

This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you are urged to consult your investment dealer, stock broker, bank manager, lawyer, accountant or other professional advisor. The Offer (as defined below) has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, and deposits will not be accepted from or on behalf of, shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction. However, Flow Capital Corp. may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.

August 29, 2019



**OFFER TO PURCHASE FOR NOT MORE THAN \$4,000,000 IN VALUE OF ITS COMMON SHARES
AT A PURCHASE PRICE OF NOT LESS THAN \$0.15 AND
NOT MORE THAN \$0.20 PER COMMON SHARE**

Flow Capital Corp. ("**Flow Capital**", the "**Corporation**", "**we**", "**our**" or "**us**") invites the holders of its common shares (the "**Shares**") to tender, for purchase and cancellation by the Corporation, up to \$4,000,000 in value of its Shares pursuant to (i) auction tenders in which the tendering holders of Shares ("**Shareholders**") specify a price of not less than \$0.15 per Share and not more than \$0.20 per Share (in increments of \$0.01 per Share within such range) ("**Auction Tenders**"), or (ii) purchase price tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have Shares purchased at the Purchase Price (as defined below) that is determined as provided herein ("**Purchase Price Tenders**").

The invitation and all tenders of Shares are subject to the terms and conditions set forth in this offer to purchase ("**Offer to Purchase**"), the accompanying issuer bid circular (the "**Circular**"), and the related Letter of Transmittal and Notice of Guaranteed Delivery (all such documents, as amended or supplemented from time to time, collectively constitute the "**Offer**").

The Offer will commence on August 29, 2019 and expire at 5:00 p.m. (Toronto time) on October 7, 2019 or such later time and date to which the Offer may be extended by Flow Capital, unless terminated, extended or varied by Flow Capital (such time on such date, the "**Expiration Time**"). The Offer is not conditional on a minimum number of Shares being tendered under the Offer and the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer. The Offer is, however, subject to other conditions and Flow Capital reserves the right, subject to applicable laws, to withdraw, extend or vary the Offer if, at any time prior to the payment of the Purchase Price, certain events occur. See "Offer to Purchase – Conditions of the Offer".

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, the Corporation will determine a single price per Share (the "**Purchase Price**"), which will not be less than \$0.15 per Share and not more than \$0.20 per Share, that is the lowest price that enables it to purchase the maximum number of Shares

validly tendered and not properly withdrawn pursuant to the Offer having an aggregate purchase price not exceeding \$4,000,000.

If the Purchase Price is determined to be \$0.15 per Share (which is the minimum Purchase Price under the Offer), the maximum number of Shares that may be purchased by the Corporation is 26,666,666 Shares. If the Purchase Price is determined to be \$0.20 per Share (which is the maximum Purchase Price under the Offer), the maximum number of Shares that may be purchased by the Corporation is 20,000,000 Shares. For the purpose of determining the Purchase Price, Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at \$0.15 per Share (which is the minimum Purchase Price under the Offer). If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. Shares validly tendered by a Shareholder pursuant to an Auction Tender will not be purchased by the Corporation pursuant to the Offer if the price specified by the Shareholder is greater than the Purchase Price. A Shareholder who wishes to tender Shares, but who does not wish to specify a price at which such Shares may be purchased by the Corporation, should make a Purchase Price Tender. Each Shareholder who validly tenders Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

Each Shareholder who has validly tendered Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender, and who has not properly withdrawn such Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration and the preferential acceptance of Odd Lots (as defined below), each as described herein.

The Purchase Price will be denominated and payable in Canadian dollars. See "Offer to Purchase – Taking Up and Payment for Tendered Shares".

