facilities in the States of Oregon and Nevada. In addition, Ascent has successfully applied for additional site Licensed Producer licenses for its two (2) new facilities in Pitt Meadows, British Columbia. Ascent's activities at each facility are governed by the applicable licenses held by Ascent, and currently include cultivation and extraction in Canada, and production, processing and wholesale distribution of cannabis in State of Oregon and cultivation and production of cannabis in State of Nevada.

By the end of calendar year 2018, Ascent expects to have 710,000 square feet in cannabis cultivation and production space. This space, when in full production, will allow Ascent to cultivate 65 million grams of cannabis output and produce 12

million grams of annual oil output annually. Ascent intends to add another 1.4 million square feet in cultivation and production space by the end of calendar year 2020.

Ascent is strategically positioned to be a leader of branded, commercialized products in medical and adult-use (recreational) markets across Canada, the United States and Europe. As a long-standing participant in the medical cannabis space, Agrima already has a loyal following of consumers across many of its brands and products, which will serve as a catalyst towards being a prominent first mover at the debut of adult-use legalization in Canada. Ascent's extensive product catalogue includes more than 40 unique products under several customer-focused house brands.

Ascent's business is currently focused primarily on the following areas:

1. Operations relating to medical and adult-use cannabis in Canada;
2. Operations relating to medical and adult-use cannabis in Oregon, Nevada and other states in the United States;
3. Operations relating to medical and adult-use cannabis in all approved European countries, beginning with Denmark;
4. Research and development targeting the development of specialized cannabinoid therapy products for the emerging cannabis industry; and
5. Cannabis plant testing and genetic screening services.

Ascent expects to generate returns from the production, manufacture, packaging, distribution and sale of cannabis and cannabis-based products, on its behalf and on behalf of its partners, in the medical and adult-use markets in Canada, the United States and Europe, and elsewhere legally permitted.

Cultivation and Production Facilities

Canadian Facilities

Agrima Botanicals (Maple Ridge, British Columbia)

Ascent's wholly-owned subsidiary, Agrima, has a 25,000 square foot licensed property in Maple Ridge, British Columbia with a custom 15,000 square foot indoor growing, production and distribution facility built in 2012. The property has an office and plant production building of pharmaceutical production grade quality, with hydroponic greenhouse high pressure sodium lighting and nutrient

delivery equipment which is capable of producing over 1,500 kilograms of medical cannabis per year. Upon receipt of its Licensed Producer license, Agrima upgraded the facility's mother room, with the addition of full-spectrum LED and HID lighting. The improvements effectively doubled the room's plant capacity.

In addition, the property has a 5,000 square foot addition adjacent to the facility that includes a Level 8 vault, manufacturing and packaging space, as well as a fully equipped production lab capable of performing a variety of extraction, formulation and isolation and analytical techniques.

Agrima has received a Dealer's License for its facility lab, including for a newly constructed Level 10 vault. Agrima is in the process of establishing an on-site laboratory and installing further analytical equipment and capacity. The laboratory allows it to perform Health Canada-mandated testing in-house, thereby saving time and money. Testing methodologies are applied consistently and accurately from batch to batch. Additionally, the on-site laboratory accelerates the approval and release of new batches, shortening time to market and increasing sales capacity as Ascent scales up cultivation and production capacity.

Ascent is in the process of obtaining an EU GMP certification for the Agrima facility. This certification is required by several foreign governments for export to EU markets, and upon successful receipt, Agrima will be in a position to distribute oil-based products (i.e. gel-caps and tinctures) to several EU countries, including Denmark.

Agrima Meadows (Pitt Meadows, British Columbia)

Agrima Meadows is a 650,000 square foot property with a 600,000 square foot greenhouse located within approximately ten (10) kilometres from the Agrima Botanicals facility in Maple Ridge, BC. Agrima Meadows is approximately ten (10) years old, and consists of two (2) adjoining greenhouses with a metal frame, multi-gable roof (Dutch "Venlo" style) structure with single, 36 oz. glass panel walls and roof cladding, all on concrete perimeter and internal concrete pier footings. The entire canopy is covered with over 4,000 hydroponic greenhouse high pressure sodium lights, automated nutrient delivery equipment and environmental control systems are installed.

Agrima Labs (Pitt Meadows, British Columbia)

Ascent has leased two adjoining warehouse spaces located within approximately twelve (12) kilometres from the Agrima Botanicals facility and the Agrima Meadows facility, which total approximately 40,000 square feet, comprised of high-ceiling warehouse space along with office and administrative space. Agrima Labs is currently in Phase One (consisting of approximately 20,000 square feet)

of construction to become a Good Manufacturing Practices (GMP) production-only facility, designed by Agrima scientists for high-volume extraction, formulation, automated manufacturing and sophisticated packaging capabilities. Phase Two (consisting of an additional approximately 20,000 square feet) is being designed for future use based on the Canadian demand for extracted products. An application for a license for Agrima Labs has been filed with Health Canada and is awaiting review.

USA Facilities

Oregon Facility

In March 2016, Ascent (through a wholly-owned subsidiary) completed a significant upgrade and buildout of an existing 7,000 square foot warehouse located in Southeast Portland, Oregon. The Oregon facility is licensed for extraction and distribution and includes a secured vault, manufacturing and packaging space, as well as a fully equipped production lab capable of performing a variety of extraction, formulation and isolation and analytical techniques. A commercial kitchen is also part of the facility upgrade, and allows for the manufacturing of chocolates, taffy and other edibles authorized under Oregon's medical and recreational cannabis programs.

Nevada Facility

In May 2016, Ascent (through a wholly-owned subsidiary) acquired a 37,500 square foot warehouse in the City of Las Vegas, Nevada. In conjunction with this acquisition, Ascent also acquired two (2) medical cannabis licenses connected to the Nevada facility. Immediately upon acquisition of the facility, a Phase One build-out of an initial 2,500 square feet, which includes cultivation and production space, including a commercial kitchen, was initiated. Phase One was completed at the end of 2017, and shortly thereafter, a license from the State of Nevada was obtained for the Nevada facility. Currently, building plans are being reviewed for Phase Two of construction for an additional 35,000 square feet, which will include over 17,000 feet of indoor cultivation, fully-functioning lab, production and distribution space.

Business Objectives

Ascent has identified the following business objectives for the next twelve (12) months:

1. Complete its acquisition of the Agrima Meadows greenhouse facility and begin cultivation as an LP at the site;

2. Complete expansion to over 710,000 square feet of cultivation and production space, including the completion of the Agrima Labs facility in British Columbia and the Sweet Cannabis facility in the State of Nevada, and begin cultivation and product manufacturing at these sites;
3. Capitalize on the legalization of adult-use cannabis in Canada, including the development of an online distribution platform;
4. Capitalize on Ascent's licensed facility in Nevada, which has an early-mover advantage as the State of Nevada commences its adult-use cannabis program;
5. Focused expansion of its operations in Europe and elsewhere globally;
6. Focused expansion of its operations in the United States;
7. Implement its plans relating to the development and operation of medical clinics and related medical services with emphasis on medical cannabis access and education; and
8. Advance its research through clinical trials on the effects and potential benefits of unique, proprietary cannabis formulations and delivery systems for various illnesses, symptoms, and therapeutic outcomes.

Canadian Operations

Current Medical Operations

Ascent's wholly-owned subsidiary, Agrima, is a Licensed Producer for the cultivation and production (extraction and manufacturing) of medical cannabis under the ACMPR. Agrima is a patient-focused medical cannabis company whose mission is to provide a better quality of life for a wide variety of patients. Its portfolio of medically-focused products offer an innovative and diverse selection of consistent, high-quality cannabis in many consumption formats. Ascent also plans to build a network of unique medical clinics and a digital portal to provide patients across Canada with easy, seamless and direct access across Canada to medical professionals and Agrima's extensive product range.

Agrima's Licensed Producer license (the "**Agrima License**") has a term that commenced on November 10, 2017 and ends on November 10, 2020. The Agrima License has been issued to Agrima for use at the Agrima Botanicals facility in Maple Ridge, British Columbia and applies only to such facility. However, Agrima has applied to Health Canada for additional site licenses at both the Agrima Meadows facility and Agrima Labs facility that would allow these facilities to operate as Licensed Producers. The Agrima License permits Agrima to produce, sell, possess, ship, transport, deliver and destroy dried cannabis, fresh cannabis, cannabis plants and cannabis seeds. Adverse changes or developments affecting the Agrima Botanicals facility could have a material and adverse effect on Agrima's ability to continue producing medical cannabis, and Ascent's business, financial condition and prospects. While it is anticipated that Health Canada will extend or renew the Agrima License at the end of its current term, there can be no guarantee that Health Canada will extend or renew the Agrima License as necessary or, if it extended or renewed, that the Agrima License will be extended or renewed on the same or similar terms. Should Health Canada not extend or renew the Agrima License, or should it renew the Agrima License on different terms, the business, financial condition and results of the operations of Agrima, and consequently, Ascent, could be materially adversely affected. See Section 17 "Risk Factors – Risk Factors Relating to Ascent's Business".

On June 18, 2018, Ascent announced that Agrima had received the Dealer's License, which permits the possession, production, packaging, sale, sending, transportation and delivery of cannabis and cannabis oil-based products.

Summary of the ACMPR

The following summary of the ACMPR is incomplete and is qualified in its entirety by reference to the full text of the ACMPR available from Health Canada.

The ACMPR effectively combines the regulations and requirements of the MMPR, the *Cannabis Medical Access Regulations* and the section 56 exemptions relating to cannabis oil under the *Controlled Drugs and Substances Act* into one set of regulations. In addition, among other things, the ACMPR sets out the process patients are required to follow to obtain authorization from Health Canada to grow cannabis and to acquire seeds or plants from Licensed Producers to grow their own cannabis. Under the ACMPR, patients have three options for obtaining cannabis:

- (a) they can register with Licensed Producers, who are authorized to sell cannabis to any eligible person in Canada;
- (b) they can register with Health Canada to produce a limited amount of cannabis for their own medical purposes; or

(c) they can register with Health Canada to designate someone else to produce cannabis for them.

With respect to (b) and (c), starting materials, such as plants or seeds, must be obtained from Licensed Producers or other approved sources. It is possible that (b) and/or (c) could significantly reduce the addressable market for Agrima's products and could materially and adversely affect the business, financial condition and results of operations of Agrima. That said, management of Ascent believes that many patients may be deterred from opting to proceed with options (b) or (c) since such steps require applying for and obtaining registration from Health Canada to grow cannabis, as well as the up-front costs of obtaining equipment and materials to produce such cannabis and the complexity associated with successfully cultivating cannabis.

Reporting Requirements under the ACMPR

As described under the ACMPR (see Part 1, Division 5 of the ACMPR), Licensed Producers are required to keep records of, among other things, their activities with cannabis, including all transactions (sale, exportation, and importation), all fresh or dried cannabis or cannabis oils returned from clients, and an inventory of cannabis (e.g. seeds, fresh harvested cannabis, dried cannabis, packaged cannabis, packaged cannabis seeds, cannabis oil, cannabis plants destined to be sold or provided). All records have to be kept for a period of at least two years, in a format that will be easily auditable, and will have to be made available to Health Canada upon request. All communications regarding reports for healthcare licensing authorities, including both those sent and received, are also subject to this two year requirement.

A Licensed Producer must provide Health Canada with a case report for each serious adverse reaction to fresh or dried cannabis or cannabis oil within 15 days of the Licensed Producer becoming aware of the reaction. A Licensed Producer must annually prepare and maintain a summary report that contains a concise and critical analysis of all adverse reactions to have occurred during the previous 12 months (the serious adverse reaction reports and the summary reports must be retained by the Licensed Producer for a period of 25 years after the day on which they were made).

Health Canada released an Information Bulletin titled, "Licensed Producers' Reporting Requirements" on December 1, 2016 to provide an overview of the information licensed producers must provide to Health Canada on a monthly basis. Licensed Producers must provide, among other things, the following information to the Office of Controlled Substances for the previous month on or before the 15th day of each month:

- (a) With respect to fresh and dried cannabis, cannabis oil, cannabis seeds and cannabis plants, licensed producers must report the amounts produced, as well as the amounts received from another licensed producer;
 - (b) With respect to fresh and dried cannabis, cannabis oil, cannabis seeds and cannabis plants, licensed producers must report the total amount sold or transferred to the following during the reporting period;
 - (c) Number of clients registered, number of clients registered by province or territory of residence and number of refused registrations and refusals to fill order;
 - (d) With respect to fresh and dried cannabis and cannabis oil, licensed producers must report as of the final day of the reporting period the amounts of all controlled material held in inventory;
 - (e) Number of plants held in inventory and the number of plants destined to be sold as starting material held in inventory;
 - (f) Weight of seeds held in inventory, and the number and weight of seeds destined to be sold as starting material held in inventory;
 - (g) Total amounts ready to be destroyed, but still held in inventory on the final day of the reporting period;
 - (h) Total amount of cannabis imported and/or exported during the reporting period;
 - (i) Total amount of cannabis lost or stolen during the reporting period;
 - (j) With respect to fresh and dried cannabis, cannabis oil, cannabis seeds and cannabis plants, licensed producers must report the total amount that was destroyed during the reporting period, as well as waste (e.g., plants, leaves, twigs) destroyed during the reporting period;
 - (k) With respect to fresh and dried cannabis, cannabis oil, cannabis seeds and cannabis plants, licensed producers must report the total amount returned from clients during the reporting period;
 - (l) Number of shipments sent to registered clients, licensed producers and licensed dealers during the reporting period;
 - (m) Number of shipments sent to registered clients, licensed producers and licensed dealers in each province and territory;
 - (n) Average daily amount of cannabis for medical purposes authorized;
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- (o) Median daily amount of cannabis for medical purposes authorized;
- (p) Average shipment size sent to registered clients during the reporting period;
- (q) Median shipment size sent to registered clients during the reporting period;
- (r) List of ten highest unique daily authorized amounts and the frequency with which they occur;
- (s) List of daily authorized amounts in specified increments;
- (t) Total number of shipments to registered clients per each 10 gram interval between 0 and 150 grams;
- (u) List of all health care practitioners who have completed medical documents for cannabis for medical purposes for registered clients and their location;
- (v) List of all nurse practitioners who have completed medical documents for cannabis for medical purposes for registered clients and their location;
- (w) Amount of cannabis with which they are conducting research and development activities; and
- (x) Activities with respect to cannabis products, other than cannabis or cannabis oil (e.g. cannabis resin).

Summary of the Narcotic Control Regulations (NCR)

The following summary of the NCR is incomplete and is qualified in its entirety by reference to the full text of the NCR available from Health Canada.

Pertaining to Dealer's Licenses and Licensed Dealers, the NCR entails the regulations relating to the control of narcotics as enabled in the Controlled Drugs and Substances Act. In addition, Dealer's Licenses and Licensed Dealers are also subject to the ACMPR when working with cannabis material.

The NCR sets out the process through which Dealer's Licenses are obtained, and which Licensed Dealers are required to follow to obtain authorization from Health Canada to conduct licensed activities with cannabis. These activities include, but are not limited to: possession, production, packaging, R&D, lab analysis, import, export, sell, provide, transporting, and delivery. Under the NCR, Licensed Dealers are allowed to provide/sell to other authorized/licensed entities

(i.e. licensed producers, pharmacies and hospitals) and persons exempted under section 56 of the *Controlled Drugs and Substances Act*. If any of the preceding parties are listed in Health Canada's list of Notice of Restriction as described in section 25 of the NCR, then provision or sale to these parties are not authorized.

Reporting Requirements under the NCR

As described under the NCR, Licensed Dealers are required to keep records of, among other things, their activities with narcotics:

- (a) including all transactions (receiving, sale, exportation, importation);
- (b) all narcotics used in the making or assembling of a product or compound containing that narcotic;
- (c) all narcotics produced; and
- (d) all narcotics that is in stock at the end of each month.

All records have to kept for a period of at least two years, in a format that will be easily auditable, and will have to be made available to Health Canada upon request. All communications regarding reports for healthcare licensing authorities, including both those sent and received, are also subject to this two year requirement.

If the premises of the Licensed Dealer will undergo a change in security measures or change in the qualified person(s) in charge (QPIC), then approval from Health Canada is required. Moreover, a notification to Health Canada is required when the following occurs:

- (a) change of an individual listed on the license.
- (b) changes in premises where narcotics is made and any changes made to the process and conditions of producing, making, assembling, and storing of narcotics.
- (c) Any loss/theft from date of discovery.

Recent Regulatory Developments

On December 13, 2016, the Task Force on Cannabis Legalization and Regulation (the "**Task Force**"), which was established by the Canadian Federal Government to seek input on the design of a new system to legalize, strictly regulate and restrict access to cannabis, completed its review and published its report outlining its recommendations. On April 13, 2017, the Canadian Federal

Government released Bill C-45, which proposes the enactment of the *Cannabis Act* (Canada), to regulate the production, distribution and sale of cannabis for unqualified adult-use.

On October 3, 2017, the Parliamentary Standing Committee on Health ("**HESA**") proposed amendments to the *Cannabis Act* (Canada), which if approved would allow for cannabis edibles and concentrates to be available for sale within 12 months of the *Cannabis Act* (Canada) coming into force. HESA also proposed among other matters, that the Minister would be required to review the *Cannabis Act* (Canada) and its administration and operation three years after it comes into force and would clarify that applications made for (i) a Dealer's License under section 9.2 of the *Narcotic Control Regulations* ("**NCR**"), (ii) a license under section 67 of the NCR to cultivate, gather or produce cannabis for scientific purposes, and (iii) an import or export permit under section 10 of the NCR, will be deemed to be an application made under the Cannabis Act, so that licensing and permit requirements are merged under the same legislation.

