



For Immediate Release

News Release

March 6, 2020

**ASCENT ANNOUNCES CONCLUSION OF CCAA PROCEEDINGS,
FILING OF APPLICATION FOR MANAGEMENT CEASE TRADE ORDER,
CORPORATE UPDATE AND BI-WEEKLY STATUS REPORT**

Vancouver, B.C. – Ascent Industries Corp. (CSE: ASNT) (“Ascent” or the “Company”) announces today that the Company has implemented its first amended and restated consolidated plan of compromise, arrangement and organization (the “Plan”) under the *Companies’ Creditors Arrangement Act* (“CCAA”). Distributions under the Plan, as well as the issuance of common shares of Ascent that were to be issued pursuant to the terms of the Plan, are now complete. The Company was unable, however, to obtain a further extension of the stay of proceedings provided by the order obtained by the Company on January 28, 2020. Accordingly, the stay of proceedings expires on March 6, 2020 and the Company’s CCAA proceedings will conclude upon expiry of the stay.

APPLICATION FOR MANAGEMENT CEASE TRADE ORDER

As previously reported by the Company, Ascent was advised by the British Columbia Securities Commission that, pursuant to CSA Practice Guidelines, cease trade orders are not issued against reporting issuers who are subject to a stay within CCAA proceedings. However, with the expiry of the CCAA stay of proceedings, the Company expects that it will no longer fall within the scope of the aforementioned CSA Practice Guidelines.

Upon exiting from CCAA, the Company will not have filed the following continuous disclosure documents prior to the filing deadlines prescribed under National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”): (i) its audited annual financial statements for the year ended December 31, 2018, including the related management discussion & analysis, and accompanying CEO and CFO certifications (collectively, the “Annual Filings”); and (ii) its interim financial statements for the three month period ended March 31, 2019 and related management discussion & analysis and accompanying CEO and CFO certifications; (iii) its interim financial statements for the three month period ended June 30, 2019 and related management discussion & analysis and accompanying CEO and CFO certifications; and (iv) its interim financial statements for the three month period ended September 30, 2019 and related management discussion & analysis and accompanying CEO and CFO certifications (items (ii), (iii) and (iv) are collectively referred to as the “Interim Filings”).

Accordingly, the Company will be making an application to the British Columbia Securities Commission and other applicable securities regulators under National Policy 12-203 (“NP 12-203”) requesting that a management cease trade order (“MCTO”) be granted in respect of the late filing of the Annual Filings and Interim Filings. If the Company receives the MCTO, it is anticipated that for the duration of the MCTO is in effect, the Company’s directors and senior officers and such other persons as determined by the securities regulators will not be able to trade the Company’s securities. There is no guarantee, however, that a MCTO will be granted. If the MCTO is granted, the Company intends to comply with the provisions of the alternative information guidelines as set out in NP 12-203 for so long as it remains in default due to the late filing of the Annual Filings and Interim Filings, including the issuance of bi-weekly default status reports by way of press releases.

With respect to the preparation and filing of the Annual Filings and Interim Filings, the Company has engaged Kingston Ross Pasnak LLP (“**KRP**”) as the successor auditors of the Company following the resignation of MNP LLP as the Company’s auditors which took effect as of February 28, 2020. The Company and its management are committed to working closely with KRP to complete the filing of the Annual Filings and Interim Filings as soon as possible, and ahead of the filing deadline of April 29, 2020 for its audited annual financial statements for the year ended December 31, 2019.

CORPORATE UPDATE

On January 28, 2020, the Company entered into a loan agreement (the “**Loan Agreement**”) with Enhanced Pet Sciences Corp. (the “**Borrower**”) pursuant to which the Company agreed to loan the Borrower the principal amount of US\$500,000 (the “**Principal Amount**”). Pursuant to the terms of the Loan Agreement, the Company agreed to permit the Borrower to subsequently advance the Principal Amount by way of an intercorporate loan to its 60% indirectly-owned subsidiary, AgTech Scientific Group, LLC (“**AgTech**”).

The Principal Amount under the Loan Agreement shall be repaid by the Borrower on December 31, 2020. Interest on the Principal Amount accrues at a rate of 8% per annum (non-compounding). In support of the Borrower’s obligation to repay the Principal Amount, three major shareholders of the Borrower (the “**Guarantors**”) each have provided the Company with guarantees along with one Guarantor providing collateral security for the Borrower’s obligations under the Loan Agreement.

The Company holds a minority equity position in the Borrower, pursuant to a CAD\$360,000 investment completed in 2017 and 2018 and the Company views this loan as further support of the AgTech business operations.

This strategic alliance with AgTech follows the Companies previously disclosed intention to focus its efforts and resources in the US hemp CBD industry.

AgTech operates a hemp derived CBD production facility in Paris, Kentucky, including a two million square foot greenhouse and a purpose-built extraction facility to house industry standard ethanol extra and recovery machines. Management of the Company is in discussion with AgTech with a view to future business collaboration. The Company will make further announcements with respect to these discussion as and when appropriate.

The Company confirms that there is no other material information concerning the affairs of the Company that has not been generally disclosed as of the date of this press release.

BI-WEEKLY DEFAULT STATUS REPORT

The Company provides this default status report pursuant to National Policy 12-203 - *Cease Trade Orders for Continuous Disclosure Defaults* (“**NP 12-203**”) and applicable policy of the British Columbia Securities Commission. As noted above, the Company has not filed the Annual Filings and the Interim Filings prior to the filing deadlines prescribed under NI 51-102 as of the date hereof.

As previously reported, Ascent is required to file bi-weekly default status reports in accordance with NP 12-203 until such time that the CCAA proceeding is concluded or until the defaults in filing the Annual Filings and Interim Filings are remedied.

Other than as disclosed in this press release, the Company reports that there have been no material changes to the information contained in its last bi-weekly default status report dated February 20, 2020. Furthermore, there is no other material information concerning the affairs of the Company that has not been generally disclosed. The Company confirms that, since its last bi-weekly default status report dated February 20, 2020, there have been no failures by it in fulfilling its stated intentions with respect to satisfying the provisions of the alternative information guidelines under NP 12-203.

About Ascent Industries Corp.

The Company's operations currently include facilities in the United States. In the United States, the Company holds licenses in Oregon (for processing and for distribution of cannabis to any licensed entity in the state) and in Nevada (for cultivation and for production, processing and wholesale distribution of cannabis).

THE CANADIAN SECURITIES EXCHANGE (THE "CSE") HAS NEITHER APPROVED NOR DISAPPROVED THE CONTENTS OF THIS PRESS RELEASE. NEITHER THE CSE OR ITS MARKET REGULATOR (AS THAT TERM IS DEFINED IN THE POLICIES OF THE CSE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

This news release 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 news release. 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 news release, forward-looking statements include, but are not limited to, the Company entering into a strategic partnership in connection with its U.S. operations, the anticipated timing of the completion and filing of the Annual Filings and Interim Filings and the application by the Company for a MCTO. 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 news release. 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.

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