If the aggregate purchase price for Shares validly tendered and not properly withdrawn pursuant to the Auction Tenders at prices at or below the Purchase Price and Purchase Price Tenders (collectively, the "**Successfully Tendered Shares**") by Shareholders (the "**Successful Shareholders**") would result in an aggregate purchase price in excess of \$4,000,000, then the Successfully Tendered Shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Shareholders who own fewer than 100 Shares (the "**Odd Lot Holders**") at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a *pro rata* basis according to the number of Shares tendered or deemed to be tendered at a price equal to or less than the Purchase Price by the tendering Shareholders, less the number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any. See "Offer to Purchase– Number of Shares and Pro-Ration".

Certificates for all Shares not purchased under the Offer (including Shares not purchased because of pro-ration), or properly withdrawn before the Expiration Time, will be returned (in the case of certificates representing Shares all of which are not purchased) or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), promptly after the Expiration Time or termination of the Offer or the date of withdrawal of the Shares, without expense to the Shareholder. In the case of Shares tendered through book-entry transfer into the Depository's account at CDS Clearing and Depository Services Inc. ("**CDS**"), or held through the Direct Registration System ("**DRS**") maintained by the Corporation's transfer agent the Shares will be credited to the appropriate account maintained by the tendering Shareholder or CDS, as applicable, without expense to the Shareholder.

As of August 28, 2019, there were 83,402,764 Shares issued and outstanding and, accordingly, the Offer is for a maximum of approximately 32.0% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.15 per Share (being the minimum Purchase Price under the Offer), and for a maximum of approximately 24.0% if the Purchase Price is determined to be \$0.20 per Share (being the maximum Purchase Price under the Offer).

The Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol 'FW'. On August 28, 2019, the last full trading day prior to the public announcement of the Corporation of its intention to make the Offer, the closing price of the Shares was \$0.13 per Share.

The Board of Directors of Flow Capital (the "**Board of Directors**") has approved the Offer. However, none of Flow Capital, the Board of Directors, Computershare Trust Company of Canada located, the depositary for the Offer (the "**Depositary**"), or any of the experts named in the Offer makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which Shareholders may tender Shares under the Offer. Shareholders must make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.

Shareholders should carefully consider the income tax consequences of tendering Shares under the Offer. See "Issuer Bid Circular – Income Tax Consequences".

Shareholders wishing to tender all or any portion of their Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See "Offer to Purchase – Procedures for Tendering Shares".

Shareholders should carefully read the information in this Offer to Purchase and accompanying Circular and in the other Offer documents, including our reasons for making the Offer. Shareholders are also urged to discuss their decisions with their financial and tax advisors.

The Offer expires at 5:00 p.m. (Toronto time) on October 7, 2019 unless extended, varied or withdrawn.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING SHARES PURSUANT TO THE OFFER, OR AS TO THE PRICE OR PRICES AT WHICH TO TENDER SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS OR THE DEPOSITARY.

Any questions or requests for information regarding the Offer should be directed to the Depositary at the address and telephone number of the Depositary set forth on the last page of this Offer to Purchase and the accompanying Circular.

FORWARD-LOOKING INFORMATION

This Offer to Purchase and accompanying Circular includes forward-looking statements and forward-looking information regarding Flow Capital and its business, including, but not limited to: our intention to undertake a substantial issuer bid and the terms thereof, including the maximum dollar value of Shares we may purchase under the Offer; the timing for completion of the Offer; the sources and availability of funding for the Offer; the price range and the date on which we will announce the final results of the Offer or pay for tendered Shares; our intention to purchase additional Shares following expiry of the Offer in accordance with applicable law; the expected effects of the Offer; the effect of the Offer on our future earnings, operations and financial condition; and our belief that the Offer is a prudent use of the Corporation's financial resources. Such statements and information are based on the current expectations and views of future events of Flow Capital's management. In some cases, the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements.

