

Ascendant Resources Reports Strong Operational Start to 2019 With First Quarter Results

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- Company expects metal production to ramp up during second half of the year

Q1 2019 Highlights:

- Contained metal production of 23.4 million ZnEq¹ lbs, up 9% vs Q1 2018
- ZnEq grade of 6.7%, a 10% improvement over Q1 2018
- Quarterly milled tonnes of 192,922, up 3% over Q1 2018 as result of new Esperanza access ramp which also provides significant exploration opportunities
- Direct Operating Costs of \$80.53/t milled, a decrease of 6% from the previous quarter
- AISC of \$1.30/ZnEq lb sold, a 3% reduction from Q1 2018
- Net loss of \$2.41 million and a loss per share of \$0.03
- Adjusted EBITDA of \$1.45 million, down from Q1 2018 as a result of lower metal prices

(All dollar amounts are in U.S. dollars (“\$”)) unless otherwise specified)

TORONTO, May 08, 2019 - Ascendant Resources Inc. (TSX: ASND) (OTCQX: ASDRF; FRA: 2D9) ("Ascendant" or the "Company”") reports first quarter 2019 results, highlighted by average head grades of 6.7% zinc equivalent (“ZnEq”)) in the first quarter and total contained metal production of 23.4 million ZnEq pounds; which is already on track to exceed last year’s production. Operations are well positioned for further improvement for the balance of 2019 driven by higher-grades in this year’s mine plan.

President and CEO Chris Buncic stated: *“We are very pleased to have had such a strong start to the year at El Mochito in terms of production and grade as the mine delivered higher than anticipated results compared to budget. The benefits of the new drift to Esperanza has provided for shorter haul distances to the ore body, from where a large portion of our production is expected this year, as well it provides significant exploration upside potential allowing for access to an area of the mine never accessed before. With this opportunity and our continued success with dilution control and improved head grades, we are paving the way for what could be our most successful year yet.”*

He continued, *“With the silver stream providing the opportunity to strengthen our balance sheet and metals prices demonstrating improvement so far in 2019, we remain focused on long-term profitability driving value creation and growth. The Company continues to progress project funding for the expansion of the mine with the expectation to begin construction in the latter half of the year and is excited with progressing the Lagoa Salgada exploration program this year.”*

A summary of key operational and financial performance for the first quarter 2019 is provided in the tables below:

Key Operating Information

Total Tonnes Mined

tonnes

Total Tonnes Milled

tonnes

Average Head Grades

Average Zn grade	%
Average Pb grade	%
Average Silver grade	g/t
ZnEq Head grade	(1) %
Average Recoveries	
Zinc	%
Lead	%
Silver	%
Contained Metal Production	
Zinc	000's
Lead	000's
Silver	ozs
ZnEq	(1) 000's
Payable Production	
Zinc	000's
Lead	000's
Silver	ozs
ZnEq	(1) 000's
Payable Metal Sold	
Zinc	000's
Lead	000's
Silver	ozs
ZnEq	(1) 000's
Average Realized Metal Price	
Zinc	\$/lb
Lead	\$/lb
Silver	\$/oz
Cash operating cost per ZnEq payable lb sold	(2) \$/ZnEq
AISC per ZnEq payable lb sold - El Mochito	(2) \$/ZnEq
AISC per ZnEq payable lb sold - Consolidated	(2) \$/ZnEq
Direct operating cost per tonne milled (excl. CAPEX)	(2) \$/tonne
(1) Assumes average spot metal prices for the period.	
(2) This is a non-IFRS performance measure, see Non-IFRS Performance Measures section of the MD&A.	

Financial

Total revenue	\$000's
Mine operating expenses	\$000's
Income (loss) from mining operations	\$000's
Net income (loss)	\$000's
Adjusted EBITDA	(2) \$000's
Operating cash flow before movements in working capital	(2) \$000's
Operating cash flow	\$000's
Cash and cash equivalents	\$000's
Working capital	\$000's
Capital Expenditures	\$000's
(1) Assumes average spot metal prices for the period.	
(2) This is a non-IFRS performance measure, see Non-IFRS Performance Measures section of the MD&A.	

