

Form 62-103F1

Required Disclosure under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Common shares (each, a "Share") in the capital of Ascent Industries Corp. (the "Issuer").

Ascent Industries Corp.
Suite 260, 22529 Lougheed Highway
Maple Ridge, British Columbia
V2X 0T5

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Donald Campbell ("Campbell")
222 - 720 6th Street
New Westminster, British Columbia
V3L 3C5

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On February 19, 2019, 9434593 Canada Inc., a corporation controlled by Campbell, entered into separate share purchase and sale agreements (each, a "Share Purchase Agreement") with each of James Poelzer, Philip Campbell and Reid Parr (collectively, the "Vendors" and each, a "Vendor"), whereby Campbell acquired beneficial ownership of all Shares held by the Vendors (the "Transaction").

As a result of the Transaction, Campbell now beneficially owns 60,890,060 Shares.

2.3 State the names of any joint actors.

9434593 Canada Inc.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.

Campbell acquired beneficial ownership over 57,781,445 Shares (each, an "**Acquired Share**") pursuant to the Transaction. Immediately prior to the completion of the Transaction, Campbell beneficially owned 3,108,615 Shares representing approximately 0.99% (1.06% on a partially diluted basis) of the then issued and outstanding Shares.

As a result of the Transaction, Campbell beneficially owns 60,890,060 Acquired Shares, being approximately 19.36% (19.42% on a partially diluted basis) of the currently issued and outstanding Shares.

The change in Campbell's securityholding percentage is 18.37% (18.35% on a partially diluted basis) of the current issued and outstanding Shares.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

Campbell acquired beneficial ownership of the Acquired Shares; however, Campbell did not acquire control and direction over the voting rights attached to the Acquired Shares.

The Acquired Shares are subject to various voting trust agreements entered into by each of the Vendors with Drew Malcolm ("**Malcolm**") dated February 1, 2019 (each, a "**Voting Trust Agreement**"). Pursuant to the Voting Trust Agreements, Malcolm, as voting trustee, was granted complete discretion and control in exercising the voting rights related to the Acquired Shares, as well as all Shares beneficially owned by the other concerned shareholders of the Issuer (the "**Concerned Shareholders**") that were party to a Voting Trust Agreement.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See item 3.1 above.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

Not applicable.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

As a result of the Transaction, Campbell has ownership over 60,890,060 Acquired Shares, being approximately 19.36% (19.42% on a partially diluted basis) of the currently issued and outstanding Shares; however, control of all the Acquired Shares is held by Malcolm.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not Applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement. State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report

relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

As consideration for the Transaction, \$0.105 per Acquired Share was paid to the Vendors, for an aggregate purchase price of approximately \$6,067,052 (the "**Purchase Price**"). The Purchase Price was paid by way of (non-convertible) promissory note.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See item 4.1 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which would relate to or result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

Each of the Vendors were former directors and/or officers of the Issuer. Campbell acquired the Acquired Shares from the Vendors as Campbell believes it to be in the best interest of the shareholders of the Issuer for the Vendors to divest themselves from any actual or perceived influence over the Issuer (the "**Acquisition Purpose**"). The Acquisition Purpose is in relation to Malcolm's (i) requisition of the Issuer to hold a general meeting of shareholders (the "**AGM**") to consider certain resolutions (including the replacement of the current board of directors with seven new directors nominated by Malcolm), and (ii) potential solicitation of proxies from shareholders of the Issuer and provision of a dissident proxy circular in connection with the AGM, on behalf of the Concerned Shareholders subject to the Voting Trust Agreements.

Campbell will review his holdings from time to time and may, in the future, increase or decrease his ownership or control over securities of the Issuer as circumstances dictate. Campbell is at arm's length to each of the Vendors and there is no family relationship between Philip Campbell, a Vendor, and Campbell (the acquiror).

Item 6 – Agreements, Arrangements, Commitments or Understandings

With Respect to Securities of the Reporting Issuer, describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or

investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Each of Campbell and the Vendors have entered into separate Voting Trust Agreements with Malcolm, whereby Malcolm has been appointed as the voting trustee and granted complete discretion and control over the voting rights related to all Shares beneficially owned by the Concerned Shareholders for an initial term of six months, with the ability to renew each Voting Trust Agreement for additional terms of six months. Each Concerned Shareholder has granted Malcolm a power of attorney in relation to the voting of their Shares to enable Malcolm to more effectively carry out the Voting Trust Agreement. During the term of the Voting Trust Agreements, the Concerned Shareholders are not permitted to sell, transfer or encumber their respective Shares without the prior consent of Malcolm. On February 19, 2019, the Vendors obtained Malcolm's consent to the Transaction.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

[Remainder of page intentionally left blank]

Item 9 – Certification

Certificate

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated February 21, 2019

"Donald Campbell"

DONALD CAMPBELL