The forward-looking events and circumstances discussed in this Offer to Purchase and accompanying Circular may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Flow Capital, including: the Offer not occurring as expected, including the failure of any condition to the Offer; our ability to finance the Offer principally with cash on the balance sheet; the extent to which Shareholders elect to tender their Shares under the Offer; our having sufficient financial resources and working capital following completion of the Offer; the market for our Shares at the completion of the Offer being materially less liquid than the market that exists at the time we commence the Offer; the Offer being completed in October 2019; risks regarding our industry; the variability of revenue and operating results; economic factors; and many other factors beyond our control. No forward-looking statement can be guaranteed.

Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

INFORMATION FOR UNITED STATES SHAREHOLDERS

The Offer is made by Flow Capital, a Canadian issuer, for its own Shares, which are not registered with the United States Securities and Exchange Commission under the United States Securities and Exchange Act of 1934, as amended. While the Offer is subject to the disclosure requirements of the province of British Columbia and the other provinces of Canada, United States Shareholders should be aware that these disclosure requirements are different from those of the United States. Financial statements of Flow Capital have been prepared in accordance with International Financial Reporting Standards and are subject to Canadian auditing and auditor independence standards and, therefore, they may not be comparable to financial statements of United States companies.

The enforcement by Shareholders of civil liabilities under United States federal and state securities laws may be adversely affected by the fact that Flow Capital is incorporated under the *Business Corporations Act* (British Columbia) and that its directors and officers are residents of Canada. In addition, United States Shareholders should not assume that courts in Canada or in the countries where such directors and officers reside or in which Flow Capital's non-United States assets or the assets of such persons are located (i) would enforce judgments of United States courts obtained in actions against Flow Capital or such persons predicated upon civil liability provisions of United States federal and state securities laws as may be applicable, or (ii) would enforce, in original actions, any asserted liabilities against Flow Capital or such persons predicated upon such laws. Enforcement of any asserted civil liabilities under United States securities laws may be further adversely affected by the fact that some or all of the experts named in the Offer may be residents of Canada.

United States Shareholders should be aware that the acceptance of the Offer will have certain tax consequences under United States and Canadian law. See "Issuer Bid Circular – Income Tax Consequences".

NOTICE TO HOLDERS OF OPTIONS

The Offer is made only for Shares and is not made for any options ("**Options**") to acquire Shares or other securities of the Corporation. Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer. An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.

Holders who exercise Options and then tender the Shares received on such exercise pursuant to the Offer could suffer adverse tax consequences. The tax consequences of such an exercise are not described under "Issuer Bid Circular – Income Tax Consequences". Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

CURRENCY

All dollar references in this Offer to Purchase and the accompanying Circular are in Canadian dollars, except where otherwise indicated.

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SUMMARY

This summary is solely for the convenience of Shareholders and is qualified in its entirety by references to the full text and more specific details of the Offer described elsewhere in this Offer to Purchase and accompanying Circular. We urge you to read the entire Offer to Purchase, Circular, Letter of Transmittal and Notice of Guaranteed Delivery carefully and in their entirety as they contain a complete discussion of the Offer. Shareholders are also urged to discuss their decisions with their financial and tax advisors.

Who is offering to purchase my Shares?

Flow Capital Corp., which we refer to as "**Flow Capital**", the "**Corporation**" "**we**", "**us**", or "**our**". See "Offer to Purchase – The Offer".

Why is Flow Capital making the Offer?

In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation's business, and therefore the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders.

What will the Purchase Price for the Shares be and what will be the form of payment?

We are conducting the Offer through a procedure commonly known as a "modified Dutch auction". This procedure allows Shareholders to select the price within a price range specified by Flow Capital at which Shareholders are willing to sell their Shares. The price range for the Offer is \$0.15 to \$0.20 per Share (in increments of \$0.01 per Share within such range). We will select the lowest purchase price that will allow us to purchase the maximum number of Shares validly tendered and not properly withdrawn pursuant to the Offer having an aggregate purchase price not exceeding \$4,000,000. We will purchase all Shares purchased under the Offer at the same Purchase Price, even if some of the Shares are tendered below the Purchase Price, but we will not purchase any Shares above the Purchase Price. We will determine the Purchase Price for the tendered Shares promptly after the Offer expires. If a Shareholder's Shares are purchased under the Offer, that Shareholder will be paid the Purchase Price (subject to applicable withholding taxes, if any) in cash, without interest, promptly following the expiration of the Offer, for each such Share. Under no circumstances will we pay interest on the Purchase Price, even if there is a delay in making payment. See "Offer to Purchase – Purchase Price".