On November 21, 2017, Health Canada released a consultation paper entitled "*Proposed Approach to the Regulation of Cannabis*" (the "**Proposed Regulations**"). Recognizing the federal government's commitment to bringing the *Cannabis Act* (Canada) into force no later than July 2018, the Proposed Regulations, among other things, seek to solicit public input and views on the appropriate regulatory approach to a recreational cannabis market by building upon established regulatory requirements that are currently in place for medical cannabis.

The deadline for interested stakeholders to share their views on the Proposed Regulations was January 20, 2018. On March 19, 2018, Health Canada announced a public health approach to packaging and labeling of cannabis products.

On February 6, 2018, Canada's Public Safety Minister, Ralph Goodale, announced that while Bill C-45 was still on schedule to receive royal assent in July 2018, implementation of various aspects of the regime, including preparing markets for retail sales, could take another eight to twelve weeks from the date Bill C-45 receives royal assent. On June 21, 2018, Bill C-45 received approval from the Senate of Canada and the House of Commons of Canada, and finally received royal assent in Canada. The announcement was followed by Prime Minister Justin Trudeau's announcement that adult-use cannabis will be legal in Canada beginning on October 17, 2018.

On June 27, 2018, Health Canada announced that the regulations supporting the *Cannabis Act* (Canada), the Cannabis Regulations, would outline the rules for the legal production, distribution, sale, importation and exportation of cannabis, and also set standards for cannabis products that will be available for legal sale once the law comes into force. The Cannabis Regulations include strict

specifications for the plain packaging and labelling and analytical testing of all cannabis products as well as stringent physical and personnel security requirements for all federally licensed production sites. The Cannabis Regulations also outline details on the licences for cultivation and processing of cannabis, including micro-size licences, industrial hemp, research and analytical testing, and also maintain a distinct system for access to cannabis for medical purposes.

The governments of most of the provinces and territories of Canada have also made various announcements regarding the proposed regulatory regimes for the distribution and sale of cannabis for adult-use purposes in their jurisdictions. However, it is possible that the proposed regulatory regimes may not be implemented as currently contemplated, or at all. See Section 17 "Risk Factors – Risk Factors Relating to Ascent's Business"

Ascent's Plans for Canadian Adult-use Operations

Ascent is well positioned to be part of the first cohort of Licensed Producers transitioning towards legal adult-use cannabis in Canada beginning in the fall of 2018. In addition to the existing Agrima Botanicals facility in Maple Ridge, British Columbia, Ascent expects that the following additional facilities will be operational and licensed by the end of 2018:

- Agrima Meadows – a 600,000 square foot greenhouse (currently operational growing bell peppers) which will be converted and optimized for year-round cannabis cultivation. At full production capacity, Agrima Meadows is capable of producing over one million grams of dried cannabis per week, with a substantial portion of the harvested material destined as an input for extraction and product manufacturing. Ascent expects to complete the acquisition of this facility in the fourth quarter of calendar year 2018 and expects operations to commence in the first quarter of calendar year 2019; and
- Agrima Labs – a custom built, Good Manufacturing Practices (GMP) compliant 40,000 square foot warehouse designed by Agrima's engineers and scientists for high-volume extraction, formulation, automated manufacturing, filling, and packaging capabilities. Agrima Labs will turn outdoor and low-medium grade cannabis into high-margin extracted product ready for sale in the domestic medical and adult-use markets, as well as approved foreign markets. Ascent expects Agrima Labs to commence operations in the fourth quarter of calendar year 2018.

Ascent has also begun implementation of the Agrima Craft Cannabis program, through which British Columbia's world-renowned craft cannabis growers will have access to Ascent's knowledge, intellectual property and other resources in exchange for Agrima becoming the exclusive aggregator and distributor of their high-quality and diverse cannabis offerings. Ascent believes the craft program will be well received in the marketplace due to the diverse offering of high quality cannabis flower, edibles, and concentrates to users.

U.S. Operations

Ascent operates licensed facilities in two U.S. states with legal cannabis programs, Oregon and Nevada, through its wholly-owned subsidiaries Luff Enterprises LLC dba Sweet Cannabis ("**Sweet Oregon**") and Luff Enterprises NV Inc. dba Sweet Cannabis NV ("**Sweet Nevada**").

Sweet Oregon is a state-licensed Producer and Wholesaler of medical and adult-use cannabis under the OLCC (as defined below) in the State of Oregon. These licenses allow Sweet Oregon to buy cannabis from cultivators across the state, as well as process and sell cannabis to other licensees, including retailers (dispensaries). Sweet Oregon's operations are based out of a newly renovated, custom-designed 7,000 square foot warehouse in Portland, Oregon. Sweet Oregon currently manufactures merchandisable cannabis products and distributes them to retailers across the state of Oregon.

Sweet Nevada is a licensed cultivation and production facility for medical and adult use cannabis in the State of Nevada. These licenses allow Sweet Nevada to grow, buy, process, manufacture, and package cannabis for other producers and cannabis retail stores in Nevada. Sweet Nevada's operations are based out of a custom-designed 37,500 square foot warehouse in Las Vegas, Nevada. Phase one of this facility is currently operational, and management expects phase two to become fully operational in the second quarter of calendar year 2019. Sweet Nevada currently manufactures pre-rolls and taffies and distributes them to retailers in the state of Nevada, and is expected to manufacture and distribute several other products in the near future, including, flower, chocolates, tinctures, and vape pens. In Nevada, adult-use cannabis licenses are currently limited to the few holders of pre-existing medical cannabis establishment certificates. As Sweet Nevada holds two (2) of the approximately 145 medical cannabis cultivation and production licenses that have been allowed to access the retail cannabis program in Nevada, Sweet Nevada holds a significant first-mover advantage.

Products

Ascent is focused on developing, branding, producing and distributing sophisticated cannabis products in legal medical and adult-use jurisdictions, with current operations in British Columbia, Oregon and Nevada. Through its wholly-

owned subsidiaries, Ascent owns cannabis licenses in Canada, Oregon and Nevada and has a minority ownership interest in a hemp cultivation and manufacturing operation with R&D licenses in Kentucky.

Ascent offers a product suite of more than 40 unique products under several consumer focused brands, including gel capsules, oils, tinctures, vaporizer pens, pre-rolled joints, various edibles and dried flower. Through careful development of its sophisticated cannabis brands, Ascent is positioned to be a leader in branded, commercialized products in both medical and adult-use markets across North America and internationally.

Research and Development

Ascent's wholly-owned subsidiary, Agrima Scientific Corp. ("**Agrima Scientific**"), focuses on developing commercially viable products, services and intellectual property through specific research initiatives targeting cultivation, extraction, hardware and other emerging cannabis-specific topics. Agrima Scientific develops and commercializes cannabis-related intellectual property, through in-house research, external collaboration and acquisition. Agrima Scientific's primary areas of research are:

- Plant tissue culture propagation;
- Breeding and genetics;
- Scanning electric microscopy analysis;
- Plant pathology and pest control;
- Analytical testing and plant diagnosis;
- Product development via cannabis extraction, refining, separation, and formulation techniques; and
- Pre-clinical trials of cannabinoid-based therapies.

Ascent has a strong relationship with Simon Fraser University ("**SFU**") pursuant to which it has been able to create certain intellectual property relating to the above areas of research. Agrima Scientific is in the fifth year of a research collaboration with SFU's Department of Biological Sciences, through which Masters of Science students are engaged in cannabis-focused research, all directed and funded by Ascent. Ascent has also recently engaged SFU scientists to commence sets of pre-clinical trials designed to explore the therapeutic benefits of various cannabinoid formulations for various debilitating medical conditions.

Intellectual Property

Ascent is developing an intellectual property portfolio that includes existing trademarks for its sophisticated brands, applications for trademarks

internationally for these brands, as well as applications for patents Ascent has and is in the process of filing for certain unique scientific formulations and processes that Ascent has created.

Ascent's Products

The following is a description of Ascent's products currently available for sale. Prior to receiving the Agrima License, Ascent, through its wholly-owned subsidiaries, provided extraction and other services and sold various hardware to patients in Canada that have been discontinued, as well as selling products in the States of Oregon and Nevada. Subsequent to receiving the Agrima License, Ascent's products have primarily been sold in the State of Oregon, and sales of some products have begun in the State of Nevada, with additional products to be added for sale in the near future. Agrima Botanicals is in the process of obtaining a sales license under the ACMPR. In addition, the Dealer's License allows the sale of products, which Ascent expects to be in the near future.

The only product that accounted for 15% or more of Ascent's sales in the last fiscal year was Toko (26%).

Nu

Nu (Nature's Nu Standard) is Ascent's premium line of therapeutic cannabis infusions that have been carefully developed, formulated and crafted by Ascent's team of scientists and researchers. Nu products are pure, natural and without pesticides and other harmful chemicals. By using the highest standards of cannabis processing and production, Ascent believes Nu delivers among the cleanest, most reliable therapeutic cannabis products on the market.

Toko

Toko offers sleek, convenient options for cannabis vaporization, designed for today's discerning cannabis consumer. Through careful strain selection, meticulous extraction processes and extensive dosing knowledge, Ascent has developed the great tasting products that arrive in the most stylish, convenient and easy-to-use forms. This includes a supercritical CO2 extract formulated with live cannabis terpenes ensuring that Toko delivers superior flavour and effect.

The Quarry

The Quarry is Ascent's line for the cannabis purist, with curated, top-shelf cannabis products including among the finest flower, pre-rolled joints, and 100%

pure extracts and concentrates, CO2 honey oil, shatter and live resin crumble. Each Quarry product is rigorously tested for quality, safety and purity.

Grace Notes

Grace Notes pay tribute to the early pioneers of jazz from the 1930s, "hepcats", many of whom were known to be avowed users of cannabis. They were known to use cannabis to play through the long nights, and also for lengthened time, allowing them to play the improvisations between written notes – the grace notes. Grace Notes honour their story – the idea of lengthening time, fostering community and creating something beautiful. Ascent believes Grace Notes are among the finest gourmet cannabis infused edibles available on the market. Eloquently handcrafted from premium natural ingredients by Ascent's team of confectionary chefs and chocolatiers, Grace Notes are gently dosed and expertly flavoured as a harmoniously balanced riff on reefer songs of the past.

Taffy Notes

Taffy Notes are delicious cannabis infused candy and sweets. Dedicated to quality ingredients and consistent dosing, Taffy Notes edibles use 100% pure CO2 cannabis oil, free of residual solvents, ensuring a clean, reliable treat is produced.

Agrima Botanicals

Agrima is a premium line of therapeutic cannabis infusions that have been carefully developed, formulated and crafted by Ascent's team of scientists and researchers for the Canadian medical cannabis market and internationally for pharmaceutical distribution. Agrima products are pure, natural and without pesticides and other harmful chemicals. By using the highest standards of cannabis processing and production, Agrima delivers clean and reliable therapeutic cannabis products for the medical market.

GreenScreen Plant Sex ID Kit

The GreenScreen Plant Sex ID Kit is a DNA-based cannabis genetic screening and testing kit for commercial and home-grower applications, enabling growers to determine the sex of their seedlings in a fraction of the time compared to traditional sex determination methods, providing significant value to any size cultivation facility. GreenScreen currently services clients in 28 U.S. states and 10 countries.

Ascent's Methods of Production

Cultivation: With nearly two (2) decades of cannabis cultivation experience, the Ascent team has curated and optimized a variety of commercial-scale cultivation

methodologies that ensure clean, consistent product with every crop. Backed by rigorous R&D with biologists and agronomists, Ascent focuses on producing high-end, chemical-free cannabis. This dedication to the craft has earned Ascent's cultivation team the reputation to be recognized in the industry as some of the best commercial cultivators in the world.

Extraction and Isolation: Ascent uses a number of commercial extraction and isolation technologies and methodologies, many of which have been designed or optimized in-house for differentiation in the marketplace and for superior consistency and effectiveness.

Formulation: Since 2015, Ascent has focused much of its R&D efforts on the development of a significant portfolio of extraction, separation and formulation methodologies to convert cannabis into market-segment and symptom-targeting focused products.

Material Leases and Mortgages

There is a mortgage on the Agrima Botanicals facility in Maple Ridge, British Columbia in a principal amount of \$1.9 million (the "**Agrima Mortgage**"). Interest accrues at a rate of 8.5% per annum (compounded monthly), and the maturity date is January 1, 2019. The Agrima Mortgage is currently in good standing.

The Agrima Labs facilities in Pitt Meadows, British Columbia are leased to a wholly-owned subsidiary of Ascent under a lease dated February 16, 2017 for a term of five (5) years, with options to extend the term for two (2) additional periods of four (4) years each. This lease is currently in good standing.

Ascent's facilities in Portland, Oregon are leased to a wholly-owned subsidiary of Ascent under a lease dated February 18, 2016 for a term of four (4) years, with options to extend the term for two (2) additional periods of four (4) years each. This lease is currently in good standing.

On May 30, 2017, in connection with the purchase of Ascent's Nevada facility, Ascent entered into a senior secured convertible debenture (the "**Ascent Convertible Debenture**") with third-party lenders in the principal amount of \$4 million, carrying an interest rate of 8% per annum (compounded monthly) until maturity on November 26, 2019. All outstanding indebtedness under the Ascent Convertible Debenture ranks senior to all indebtedness of Ascent, except for the Agrima Mortgage. The Ascent Convertible Debenture is convertible in whole or in part into Ascent Shares at a price of \$0.35 per Ascent Share at the option of the lenders until the business day prior to the maturity date, except that Ascent may force the conversion of the Ascent Convertible Debenture in the event of a merger or initial public offering at an offering price of no less than \$1.00 per Ascent Share. The Ascent Convertible Debenture is currently in good standing.

Specialized Skill and Knowledge

A number of aspects of Ascent's business functions require specialized skills and knowledge. Ascent has specialized skills and knowledge in the areas of cultivation of medical cannabis, processing (extraction) of cannabis oil, development and production of cannabis-based products, and sales and marketing. In particular, Ascent's management team believes that they have staff and expertise which provide a unique skillset for the indoor cultivation of cannabis and extraction of cannabis oil in accordance with ACMPR requirements, developed over years of practical experience.

Ascent has a highly experienced growing team and quality assurance personnel focused on generating high quality product that meets and exceeds Health Canada requirements. Ascent has also implemented strict regulatory compliance processes, a high level of quality assurance, and testing protocols to maintain quality controls over the products cultivated and extracted.

Management of Ascent has specialized skill and knowledge in the production of cannabis-based products and has produced a variety of products for distribution in compliance with applicable regulatory requirements. In addition, management has the specialized skills and knowledge required to market and sell cannabis-based products and has branded and sold numerous products in compliance within various regulatory regimes, both in Canada and abroad.

Sourcing, Pricing and Availability of Materials

Ascent sources hardware materials for its products from a variety of places in Canada, the United States and internationally at non-fixed prices that can fluctuate. Ascent is in the process of implementing an ERP platform to assist with tracking sources of supply and costs, and has a supply chain coordinator to oversee this part of its business. While Ascent endeavours to obtain materials at the lowest prices, variations in prices for materials and exchange rates can affect its cost base.

Intangible Properties

Ascent's consumer-focused brands, Nu, Toko, Quarry, Grace Notes and Greenscreen described above under "Information Concerning Ascent – Ascent's Products", have been an important part of Ascent's operation, and Ascent has applied for trademark protection for each of them. However, it is possible that Ascent may rebrand some or all of them, depending on market conditions.

Ascent, through its wholly-owned subsidiary Agrima Scientific, has also applied for patent protection for certain novel inventions created by Ascent, and expects to apply for more in the near future.

Effect of Environmental Protection Requirements

Ascent's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and nonhazardous materials and wastes, and employee health and safety. Ascent incurs ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on Ascent's manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Ascent's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Ascent.

Employees

As of the date of this Listing Statement, Ascent has approximately 120 full-time employees, including those of its wholly-owned subsidiaries. Approximately 95 of these employees are in Canada, while approximately 25 are in the U.S. and two are in the EU.

Ascent's Foreign Operations

Through its wholly-owned subsidiaries Sweet Oregon and Sweet Nevada, Ascent has operations in the states of Oregon and Nevada, where medicinal and adult-use cannabis have been legalized at the state level. Though its partially-owned sister company AgTech Scientific Corp., Ascent has operations in Kentucky where hemp cultivation and production is legal at the state level. However, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the United States and as such, violates federal law in the United States. Ascent has also initiated operations in Copenhagen, Denmark from which it plans to expand into Europe. See also Section 17 "Risk Factors – Risks Related to the United States".

Competitive Conditions

Ascent, through its wholly-owned subsidiary Agrima, is one of only 115 Licensed Producers of cannabis in Canada, of which 25 are licensed in British Columbia. Furthermore, Agrima is one of approximately 47 Licensed Producers that holds a license to produce cannabis oils. However, there are several hundred applicants for licenses to produce and sell medical cannabis under the ACMPR, and an increase in Licensed Producers in Canada could have an impact on the operations of Ascent. See also Section 17 Risk Factors – Risks Related to Ascent's Business".

Issuers with U.S. Cannabis-Related Activities

On February 8, 2018, following the Sessions Memorandum (as defined below), the Canadian Securities Administrators published CSA Staff Notice 51-352 (Revised) – Issuers with U.S. Cannabis-Related Activities (the "**Staff Notice**") which provides specific disclosure expectations for issuers that currently have, or are in the process of developing, cannabis-related activities in the U.S. as permitted within a particular state's regulatory framework. All issuers with U.S. cannabis-related activities are expected to clearly and prominently disclose certain prescribed information in prospectus filings and other required disclosure documents.

As the Resulting Issuer will have operations in the U.S., the Resulting Issuer will be properly subject to the Staff Notice and accordingly provides the following disclosure:

Enforcement of U.S. Federal Laws

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the ACMPR, in the United States, cannabis is largely regulated at the state level. To the Resulting Issuer's knowledge, there are to date a total of 29 states, plus the District of Columbia, Puerto Rico and Guam that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a Schedule I controlled substance under the Controlled Substances Act and as such, violates federal law in the United States.