First Quarter 2019 Operational Performance

During the first quarter 2019, ("Q1/19") contained ZnEq metal production was 23.4 million lbs, a 9% increase over first quarter 2018 ("Q1/18") production of 21.4 million lbs, and a slight improvement over fourth quarter 2018 ("Q4/18") contained metal production of 23.2 million lbs. This increase is attributable to higher lead and silver grades realized over the year as well as the slight increase in throughput over the previous quarter.

Milled production for Q1/19 was 192,922 tonnes, representing a 3% increase over Q1/18 of 186,955 tonnes and a 4% increase over 184,913 tonnes milled in Q4/18, reflecting the overall shorter haul achieved from mining areas closer to the crusher as well as the benefits of the newly completed production ramp which provides for more direct and efficient access from Esperanza to the underground primary crusher.

The average head grade of 6.7% ZnEq for Q1/19 represents an increase of 10% over a Q1/18 average grade of 6.1% ZnEq as the Company continues to mine average Resource grades. While Q1/19 grades were 4% lower than the 7.0% ZnEq average grade in Q4/18 as a result of mine sequencing, zinc equivalent grade remained above expectations based on the current mine plan, with strong improvement expected to be made as the year progresses.

Zinc processing recoveries of 84.2% in Q1/19 was 6% lower than those of Q1/18 due to the continued challenges of treating metallurgically complex ore at Esperanza. This was offset by the higher mill throughput and higher lead and silver head grades, which in turn resulted in a 4% increase in lead and a 1% increase in silver recovery at 79.5% and 79.0% respectively. Zinc recoveries were in line with Q4/18, while lead and silver recoveries were up 2% and 3% respectively as a result of steps made to improve reagent conditioning for the lead float.

Heading into 2019, the Company anticipated reduced metal production in the first half of the year, with stronger performance in the second half of the year driven by higher grades, solely as a function of mine sequencing. First quarter results have nevertheless exceeded expectations and the mine remains well positioned to deliver strong performance in 2019.

First Quarter 2019 Financial Performance

In Q1/19, the Company generated revenues of \$17.78 million as a result of the sale of 18.2 million pounds of ZnEq metal, comprised of 11.8 million pounds of payable zinc in concentrates, 4.9 million pounds of payable lead in concentrates and 221,375 ounces of payable silver in concentrates. Average realized metal prices were \$1.24 per pound zinc, \$0.93 per pound lead and \$15.52 per ounce silver. Revenues in Q1/19 were down 37% over Q1/18 as a result of lower average metal prices and down 18% over Q4/18 due to timing of sales as demonstrated in a Q/Q concentrate inventory increase. Revenues were also negatively impacted during the quarter due to the finalization of 2019 zinc concentrate benchmark treatment charges. Given that a portion of the Q1/19 sales were made under the prior year 2018 benchmark terms, the impact of increased benchmark treatment charges will be more fully reflected in Q2/19.

Net loss and basic and diluted loss per share in Q1/19 were \$2.41 million and \$0.03 respectively, compared to net income and basic and diluted earnings per share \$5.29 million and \$0.07 in Q1/18, and \$3.02 million and \$0.04 respectively in Q4/18. Income from mining operations in Q1/19 was \$1.26 million.

Adjusted EBITDA for Q1/19 was \$1.45 million, compared to adjusted EBITDA of \$7.95 million in Q1/18 and negative adjusted EBITDA in Q4/18 of \$0.12 million. Operating cash flow for Q1/19 was \$8.22 million, compared to \$11.42 million in Q1/18 due to lower average metal prices and timing of sales. Operating cash flow for Q1/19 includes \$7.50 million inflows due to the silver stream arrangement.

Direct operating costs per tonne milled for Q1/19 at El Mochito were \$80.53, an 11% increase vs Q1/18 direct operating costs per tonne milled of \$72.33, and a 6% decrease vs Q4/18 direct operating costs per tonne milled of \$85.38. The increase over Q1/18 is a result of an increase in national power rates imposed since September 2018 as well as an increase in labour costs due to a 6% wage increase in compliance with the collective bargaining agreement the Company has with the unionized workforce at the mine that took place in October 2018. The Company is actively evaluating alternatives to reduce power costs over the long-term. Also contributing to the higher overall operating costs per tonne throughout 2018 was the increased proportion of conventional mining required to mine higher-grade chimney ore, and which instead

has the impact of increasing revenues per tonne and reducing operating cost per payable pound of metal produced. The cost reduction over the prior quarter can be attributed to this as well as a decrease in haulage distances in general during the quarter due to sequencing of mining closer to the crusher. Additionally, haulage distances from the Esperanza orebody in particular will now be materially shorter (37%) due to the new "bypass" access ramp to the crusher being completed in February 2019, providing for shorter and direct access to this area.