Was a Valuation Obtained?

In accordance with Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"), Evans & Evans, Inc. (the "**Valuator**") was retained by the Board of Directors to provide a formal valuation (the "**Valuation**") with respect to the fair market value of the issued and outstanding Shares. The Valuation was prepared in compliance with the provisions of MI 61-101. The Valuation contains the Valuator's opinion that, based on the scope of their review and subject to the qualifications, assumptions and restrictions provided therein, the fair market value of the Shares as at July 31, 2019 is in the range of \$0.17 to \$0.20 per Share. A copy of the valuation is attached hereto as Schedule A. See "Circular - Valuation".

How many Shares will Flow Capital purchase in the Offer?

We are offering to purchase Shares that have an aggregate purchase price not exceeding \$4,000,000. At the maximum purchase price of \$0.20 per Share, we could purchase a maximum of 20,000,000 Shares. At the minimum purchase price of \$0.15 per Share, we could purchase a maximum of 26,666,666 Shares. Since we will be unable to determine the Purchase Price until after the Expiration Time, we will not determine the exact number of Shares that we will purchase until after the Expiration Time. See "Offer to Purchase – Number of Shares and Pro-Ration".

What will happen if Shares with an aggregate purchase price of more than \$4,000,000 are tendered in the Offer?

If the aggregate purchase price for the Shares validly tendered and not properly withdrawn pursuant to the Offer by Purchase Price Tender or by Auction Tender at a price per Share not greater than the Purchase Price exceeds \$4,000,000, then we will purchase the Successfully Tendered Shares on a *pro rata* basis according to the number of Shares tendered by the Successful Shareholders (with adjustments to avoid the purchase of fractional Shares), except that "Odd Lot" tenders of Successfully Tendered Shares will not be subject to pro-ration. See "Offer to Purchase – Number of Shares and Pro-Ration".

What do I do if I own an "Odd Lot" of Shares?

If you beneficially own fewer than 100 Shares as of the Expiration Time and you tender all such Shares, we will accept for purchase, without proration but otherwise subject to the terms and conditions of the Offer, all of your Shares validly tendered pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender. You should check the appropriate place in Box D – "Odd Lots" in the Letter of Transmittal. See "Offer to Purchase – Number of Shares and Pro-Ration".

How can I maximize the chance that my Shares will be purchased?

If you wish to maximize the chance that your Shares will be purchased, you should tender them by Purchase Price Tender, indicating that you will accept the Purchase Price. You should understand that this election will have the same effect as if you have selected the minimum Purchase Price of \$0.15 per Share, although the actual price per Share paid to you, if the Offer is completed, will be the Purchase Price as determined in accordance with the terms of the Offer. The actual price per Share paid to you may be equal to or higher than the minimum Purchase Price of \$0.15 per Share. See "Issuer Bid Circular – Price Range and Trading Volume of the Shares" for recent market prices for the Shares. Shareholders are urged to obtain current market quotations for the Shares.

How will Flow Capital pay for the Shares?

We intend to pay for Shares purchased in the Offer (to a maximum aggregate amount of \$4,000,000) with cash on its balance sheet. See "Issuer Bid Circular – Source of Funds".

How long do I have to tender my Shares?