As a result of the conflicting views between state legislatures and the United States federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. The response to this inconsistency was addressed in August 2013 when then Deputy Attorney General, James Cole, authored a memorandum (the "**Cole Memorandum**") addressed to all United States federal prosecutors acknowledging that notwithstanding the designation of cannabis as a controlled substance at the federal level in the United States, several U.S. states have enacted laws relating to cannabis for medical purposes. The Cole Memorandum concluded that the Department of Justice should be focused on addressing only the most significant threats related to cannabis. States where medical cannabis had been legalized were not characterized as a high priority. While not legally binding, the Cole Memorandum served as prosecutorial guidance and laid out a framework for addressing the inconsistency between state and federal laws regarding cannabis.

However, on January 4, 2018, U.S. Attorney General Jeff Sessions issued a memorandum (the "**Sessions Memorandum**") rescinding the Cole

Memorandum. With the rescission of the Cole Memorandum, U.S. federal prosecutors no longer have guidance relating to the exercise of their discretion in determining whether to prosecute cannabis-related violations of U.S. federal law. As such, such discretion remains solely in the hands of U.S. federal prosecutors. It is possible for these prosecutors to continue exercising their discretion in a manner similar to that displayed when guided by the Cole Memorandum. Many U.S. federal prosecutors have affirmed their commitment to proceeding in this manner, or otherwise affirming that their view of federal enforcement priorities has not changed, while a few have displayed greater ambivalence. The US Attorney for Oregon recently announced that his federal prosecutors' office will focus on black-market and illegal cannabis production within Oregon, signaling a willingness to respect state laws and effectively supporting the legal cannabis market by eliminating illegal competition.

Unless and until cannabis is removed from categorization as a Schedule I controlled substance under the Controlled Substances Act, there can be no assurance that the federal government will not seek to prosecute cases involving cannabis businesses that are otherwise compliant with state law, albeit a federal agency may not have appropriated funds to undertake such prosecution as is delineated below. Such potential proceedings could involve significant restrictions being imposed upon the Resulting Issuer or third parties, and also divert the attention of key executives. Such proceedings could have a material adverse effect on the Resulting Issuer's business, revenues, operating results and financial condition as well as the Resulting Issuer's reputation, even if such proceedings were concluded successfully in favour of the Resulting Issuer. See Section 17 "Risk Factors – Risks Related to the United States".

For the reasons set forth above, the Resulting Issuer's operations in the United States, and any expansion of operations, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Resulting Issuer may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Resulting Issuer's ability to invest in the United States or any other jurisdiction. See "Information Concerning the Resulting Issuer – Risk Factors – Risks Related to the United States".

Third parties with whom the Resulting Issuer will do business, including banks and other financial intermediaries, may perceive that they are exposed to legal and reputational risk because of the Resulting Issuer's cannabis business activities. Because cannabis remains illegal under U.S. federal law, a third-party service provider could reach the conclusion that their activities as a service provider are aiding and abetting the violation of the U.S. federal law. Any provision of services or sale of goods to a cannabis business could be construed as aiding and abetting violations of the Controlled Substances Act, in addition to other possible violations. Financial institutions may also be concerned that they

would be at risk of prosecution for violation of U.S. money laundering laws and the Bank Secrecy Act, in addition to other potential violations. Any third-party service provider could suspend or withdraw its services to the Resulting Issuer if it perceives that the potential risks exceed the potential benefits to such services. See Section 17 "Risk Factors – Risks Related to the United States".

Government policy changes or public opinion may also result in a significant influence over the regulation of the cannabis industry in Canada, the United States or elsewhere. A negative shift in the public's perception of cannabis in the United States or any other applicable jurisdiction could affect future legislation or regulation. Among other things, such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize medical and/or adult-use cannabis, thereby limiting the number of new state jurisdictions into which the Resulting Issuer could expand. Any inability to fully implement the Resulting Issuer's expansion strategy may have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. See Section 17 " Risk Factors – Risks Related to the United States".

Further, violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the Resulting Issuer, including its reputation and ability to conduct business, its holding (directly or indirectly) of cannabis licenses in the United States, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the Resulting Issuer to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial. See Section 17 "Risk Factors – Risks Related to the United States".

U.S. Enforcement Proceedings

The United States Congress has passed appropriations bills each of the last four years that included the Rohrabacher Blumenauer Appropriations Amendment which by its terms does not appropriate any federal funds to the U.S. Department of Justice for the prosecution of medical cannabis offenses of individuals who are in compliance with state medical cannabis laws. American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state law. However, because this conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully

prosecute the CSA, any individual or business—even those that have fully complied with state law—could be prosecuted for violations of federal law. If Congress restores funding, the United States government will have the authority to prosecute individuals for violations of the law before it lacked funding under the CSA's five-year statute of limitations. See Section 17 "Risk Factors – Risks Related to the United States".

Ability to Access Public and Private Capital

Ascent has had robust access to private capital in Canada in order to support its continuing operations. Since Ascent's incorporation in 2013, Ascent has been able to raise over \$40 million through private equity financings. In addition to certain Canadian Schedule 1 banks accepting deposits from entities positioned in the legal medical cannabis sectors, there are also a number of credit unions that have historically provided, and continue to provide, debt financings in this space. Prior to the Amalgamation, Ascent has never needed to access public equity capital in the United States. However, there is no assurance that the Resulting Issuer will be successful in raising future capital, particularly if U.S. federal authorities change their position towards enforcing the Controlled Substances Act. See Section 17 "Risk Factors – Risks Related to the United States ".

Balance Sheet Exposure

As at February 28, 2018, approximately 30% of Ascent's assets are located Oregon and Nevada in the United States. In addition, until Ascent obtains a sales license from Health Canada, almost all its revenue currently is being generated in the United States in the States of Oregon and Nevada. As a result, the Resulting Issuer will be subject to applicable laws, rules and regulations affecting cannabis businesses in the states in which it operates, as well as federally. While Ascent plans to operate in strict compliance with United States federal and state legal requirements, there can be no assurance the Resulting Issuer will always operate in strict compliance with applicable legal requirements under United States federal or state laws or that it will not be deemed to operate outside of these requirements, which could materially adversely affect the business of the Resulting Issuer.

State Regulatory Regime – Oregon

Oregon has legalized both medical and adult-use cannabis. Medical cannabis was first legalized for non-commercial uses in 1998. House Bill 3460 creating a regulatory structure for medical cannabis businesses was passed in 2013, and House Bill 3400 was passed on June 30, 2015, improving the existing regulatory structure and creating a licensing process for cultivators and processors. The regime does not impose a quota on the number of licenses that may be issued, and allows applications to be accepted on a rolling basis. An Oregon residency

requirement for medical cannabis business ownership that originally existed within House Bill 3400 was removed in 2016. In November 2014, Oregon voters passed Measure 91, creating a regulatory regime for the purchase of cannabis for personal use for individuals 21 years of age and older.

Regulation of medical cannabis in Oregon was originally administered by the Oregon Health Authority under the Oregon Medical Marijuana Program (the "**OMMP**"), while regulation of adult-use cannabis fell under the purview of the Oregon Liquor Control Commission (the "**OLCC**"). However, in mid-2017, the Oregon legislature granted the OLCC the authority to grant exclusively medical licenses, and required medical cannabis growers, processors and dispensaries to make an election by December 2017 as to whether they would choose to stay under the purview of the OMMP or move to an OLCC license. As of August 7, 2018, seven (7) medical cannabis dispensaries remain registered under the OMMP.

The OLCC grants six different types of cannabis licenses:

- Producer (also known as the grower);
- Processor – a business that will transform raw cannabis into another product (topicals, edibles, concentrates or extracts);
- Wholesaler – a business that buys in bulk and sells to licensees rather than to consumers;
- Retail – a business that sells directly to consumers;
- Laboratory – a lab accredited by the Oregon Environmental Laboratory Accreditation Program that tests cannabis based on rules established by the Oregon Health Authority;
- Certificate for Research; and
- Hemp Certificate – allows persons registered with the Oregon Department of Agriculture to transfer hemp flower, extracts or concentrates to OLCC licensed processors who hold an industrial hemp processor endorsement.

As of August 7, 2018, there are 1975 active OLCC licenses, including 1073 Producer licenses, 574 Retailer licenses and 126 Wholesaler licenses.

State Regulatory Regime – Nevada

In Nevada, both medical cannabis and retail cannabis programs are administered by the Nevada State Department of Taxation (the "Nevada DoT"). Since 2015, medical cannabis establishments have been able to register for medical cannabis establishment certificates in the state. An early start program was established by the Nevada DoT for retail cannabis licenses in the second half of 2017, and only operational medical cannabis establishment certificate holders in good standing

were able to apply for retail cannabis licenses. The regular retail cannabis program is expected to start in early 2018, and for the first 18 months of the program, only existing medical cannabis establishment certificate holders in good standing may apply for retail cannabis licenses. The Nevada DoT has stated that it may open up the application process for retail cannabis licenses to those not holding a medical cannabis establishment certificate in November 2018.

The Nevada DoT grants five different types of retail cannabis establishment licenses:

- Cultivation Facility – licensed to cultivate (grow), process, and package cannabis; to have cannabis tested by a testing facility; and to sell cannabis to retail cannabis stores, to cannabis product manufacturing facilities, and to other cultivation facilities, but not to consumers;
- Distributor – licensed to transport cannabis from a cannabis establishment to another cannabis establishment (for example, from a cultivation facility to a retail store);
- Product Manufacturing Facility – licensed to purchase cannabis; manufacture, process, and package cannabis and cannabis products; and sell cannabis and cannabis products to other product manufacturing facilities and to retail cannabis stores, but not to consumers. Cannabis products include things like edibles, ointments, and tinctures;
- Testing Facility – licensed to test cannabis and cannabis products, including for potency and contaminants; and
- Retail Store – licensed to purchase cannabis from cultivation facilities, cannabis and cannabis products from product manufacturing facilities, and cannabis from other retail stores; can sell cannabis and cannabis products to consumers.

Compliance with U.S. State Laws

To its knowledge, Ascent is in compliance with applicable State, County and City laws and the related licensing framework in both Oregon and Nevada, and has not received any notices of non-compliance or any citations from regulators in those states, relating to its business. Ascent has received visits at its facilities from regulators in Oregon and Nevada, pursuant to which it has been informed its facilities meet or exceed applicable standards.

The Resulting Issuer will actively monitor its compliance with applicable laws and the related licensing framework in Nevada and Oregon, as well as changes in the U.S. state and federal laws, through its internal legal counsel, local counsel and regulatory specialists.

There are internal policies and standard operating procedures in place at the facilities in Nevada and Oregon which the Resulting Issuer will adopt and update as necessary. All policies and procedures are on-site and written in compliance with applicable State laws, and the State, through their applicable agencies, have reviewed and approved these policies for compliance with State and local laws. These policies include material handling, distribution, required tracking, cleanliness standards, material destruction, manufacturing practices and employee qualifications. These policies and procedures will be updated as required by Ascent's internal legal counsel, in consultation with local counsel and regulatory specialists, as laws develop.

Available Funds and Principal Purposes

Upon completion of the Amalgamation, the Resulting Issuer will have approximately \$24.3 million of estimated funds available. The sources of funds can be broken down as follows:

Type of Funds	Amount
Estimated working capital deficiency of Paget	\$(15,000)
Estimated consolidated working capital of Ascent as June 30, 2018 (including the proceeds of the Series D private placement financing)	\$4,000,000
Net proceeds of Subscription Receipt Financing	\$17,994,015
Net proceeds of the Paget Private Placement	\$2,367,648
Total	\$24,346,663

It is expected that the funds available to the Resulting Issuer will be used as set out in the following table:

Anticipated Use of Funds	Amount
Capital Expenditures	\$10,000,000
Marketing and Product Development	\$4,000,000
Working Capital	\$10,346,663
Total	\$24,346,663

Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives. The Resulting Issuer may require additional funds in order to fulfill all of the Resulting Issuer's expenditure requirements to meet its objectives, in which case the Resulting Issuer expects to either issue additional equity securities or incur indebtedness. There is no assurance that additional funding required by the Resulting Issuer would be available if required.

5. Selected Consolidated Financial Information

5.1 Annual Information

See “Information Concerning the Resulting Issuer -- Selected Consolidated Financial Information and Management’s Discussion and Analysis” (pages 101 – 102); “Information Concerning Ascent – Selected Consolidated Financial Information – Selected Annual Information” (pages 73 – 74); and “Information Concerning Paget – Selected Financial Information and Management’s Discussion and Analysis – Selected Annual Information (page 54) of the Information Circular.

The pro forma consolidated financial statements of the Resulting Issuer are attached as Appendix M to the Information Circular.

5.2 Quarterly Information

See “Information Concerning Paget – Selected Financial Information and Management’s Discussion and Analysis – Summary of Quarterly Results (unaudited)” (page 54) of the Information Circular.

As the financial statements for the years ended May 31, 2017 and 2016 attached as Appendix M to the Information Circular were the first financial statements prepared by Ascent, no quarterly data has been reported.

The pro forma consolidated financial statements of the Resulting Issuer are attached as Appendix M to the Information Circular.

5.3 Dividends

There are no restrictions that would prevent the Resulting Issuer from paying dividends. The Resulting Issuer intends to retain its earnings, if any, to finance the growth and development of its business and does not expect to pay dividends or to make any other distributions in the near future. The Board of Directors of the Resulting Issuer will review this policy from time to time having

regard to the Resulting Issuer's financing requirements, financial condition and other factors considered to be relevant.

5.4 Foreign GAAP

Not applicable.

6. Management's Discussion and Analysis

For the management's discussion and analysis of Paget for the financial years ended December 31, 2017 and 2016 and the three months ended March 31, 2018, see Appendix K to the Information Circular. For the management's discussion and analysis of Ascent for the financial years ended May 31, 2017 and 2016 and the nine months ended February 28, 2018, see Appendix L to the Information Circular.

7. Market for Securities

Not applicable to the Resulting Issuer or Ascent. Paget is currently listed on the NEX board of the TSX Venture Exchange ("**TSXV**"). Paget will be delisted from the TSXV in connection with the listing of the Resulting Issuer.

8. Consolidated Capitalization

The following tables set forth the pro forma consolidated capitalization of the Resulting Issuer, on a consolidated basis, after giving effect to the Amalgamation and the Paget Private Placement. The information in these tables is based on the pro forma consolidated financial statements of the Resulting Issuer, attached as Appendix M to the Information Circular.

Share Capital

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding After Giving Effect to the Amalgamation
Resulting Issuer Shares to be issued to Paget Shareholders (including holders of Paget Shares issued pursuant to the Paget Private Placement)	Unlimited	9,542,643
Replacement Paget Warrants	-	500,000
Replacement Paget PP Warrants	-	7,996,000

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding After Giving Effect to the Amalgamation
Replacement Paget Finder's Options	-	11,666
Resulting Issuer Shares to be issued to Ascent Shareholders (including holders of Ascent Shares issued upon the deemed exercise of the Ascent Subscription Receipts)	Unlimited	305,031,923
Resulting Issuer Preferred Shares	Unlimited	-
Ascent Consideration Warrants	-	2,833,334
Ascent Series B Warrants	-	8,833,333
Ascent Series D Warrants	-	30,660,407
Replacement Ascent Subscription Receipt Warrants	-	48,085,500
Ascent Convertible Debenture	-	11,428,571
Resulting Issuer Stock Options	Up to 10% of the issued and outstanding Resulting Issuer Shares	13,415,972
Broker Warrants ⁽¹⁾	N/A	2,885,130

Note:

(1) The Broker Warrants will be exercisable for 2,885,130 Resulting Issuer Shares and 2,885,130 warrants of the Resulting Issuer.

Fully Diluted Share Capital of the Resulting Issuer

The following table sets out the expected fully diluted share capital of the Resulting Issuer after giving effect to the Amalgamation and the Paget Private Placement:

	Number of Resulting Issuer Shares	Percentage of Total
Shares held by Ascent Shareholders	305,031,923	66.0%
Shares held by Paget Shareholders	9,542,643	2.1%
Shares underlying options and warrants ⁽¹⁾	147,588,194	31.9%
Total (fully diluted)	462,162,761	100%

Note:

(1) Including the Resulting Issuer Shares issuable upon the exercise of the Replacement Paget Warrants, Replacement Paget PP Warrants, Replacement Paget Finder's Options, Replacement Paget Warrants underlying the Replacement Paget Finder's Options, Ascent Consideration Warrants, Ascent

Series B Warrants, Ascent Series D Warrants, Replacement Ascent Subscription Receipt Warrants, Resulting Issuer Stock Options (including all options authorized under the Resulting Issuer Stock Option Plan), the Broker Warrants and the warrants of the Resulting Issuer underlying the Broker Warrants.

9. Options to Purchase Securities

As of the date of this Listing Statement, it is anticipated that an aggregate of 90,412,574 Ascent Warrants, an aggregate of 2,885,130 Broker Warrants, an aggregate of 13,311,250 Ascent Stock Options and the Ascent Convertible Debenture will be outstanding prior to the completion of the Amalgamation, resulting in 120,922,655 Resulting Issuer Shares being reserved for issuance upon exercise of Replacement Ascent Warrants, Broker Warrants, warrants underlying the Broker Warrants, Resulting Issuer Stock Options replacing Ascent Stock Options and the Ascent Convertible Debenture following the completion of the Amalgamation.

As of the date of this Listing Statement, it is anticipated that an aggregate of 8,496,000 post-Consolidation Paget Aggregate Warrants, an aggregate of 104,722 post-Consolidation Paget Stock Options and an aggregate of 11,666 post-Consolidation Paget Finder's Options will be outstanding prior to the completion of the Amalgamation, resulting in 8,624,054 Resulting Issuer Shares being reserved for issuance upon exercise of Replacement Paget Aggregate Warrants, Resulting Issuer Stock Options replacing Paget Stock Options, Replacement Paget Finder's Options and Replacement Paget Warrants underlying the Replacement Paget's Finder's Options following the completion of the Amalgamation.