Cash operating cost per ZnEq payable pound sold for Q1/19 was \$0.76, representing a decrease of 7% from \$0.82 in Q1/18 and a decrease of 8% from \$0.83 in Q4/18. The All-In Sustaining Cost ("AISC") for Q1/19 was \$1.30 per ZnEq payable pound sold, representing a 3% decrease from Q1/18 of \$1.34 and an increase of 2% over the previous quarter of \$1.28.

El Mochito Exploration & Expansion

Exploration at El Mochito throughout 2019 will continue with infill drilling for the goal of upgrading Inferred Mineral Resources and further extending the mine life and exploration drilling to explore untested areas with the purpose of discovering the next large, high-grade chimney.

The new development ramp to Esperanza provides an attractive exploration opportunity for the Company as it allows for access to an area of the mine that has never been tested before. The Company is currently conducting geophysical survey testing throughout this tunnel looking for anomalies that could help find the next large, high-grade chimney.

Additional exploration development is concurrently taking place in the old upper levels of the mine, which has the potential to increase resource tonnage at very high-grades, mostly derived from remnant pillars and undeveloped "chimney" type ore zones. Ascendant has started rehabilitating these pillars where possible with the expectation of near-term mining of the areas.

On February 6, 2019, the Company announced the receipt of a non-binding term sheet for a project loan of \$35 million to finance the expansion of the El Mochito mine. The financing has a proposed 7-year term and covers the total financing requirements for the expansion program including mine development expansion, a new underground shaft, underground water pumping upgrades and mill upgrades. The term sheet is non-binding and bears no legal obligation by any of the parties until definitive agreements have been made. The loan is subject to the completion of due diligence, additional documentation, internal approvals and certain other conditions.

The Company remains actively engaged in progressing the project funding for the expansion of El Mochito. The Preliminary Economic Assessment for the expansion of the mine demonstrates the Company's dedication and focus on delivering long-term profitability and the ability to operate at an average all-in sustaining cost of \$0.97 per ZnEq payable pound, well below current prices and long-term metal price assumptions.

Lagoa Salgada Project

On February 13, 2019 the Company announced an updated Mineral Resource Estimate for the Lagoa Salgada project, demonstrating material growth in both deposits (North Zone (massive sulphide) and South Zone (stockwork)) doubling the total tonnes of the previous Mineral Resource Estimate following a modest 7,077 metre, 20-hole drill program conducted in the second half of 2018.

In addition to the drilling, the Company carried out significant geophysical work on the project with a gravity survey of the entire land package and Induced Polarization ("IP") focused on the LS West region encompassing the known deposits. This work demonstrated both known zones coincide with an IP chargeability anomaly with a strike length of 1.6 km currently delineated by less than 50 holes.

As a result of the success of the 2018 program, the Company announced and commenced its Phase II exploration program at the Lagoa Salgada project, just subsequent to the quarter. The program will include an IP survey, a soil gas survey over the northern gravity anomaly and 37 diamond drill holes totaling 15,175

metres. Diamond drilling will consist of both step-out and infill drilling focused on the two known deposits, the North and South, located in the LS West region of the property. Both zones are located within the 1.6 km long IP anomaly, identified above, suggesting both deposits remain open along strike and at depth.

The execution and timing of the program will be monitored based upon ongoing results and overall market conditions. The initial focus will be to expand tonnage and bring resources into the Measured & Indicated category at the North Zone.