You may tender your Shares prior to the expiration of the Offer. The Offer will expire on October 7, 2019 at 5:00 p.m. (Toronto time), unless we extend or terminate it prior to such time. We may choose to extend the Offer at any time and for any reason, subject to applicable laws. See "Offer to Purchase – Extension and Variation of the Offer". If a broker, dealer, commercial bank, trust company or other nominee holds your Shares, it is likely that it has an earlier deadline, for administrative reasons, for you to act to instruct them to tender Shares on your behalf. **We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to confirm any earlier deadline.** See "Offer to Purchase – The Offer" and "Offer to Purchase – Extension and Variation of the Offer".

Are there any conditions to the Offer?

Yes. The Offer is subject to a number of conditions, the absence of court and governmental action prohibiting the Offer, and changes in market and general economic conditions that, in our judgment, are or may be materially adverse to us, as well as certain other conditions that in each case must be satisfied or waived by us on or prior to the expiration of the Offer. See "Offer to Purchase – Conditions of the Offer".

How do I tender my Shares?

To tender Shares pursuant to the Offer, you must (i) deliver prior to the Expiration Time the certificate(s) or DRS statement(s) for all tendered Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (with signatures that are guaranteed if so required in accordance with the Letter of Transmittal), and any other documents required by the Letter of Transmittal, to the Depositary, at its Toronto, Ontario office address listed in the Letter of Transmittal, (ii) follow the guaranteed delivery procedure described under "Offer to Purchase – Procedures for Tendering Shares", or (iii) transfer all tendered Shares pursuant to the procedures for book-entry transfer described under "Offer to Purchase – Procedures for Tendering Shares", in each case prior to the Expiration Time. If your Shares are held through a broker, dealer, commercial bank, trust company or other nominee, you must request that your broker, dealer, commercial bank, trust company or other nominee tender your Shares for you. You may contact the Depositary for assistance. See "Offer to Purchase – Procedures for Tendering Shares" and the instructions to the related Letter of Transmittal.

Can I tender part of my Shares at different prices?

Yes. You can elect to tender your Shares in separate lots at a different price and/or different type of tender for each lot. However, you cannot tender the same Shares at different prices. If you tender some Shares at one price and other Shares at another price, you must use a separate Letter of Transmittal for each lot you tender. See "Offer to Purchase – Procedures for Tendering Shares".

May I tender only a portion of the Shares I own?

You do not have to tender all of the Shares you own to participate in the Offer, unless you are tendering an "Odd Lot".

What will happen if I do not tender my Shares?

Upon the completion of the Offer, non-tendering Shareholders, and Shareholders who retain an equity interest in the Corporation as a result of partial tender of Shares or pro-rata, will realize a proportionate increase in their relative ownership interest in Flow Capital and thus in its future profits or losses and assets, subject to Flow Capital's right to issue additional Shares and other equity securities (and securities exercisable for, or convertible into, equity securities) in the future. The amount of Flow Capital's future cash assets will be reduced and/or its liabilities increased by the amount paid and expenses incurred in connection with the Offer. See "Issuer Bid Circular – Purpose and Effect of the Offer".

Once I have tendered Shares in the Offer, can I withdraw my tender?

Yes. You may withdraw any Shares you have tendered (i) at any time prior to the Expiration Time, (ii) at any time if we have not taken up the Shares before actual receipt by the Depositary of a notice of withdrawal in respect of such Shares, (iii) if we have not paid for the Shares within three business days of being taken up, or (iv) at any time before the expiration of 10 days from the date that a notice of change or notice of variation (other than a variation that (A) consists solely of an increase in the consideration offered for the Shares under the Offer where the time for tender is not extended for greater than 10 days, or (B) consists solely of the waiver of a condition of the Offer) has been given in accordance with the Offer to Purchase. See "Offer to Purchase – Withdrawal Rights".

How do I withdraw Shares I previously tendered?