The following table provides information as to warrants and options of the Resulting Issuer that, as of the date of this Information Circular, are expected to be outstanding immediately following the completion of the Amalgamation and held by executive officers, directors, employees and consultants of the Resulting Issuer and its subsidiaries:

Category	Number of Warrants and Options to acquire Resulting Issuer Shares	Exercise Price	Expiration Date
All of the Resulting Issuer's executive officers and past executive officers, as a group (6 in total).....	Warrants – 235,651	\$0.50	June 19, 2020
	Options – 8,443,750	\$0.40	August 3, 2020 to August 3, 2024
All executive officers and past executive officers of the Resulting Issuer's subsidiaries, as a group (2 in total).....	Options - 1,200,000	\$0.40	February 5, 2024
All of the Resulting Issuer's other employees and past employees, as a group (21 in total)	Warrants – 765,814	\$0.50	June 19, 2020
	Options – 3,380,000	\$0.40	February 5, 2024
All of the other employees and past employees of the Resulting Issuer's subsidiaries, as a group (1 in total).....	Options - 100,000	\$0.40	February 5, 2024
All of the Resulting Issuer's directors and past directors who are not also executive officers, as a group (5 in total)	Warrants – 616,666	\$0.60	January 5, 2019 to July 24, 2020
	Options – 204,166	\$0.60 to \$9.00	December 19, 2018 to August 15, 2021
All directors and past directors of the Resulting Issuer's subsidiaries who are not also executive directors of the subsidiary, as a group (0 in total)	-	-	-
All of the Resulting Issuer's consultants, as a group (12 in total).....	Warrants – 150,000	\$0.50	June 19, 2020
	Options – 88,056	\$0.60 to \$9.00	December 19, 2018 to August 15, 2021
Total	Warrants – 1,768,131		
	Options – 13,415,972		

10. Description of the Securities

The authorized share capital of the Resulting Issuer will be comprised of an unlimited number of Resulting Issuer Shares and an unlimited number of preferred shares in the capital of the Resulting Issuer (the "**Resulting Issuer Preferred Shares**"). After giving effect to the Amalgamation, there will be 314,574,566 Resulting Issuer Shares issued and outstanding, no Resulting Issuer Preferred Shares issued and outstanding, 98,908,574 Resulting Issuer Warrants convertible into an equivalent number of Resulting Issuer Shares, 13,415,972 Resulting Issuer Stock Options convertible into an equivalent number of Resulting Issuer Shares, 11,666 Replacement Paget Finder's Options and the

associated underlying warrants convertible into 23,332 Resulting Issuer Shares, 11,428,571 Resulting Issuer Shares issuable upon conversion of the Ascent Convertible Debenture and 2,885,130 Broker Warrants and the associated underlying warrants convertible into 5,770,260 Resulting Issuer Shares.

Resulting Issuer Shares

Holders of Resulting Issuer Shares will be entitled to dividends if, as and when declared by the Resulting Issuer Board. Holders of Resulting Issuer Shares will be entitled to one vote per Resulting Issuer Share on all matters to be voted on at meetings of shareholders except on matters or meetings where only holders of a specified class of shares are entitled to vote. Upon liquidation, dissolution or winding-up of the Resulting Issuer, holders of Resulting Issuer Shares are to share rateably in the remaining assets of the Resulting Issuer as are distributable to holders of Resulting Issuer Shares. Resulting Issuer Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Resulting Issuer Preferred Shares

The Resulting Issuer may issue Resulting Issuer Preferred Shares from time to time in one or more series. The Resulting Issuer Board is authorized to fix the number of Resulting Issuer Preferred Shares of each series, and to determine for each series, the designation, rights, privileges, restrictions and conditions, including dividend rates, redemption prices, conversion rights and other matters. Among other things, each series of Resulting Issuer Preferred Shares, upon determination by the Resulting Issuer Board, may or may not carry voting rights and may or may not be convertible into another class or series of shares of the Resulting Issuer Preferred Shares.

So long as any Resulting Issuer Preferred Shares are outstanding, the holders of the Resulting Issuer Preferred Shares of each series shall rank both with regard to dividends and return of capital in priority to the holders of the Resulting Issuer Shares and in priority to any other shares ranking junior to the Resulting Issuer Preferred Shares, and the holders of the Resulting Issuer Preferred Shares of each series may also be given such other preference over the holders of the Resulting Issuer Shares and any other shares ranking junior to the holders of the Resulting Issuer Preferred Shares as may be determined as to the respective series authorized to be issued. The Resulting Issuer Preferred Shares of each series shall rank on a parity with the Resulting Issuer Preferred Shares of every other series with respect to priority in payment of dividends and return of capital in the event of any distribution of assets of the Resulting Issuer among its shareholders arising on the liquidation, dissolution or winding up of the Resulting Issuer.

Resulting Issuer Warrants

Each Resulting Issuer Warrant will entitle the holder to acquire one (1) Resulting Issuer Share on due exercise of the Resulting Issuer Warrant in accordance with its terms. The Resulting Issuer Warrants will bear the same terms of the Ascent Warrants and Paget Aggregate Warrants they replace.

Resulting Issuer Stock Options

Each Resulting Issuer Stock Option will entitle the holder to acquire one (1) Resulting Issuer Share on due exercise of the Resulting Issuer Stock Option in accordance with its terms. The Resulting Issuer Stock Options will be issued pursuant to the Resulting Issuer Stock Option Plan (being the Ascent Stock Option Plan, adopted by the Resulting Issuer). Any Resulting Issuer Stock Options replacing existing Ascent Stock Options or Paget Stock Options will bear the same terms of such stock options being replaced.

Replacement Paget Finder's Options

Each Replacement Paget Finder's Option will entitle the holder to acquire one (1) Resulting Issuer Share and one Replacement Paget Warrant upon due exercise of the Replacement Paget Finder's Option in accordance with its terms. The Replacement Paget Finder's Options will bear the same terms of the Paget Finder's Options prior to the Amalgamation.

Ascent Convertible Debenture

Upon completion of the Amalgamation, the Ascent Convertible Debenture will entitle the holder thereof to convert the Ascent Convertible Debenture in whole or in part into Resulting Issuer Shares at a price of \$0.35 per Resulting Issuer Share at its option any time prior to November 23, 2019, except that the Resulting Issuer may force the conversion of the Ascent Convertible Debenture in certain circumstances.

Broker Warrants

Upon completion of the Amalgamation, each Broker Warrant will entitle the holder to acquire one Resulting Issuer Unit at an exercise price equal to the Subscription Price at any time on or prior to June 21, 2020. Each such unit consists of one (1) Resulting Issuer Share and one (1) warrant to purchase a Resulting Issuer Share at a price of \$0.60 at any time on or prior to June 21, 2020.

11. Escrowed Securities

It is anticipated that, pursuant to *National Policy 46-201 Escrow for Initial Public Offerings* ("**NP 46-201**") and the policies of the Exchange, securities of the Resulting Issuer held by a "principal" of the Resulting Issuer will be held in escrow following the listing on the Exchange. A principal is:

- (a) a person who acted as a promoter of the Resulting Issuer within the two years before the date of this Information Circular;
- (b) a director or senior officer of the Resulting Issuer or any of its material operating subsidiaries at the date of this Information Circular;
- (c) a person holding more than 20% of the securities of the emerging issuer before and immediately after the listing of the Resulting Issuer Shares on the Exchange; or
- (d) a person (i) carrying more than 10% of the securities before and immediately after the listing of the Resulting Issuer Shares on the Exchange and (ii) who also has the right to appoint one or more directors or senior officers of the emerging issuer.

Three (3) persons (the "**Principals**") fall within the definition of "principal" and each of them will be entering into an escrow agreement with us and National Issuer Services Inc. (the "**Transfer Agent**") substantially in the form of Form 46-201F1 – Escrow Agreement (the "**Escrow Agreement**"). Pursuant to the terms of the Escrow Agreement, each of the Principals will agree that, until 36 months from the date on which the Resulting Issuer Shares are listed for trading on the Exchange, they will not transfer or otherwise dispose of their Resulting Issuer Shares unless in accordance with the terms of the Escrow Agreement, except that the following automatic timed releases will apply to such Resulting Issuer Shares:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
The date on which Ascent's securities are listed on the Exchange (the " Listing Date ")	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	the remaining escrowed securities

To the knowledge of Paget and Ascent, as at the date of this Listing Statement, the following table sets out information on the number of securities of the

Resulting Issuer that will be deposited into escrow with the Escrow Agent and subject to the terms of the Escrow Agreement among us and the Transfer Agent:

Designation of Class	Number of securities held in escrow	Percentage of Class
Resulting Issuer Shares	56,955,253	18.1%
Resulting Issuer Stock Options	4,800,000	35.7%
Ascent Series D Warrants	235,651	0.8%

12. Principal Shareholders

To the knowledge of Ascent and Paget, there are no securityholders who, as of the date of the Information Circular, will beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of the voting securities of the Resulting Issuer upon completion of the Amalgamation.

13 Directors and Officers

The following table sets forth certain information regarding each of the proposed individuals who will be directors and officers of the Resulting Issuer at Closing. The names of the directors and officers of the Resulting Issuer, their municipalities of residence, their positions with the Resulting Issuer, the periods served as a director of Ascent or Paget, as applicable, the number and percentage of voting securities of the Resulting Issuer that will be beneficially owned by them upon completion of the Amalgamation, directly or indirectly (on a non-diluted basis), or over which control or direction is proposed to be exercised, and their principal occupations during the past five (5) years are as follows:

Name and Place of Residence	Proposed Position with the Resulting Issuer	Principal Occupation for Past Five Years	Prior Position with Ascent or Paget	Number of Resulting Issuer Shares Beneficially Owned, Controlled, or Directed, Directly or Indirectly ⁽¹⁾
–	–	–	–	–
JAMES POELZER New Westminster, British Columbia	President, Secretary, Chief Business Development Officer and Director	Officer and Director of Ascent since October 2013; Prior to October 2013, employed at City of New Westminster	October 10, 2013 (Director of Ascent); October 11, 2013 (President and Secretary of Ascent); February 5, 2017 (Chief Business Development Officer of Ascent)	2,946,512 Resulting Issuer Shares and 1,400,000 Resulting Issuer Stock Options to be owned directly

PHILIP CAMPBELL ⁽³⁾ Maple Ridge, British Columbia	Chief Executive Officer and Director	Co-Founder; Director of Ascent since September 2015; Director and Officer of RMP Web Design & Consulting from October 2008 to October 2013	September 29, 2015 (Director of Ascent); August 5, 2017 (Chief Executive Officer of Ascent)	27,052,235 Resulting Issuer Shares, 48,151 Ascent Series D Warrants and 1,800,000 Resulting Issuer Stock Options to be owned directly and indirectly through Green Lane Holdings Ltd. and EPC Holdings Inc.
REID ASHLEY PARR ⁽²⁾ New Westminster, British Columbia	Chief Operating Officer and Director	Co-Founder; Director of Ascent since September 2015; Director and Officer of RMP Web Design & Consulting from October 2008 to October 2013	September 29, 2015 (Director of Ascent); September 29, 2015 to February 5, 2018 (Chief Financial Officer of Ascent); February 5, 2018 (Chief Operating Officer of Ascent)	26,956,506 Resulting Issuer Shares, 187,500 Ascent Series D Warrants and 1,600,000 Resulting Issuer Stock Options to be owned directly and indirectly through Bull Moose Holdings Ltd.
BLAIR JORDAN Vancouver, British Columbia	Chief Financial Officer	Officer of Ascent since January 2018 (CFO from, August 2018; VP Corporate Development from January 2018 to August 2018); Managing Director, Investment Banking at Echelon Wealth Partners Inc. from February 2012 to December 2017.	August 3, 2018 (Chief Financial Officer of Ascent); January 1, 2018 to August 3, 2018 (VP Corporate Development of Ascent)	17,000 Resulting Issuer Shares and 2,043,750 Resulting Issuer Stock Options to be owned directly
CHRIS LEE Vancouver, British Columbia	Chief Marketing Officer	Officer of Ascent since January 2017; President and Partner of Beyond Marketing Group from November 2010 to November 2016	January 1, 2017 (Chief Marketing Officer of Ascent)	168,750 Resulting Issuer Shares and 1,200,000 Resulting Issuer Stock Options owned directly
DAN WILLIAMS Portland, Oregon	Vice President, US Operations	VP Business Development and US General Counsel of Ascent since January 2016; Attorney at Brindle McCormack, P.C. from 2010 to 2016	January 1, 2016 (VP Business Development and US General Counsel of Ascent)	1,989,779 Resulting Issuer Shares and 400,000 Resulting Issuer Stock Options to be owned directly
DR. PERRY KENDALL ⁽³⁾ Vancouver, British Columbia	Director	Provincial Health Officer of BC from 1999 to 2018	-	62,500 Resulting Issuer Stock Options to be owned directly

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AMY MARGOLIS ⁽²⁾ Portland, Oregon	Director	Attorney since 2001; Principal at Margolis Legal	-	62,500 Resulting Issuer Stock Options to be owned directly
MARK T. BROWN ^{(2), (3)} Vancouver, British Columbia	Director	President, Pacific Opportunity since 2001	November 13, 2015 (CEO and Director of Paget)	550,333 Resulting Issuer Shares, 458,333 Replacement Paget PP Warrants and 79,167 Resulting Issuer Stock Options to be owned directly and indirectly through Pacific Opportunity

Notes:

(1) All options vest equally over a four year period, with the first 25% of options vesting on February 5, 2019.

(2) Member of Audit Committee.

(3) Member of Compensation & Governance Committee.

The term of office of the Resulting Issuer directors will expire on the date of the first annual meeting of the Resulting Issuer Shareholders or until their successors are duly elected, unless their office is earlier vacated in accordance with the BCBCA.

Management

The following is a summary biography of each member of management of the Resulting Issuer:

Philip Campbell, Chief Executive Officer and Director

Philip is the co-founder of Ascent and has been the Chief Executive Officer of Ascent since August 5, 2017 and a Director of the Ascent since September 29, 2015.

Philip has an extensive level of industry knowledge in the medical and recreational cannabis space both in Canada and the United States having been involved in the cannabis industry for a number of years. Philip has touched all aspects of Ascent's organization providing him with essential hands-on experience in, among other areas, the production and engineering side of the cannabis industry, as well as research and product development. Having previously co-founded a successful entrepreneurial company in the tech space, Philip also brings a wealth of other expertise to Ascent, including a strong background in business and marketing. Philip holds a Bachelor of Business Administration with a major in Marketing from Simon Fraser University.

Reid Parr, Chief Operating Officer and Director

With more than 10 years of industry experience in legal medical cannabis programs, Reid has been instrumental in identifying and cultivating strategic partnerships and investment opportunities for Ascent. Reid has extensive experience in corporate finance, accounting and bookkeeping. Having co-founded RPM Web Development Ltd. in 2007, Reid's entrepreneurial adeptness allowed RPM to emerge as a leader in online marketing and e-commerce platforms. Acting as an integral consultant to Canada's leading cannabis association, The Cannabis Trade Alliance of Canada (CTAC), Reid has provided valuable advocacy to all levels of government on strategies for a legal cannabis framework in Canada.

James Poelzer, President, Secretary, Chief Business Development Officer and Director

Spearheading on the ground business development for Ascent, James has been essential in targeting and executing cannabis license applications in multiple jurisdictions. Having successfully secured licenses in both Canada and Oregon, James always stays ahead of the curve, pursuing the next opportunity for Ascent, while also acting as the point man for any industry related public relations for Ascent. James has a Bachelor of Business Administration, Joint Major with Psychology, from Simon Fraser University.

Blair Jordan, Chief Financial Officer

Blair brings a wealth of knowledge and experience to the Ascent team as an investment banker with broad cross-capital structure knowledge, and many years of international experience. He specializes in helping companies define their corporate strategy then develop and execute transactions to achieve their goals. Blair holds a diverse set of expertise in the technology and life sciences arenas, but especially in finance. With his combined MBA/LLB, Blair is an expert at working with complex structures, financial analysis, and deal documentation. He was most recently Managing Director of Investment Banking at Echelon Wealth Partners Inc, previously with Credit Suisse in London, New York, Tokyo, and Securities Lawyer with Bennett Jones LLP in Calgary.

Chris Lee, Chief Marketing Officer

With a passion for delivering strategic and creative solutions for brands, Chris has over 20 years of marketing agency experience strategizing and developing brand campaigns for international companies including Google, Pepsi, Best Buy, Adidas, Toyota, Scion and XM Satellite Radio. Chris earned a Bachelor of Arts (B.A.) with a major in Communications and a minor in Psychology from Simon Fraser University and a diploma in Internet Marketing from the UBC Sauder School of Business.

Dan Williams, Vice President, US Operations

Dan has been a long-standing member of Oregon's cannabis community as an attorney and advocate since 2010 when he began his law practice in Portland. Steering the launch of Ascent's first US venture, Sweet Cannabis Oregon, Dan brings with him an exceptionally broad set of legal skills reaching nearly every part of the US State and Federal legal systems. Dan received his JD from Lewis & Clark Law School in Portland where he graduated with a Certificate in Business Law.

Directors

The following is a summary biography of each director of the Resulting Issuer, other than Philip Campbell, Reid Parr and James Poelzer whose biographies are set out above:

Dr. Perry Kendall, OBC, MBBS, FRCP, MHSc

Dr. Perry Kendall is one of Canada's leading public health professionals. He has devoted his long career to promoting innovated policies and actions to protect public health, prevent disease transmission, promote population wellness, and reduce the harms of difficult health issues like drug and alcohol addiction, including providing advice on evidence-based policy options.

As B.C.'s Provincial Health Officer from 1999 to 2018, he was the senior public health official in the province, responsible for advising the government on health issues in BC and monitoring the health of the people. He courageously and effectively advanced progress on a number of complex health issues, such as HIV and AIDs transmission, Indigenous Health disparities, the opioid crisis, emergency contraception policy, influenza prevention and pandemic planning. He has led the charge to contain the opioid overdose emergency.