The updated Mineral Resource Estimate for the Lagoa Salgada project is set out in the tables below:

Lagoa Salgada Total Mineral Resource Estimate

Category	Mineralized Zones	Tonnes	Average Grade						
			ZnEq	Cu	Zn	Pb	Sn	Ag	Au
		kt	%	%	%	%	%	g/t	g/t
Measured	All	1,761	11.02	0.38	3.09	3.19	0.15	62.41	0.84
Indicated	All	6,082	7.61	0.50	2.09	1.84	0.09	48.61	0.40
M + I	All	7,843	8.38	0.47	2.31	2.15	0.10	51.71	0.50
Inferred	All	12,823	6.37	0.36	1.68	1.63	0.04	38.62	0.61

North Deposit Mineral Resource Estimate

Category	Mineralized Zones	Tonnes	Average Grade						
			ZnEq	Cu	Zn	Pb	Sn	Ag	Au
		kt	%	%	%	%	%	g/t	g/t
Measured	GO	177	11.65	0.15	0.65	4.12	0.40	54.14	1.55
	MS	1,584	10.95	0.40	3.36	3.09	0.12	63.33	0.76
	Total	1,761	11.02	0.38	3.09	3.19	0.15	62.41	0.84
Indicated	GO	451	7.86	0.13	0.52	3.07	0.30	35.10	0.67
	MS	3,842	8.81	0.51	2.37	2.12	0.10	61.51	0.52
	Total	4,293	8.71	0.47	2.18	2.22	0.12	58.73	0.54
M + I	GO	628	8.93	0.14	0.56	3.37	0.33	40.47	0.92
	MS	5,426	9.43	0.48	2.66	2.40	0.11	62.04	0.59
	Total	6,054	9.38	0.44	2.44	2.50	0.13	59.80	0.63
Inferred	GO	1,546	7.03	0.10	0.43	3.69	0.14	32.44	0.67
	MS	5,911	7.78	0.36	2.31	1.96	0.05	57.08	0.58
	SW	390	3.68	0.39	1.42	0.42	0.03	19.14	0.09
	Total	7,847	7.43	0.31	1.90	2.22	0.07	50.34	0.58

Central Deposit Mineral Resource Estimate

Category	Mineralized Zone	Tonnes	Average Grade						
			ZnEq	Cu	Zn	Pb	Sn	Ag	Au
		kt	%	%	%	%	%	g/t	g/t
Inferred	Total	1,078	5.41	0.11	0.17	0.06	0.00	12.15	2.89

South Deposit Mineral Resource Estimate

Category	Mineralized Zones	Tonnes	Average Grade						
			ZnEq	Cu	Zn	Pb	Sn	Ag	Au
		kt	%	%	%	%	%	g/t	g/t
Indicated	SW2	1,789	4.99	0.58	1.88	0.95	0.00	24.33	0.07

Inferred SW2 3,899 4.50 0.52 1.65 0.89 0.00 22.36 0.06

Notes to tables:

- (1) Mineralized Zones, GO=Gossan, MS=Massive Sulphide, SW=Stringer, SW2=Stockwork
- (2) Cut-off: Zn-Eq >= 3.00%
- (3) $Zn-Eq = [Zn\%] + ([Cu\%]*2.652) + ([Pb\%]*0.913) + ([Au\text{ g/t}]*1.585) + ([Ag\text{ g/t}]*0.025) + ([Sn\%]*7.565)$
- (4) Densities: GO = 3.11, MS = 4.85, SW = 2.91, SW2 = 2.91
- (5) The Mineral Resource content for Lagoa Salgada was completed and approved by Charlie Murahwi, M.Sc., P.Geo., Pr. Sci. Nat., FAusIMM, Senior Geologist, Micon International Ltd.

Additional Corporate Highlights

On March 28, 2019, the Company announced it had entered into a silver purchase and sale agreement with [Maverix Metals Inc.](#) (“Maverix”) to support the Company’s working capital position and provide financial stability in a non-dilutive manner. Immediately subsequent to the signed agreement, Maverix provided the upfront payment of \$7.5 million dollars to Ascendant for the right to purchase 22.5% of the life of mine payable silver production from the company’s El Mochito mine in Honduras effective January 1, 2019.

In addition to the initial payment, the Company is entitled to an ongoing payment of 25% of the value of the corresponding portion of payable silver priced at the lesser of the average silver price during the preceding month or the price of silver at the time of delivery. The agreement also includes a step-down option whereby the stream percentage will be reduced from 22.5% down to 20% upon certain production milestones being met.

