



Dear Shareholders,

I appreciate everyone's patience in waiting for this update.

Further to previous updates, I provide an update on the CCAA process and the timeline to exit this process.

#### Status of Outstanding Claims

A question I receive regularly from shareholders is the status of outstanding claims against the Company. The CCAA process includes regular public disclosure of these claims and status of each. I am pleased to report that we are in compliance with these requirements and working hard to protect the Company's interests in each case.

Importantly, we have reached a settlement on our largest claim with Green Sage Merchant Bank. The Green Sage claim has been resolved and they have agreed to support a Plan of Arrangement so that we can complete the CCAA process as soon as possible. The Trek Global claim remains unresolved at this time, and a court date is scheduled for November 18-20. Work continues on the limited number of remaining claim disputes. While we are making progress every day, there is still work to do. At the September 27 hearing, the Court extended the CCAA process to November 21.

Given the resolution of the largest claim against Ascent, our next step is to prepare a Plan of Arrangement in an effort to exit CCAA.

Once finalized and filed with the Court, a creditor meeting will be scheduled to approve this Plan.

Following a positive vote at the creditor meeting, Court approval will also be required which will allow Ascent to exit CCAA. This is one important consideration affecting the timeline for resumption in trading of the company's stock.

#### Trading Update

As mentioned in previous updates, the most common question I receive is when will trading begin in the Company's shares. Like you, I am keen to resume trading again as soon as our new leadership team is able to resolve the outstanding financial issues we inherited in April. This means completing the CCAA process (outlined above) and finalizing the audited financial statements for 2018 and the quarterly financial statements for 2019.

#### Strategic Planning

Because the CCAA process seriously restricts the company's flexibility to spend money, our ability to generate new revenues is also delayed. That said, our new leadership team is making plans to ensure we are ready to hit the ground running when we exit CCAA.

The teams in Oregon and Nevada have consolidated operations, inventories and equipment. We have begun the planning process to shape the operational approach in support of a market driven portfolio. At the same time, we are progressing with multiple key strategic partner discussions.

While we are hopeful that we are getting closer to resolving our claims in CCAA, there is still no guarantee that we will emerge from CCAA. We are also unsure at this time of the level of funds we will have available to us for operations upon exit.

Thank you again for your ongoing support and feedback throughout this process. I will provide updates as we progress on these various initiatives.

Yours truly,

**ASCENT INDUSTRIES CORP.**

Paul Dillman  
Chief Executive Officer