Prior to his post as Provincial Health Officer, Perry was the Medical Health Officer for both the City of Toronto and of Victoria and the former CEO of the Addiction Research Foundation of Ontario. He has received multiple awards for his work, including the Queen's Diamond Jubilee Award and the Order of BC.

During his tenure his office produced more than 45 public health reports and publications, Perry is known for his clear and concise communication style and his evidence-based policies and approaches to some of society's most difficult and challenging health issues. He recently was on the Federal Cannabis Task Force.

Amy T. Margolis, JD

Ms. Margolis has been an attorney for more than 17 years and is the founder of the Oregon Cannabis Association, one of the largest state cannabis trade groups

in the United States. Additionally, she formed one of the very first cannabis PACs. She frequently advises both businesses and investors on deploying capital, multi-jurisdictional growth, public offerings and every other stage of business and corporate development. Ms. Margolis also started The Initiative, a business accelerator established to help female founded businesses succeed, and find funding, in the cannabis space.

Having touched the industry for more than two decades, Ms. Margolis has spoken across the country and internationally on cannabis policy, infrastructure creation, implementation of medical and adult use legalization models and investment strategies. She has spoken at dozens of conferences including Israel's CannaTech, Mj Business Daily Conferences, the Democratic Governor's Conference, NCIA Seed to Sale Conference, the bipartisan Women in Government Conference and many others. She has also produced dozens of cannabis events- from educational events to the nationally recognized "Summer Fair".

Frequently called by the press as an expert on the emerging cannabis space, Ms. Margolis has been quoted by the Washington Post, LA Times, Fox News, Elle, Wall Street Journal and The Daily Beast among others.

Ms. Margolis was recently named by Cannabis Business Executive as one of the 2017's 100 most powerful political people in cannabis as well as one of the 50 most important women in cannabis in 2016 and 2017. She has been named by the Business Journal one of the 40 under 40 to watch in Oregon politics, one of the 12 Pioneering Women of Cannabis by Stoner Magazine and one of the 10 Most Influential Women by Herb Magazine. She has also been named as a Super Lawyer since 2011. She recently won the prestigious 2017 Portland Business Journal "Women of Influence" award given to only a small group of Oregon women every year.

In addition to her speaking engagements, Ms. Margolis has been called to help numerous states with implementing legalization, has testified at the Canadian Senate, has been crucially involved in the state of Oregon sitting on almost every single advisory committee for both the medical and adult use programs, as well as consulting with those helping to shape international cannabis legalization. She is active both in state government and has led and organized four federal lobbying trips.

Mark T. Brown, B.Comm, CPA, CA

Mark T. Brown is the President of Pacific Opportunity, in Vancouver B.C. His corporate expertise is in merger and acquisition transactions, financing, strategic corporate planning, and corporate development. Mr. Brown has assisted in the successful establishment of several private and public companies. In the public company sector, Mr. Brown has played key roles in the success of several

companies which his team at Pacific Opportunity has listed on the TSXV, the TSX and the NYSE Mkt Exchanges. One of the companies founded and operated by the team at POC was built into a plus \$500 million market capitalization entity.

Prior to joining Pacific Opportunity, Mr. Brown managed the financial departments of two TSE 300 companies, Miramar Mining Corp. and Eldorado Gold Ltd. Mr. Brown has a Bachelor of Commerce from the University of British Columbia and qualified as a Chartered Accountant in 1993, while working with PricewaterhouseCoopers in Vancouver.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, insiders and Promoters of the Resulting Issuer may be subject in connection with the operations of the Resulting Issuer. Some of the individuals who will be appointed as directors or officers of the Resulting Issuer are also directors and/or officers of other reporting and non-reporting issuers. As of the date of this Listing Statement, and to the knowledge of the directors and officers of Paget and Ascent, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals who will continue as directors or officers following the completion of the Amalgamation. Additional situations may arise where the directors and/or officers of the Resulting Issuer may be in competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

Corporate Governance

Corporate governance relates to the activities of the Resulting Issuer Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Resulting Issuer Board and who are charged with the day-to-day management of Resulting Issuer. The Resulting Issuer Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The following is an overview of the Resulting Issuer's approach to corporate governance matters.

Independence of the Board of Directors

The Resulting Issuer Board is proposed to be composed of six directors, two (2) of whom are considered to be independent of the Resulting Issuer. An "independent" director is a director who has no direct or indirect "material relationship" with the Resulting Issuer. A material relationship is a relationship which could, in the view of the Resulting Issuer Board, reasonably interfere with

the exercise of a director's independent judgment. On this basis, Dr. Perry Kendall and Amy Margolis are considered to be independent directors. Additionally, Mark T. Brown will not be an executive officer, employee or control person of the Resulting Issuer.

Dr. Kendall is currently not a director or officer of any publicly listed companies. Amy Margolis is currently not a director or officer of any publicly listed companies.

Mark T. Brown is a director of the following companies listed on the TSXV: Avrupa Minerals Ltd., Alianza Minerals Ltd., Almadex Minerals Ltd., Azucar Minerals Ltd., Big Sky Petroleum Corporation, Mountain Boy Minerals Ltd., Strategem Capital Ltd., Sutter Gold Mining Inc. In addition, he is a director of Almaden Minerals Ltd. which is listed on the TSX.

Orientation and Continuing Education

New directors will participate in an orientation program regarding the role of the Resulting Issuer Board, its committees and its directors, and the nature and operations of the Resulting Issuer's business. Members of the Resulting Issuer Board will be encouraged to communicate with management of the Resulting Issuer, external legal counsel and auditors, and other external consultants to educate themselves about the Resulting Issuer's business, the industry, and applicable legal and regulatory developments. Members of the Resulting Issuer Board are encouraged to take continuing education programs at the Resulting Issuer's expense in order to keep themselves informed about current trends in corporate governance and to assist them in fulfilling their duty of stewardship of the Resulting Issuer.

Ethical Business Conduct

The directors of the Resulting Issuer will be required to act in accordance with the principles of a Code of Business Conduct and Ethics that the Resulting Issuer plans to institute. This code of ethics will require directors to act honestly, in good faith, in the best interests of the Resulting Issuer and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest, promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Resulting Issuer files with, or submits to, regulatory authorities and in other public communications made by it, and promote compliance with applicable governmental laws, rules and regulations. All directors, officers and employees of the Resulting Issuer will be required to be familiar with the code, comply with its provisions and report any suspected violations.

Nomination of Directors

The Board of the Resulting Issuer will be responsible for the identification and assessment of potential directors. In identifying and considering new candidates for Board nominations, the Board will consider among other factors, the impact of the number of directors upon the effectiveness of the Board and the appropriate number of directors to facilitate more effective decision making. The competencies that the Board should possess, and the skills, experience and reputation of each current director will be taken into consideration.

The Board will review the experience and performance of each nominee presented by a Board member for election to the Board. Members of the Board will be canvassed with respect to the qualifications of a prospective candidate and each candidate will be evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Board will also assess any potential conflicts, independence or time commitment concerns that the candidate may present.

The Board will continuously be evaluated to assess directors' performance and to make any required improvements.

Compensation

The Board of the Resulting Issuer is expected to have a Compensation and Governance Committee whose purpose will be to assist the Board in its oversight of executive compensation, management development and succession, director compensation and executive compensation disclosure. The principal responsibilities and duties of the Compensation and Governance Committee is expected to include: (i) reviewing at least annually the executive compensation plans; evaluating at least once a year the Chief Executive Officer's performance in light of the goals and objectives established by the Board and, based on such evaluation, determining the Chief Executive officer's annual compensation input from other independent members of the Board as required; (ii) reviewing on an annual basis the evaluation process and compensation structure for the executive officers and, in consultation with the Chief Executive Officer, reviewing the performance of the other executive officers in order to make recommendations to the Board with respect to the compensation for such officers; (iii) assessing the competitiveness and appropriateness of policies relating to the compensation of executive officers on an annual basis; and (iv) reviewing and, if appropriate, recommending to the Board the approval of any adoption, amendment and termination of the Resulting Issuer's incentive and equity-based incentive compensation plans (and the aggregate number of shares to be reserved for issuance thereunder), and overseeing their administration and discharging any duties imposed on the Compensation Committee by any of those plans. When required, the Compensation Committee will work with the Board to canvas for new candidates for executive positions.

Committees of the Resulting Issuer Board

The Resulting Issuer will establish two committees: the Audit Committee and the Compensation & Governance Committee (the "C&G Committee").

Audit Committee

The Audit Committee will initially consist of Mark T. Brown, Reid Parr and Amy Margolis, all of whom are considered "financially literate" within the meaning of NI 52-110. The majority of the members of the Audit Committee will not be executive officers, employees or control persons of the Resulting Issuer, as neither Mark T. Brown nor Amy Margolis will be executive officers, employees or control persons of the Resulting Issuer. Each of the proposed Audit Committee members has an understanding of the accounting principles generally used to prepare the Resulting Issuer's financial statements, experience analyzing or evaluating comparable financial statements and experience as to the general application of relevant accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

The Resulting Issuer Board will adopt a written charter for the Audit Committee which sets out the Audit Committee's responsibility in reviewing the financial statements of the Resulting Issuer and public disclosure documents containing financial information and reporting on such review to the Board, ensuring that adequate procedures are in place for the review of the Resulting Issuer's public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditors and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management. The Audit Committee will also be responsible for recommending the adoption of an enterprise risk management program and an environmental management program for the Resulting Issuer and for supervising the Resulting Issuer's compliance with and implementation of the risk and environmental programs.

Compensation & Governance Committee

The C&G Committee will initially consist of Philip Campbell, Mark T. Brown and Dr. Perry Kendall. Dr. Perry Kendall is considered "independent" within the meaning of NI 58-101. Additionally, Mark T. Brown will not be an executive officer, employee or control person of the Resulting Issuer. The C&G Committee will be charged with reviewing, overseeing and evaluating the governance and nominating policies and the compensation policies of the Resulting Issuer. In addition, the C&G Committee will be responsible for: (i) assessing the effectiveness of the Board, each of its committees and individual directors; (ii) overseeing the recruitment and selection of candidates as directors of the Resulting Issuer; (iii) organizing an orientation and education program for new directors and coordinating continuing director development programs; (iv) considering and approving proposals by the directors to engage outside advisers

on behalf of the Board as a whole or on behalf of the independent directors; (v) reviewing and making recommendations to the Board concerning any change in the number of directors composing the Board; (vi) administering any stock option or purchase plan of the Resulting Issuer or any other compensation incentive programs; (vii) assessing the performance of the officers and other members of the executive management team of the Resulting Issuer; (viii) reviewing and approving the compensation paid by the Resulting Issuer, if any, to consultants of the Resulting Issuer; and (ix) reviewing and making recommendations to the Board concerning the level and nature of the compensation payable, if any, to the directors and officers of the Resulting Issuer.

Assessments

The Resulting Issuer Board will meet annually to review its own performance. Evaluations will be based on specific criteria, including whether strategic and operational objectives are being met. Until the Resulting Issuer Board establishes formal assessments of the effectiveness and contribution of individual directors, the Audit Committee or the C&G Committee, assessments may be undertaken on an informal basis. The directors may, in the future, adopt a process of formal written assessments as to their individual effectiveness.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Ascent and Paget, no proposed director or executive officer of the Resulting Issuer is, at the date of this Listing Statement, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an Order, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of the relevant company; or
- (b) was subject to an Order, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of Ascent and Paget, no proposed director or executive officer of the Resulting Issuer, or shareholder holding a sufficient number of securities to affect materially the control of the Resulting Issuer is, as of the date of this Information Circular, or has been, within 10 years before the date hereof, a director or executive officer of any company that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or

compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of Ascent and Paget, no proposed director or executive officer of the Resulting Issuer, or shareholder holding a sufficient number of securities to affect materially the control of the Resulting Issuer has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of Ascent and Paget, no proposed director or executive officer of the Resulting Issuer, or shareholder holding a sufficient number of securities to affect materially the control of Ascent has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

14. Capitalization

Please see attached Appendix C for information concerning Ascent. Given the difficulty in obtaining beneficial ownership of Paget common shares, and given that Paget shareholders will hold approximately 2.7% of the Resulting Issuer, information concerning Paget capitalization is not included herein.

15. Executive Compensation

Introduction

The following discussion describes the significant elements of the Resulting Issuer's proposed executive compensation program, with particular emphasis on the process for determining compensation payable to each director of the Resulting Issuer and each executive officer of the Resulting Issuer who meets the definition of a "named executive officer" as set out in Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (collectively, the "**Named Executive Officers**" or "**NEOs**").

The Resulting Issuer's compensation practices will be designed to retain, motivate and reward its executive officers for their performance and contribution to the Resulting Issuer's long-term success. The Resulting Issuer Board will seek to compensate the Resulting Issuer's executive officers by combining short and long-term cash and equity incentives. It will also seek to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with shareholder value creation. The Resulting Issuer Board will seek to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals. The Resulting Issuer Board will also seek to set company performance goals that reach across all business areas and include achievements in finance/business development and corporate development.

The proposed NEOs for the Resulting Issuer are Philip Campbell, Blair Jordan and Reid Parr.

Summary Compensation Table

The following table summarizes the compensation the Resulting Issuer expects to pay its NEOs and directors following the completion of the Amalgamation:

Table of Compensation Excluding Compensation Securities						
Name and Position	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of all perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Philip Campbell, CEO and Director	\$150,000/yr	-	\$1,500/ \$1,000	-	-	\$162,000
Reid Parr, COO and Director	\$150,000/yr	-	\$1,500/ \$1,000	-	-	\$162,000
James Poelzer, CBDO and Director	\$150,000/yr	-	\$1,500/ \$1,000	-	-	\$162,000
Blair Jordan, CFO	\$150,000/yr	-	-	-	-	\$150,000
Amy Margolis, Director	\$18,000/yr	-	\$1,500/ \$1,000	-	-	\$30,000
Dr. Perry Kendall, Director	\$18,000/yr	-	\$1,500/ \$1,000	-	-	\$30,000
Mark T. Brown, Director	\$18,000/yr	-	\$1,500/ \$1,000	-	-	\$30,000

The Resulting Issuer proposes to review compensation of directors and officers to ensure compensation is in line with industry standards.

Stock Options and Other Compensation Securities

The following table summarizes the stock options and other compensation securities the Resulting Issuer expects to be held by its NEOs and directors immediately following the completion of the Amalgamation:

Name and Position	Type of compensation security	Compensation Securities			
		Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Philip Campbell, CEO and Director ⁽¹⁾	Options	1,800,000	August 9, 2018	\$0.40	February 5, 2022
Reid Parr, COO and Director ⁽¹⁾	Options	1,600,000	August 9, 2018	\$0.40	February 5, 2022
James Poelzer, CBDO and Director ⁽¹⁾	Options	1,400,000	August 9, 2018	\$0.40	February 5, 2022
Blair Jordan, CFO ⁽¹⁾	Options	2,000,000	August 9, 2018	\$0.40	August 3, 2022
Amy Margolis, Director	Options	62,500	August 9, 2018	\$0.40	August 9, 2022
Dr. Perry Kendall, Director	Options	62,500	August 9, 2018	\$0.40	August 9, 2022
Mark T. Brown, Director	Options	16,667 62,500	August 9, 2018	\$0.60 \$0.40	August 15, 2021 August 9, 2022

Notes:

(1) Options vest equally over four years on each anniversary date of issuance.

The Resulting Issuer proposes to review compensation of directors and officers to ensure compensation is in line with industry standards.

Stock Options Plans and Other Incentive Plans

The Resulting Issuer will adopt the Ascent Stock Option Plan as the Resulting Issuer Stock Option Plan. For a description of the terms of the Ascent Stock Option Plan, see "Information Concerning Ascent – Executive Compensation – Stock Option Plan" in the Information Circular. A copy of the Ascent Stock Option Plan is included as Appendix K to the Information Circular.

Employment Agreements, Termination and Change of Control Benefits

Each of the executive officers have entered into an employment agreement with Ascent pursuant to which they have agreed to provide services in consideration for an agreed salary and incentive stock options. The agreements will continue until terminated by either party, and can be terminated immediately for cause by the Resulting Issuer (including in the event of fraud or material misconduct by the executive officer), as well as upon a specified notice period without cause. The agreements contain non-competition provisions pursuant to which, in the event of the resignation or retirement of the executive direction or the termination of the agreement, the executive officer agrees not to compete, directly or indirectly, with the business of the Resulting Issuer for a specified time period ranging from eighteen (18) months to two (2) years from the date of resignation, retirement or

termination. In addition, the agreements contain customary non-solicitation and non-disparagement provisions.

The Resulting Issuer intends on reviewing and updating all executive employment agreements to harmonize them with industry standards (including with respect to change of control provisions).

Oversight and Description of Director and Named Executive Officer Compensation

The C&G Committee will assist the Resulting Issuer Board in discharging the Board's oversight responsibilities relating to the compensation and retention of executive officers. The Compensation Committee's responsibilities will include, but not be limited to (a) setting policies for executive officers' remuneration, reviewing and approving and then recommending to the Resulting Issuer Board salary, bonus, and other benefits, direct or indirect, (b) considering the recommendations of the Chief Executive Officer and setting the terms and conditions of employment including, approving the salary, bonus, and other benefits, direct or indirect, of the executive and (c) overseeing the administration of the Resulting Issuer's compensation plans, including the Resulting Issuer Stock Option Plan.

The C&G Committee will make recommendations to the Board regarding (a) executive officers' base salary, annual bonus awards and share option grants; (b) annual and long-term quantitative goals and the annual qualitative goals for the executive officers; and (c) participation in the Resulting Issuer Share Option Plan and amendments to the Resulting Issuer Share Option Plan, as necessary.