Upon the satisfaction of additional conditions, a mechanism exists to increase the value of the stream with an additional upfront payment of \$7.5 million for the right to purchase a combined total of 40% of the life of mine payable silver production from El Mochito under similar commercial terms. In this case, the stream percentage will be reduced to 30% once Maverix has purchased a cumulative total of 3,000,000 ounces of silver.

2019 Guidance and Outlook

Ascendant is very pleased to have commenced 2019 with a strong operational first quarter, highlighted by improvements across the board. Results exceeded Company expectations as the current mine plan anticipated slightly reduced metal production in the first half of the year and building towards a strong second half of the year. Grade was higher than planned for the quarter with further improvements expected as higher-grades are expected to be the anticipated driver behind additional production growth in 2019. Guidance assumes a 10% mean increase in grade from 2018 production levels.

The Company’s 2019 production guidance, as announced on February 20, 2019, is provided in the table below:

Contained Metals in Concentrate

Zinc equivalent metal	90 – 110 million lbs
Zinc	65 – 75 million lbs
Lead	21 – 26 million lbs
Silver	850,000 – 1,200,000 ozs
Direct Operating Costs	\$70 – \$80 / tonne
Capital Expenditure	\$15 – \$20 million

Conference Call Details

A conference call will be held tomorrow, May 9, 2019, at 10:00am EDT to discuss first quarter 2019 operational and financial results.

Dial-in Details:

Date of Call: Thursday, May 9, 2019
Time of Call: 10:00am EDT
Conference ID: 1092554
Dial-In Numbers:
North American Toll-Free: 1-833-696-8362
International: 1-612-979-9908

A recorded playback of the conference call will be available from May 10, 2019 until June 10, 2019 and can be accessed on the Company's website at www.ascendantresources.com within the Investors section.

The information provided within this release should be read in conjunction with Ascendant's unaudited condensed consolidated interim financial statements and management's discussion and analysis for the three months ended March 31, 2019 and 2018, which are available on Ascendant's website and on SEDAR. As at January 1, 2017, the Company has changed its presentation currency to the U.S. dollar (US). All financial figures are in US dollars unless otherwise stated.

Technical Disclosure/Qualified Person

The scientific and technical information contained in this press release has been reviewed and approved by Robert A. Campbell, M.Sc., P.Geo., Director and Vice President, Exploration for Ascendant Resources Ltd., whom is a "qualified person" within the meaning of NI 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”).

About Ascendant Resources Inc.

Ascendant Resources is a Toronto-based mining company focused on its 100%-owned producing El Mochito zinc, lead and silver mine in west-central Honduras and its high-grade polymetallic Lagoa Salgada VMS Project located in the prolific Iberian Pyrite Belt in Portugal.

After acquiring the El Mochito mine in December 2016, Ascendant spent 2017 and 2018 implementing a rigorous and successful optimization program restoring the historic potential of El Mochito, a mine in production since 1948, to deliver record levels of production with profitability restored. The Company now remains focused on further cost reduction and operational improvements to drive profitability in 2019 and beyond. With a significant land package of approximately 11,000 hectares in Honduras and an abundance of historical data, there are several near-mine and regional targets providing longer term exploration upside which could lead to further Mineral Resource growth.

Ascendant holds an interest in the high-grade polymetallic Lagoa Salgada VMS Project located in the prolific Iberian Pyrite Belt in Portugal. The Company is engaged in exploration of the Project with the goal of expanding the already-substantial Mineral Resource Estimate of over 20 million tonnes and testing additional known targets as defined by the 2018 exploration program. The Company's acquisition of its interest in the Lagoa Salgada Project offers a low-cost entry point to a potentially significant exploration and development opportunity. The Company holds an additional option to increase its interest in the Project upon completion of certain milestones.

Ascendant Resources is engaged in the ongoing evaluation of producing and development stage mineral resource opportunities, on an ongoing basis. The Company's common shares are principally listed on the Toronto Stock Exchange under the symbol "ASND". For more information on Ascendant Resources, please visit our website at www.ascendantresources.com.

Neither the Toronto Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

For further information please contact:

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Cautionary Notes to US Investors

The information concerning the Company's mineral properties has been prepared in accordance with National Instrument 43-101 ("NI-43-101") adopted by the Canadian Securities Administrators. In accordance with NI-43-101, the terms "mineral reserves", "proven mineral reserve", "probable mineral reserve", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014. While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, the U.S. Securities Exchange Commission ("SEC") does not recognize them. The reader is cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. It cannot be assumed that all or any part of any inferred mineral resource will ever be upgraded to a higher category. Therefore, the reader is cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of a measured or indicated mineral resource will ever be upgraded into mineral reserves.

