

**FORM 51-102F3**  
**Material Change Report**

**Item 1**      **Name and Address of Company**

Ascent Industries Corp. (“**Ascent**”)  
260 - 22529 Lougheed Highway  
Maple Ridge, British Columbia V2X 0T5

**Item 2**      **Date of Material Change**

March 18, 2019

**Item 3**      **News Release**

A news release was issued and disseminated by the Ascent through Canada NewsWire on March 18, 2019.

**Item 4**      **Summary of Material Change**

Ascent announced that it, together with its subsidiaries, Agrima Botanicals Corp., Bloom Holdings Ltd., Bloom Meadows Corp., Pinecone Products Ltd., and Agrima Scientific Corp. (collectively, the “**Vendors**”), entered into an asset purchase agreement dated March 14, 2019 (the “**APA**”) with BZAM Management Ltd. (the “**Purchaser**”), pursuant to which the Vendors have agreed to sell to the Purchaser substantially all of the assets comprising the Canadian business of the Vendors for cash and the Purchaser has agreed to assume the Vendors’ obligations to purchase a greenhouse located in Pitt Meadows, British Columbia subsequent to closing of the agreement with the Vendors. Ascent through its subsidiaries will continue to own the assets and business related to Ascent’s cannabis production, research and product development business outside of Canada in Oregon, Nevada and Denmark.

**Item 5**      **Full Description of Material Change**

Ascent announced that the Vendors entered into the APA with the Purchaser, pursuant to which the Vendors have agreed to sell to the Purchaser substantially all of the assets comprising the Canadian business of the Vendors for cash and the Purchaser has agreed to assume the Vendors’ obligations to purchase a greenhouse located in Pitt Meadows, British Columbia subsequent to closing of the agreement with the Vendors. Ascent and its subsidiaries will continue to own the assets and business related to Ascent’s cannabis production, research and product development business outside of Canada in Oregon, Nevada and Denmark.

The closing of the purchase and sale transaction is subject to a number of customary conditions applicable to an asset purchase and sale transaction and is also subject to Ascent receiving an Approval and Vesting Order of the Supreme Court of British Columbia (the “**Court**”) issued in connection the proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA Proceedings**”). Ascent intends to make application to the Court to receive the Approval and Vesting Order at a hearing to take place on or before March 22, 2019.

The execution of the APA follows the completion of a strategic alternatives process conducted by Ascent and approved by the Court in its initial order granted March 1, 2019 in the CCAA Proceedings. Ascent was assisted in the strategic alternatives process by its financial advisor, Clarus Securities Inc. The transactions contemplated by the APA are expected to close prior to April 15, 2019.

**Item 5.2 Disclosure of Restructuring Transactions**

Not applicable.

**Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

No significant facts remain confidential in, and no information has been omitted from, this report.

**Item 8 Executive Officer**

For further information, please contact:

Blair Jordan – Interim CEO  
+1 604-928-2988  
ir@ascentindustries.com

**Item 9 Date of Report**

March 18, 2019

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This material change report contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this material change report. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this material change report, forward-looking statements relate, among other things, the uncertainty involved in the Court proceedings and the implementation of a plan under the CCAA, the timing and receipt of the Approval and Vesting Order and the timing of the completion of the transactions contemplated by the APA. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties. There can be no assurance that forward-looking statements 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 the forward-looking statements and information contained in this material change report. Except as required by law, Ascent assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.