Under the executive compensation program: (a) compensation levels and opportunities must be market competitive to attract and retain qualified and experienced executives, while being fair and reasonable to shareholder; (b) compensation must incorporate an appropriate balance of short and long-term rewards; and (c) compensation programs must align executives' long-term financial interests with those of shareholders by providing equity-based incentives.

The Resulting Issuer will review compensation programs of companies in its peer group to ensure that executive compensation is within the parameters of companies of a similar size and in the same industry. Levels of compensation will also be established and maintained with the intent of attracting and retaining superior quality employees while ensuring that the levels are not contrary to the interests of shareholders.

The general executive compensation philosophy is to, whenever possible, pay its executive officers a base compensation in the form of salaries that are competitive in comparison to those earned by executive officers holding

comparable positions with other Canadian publicly traded entities similar to the Resulting Issuer while at the same time providing its Executive Officers with the opportunity to earn above average total compensation through the potential attainment of annual incentive bonuses and through the Resulting Issuer Stock Option Plan and other equity-based compensation structures as may be approved by shareholders.

16. Indebtedness of Directors and Executive Officers

Upon completion of the Amalgamation, no director, officer or employee of the Parties or any person proposed to be a director, officer or employee of the Resulting Issuer or person who was a director, officer or employee of the Parties in the most recently completed financial year of the Parties, respectively, or any affiliate or associate of any such individual, will be indebted to the Resulting Issuer or any of the Resulting Issuer's subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by any of the Parties, the Resulting Issuer or any of their subsidiaries.

17. Risk Factors

There are certain risk factors relating to the Resulting Issuer and its business (that is, the business of Ascent) which should be carefully considered by investors in the Resulting Issuer, which are qualified in their entirety by reference to, and must be read in conjunction with, the other information contained in the Information Circular.

Risks Related to the United States

Illegality Under U.S. Federal Law

Unlike in Canada which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the ACMPR, investors are cautioned that in the United States, cannabis is largely regulated at the state level. To Ascent's knowledge, there are to date a total of 29 states, plus the District of Columbia, Puerto Rico and Guam that have legalized cannabis in some form, including Oregon and Nevada, as noted above. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act and as such, violates federal law in the United States.

Because of the conflicting views between state legislatures and the federal government of the U.S. regarding cannabis, investments in cannabis businesses in the U.S. are subject to inconsistent legislation, regulation, and enforcement. Unless and until the United States legislature amends the Controlled Substances Act with respect to cannabis or the Drug Enforcement Agency reschedules or de-schedules cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities

may enforce current federal law, which would adversely affect the current and future investments of Ascent in the U.S. As a result of the tension between state and federal law, there are a number of risks associated with Ascent's existing and future operations in the U.S. On January 4, 2018, U.S. Attorney General Jeff Sessions formally rescinded the standing U.S. Department of Justice federal policy guidance governing enforcement of cannabis laws, as set forth in a series of memos and guidance from 2009-2014, principally the Cole Memorandum. The Cole Memorandum generally directed U.S. federal prosecutors not to enforce the federal cannabis laws against actors who are compliant with state laws, provided enumerated enforcement priorities were not implicated. While the rescission of this memo and other Obama-era prosecutorial guidance did not create a change in federal law as the Cole Memorandum was never legally binding, the revocation did remove the DOJ's guidance to U.S. federal prosecutors that state-regulated cannabis industries substantively in compliance with the Cole Memorandum's guidelines should not be a prosecutorial priority. The federal government of the United States has always reserved the right to enforce federal law regarding the sale and disbursement of medical or recreational cannabis, even if state law sanctioned such sale and disbursement. Although the rescission of the above memorandums does not necessarily indicate that cannabis industry prosecutions are now affirmatively a priority for the DOJ, there can be no assurance that the federal government will not enforce such laws in the future.

Further, there can be no assurance that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. It is also important to note that local and city ordinances may strictly limit and/or restrict the distribution of cannabis in a manner that will make it extremely difficult or impossible to transact business in the cannabis industry. If the U.S. federal government begins to enforce federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing state laws are repealed or curtailed, then Ascent's operations in such states would be materially and adversely affected. U.S. federal actions against any individual or entity engaged in the cannabis industry or a substantial repeal of cannabis related legislation could adversely affect Ascent, its business and its investments. Ascent's operation of businesses involved in the medical and recreational cannabis industry may be illegal under the applicable federal laws of the United States and other applicable law. There can be no assurances the federal government of the United States or other jurisdictions will not seek to enforce the applicable laws against Ascent. The consequences of such enforcement would be materially adverse to Ascent and Ascent's business and could result in the forfeiture or seizure of all or substantially all of Ascent's assets.

Potential Removal of Rohrabacher Blumenauer Appropriations Amendment

The United States Congress has passed appropriations bills since 2014 containing a rider provision that limits the prosecution of cannabis offenses of individuals who are in compliance with state medical cannabis laws (the "**Rohrabacher Blumenauer Appropriations Amendment**"; formerly the "Rohrabacher-Farr Amendment"). American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state law. However, because this

conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully prosecute the CSA, any individual or business—even those that have fully complied with state law—could be prosecuted for violations of federal law. Furthermore, if Congress restores funding, the government will have the authority to prosecute individuals for violations of the law before it lacked funding under the CSA's five-year statute of limitations. Both the continued reauthorization of the Rohrabacher Blumenauer Appropriations Amendment and its extension to recreational cannabis is highly uncertain, predicated on future political developments, and cannot be guaranteed.

Violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on Ascent, including its reputation and ability to conduct business, its holding (directly or indirectly) of cannabis licenses in the United States, the future listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares, if any. In addition, it is difficult for Ascent to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

Enforcement of Cannabis Laws and Regulations

As a result of the conflicting views between U.S. state legislatures and the U.S. federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. Unless and until cannabis is removed from categorization as a Schedule I controlled substance under the Controlled Substances Act, there can be no assurance that the federal government will not seek to prosecute cases involving cannabis businesses that are otherwise compliant with state law.

Such potential proceedings could involve significant restrictions being imposed upon Ascent or third parties, while diverting the attention of key executives. Such proceedings could have a material adverse effect on Ascent's business, revenues, operating results and financial condition as well as Ascent's reputation, even if such proceedings were concluded successfully in favour of Ascent. In the extreme case, such proceedings could ultimately involve the prosecution of key executives of Ascent or the seizure of corporate assets.

Banking Matters

Since the production and possession of cannabis is illegal under U.S. federal law, there is a strong argument that banks cannot accept for deposit funds from businesses involved with the cannabis industry. Consequently, businesses involved in the cannabis industry often have difficulty finding a bank willing to accept their business. The inability to open bank accounts with certain institutions may make it difficult to operate Ascent's business.

Ability to Access Private and Public Capital

Ascent has historically relied entirely on access to private capital in order to support its continuing operations, and Ascent expects to continue to rely almost exclusively on the capital markets to finance its investments in the cannabis industry. Although such investments carry a higher degree of risk, and despite the illegal nature of cannabis under U.S. federal laws, Canadian-based issuers involved in making U.S. cannabis based investments have been successful in raising substantial amounts of private and public financing. However, there is no assurance the Resulting Issuer will continue to be successful, in whole or in part, in raising funds, particularly if the U.S. federal authorities change their position toward enforcing the CSA.

Application of U.S. Anti-Money Laundering Laws

The Resulting Issuer and its subsidiaries will be subject to a variety of laws and regulations domestically and in the United States that involve money laundering, financial recordkeeping and proceeds of crime, including the Currency and Foreign Transactions Reporting Act of 1970 (commonly known as the Bank Secrecy Act), as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), as amended and the rules and regulations thereunder, the Criminal Code (Canada) and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States and Canada.

In February 2014, the Financial Crimes Enforcement Network ("FCEN") of the Treasury Department issued a memorandum providing instructions to banks seeking to provide services to cannabis-related businesses. The FCEN Memo states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. Under its guidelines, financial institutions must submit a Suspicious Activity Report ("**SAR**") in connection with all cannabis-related banking activities by any client of such financial institution, in accordance with federal money laundering laws. One notable enforcement priority within the FinCEN Memorandum is international transfers of funds derived from cannabis-related activities. On the same day as the publication of FinCEN Memorandum, the DOJ issued a memorandum (the "**2014 Cole Memo**") directing prosecutors to apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of cannabis-related conduct. The 2014 Cole Memo was rescinded as of January 4, 2018 at the same time as the Cole Memorandum, removing guidance that enforcement of applicable financial crimes was not a DOJ priority. As such, the Resulting Issuer cannot guarantee a lack of enforcement of any financial crimes. However, the revocation of the Cole Memorandum and the 2014 Cole Memo has not affected the status of the FinCEN Memorandum, nor has the Department of the Treasury given any indication that it intends to rescind the FinCEN Memorandum itself. Though it was originally intended for the 2014 Cole Memo and the FinCEN Memorandum to work in tandem, the FinCEN Memorandum appears to be a standalone document which explicitly lists the eight enforcement priorities originally cited in

the Cole Memorandum. Although the FinCEN Memorandum remains intact, indicating that the Department of the Treasury and FinCEN intend to continue abiding by its guidance, it is unclear whether the current administration will continue to follow the guidelines of the FinCEN Memorandum.

In the event that any of the Resulting Issuer's investments, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such investments in the United States are found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of the Resulting Issuer to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada. Furthermore, while the Resulting Issuer has no current intention to declare or pay dividends on its common shares in the foreseeable future, in the event that a determination was made that the revenue of Sweet Oregon or Sweet Nevada (or any other future U.S. operations) could reasonably be shown to constitute proceeds of crime, the Resulting Issuer may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time.

Heightened Scrutiny of Ascent's Operations in the United States

For the reasons set forth above, the Resulting Issuer's operations in the United States, and any future expansion of operations and investments, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Resulting Issuer may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Resulting Issuer's ability to invest in the United States or any other jurisdiction, in addition to those described herein.

Given the heightened risk profile associated with cannabis in the United States, CDS may implement procedures or protocols that would prohibit or significantly curtail the ability of CDS to settle trades for cannabis companies that have cannabis businesses or assets in the United States. It is not certain whether CDS will decide to enact such measures, nor whether it has the authority to do so unilaterally. On February 8, 2018, following discussions with the Canadian Securities Administrators and recognized Canadian securities exchanges, the TMX Group announced the signing of the MOU with Aequitas NEO Exchange Inc., the CSE, the Toronto Stock Exchange, and the TSXV. The MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures, and regulatory oversight of the exchanges and CDS as it relates to issuers with cannabis-related activities in the United States. The MOU confirms, with respect to the clearing of listed securities, that CDS relies on the exchanges to review the conduct of listed issuers. As a result, there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States. However, there can be no guarantee that this approach to regulation will continue in the future. If CDS were to decide that it will not handle trades in the Resulting Issuer's securities, it could have a material adverse effect on the ability of investors to make and settle trades and on the liquidity of the Resulting Issuer's securities generally. In particular, the Resulting Issuer Shares would become highly illiquid as until an alternative was implemented, investors

would have no ability to effect a trade of the Resulting Issuer Shares through the facilities of a stock exchange. While there can be no assurance that this would occur, and while it would be subject to regulatory approval, a third party has publicly expressed interest in providing clearing services should CDS decide not to do so.

Government policy changes or public opinion may also result in a significant influence over the regulation of the cannabis industry in Canada, the United States or elsewhere. A negative shift in the public's perception of medical cannabis in the United States or any other applicable jurisdiction could affect future legislation or regulation. Among other things, such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize medical cannabis, thereby limiting the number of new state jurisdictions into which the Resulting Issuer could expand. Any inability to fully implement the Resulting Issuer's expansion strategy may have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Risks Related to the Operations of the Resulting Issuer

Volatile Stock Price

The stock price of the Resulting Issuer is expected to be highly volatile and will be drastically affected by governmental and regulatory regimes and community support for the cannabis industry. The Resulting Issuer cannot predict the results of its operations expected to take place in the future. The results of these activities will inevitably affect the Resulting Issuer's decisions related to future operations and will likely trigger major changes in the trading price of the Resulting Issuer Shares.

Internal Controls

Effective internal controls are necessary for the Resulting Issuer to provide reliable financial reports and to help prevent fraud. Although the Resulting Issuer will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Resulting Issuer under Canadian securities law, the Resulting Issuer cannot be certain that such measures will ensure that the Resulting Issuer will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Resulting Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Resulting Issuer or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Resulting Issuer's consolidated financial statements and materially adversely affect the trading price of the shares.

Requirements to comply with public company reporting obligations, as well as those of any stock exchange, may strain the Resulting Issuer's systems and resources

As a public entity, the Resulting Issuer will be subject to the reporting requirements and related rules and regulations of the Canadian provincial

securities regulators, as well as the rules of any stock exchange on which the Resulting Issuer's securities may be listed from time to time. These requirements may place a strain on the Resulting Issuer's systems and resources. The applicable securities legislation requires that the Resulting Issuer file annual, quarterly and event-driven reports with respect to its business and financial condition and operations, and requires that the Resulting Issuer maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of the Company's disclosure controls and procedures, significant resources and management oversight are required. The Resulting Issuer can provide no assurance that the procedures and processes adopted by it will be sufficient to allow it to satisfy its obligations as a public company on a timely basis. In addition, sustaining the Resulting Issuer's growth also will require it to commit additional management, operational and financial resources to identify new professionals to join the Resulting Issuer and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management's attention from other business concerns, which could have a material adverse effect on the Resulting Issuer's business, financial condition, financial performance and cash flows.

Liquidity

The Resulting Issuer cannot predict at what prices the Resulting Issuer Shares will trade upon completion of the Amalgamation, and there can be no assurance that an active trading market in the Resulting Issuer Shares will develop or be sustained. Final approval of the Exchange has not yet been obtained. There is a significant liquidity risk associated with an investment in the Resulting Issuer Shares.

There are certain risk factors relating to Ascent which should be carefully considered by Shareholders, which are qualified in their entirety by reference to, and must be read in conjunction with, the other information contained in this Information Circular. Shareholders should also carefully consider the risk factors which exist for Paget and the Amalgamation as described in this Information Circular. See "Information Concerning Paget" and "Information Concerning the Resulting Issuer – Risk Factors".

Risks Related to Ascent's Business

Reliance on the Agrima License

Ascent's ability to grow, produce, store and sell medical cannabis in Canada is dependent on the Agrima Licence. Failure to comply with the requirements of the Agrima License, or any failure to maintain the Agrima License in good standing, will have a material adverse impact on Ascent's business, financial condition and operating results. Although Ascent believes that it will meet the requirements of the ACMPR for extension of the Agrima Licence, there can be no guarantee that Health Canada will extend or renew the Agrima Licence or, if it is extended or renewed, that it will be extended or renewed on the same or similar terms. Should Health Canada not extend or renew the Agrima Licence, or should it renew the Agrima License on different terms, Ascent's business, financial condition and operating results could be materially adversely affected.

Expansion of Facilities

There is no guarantee that Health Canada will approve the contemplated expansions in a timely fashion, nor is there any guarantee that the expansion will be completed in its currently proposed form, if at all. The failure of Ascent to successfully execute its expansion strategy (including receiving the expected Health Canada approvals in a timely fashion) could adversely affect the business, financial condition and results of operations of Ascent and may result in Ascent not meeting anticipated or future demand when it arises.

Changes in Canadian Laws, Regulations and Guidelines

On June 30, 2016, the Canadian Federal Government established the Task Force to seek input on the design of a new system to legalize, strictly regulate and restrict access to cannabis. On December 13, 2016, the Task Force completed its review and published a report outlining its recommendations. On April 13, 2017, the Canadian Federal Government released Bill C-45, which proposed the enactment of the Cannabis Act (Canada), to regulate the production, distribution and sale of cannabis for unqualified adult-use, with a target implementation date of no later than July 1, 2018. While Bill C-45 received royal assent in June 2018, implementation of various aspects of the regime, including preparing markets for retail sales, will not occur until October 17, 2018.

The governments of most of the provinces and territories of Canada have also made various announcements regarding the proposed regulatory regimes for the distribution and sale of cannabis for adult-use purposes in their jurisdictions. There is no guarantee that provincial legislation regulating the distribution and sale of cannabis for recreational purposes will be enacted according to the terms announced by such provinces, or at all, or that any such legislation, if enacted, will create the growth opportunities that Ascent currently anticipates.

The medical cannabis industry and market are relatively new in Canada, and this industry and market may not continue to exist or grow as anticipated or the Company may ultimately be unable to succeed in this new industry and market

As a Licensed Producer, Ascent (through its wholly-owned subsidiary Agrima) is operating its business in a relatively new medical cannabis industry and market. In addition to being subject to general business risks, a business involving an agricultural product and a regulated consumer product, Ascent needs to continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance, and compliance with regulations. These activities may not promote Ascent's brand and products as effectively as intended, or at all. Competitive conditions, consumer tastes, patient requirements and spending patterns in this new industry and market are relatively unknown and may have unique circumstances that differ from existing industries and markets.

In addition, the ACMPR also permits patients to produce a limited amount of cannabis for their own medical purposes or to designate a person to produce a limited amount of cannabis on their behalf and the proposed Cannabis Act provides for individuals to produce limited amounts of cannabis for their own recreational use. This could potentially significantly reduce the market for

Ascent's products, which could have a material adverse effect on Ascent's business, financial condition and results of operations.

Accordingly, there are no assurances that this industry and market will continue to exist or grow as currently estimated or anticipated, or function and evolve in a manner consistent with management's expectations and assumptions. Any event or circumstance that affects the medical cannabis industry and market could have a material adverse effect on Ascent's business, financial condition and results of operations.

Competition

There is potential that Ascent will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than Ascent. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Ascent.