Readers should be aware that the Company's financial statements (and information derived therefrom) have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards. IFRS differs in some respects from United States generally accepted accounting principles and thus the Company's financial statements (and information derived therefrom) may not be comparable to those of United States companies.

Forward Looking Information

This news release contains "forward-looking statements" and "forward-looking information" (collectively, "forward-looking information") within the meaning of applicable Canadian securities legislation. All information contained in this news release, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "budget", "guidance", "scheduled", "estimates", "forecasts", "strategy", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might" "occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). Forward-looking information is also identifiable in statements of currently occurring matters which may continue in the future, such as "providing the Company with", "is currently", "allows/allowing for", "will advance" or "continues to" or other statements that may be stated in the present tense with future implications. All of the forward-looking information in this news release is qualified by this cautionary note.

Forward-looking information in this news release includes, but is not limited to, statements regarding the consistency of processing recovery levels, improvements of grades in 2019, guidance, increase in contained metal production, maintenance of production rates, increase of mill feed grades, reduction of costs, monthly shipments of concentrate, the ability to fully fund planned development, the ability to successfully close its financing initiatives, exploration and capital expenditures at El Mochito and Lagoa Salgada, robust adjusted EBITDA and free cash flow generation and the undertaking of various long-term optimization programs including but not limited to the expansion program at El Mochito. Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by Ascendant at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that Ascendant identified and were applied by Ascendant in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to, the ability of the Company to maintain the consistency of processing recovery levels, to improve grades in 2019, to achieve

guidance, increase contained metal production, maintain production rates, increase mill feed grades, reduce costs, make monthly shipments of concentrate, fully fund planned development, successfully closing on its financing initiatives, exploration and capital expenditures, maintain robust adjusted EBITDA and free cash flow and undertake various long-term optimization programs including but not limited to the expansion program at El Mochito and other events that may affect Ascendant's ability to develop its project; and no significant and continuing adverse changes in general economic conditions or conditions in the financial markets.

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, risks generally associated with the mining industry, such as economic factors (including future commodity prices, currency fluctuations, energy prices and general cost escalation), uncertainties related to the development and operation of Ascendant's projects, dependence on key personnel and employee and union relations, risks related to political or social unrest or change, rights and title claims, operational risks and hazards, including unanticipated environmental, industrial and geological events and developments and the inability to insure against all risks, failure of plant, equipment, processes, transportation and other infrastructure to operate as anticipated, compliance with government and environmental regulations, including permitting requirements and anti-bribery legislation, volatile financial markets that may affect Ascendant's ability to obtain financing on acceptable terms, the failure to achieve guidance, the failure to obtain required approvals or clearances from government authorities on a timely basis, uncertainties related to the geology, continuity, grade and estimates of mineral reserves and resources, and the potential for variations in grade and recovery rates, uncertain costs of reclamation activities, tax refunds, hedging transactions, as well as the risks discussed in Ascendant's most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities and available at www.sedar.com.

Should one or more risk, uncertainty, contingency, or other factor materialize, or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, the reader should not place undue reliance on forward-looking information. Ascendant does not assume any obligation to update or revise any forward-looking information after the date of this news release or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

NON-IFRS PERFORMANCE MEASURES

The non-IFRS performance measures presented do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be directly comparable to similar measures presented by other issuers.

Non-IFRS reconciliation of Adjusted EBITDA

EBITDA is a non-IFRS measure that represents an indication of the Company's continuing capacity to generate earnings from operations before taking into account management's financing decisions and costs of consuming capital assets, and management's estimate of their useful life. EBITDA comprises revenue less operating expenses before interest expense (income), property, plant and equipment amortization and depletion, and income taxes. Adjusted EBITDA has been included in this document. Under IFRS, entities must reflect in compensation expense the cost of share-based payments. In the Company's circumstances, share-based payments involve a significant accrual of amounts that will not be settled in cash but are settled by the issuance of shares in exchange for cash. EBITDA and Adjusted EBITDA do not have any standardized meaning prescribed by IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA and Adjusted EBITDA exclude the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate EBITDA and Adjusted EBITDA differently. As such, the Company has made an entity specific adjustment to EBITDA for these expenses. The Company has also made an entity-specific adjustment to the foreign currency exchange (gain)/loss.

The following table provides a reconciliation of net income (loss) to Adjusted EBITDA:

	Three months ended
Adjusted EBITDA	March 31, March 31,

	2019	2018
Net income (loss)	\$000's (2,410	) 5,294
<i>Adjusted for:</i>		
Advances to joint venture	\$000's 189	-
Depletion and depreciation	\$000's 1,610	884
Interest income/expense	\$000's 397	37
Accretion expense on rehabilitation liabilities	\$000's 67	207
Charge on termination obligations	\$000's 1,119	421
Share-based payments	\$000's 133	352
Foreign currency exchange gain/loss	\$000's 70	(96)
Income taxes	\$000's 271	846
Adjusted EBITDA	\$000's 1,446	7,945

Direct operating cost per tonne milled

The Company uses the non-IFRS measure of direct operating cost per tonne milled to manage and evaluate operating performance. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flows. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company considers cost of sales per tonne milled to be the most comparable IFRS measure to direct operating cost per tonne milled and has included calculations of this metric in the reconciliations within the applicable tables to follow.

Direct operating cost per tonne milled includes mine direct operating production costs such as mining, processing, administration, indirect charges as surface maintenance and camp expenses, and inventory sales adjustments but does not include, smelting, refining and freight costs, royalties, depreciation, depletion, amortization, reclamation, and capital costs.

The following table provides a reconciliation of direct operating costs to cost of sales, as reported in the Company's consolidated statement of income (loss) for the year ended December 31, 2017:

Direct operating cost per tonne milled

	Mine operating expenses (from consolidated income statement)	\$000's
	Add: Termination Liability Payments	\$000's
	Deduct (Add): Variation in Finished Inventory	\$000's
	Deduct: Depreciation in production	\$000's
Total cash costs (including royalties)		\$000's
	Deduct: Government taxes and royalties	\$000's
Direct operating costs		\$000's
	Tonnes Milled	tonnes
Direct operating cost per tonne milled		\$/tonne
AISC per ZnEq payable pound sold		
ZnEq payable pounds sold		000's
Cash Operating Costs Reconciliation		
	Direct operating costs	\$000's
	Add (deduct): Variation in Finished Inventory	\$000's
Cash operating costs		\$000's

Cash operating cost per ZnEq payable pound sold		\$/Zn
All-in Sustaining Costs (AISC) Reconciliation		
	Total cash operating costs	\$000
	Add: Government taxes and royalties	\$000
	Add: TC & RCs	\$000
	Add: G&A, excluding depreciation and amortization	\$000
	Add: Accretion expense on rehabilitation liabilities	\$000
	Add: Sustaining capital expenditure	\$000
Total All-in sustaining costs - Consolidated		\$000
	Deduct: G&A, excluding depreciation and amortization	\$000
Total All-in sustaining costs - El Mochito		\$000
AISC per ZnEq payable pound sold - Consolidated		\$/Zn
AISC per ZnEq payable pound sold - El Mochito		\$/Zn

Additional non-IFRS measures

The Company uses other financial measures, the presentation of which is not meant to be a substitute for other subtotals or totals presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measures. The following other financial measures are used:

- *Operating cash flows before movements in working capital - excludes the movement from period-to-period in working capital items including trade and other receivables, prepaid expenses, deposits, inventories, trade and other payables and the effects of foreign exchange rates on these items.*

The terms described above do not have a standardized meaning prescribed by IFRS, and therefore the Company's definitions are unlikely to be comparable to similar measures presented by other companies. The Company's management believes that their presentation provides useful information to investors because cash flows generated from operations before changes in working capital excludes the movement in working capital items. This, in management's view, provides useful information of the Company's cash flows from operations and are considered to be meaningful in evaluating the Company's past financial performance or its future prospects. The most comparable IFRS measure is cash flows from operating activities.

¹ ZnEq lbs and grades in % represents zinc metal considered together with the lead and silver expressed in zinc equivalent terms of zinc using spot metal prices and production during the period.

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