There is also potential that Ascent will face intense competition from companies which have longer operating histories and more financial resources and experience than Ascent. Currently, the cannabis industry has a number of small to medium-sized entities, however, the risk remains that there will increasingly be large conglomerates and companies who also recognize the potential for financial success through investment in this industry and they could strategically purchase or assume control of larger dispensaries, production, extraction, cultivation and/or distribution facilities, ancillary businesses and technologies. In addition, there has been and will likely continue to be industry consolidation, resulting in the creation of larger companies with financial resources, manufacturing and marketing capabilities, who may have or develop product offerings that are greater than those of Ascent. As a result of this competition, Ascent may be unable to maintain its operations or develop them as currently proposed on terms it considers acceptable or at all. Increased competition by larger, better-financed competitors with geographic advantages could materially and adversely affect Ascent's business, financial condition and results of operations.

The government has only issued to date a limited number of licenses, under the ACMPR, to produce and sell medical cannabis. There are, however, several hundred applicants for licenses. The number of licenses granted could have an impact on the operations of Ascent. According to Health Canada, there were 112 Licensed Producers as of June 30, 2018. The number of licences granted and the number of Licensed Producers ultimately authorized by Health Canada could also have an impact on the operations of Ascent. Ascent expects to face additional competition from new market entrants that are granted licences under the ACMPR or existing licence holders which are not yet active in the industry. If a significant number of new licences are granted by Health Canada in the near term, Ascent may experience increased competition for market share and may experience downward price pressure on its products as new entrants increase production.

Ascent also faces competition from illegal dispensaries and the black market that are unlicensed and unregulated, and that are selling cannabis and cannabis products, including products with higher concentrations of active ingredients, and using delivery methods, including edibles, that Ascent is prohibited from offering to individuals as they are not currently permitted by the ACMPR. Any inability or unwillingness of law enforcement authorities to enforce existing laws prohibiting the unlicensed cultivation and sale of cannabis and cannabis-based products could result in the perpetuation of the black market for cannabis and/or have a material adverse effect on the perception of cannabis use. Any or all of these events could have a material adverse effect on Ascent's business, financial condition and results of operations.

If the number of users of cannabis for medical purposes in Canada increases, or if the legalization of cannabis for recreational purposes is implemented, the demand for cannabis products generally will likely increase and Ascent expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products.

To become and remain competitive, Ascent will require the ability to identify opportunities access additional capital through generating its own revenues or accessing the capital or debt markets. Ascent will also require a continued level of investment in research and development, marketing, sales and client support. Ascent may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of Ascent.

Ascent may compete for market share with other companies, including other Licensed Producers, which may have longer operating histories and more financial resources, manufacturing and marketing experience than Ascent

Ascent does and expects to continue to face intense competition from other Licensed Producers and companies, some of which can be expected to have longer operating histories and more financial resources, manufacturing and marketing experience than Ascent. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Ascent.

As well, the legal landscape for medical and recreational cannabis is changing internationally. More countries have passed laws that allow for the production and distribution of cannabis for medical purposes in some form or another. Ascent has some international strategic alliances in place, which may be affected if more countries legalize medical cannabis. Increased international competition and limitations placed on Ascent by Canadian regulations might lower the demand for Ascent's products on a global scale.

Ascent has expanded and intends to further expand its business and operations into jurisdictions outside of Canada, and there are risks associated with doing so

Ascent has expanded and may in the future further expand its operations and business into jurisdictions outside of Canada. There can be no assurance that any market for Ascent's products will develop in any such foreign jurisdiction.

Ascent may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors, including economic instability, changes in laws and regulations and the effects of competition. These factors may limit Ascent's capability to successfully expand its operations and may have a material adverse effect on Ascent's business, financial condition and results of operations.

Environmental Regulations and Risks

Ascent's operations are subject to environmental regulation in the various jurisdictions in which we operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Ascent's operations.

Government approvals and permits are currently, and may in the future be required in connection with Ascent's operations. To the extent such approvals are required but not obtained, Ascent may be curtailed or prohibited from its proposed production of cannabis or from proceeding with the development of its operations as currently proposed.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Ascent may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the production of cannabis, or more stringent implementation thereof, could have a material adverse impact on Ascent and cause increases in expenses, capital expenditures or production costs or reduction in levels of production or require abandonment or delays in development.

Risks Inherent in an Agricultural Business

Ascent's business involves the growing of cannabis, an agricultural product. Such business will be subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although Ascent expects that any such growing will be completed indoors under climate controlled conditions, there can be no assurance that natural elements will not have a material adverse effect on any such future production.

Energy Costs

Ascent's cannabis growing operations consume considerable energy, and so Ascent may be vulnerable to rising energy costs. Accordingly, rising or volatile energy costs may adversely impact the business of Ascent and its ability to operate profitably.

Reliance on Management

Another risk associated with the growing and sale of cannabis is the loss of important staff members. Ascent is currently in good standings with all high-level employees and believes that with well managed practices will remain in good standings. The success of Ascent is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on Ascent's business, operating results or financial condition.

Third Party Transportation

In order for Ascent's customers to receive their product, Ascent must rely on third-party transportation services. This can cause logistical problems with and delays in patients obtaining their orders and cannot be directly controlled by Ascent. Any delay by third party transportation services may adversely affect Ascent's financial performance.

Moreover, security of the product during transportation to and from Ascent's facilities is critical due to the nature of the product. A breach of security during transport could have material adverse effects on Ascent's business, financials and prospects. Any such breach could impact Ascent's ability to continue operating under its licenses or the prospect of renewing its licenses.

Dependence on Suppliers

The ability of Ascent to compete and grow is dependent on it having access, at a reasonable cost and in a timely manner, to equipment, parts and components. No assurances can be given that the Resulting Issuer will be successful in maintaining its required supply of equipment, parts and components. This could have an adverse effect on the financial results of Ascent.

Product Liability

As a distributor of products designed to be ingested by humans, Ascent faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the sale of Ascent's products involves the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of Ascent's products alone or in combination with other medications or substances could occur. Ascent may be subject to various product liability claims, including, among others, that Ascent's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side

effects or interactions with other substances. A product liability claim or regulatory action against Ascent could result in increased costs, could adversely affect Ascent's reputation with its clients and consumers generally, and could have a material adverse effect on Ascent's results of operations and financial condition. There can be no assurances that Ascent will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of Ascent's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of Ascent's products are recalled due to an alleged product defect or for any other reason, Ascent may be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. Ascent may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although Ascent has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of Ascent's significant brands were subject to recall, the image of that brand and Ascent could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for Ascent's products and could have a material adverse effect on the results of operations and financial condition of Ascent. Additionally, product recalls may lead to increased scrutiny of Ascent's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Results of Future Clinical Research

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although Ascent believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, Shareholders should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Information Circular or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could have a material adverse effect on the demand for Ascent's products

with the potential to lead to a material adverse effect on Ascent's business, financial condition and results of operations.

Intellectual Property

The ownership and protection of trademarks, patents, trade secrets and intellectual property rights are significant aspects of Ascent's future success. Unauthorized parties may attempt to replicate or otherwise obtain and use Ascent's products and technology. Policing the unauthorized use of Ascent's current or future trademarks, patents, trade secrets or intellectual property rights could be difficult, expensive, time-consuming and unpredictable, as may be enforcing these rights against unauthorized use by others. Identifying unauthorized use of intellectual property rights is difficult as Ascent may be unable to effectively monitor and evaluate the products being distributed by its competitors, including parties such as unlicensed dispensaries, and the processes used to produce such products. In addition, in any infringement proceeding, some or all of Ascent's trademarks, patents or other intellectual property rights or other proprietary know-how, or arrangements or agreements seeking to protect the same for the benefit of Ascent, may be found invalid, unenforceable, anti-competitive or not infringed. An adverse result in any litigation or defense proceedings could put one or more of Ascent's trademarks, patents or other intellectual property rights at risk of being invalidated or interpreted narrowly and could put existing intellectual property applications at risk of not being issued. Any or all of these events could materially and adversely affect the business, financial condition and results of operations of Ascent.

In addition, other parties may claim that Ascent's products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, result in injunctions, temporary restraining orders and/or require the payment of damages. As well, Ascent may need to obtain licenses from third parties who allege that Ascent has infringed on their lawful rights. However, such licenses may not be available on terms acceptable to Ascent or at all. In addition, Ascent may not be able to obtain or utilize on terms that are favorable to it, or at all, licenses or other rights with respect to intellectual property that it does not own.

Constraints on Marketing Products

The development of Ascent's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by Health Canada. The regulatory environment in Canada limits Ascent's ability to compete for market share in a manner similar to other industries. If Ascent is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, Ascent's sales and operating results could be adversely affected.

Privacy Laws and Security Breaches

Given the nature of Ascent's product and its lack of legal availability outside of channels approved by the Government of Canada, as well as the concentration of inventory in its facilities, despite meeting or exceeding Health Canada's security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of Ascent's facilities could expose Ascent to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing Ascent's products.

In addition, Ascent collects and stores personal information about its patients and is responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on Ascent's business, financial condition and results of operations.

Furthermore, there are a number of federal and provincial laws protecting the confidentiality of certain patient health information, including patient records, and restricting the use and disclosure of that protected information. In particular, the privacy rules under the Personal Information Protection and Electronics Documents Act (Canada) ("PIPEDA"), protect medical records and other personal health information by limiting their use and disclosure of health information to the minimum level reasonably necessary to accomplish the intended purpose. If Ascent was found to be in violation of the privacy or security rules under PIPEDA or other laws protecting the confidentiality of patient health information, it could be subject to sanctions and civil or criminal penalties, which could increase its liabilities, harm its reputation and have a material adverse effect on the business, results of operations and financial condition of Ascent.

Customer Perception

Ascent believes the medical cannabis industry is highly dependent upon consumer perception regarding the medical benefits, safety, efficacy and quality of the cannabis distributed for medical purposes to such consumers. Consumer perception of Ascent's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, political statements both in Canada and in other countries, media attention and other publicity (whether or not accurate or with merit) regarding the consumption of cannabis products for medical purposes, including unexpected safety or efficacy concerns arising with respect to the products of Ascent or its competitors. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Ascent's products and the business, results of operations and financial condition of Ascent. Ascent's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity (whether or

not accurate or with merit), could have an adverse effect on any demand for Ascent's products which could have a material adverse effect on Ascent's business, financial condition and results of operations. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis for medical purposes in general, or Ascent's products specifically, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products legally, appropriately or as directed.

Tax and Accounting Requirements

Ascent is subject to numerous tax and accounting requirements, and changes in existing accounting or taxation rules or practices, or varying interpretations of current rules or practices, could have a significant adverse effect on Ascent's financial results, the manner in which it conducts its business or the marketability of any of its products. In the future, the geographic scope of Ascent's business may expand, and such expansion will require Ascent to comply with the tax laws and regulations of multiple jurisdictions. Requirements as to taxation vary substantially among jurisdictions. Complying with the tax laws of these jurisdictions can be time consuming and expensive and could potentially subject Ascent to penalties and fees in the future if Ascent were to inadvertently fail to comply. In the event Ascent were to inadvertently fail to comply with applicable tax laws, this could have a material adverse effect on the business, results of operations and financial condition of Ascent.

On March 27, 2018, the Federal government of Canada introduced the Budget Implementation Bill, 2018, No. 1, (amendments to the Excise Act, 2001 (Canada) cannabis taxation), which proposed to implement a new framework for the taxation of cannabis, the majority of which had been previously published for consultation on November 10, 2017, with some modifications. The proposed rules would effectively place cannabis producers within the existing rules that currently apply excise duties on tobacco, wine and spirits producers under the Excise Act, 2001 (Canada), with modifications as applicable. These rules include a new tax licensing regime for cannabis producers, stamping and marking rules, ongoing reporting requirements, and applicable excise duties payable by licensed cannabis producers on both recreational cannabis products, in addition to goods and services tax/harmonized sales tax. The cannabis excise duty framework is proposed to generally come into force on the date that legal cannabis for non-medical purposes becomes accessible for retail sale under the proposed Cannabis Act. The rates of the excise duty for cannabis products delivered in each province and territory and relevant exemptions from the excise tax are still subject to some uncertainty, and will only become known with precision when the law and regulations come into force.

Expansion into Foreign Jurisdictions

Ascent's expansion into jurisdictions outside of Canada is subject to risks. In addition, in jurisdictions outside of Canada, there can be no assurance that any market for Ascent's products will develop. Ascent may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors,

including economic instability, changes in laws and regulations, and the effects of competition. These factors may limit Ascent's ability to successfully expand its operations into such jurisdictions and may have a material adverse effect on Ascent's business, financial condition and results of operations.

Reliance on International Advisors and consultants

The legal and regulatory requirements in the foreign countries in which Ascent operates or will operate with respect to the cultivation and sale of cannabis, banking system and controls, as well as local business culture and practices are different from those in Canada. Ascent must rely, to a large extent, on local legal counsel, consultants and other advisors retained by it to keep apprised of legal, regulatory and governmental developments as they affect Ascent's business, and to assist Ascent with its governmental relations. Ascent must rely, to some extent, on those members of management who have previous experience working and conducting business in these countries, if any, in order to enhance its understanding of and appreciation for the local business culture and practices. Ascent also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of the cultivation and sale of cannabis as well as in respect of banking, financing, labour, litigation and tax matters in these jurisdictions. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the control of Ascent. The impact of any such changes may adversely affect the business of Ascent.

Geographic Expansion Risks

Ascent may in the future expand into other geographic areas, which could increase its operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of Ascent's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require Ascent to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. Ascent may not be able to successfully integrate such operations successfully with its existing operations.

See "Information Concerning the Resulting Issuer – Risk Factors" (pages 119 - 123) and "Information Concerning Ascent – Risk Factors" (pages 84 - 94) of the Information Circular.

18. Promoters

Philip Campbell and Reid Parr are co-founders of Ascent and may be considered promoters of Ascent. Mr. Campbell and Mr. Parr own 26,827,239 and 26,956,506 Ascent Shares, respectively, and 1,800,000 and 1,600,000 Ascent Stock Options to acquire Ascent Shares, respectively.

19. Legal Proceedings

Neither of the Parties, nor any of its subsidiaries, are currently a party to any legal proceedings, and neither of the Parties, nor any of its subsidiaries, are currently contemplating any legal proceedings, which are material to its business. Upon completion of the Amalgamation, the Resulting Issuer is not expected to be a part to any legal proceedings or to be contemplating any legal proceedings which are material to its business, nor are any of its subsidiaries.

20. Interest of Management and Others in Material Transactions

Other than as described in the Information Circular, there are no material interests, direct or indirect, of any of the Resulting Issuer's proposed directors or executive officers, any shareholder that is expected to beneficially own, or control or direct (directly or indirectly), more than 10% of any class or series of the Resulting Issuer's outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect the Resulting Issuer or any of its subsidiaries.

21. Auditors, Transfer Agents and Registrars

The auditors of Ascent are MNP LLP. MNP LLP has advised Ascent that it is independent with respect to Ascent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The auditors of Paget are Davidson & Company LLP. Davidson & Company LLP has advised Paget that it is independent with respect to Paget within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The auditors of the Resulting Issuer will be MNP LLP upon completion of the Amalgamation.

The transfer agent and registrar for the Resulting Issuer will be National Issuer Services Inc. at its office in Vancouver, British Columbia.

22. Material Contracts

Paget has not entered into any contracts material to investors, other than in the ordinary course of business, since incorporation, other than the Amalgamation Agreement and the Agency Agreement.

The following are the only material agreements of Ascent or its subsidiaries that will be in effect on closing of the Amalgamation (other than the Amalgamation Agreement and certain contracts entered into in the ordinary course of business):

- (a) The Agency Agreement;
- (b) The Warrant Indenture;
- (c) The Subscription Receipt Agreement; and
- (d) The Subscription Receipt Escrow Agreement.

Copies of these agreements will be available for inspection (without charge) at the registered office of Ascent located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2X8, for a period ending on August 26, 2018.

23 Interest of Experts

The following are the names of each person or company who has prepared or certified a part of the Information Circular or prepared or certified a report or valuation in the Information Circular, either directly or in a document incorporated by reference, and whose profession or business gives authority to the statement made by the person or company:

- Stikeman Elliott LLP is Ascent's counsel with respect to Canadian legal matters; and
- Borden Ladner Gervais LLP is Paget's counsel with respect to Canadian legal matters.

To the Parties' knowledge, each of the aforementioned firms held less than 1% of the outstanding securities of any of the Parties or any associate or affiliate of the Parties as of the date of this Listing Statement. None of the aforementioned firms received or will receive any direct or indirect interest in any securities of Paget, Ascent or the Resulting Issuer or of any associate or affiliate thereof in connection with the preparation of such reports.

The auditors of Ascent are MNP LLP. MNP LLP has advised Ascent that it is independent with respect to Ascent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The auditors of Paget are Davidson & Company LLP. Davidson & Company LLP has advised Paget that it is independent with respect to Paget within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

Based on information provided by the relevant persons, none of the aforementioned firms, nor any directors, officers or employees of such firms, are currently expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

24. Other Material Facts

Not applicable.

25. Financial Statements

See Appendix M of the Information Circular. The financial year end of the Resulting Issuer will be December 31.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Ascent Industries Corp., hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Ascent Industries Corp.. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Maple Ridge, British Columbia

this 9th day of August, 2018.

"Philip Campbell"

Philip Campbell

Chief Executive Officer

"Blair Jordan"

Blair Jordan

Chief Financial Officer

"Philip Campbell"

Philip Campbell

Promoter

"Reid Ashley Parr"

Reid Ashley Parr

Director and Promoter

"James Poelzer"

James Poelzer

Director

APPENDIX A: Glossary of Terms

Unless the context otherwise requires or where otherwise provided, the following words and terms shall have the meanings set forth below when used in this Listing Statement:

"ACMPR" means the Access to Cannabis for Medical Purposes Regulations of the Controlled Drugs and Substances Act (Canada).

"affiliate" has the meaning attributed to such term under section 1.2 of NI 45-106.

"Agency Agreement" means the agency agreement dated June 21, 2018, between Ascent, Paget and the Agents.

"Agents" means Clarus, Canaccord Genuity Corp., Haywood Securities Inc. and Echelon Wealth Partners Inc.

"Agrima" means Agrima Botanicals Corp.

"Agrima License" means the Licensed Producer license issued to Agrima under the ACMPR.

"Agrima Mortgage" means the mortgage on the Agrima Botanicals facility in Maple Ridge, British Columbia in a principal amount of \$1.9 million.

"Agrima Scientific" means Agrima Scientific Corp.

"Amalgamation" means the amalgamation of Ascent and Paget pursuant to section 269 of the BCBCA to form the Resulting Issuer, on the terms and conditions set forth in the Amalgamation Agreement.

"Amalgamation Agreement" means the amalgamation agreement dated June 29, 2018 between Paget and Ascent with respect to the Amalgamation, set out in Appendix F to the Information Circular, including the schedules attached thereto.

"Ascent" means Ascent Industries Corp.

"Ascent Convertible Debenture" means the senior secured convertible debenture dated May 30, 2017 granted to third-party lenders in the principal amount of \$4,000,000, convertible to up to 11,428,571 Ascent Common Shares at any time on or prior to 5:00 p.m. (Vancouver time) on November 23, 2019, subject to certain acceleration provisions;

"Ascent Consideration Warrants" means the warrants issued by Ascent as consideration for certain contracts, each exercisable to purchase one (1) Ascent Common Share at a price of \$0.50 at any time on or prior to August 3, 2020.

"Ascent Meeting" means the special meeting of the Ascent Shareholders to be held on July 26, 2018 to consider, and if deemed advisable approve, the Amalgamation.

"Ascent Series B Warrants" means the warrants issued as part of Ascent's Series B private placement financing, each exercisable to purchase one (1) Ascent Common Share at a price of \$0.25 at any time on or prior to February 9, 2019.

"Ascent Series D Warrants" means the warrants issued as part of Ascent Series D private placement financing, each exercisable to purchase one (1) Ascent Common Share at a price of \$0.50 at any time on or prior to June 19, 2020.

"Ascent Shareholder" means, at any time, a holder of Ascent Shares.

"Ascent Shares" means, the common shares in the capital of Ascent.

"Ascent Stock Option Plan" means the stock option plan of Ascent with an effective date of September 12, 2017.

"Ascent Stock Options" means the incentive stock options of Ascent, each exercisable upon vesting to purchase one (1) Ascent Common Share at a price of \$0.40 at any time on or prior to February 5, 2024.

"Ascent Subscription Receipts" means the subscription receipts of Ascent issued pursuant to the Subscription Receipt Offering.

"Ascent Subscription Receipt Warrants" means the warrants each exercisable to purchase one (1) Ascent Common Share at a price of \$0.60 at any time on or prior to 5:00 p.m. (Toronto time) on June 21, 2020, issuable upon the deemed exercise of the Ascent Subscription Receipts.

"Ascent Subscription Receipt Units" means the units issuable upon the deemed exercise of the Ascent Subscription Receipts, each comprised of one (1) Ascent Share and one (1) Ascent Subscription Receipt Warrant.

"Ascent Warrants" means, collectively, the Ascent Consideration Warrants, Ascent Series B Warrants, the Ascent Series D Warrants and the Ascent Subscription Receipt Warrants.

"Applicable Securities Laws" means the Securities Act and, to the extent applicable, the equivalent legislation in the other provinces and territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies,

bulletins, and notices of the securities commissions and similar regulatory authorities of each of the provinces and territories of Canada, as applicable, and the published rules and policies of the Exchange.

"associate" when used to indicate a relationship with a person has the same meaning as set forth in the Securities Act.

"Audit Committee" means the Audit Committee of the Resulting Issuer Board.

"BCBCA" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"Broker Warrants" means the broker warrants issued to the Agents pursuant to the Subscription Receipt Offering, which are exercisable to acquire units at an exercise price equal to the Subscription Price at any time until June 21, 2020, each consisting of one (1) Ascent Share and one (1) warrant to purchase an Ascent Share at a price of \$0.60 at any time until June 21, 2020.

"Business Day" means any day, other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia.

"C&G Committee" means the Compensation and Governance Committee of the Resulting Issuer Board.

"CDS" means CDS Clearing and Depository Services Inc.

"CDSA" means the *Controlled Drug and Substances Act* (Canada).

"Clarus" means Clarus Securities Inc.

"Closing" means the completion of the Amalgamation on the Effective Date.

"Co-Lead Agents" means Clarus and Canaccord Genuity Corp.

"Cole Memorandum" means the memorandum authored by United States Deputy Attorney General James Cole in August 2013 regarding federal cannabis prosecutions in the United States.

"Consolidation" means the consolidation of the securities of Paget to be effected prior to the Amalgamation in accordance with the Amalgamation Agreement on the basis of six (6) pre-consolidation securities for one (1) post-consolidation security.

"Controlled Substances Act" means the United States Controlled Substances Act of 1970.

"Dealer's License" means a License for Controlled Drugs and Substances, issuable by Health Canada pursuant to the *Narcotics Control Regulations of the Controlled Drugs and Substances Act* (Canada).

"De-listing" means the proposed voluntary de-listing of the Paget Shares from the NEX.

"De-listing Resolution" means an ordinary resolution of disinterested shareholders with respect to the De-listing.

"Effective Date" means the date Amalgamation is completed, as evidenced by the certificate of amalgamation issued by the registrar under the BCBCA in respect of the Amalgamation.

"Escrow Agent" means, in the context of the escrow agreements to be entered into between the principals of the Resulting Issuer and the Resulting Issuer, National Issuer Services Inc.

"Escrow Agreement" means the escrow agreement to be entered into between certain principals of Ascent, the Resulting Issuer and the Escrow Agent.

"Exchange" means the Canadian Securities Exchange.

"HESA" means the Parliamentary Standing Committee on Health of the Parliament of Canada.

"Information Circular" means this joint management information circular of Ascent and Paget dated July 2, 2018 together with all appendices thereto prepared in respect of the Meetings.

"Licensed Producer" or "LP" means a "licensed producer" as defined in the ACMPR.

"Meetings" means collectively, the Paget Meeting and the Ascent Meeting.

"MMAR" means the Marihuana Medical Access Regulations of the Controlled Drugs and Substances Act (Canada).

"MMPR" means the Marihuana for Medical Purposes Regulations of the Controlled Drugs and Substances Act (Canada).

"NCR" means the Narcotic Control Regulations of the Controlled Drugs and Substances Act (Canada).

"Named Executive Officers" or "NEOs" has the meaning ascribed thereto in Form 51-102F6V – Statement of Executive Compensation – Venture Issuers.

"NEX" means the NEX Board of the TSXV.

"NI 45-106" means National Instrument 45-106 – Prospectus and Registration Exemptions of the Canadian Securities Administrators, as amended from time to time.

"NI 52-110" means National Instrument 52-110 – Audit Committees

"NI 58-101" means National Instrument 58-101 – Disclosure of Corporate Governance Practices.

"NP 46-201" means National Policy 46-201 – Escrow for Initial Public Offerings of the Canadian Securities Administrators, as amended from time to time.

"NP 58-201" means National Policy 58-201 Corporate Governance Guidelines.

"Nevada DoT" means the Nevada State Department of Taxation.

"OMMP" means the Oregon Medical Marijuana Program.

"Order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days.

"Pacific Opportunity" means Pacific Opportunity Capital Ltd.

"Paget" means Paget Minerals Corp.

"Paget Aggregate Warrants" means, collectively, the Paget PP Warrants and the Paget Warrants.

"Paget Finder's Options" means the finder's options of Paget, each exercisable into one (1) pre-Consolidation Paget Share and one (1) pre-Consolidation Paget Warrant at a price of \$0.05 at any time on or before January 5, 2019.

"Paget Meeting" means the annual and special meeting of the Paget Shareholders to be held on July 26, 2018, to consider, and if deemed advisable approve, among other things, the Amalgamation and the De-listing.

"Paget Private Placement" means the private placement offering of units of Paget raising gross proceeds of \$2,398,800 that closed on July 24, 2018, at a price of \$0.05 per unit on a pre-Consolidation basis, each such unit consisting of one pre-Consolidation Paget Share and one Paget PP Warrant.

"Paget PP Warrants" means the warrants issued in the Paget Private Placement, each exercisable to purchase one (1) pre-Consolidation Paget Share at a price of \$0.10 at any time on or before the date that is 24 months after the closing date of the Paget Private Placement.

"Paget Shareholders" means, at any time, the holders of Paget Shares.

"Paget Shares" means the common shares in the capital of Paget.

"Paget Stock Options" means the stock options each exercisable upon vesting to purchase one (1) pre-Consolidation Paget Share at prices ranging from \$0.10 to \$1.50 with expiry dates ranging from December 19, 2018 to August 15, 2021.

"Paget Warrants" means the existing warrants of Paget each exercisable to purchase one (1) pre-consolidation Paget Share at a price of \$0.10 at any time on or before January 5, 2019.

"Parties" means Ascent and Paget, together, and "Party" means either one of them.

"Person" includes an individual, partnership, association, body corporate, unincorporated organization, trust, trustee, executor, administrator, legal representative, government (including any Governmental Authority), limited liability company, joint venture or any other entity, whether or not having legal status.

"Replacement Ascent Warrants" means, collectively, the Ascent Consideration Warrants, Ascent Series B Warrants, the Ascent Series D Warrants and the Replacement Ascent Subscription Receipt Warrants.

"Replacement Ascent Subscription Receipt Warrants" means the warrants each exercisable to purchase one (1) Resulting Issuer Share at a price of \$0.60 at any time on or before 5:00 p.m. (Toronto time) on June 21, 2020, and which replace the Ascent Subscription Receipt Warrants pursuant to the Amalgamation Agreement.

"Replacement Paget Aggregate Warrants" means, collectively, the Replacement Paget PP Warrants and the Replacement Paget Warrants.

"Replacement Paget Finder's Options" means the finder's options each exercisable to purchase one (1) Resulting Issuer Common Share and one (1) Replacement Paget Warrant at a price of \$0.30 at any time on or before January 5, 2019 and which replace the Paget Finder's Options pursuant to the Amalgamation Agreement.

"Replacement Paget PP Warrants" means the warrants each exercisable to purchase one (1) Resulting Issuer Share at a price of \$0.60 at any time on or before the date that is 24 months after the closing date of the Paget Private Placement, and which replace the Paget PP Warrants pursuant to the Amalgamation Agreement.

"Replacement Paget Warrants" means the warrants each exercisable to purchase one (1) Resulting Issuer Share at a price of \$0.60 at any time on or before January 5, 2019, and which replace the Paget Warrants pursuant to the Amalgamation Agreement.

"Resulting Issuer" means the amalgamated entity existing under the provisions of the BCBCA upon completion of the Amalgamation, to be named "Ascent Industries Corp."

"Resulting Issuer Board" means the board of directors of the Resulting Issuer.

"Resulting Issuer Preferred Shares" means preferred shares in the capital of the Resulting Issuer.

"Resulting Issuer Shareholders" means, at any time, the holders of Resulting Issuer Shares.

"Resulting Issuer Shares" means the common shares in the capital of the Resulting Issuer.

"Resulting Issuer Stock Option Plan" means the Ascent Stock Option Plan, to be adopted as the incentive stock option plan of the Resulting Issuer upon completion of the Amalgamation.

"Resulting Issuer Stock Options" means stock options of the Resulting Issuer issued pursuant to the Resulting Issuer Stock Option Plan.

"Resulting Issuer Unit" means a unit comprised of (1) Resulting Issuer Share and one (1) warrant to purchase a Resulting Issuer Share at a price of \$0.60 anytime until June 21, 2020, issuable upon the exercise of a Broker Warrant after the completion of the Amalgamation.

"Resulting Issuer Warrants" means, collectively, the Ascent Consideration Warrants, Ascent Series B Warrants, the Ascent Series D Warrants, the Replacement Ascent Subscription Receipt Warrants, the Replacement Paget Warrants and the Replacement Paget PP Warrants.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"SFU" means Simon Fraser University in Burnaby, British Columbia, Canada.

"Securities Act" means the *Securities Act* (British Columbia).

"Sessions Memorandum" means the memorandum issued on January 4, 2018 by U.S. Attorney General Jeff Sessions rescinding the Cole Memorandum.

"Shareholders" means, collectively, Ascent Shareholders and Paget Shareholders.

"Staff Notice" means CSA Staff Notice 51-532 (Revised) – Issuers with U.S. Cannabis Related Activities, published by the Canadian Securities Administrators on February 8, 2018.

"Subscription Price" means the offering price of \$0.40 per Ascent Subscription Receipt.

"Subscription Receipt Agreement" means the subscription receipt agreement dated June 21, 2018 between National Issuer Services Inc., Ascent and Clarus governing the terms of the Ascent Subscription Receipts.

"Subscription Receipt Escrow Agreement" means the escrow agreement dated June 21, 2018 among Ascent, Clarus (on its own behalf and on behalf of the Agents) and Stikeman Elliott LLP.

"Subscription Receipt Offering" means the private placement offering of 48,085,500 Ascent Subscription Receipts.

"Subsidiary" has the meaning specified in NI 45-106.

"Sweet Nevada" means Luff Enterprises NV Inc., doing business as Sweet Cannabis NV.

"Sweet Oregon" means Luff Enterprises LLC, doing business as Sweet Cannabis.

"Task Force" means the Task Force on Cannabis Legalization and Regulation, established by the Canadian Federal Government.

"Transfer Agent" means National Issuer Services Inc.

"TSXV" means the TSX Venture Exchange.

"US Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

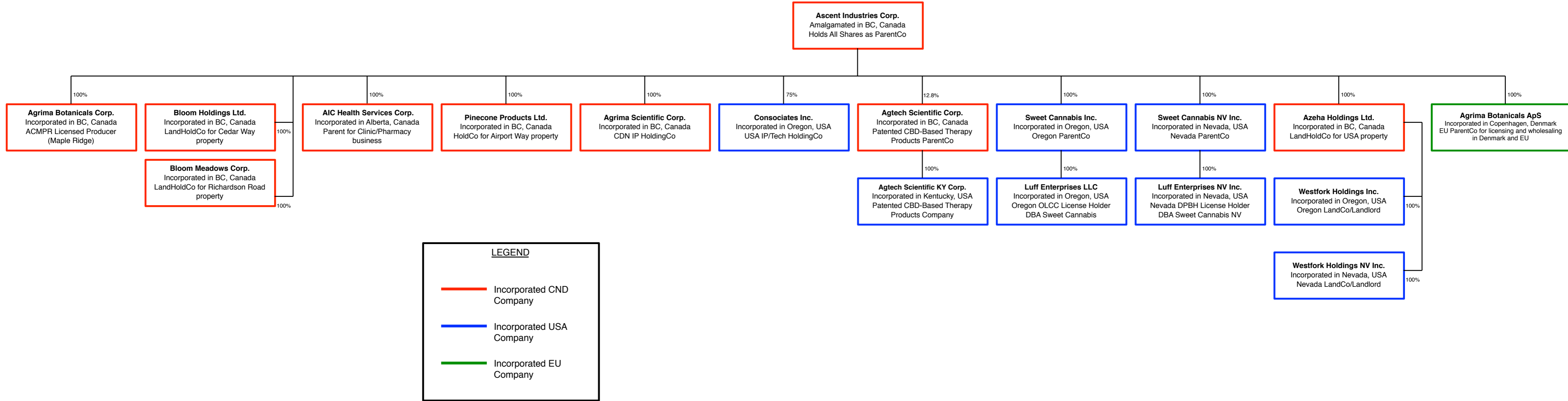
"Warrant Indenture" means the warrant indenture dated June 21, 2018 between Ascent and National Issuer Services Ltd. governing the terms of the Ascent Subscription Receipt Warrants and the warrants to purchase Ascent Shares issuable upon the exercise of the Broker Warrants.

APPENDIX B: Organizational Chart

Please see attached.

Ascent Industries Corp.

Corporate Structure



APPENDIX C: Section 14 Information

Please see attached.

CSE FORM 2A

14. Capitalization

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully - diluted)	% of Issued (non-diluted)	% of Issued (fully - diluted)
<u>Public Float</u>				
Total outstanding (A)	305,031,923	444,100,786	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	151,402,353	182,320,815	50%	41%
Total Public Float (A - B)	153,629,570	261,779,971	50%	59%

Freely-Tradable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholders agreement and securities held by control block holders (C)	56,990,906	62,086,557		
Total Tradable Float (A - C)	248,041,017	382,014,229	81%	86%

Public Securityholders (Registered)

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	-	-
1,000 - 1,999 securities	-	-
2,000 - 2,999 securities	-	-
3,000 - 3,999 securities	-	-

4,000 - 4,999 securities	-	-
5,000 or more securities	576	144,843,230

Public Securityholders (Beneficial)

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	-	-
1,000 - 1,999 securities	-	-
2,000 - 2,999 securities	-	-
3,000 - 3,999 securities	-	-
4,000 - 4,999 securities	-	-
5,000 or more securities	-	-

Non-Public Securityholders (Registered)

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	-	-
1,000 - 1,999 securities	-	-
2,000 - 2,999 securities	-	-
3,000 - 3,999 securities	-	-
4,000 - 4,999 securities	-	-
5,000 or more securities	50	182,320,815

14.2

Description of Security (including conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issued upon conversion / exercise
Warrants - Series B @ \$0.25	8,833,333	8,833,333
Warrants - Series D @ \$0.50	30,660,407	30,660,407
Warrants - Consideration @ \$0.50	2,833,334	2,833,334

Employee Stock Option Plan @ \$0.40	13,223,750	13,223,750
Warrants - Convertible Note @ \$0.35	11,428,571	11,428,571
Warrants - Sub receipts @ \$0.60	48,085,500	48,085,500
Warrants - Broker @ \$0.40	2,885,130	2,885,130

14.3

Employee Stock Option Plan (available)	18,233,707	18,233,707
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