You must deliver, on a timely basis, a written or printed notice of your withdrawal to the Depositary at its Toronto, Ontario office address appearing on the back cover page of this Offer to Purchase and Circular. A notice of withdrawal must specify your name, the number of Shares to be withdrawn and the name of the registered holder of the withdrawn Shares. Some additional requirements apply if the Share certificates or DRS statement(s) to be withdrawn have been delivered to the Depositary or if your Shares have been tendered under the procedure for book-entry transfer. See "Offer to Purchase – Withdrawal Rights". If you have tendered your Shares by giving instructions to a broker, dealer, commercial bank, trust company or other nominee, you must instruct your broker, dealer, commercial bank, trust company or other nominee to arrange for the withdrawal of your Shares. Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Shares that differ from those set out in this Offer to Purchase. We recommend that you contact your nominee to find out its deadline.

Can the Offer be terminated, extended or varied?

Yes. We may extend or vary the Offer in our sole discretion. See "Offer to Purchase – Extension and Variation of the Offer". We may also terminate the Offer under certain circumstances. See "Offer to Purchase – Conditions of the Offer".

How will I be notified if Flow Capital extends, varies or terminates the Offer?

We will issue a press release announcing the extension and the new Expiration Time by 9:00 a.m. (Toronto time) on the business day after the previously scheduled Expiration Time if we decide to extend the Offer. We will announce any other variation to or termination of the Offer by issuing a press release announcing such variation or termination. See "Offer to Purchase – Extension and Variation of the Offer".

Has Flow Capital or the Board of Directors adopted a position on the Offer?

The Board of Directors has approved the Offer. However, none of Flow Capital, the Board of Directors, the Depositary or any of the experts named in the Offer makes any recommendation to you or to any other Shareholders as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which you or any other Shareholders may tender Shares under the Offer. You must make your own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.

Following the Offer, will Flow Capital continue as a public corporation?

Yes. We do not believe that our purchase of Shares through the Offer will cause our remaining Shares to be de-listed from the TSXV. See "Issuer Bid Circular – Purpose and Effect of the Offer".

When will Flow Capital pay for the Shares I tender?

We will pay the Purchase Price (less applicable withholding taxes, if any) to Shareholders in cash, without interest, for the Shares we purchase promptly after the expiration of the Offer. See "Offer to Purchase – Taking Up and Payment for Tendered Shares".

In what currency will Flow Capital pay for the Shares I tender?

The Purchase Price will be denominated in Canadian dollars. All Shareholders who tender their Shares to the Offer will receive the same Purchase Price. See "Offer to Purchase – Taking Up and Payment for Tendered Shares".

Will I have to pay brokerage commissions if I tender my Shares?

If you are a registered Shareholder and you tender your Shares directly to the Depositary, you will not incur any brokerage commissions. If you hold Shares through a broker, dealer, commercial bank, trust company or other nominee, we urge you to consult your broker, dealer, commercial bank, trust company or other nominee to determine whether transaction costs are applicable. See "Offer to Purchase – Taking Up and Payment for Tendered Shares".

How do holders of vested but unexercised Options participate in the Offer?

The Offer is made only for Shares and not made for any Options or other securities of Flow Capital. Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer. **An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.** Holders of Options that exercise Options and then tender the Shares received on such exercise pursuant to the Offer could suffer adverse tax consequences. The tax consequences of such an exercise are not described under "Issuer Bid Circular – Income Tax Consequences". Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

What are the income tax consequences if I tender my Shares?

You should carefully consider the income tax consequences to you of tendering Shares pursuant to the Offer. We urge you to seek advice from your own tax advisors with respect to your particular circumstances as to the tax consequences you may incur as a result of our purchase of your Shares under the Offer. See "Issuer Bid Circular – Income Tax Consequences".

Whom can I talk to if I have questions?

The Depositary can help answer your questions. The Depositary is Computershare Trust Company of Canada. Contact information for the Depositary is set forth on the back cover of this document.

How do I get my Shares back if I have tendered them pursuant to the Offer but they are not taken up?

All Shares tendered but not taken up under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned promptly after the Expiration Time or termination of the Offer without expense to the tendering Shareholder.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS OR THE DEPOSITARY.

OFFER TO PURCHASE

To the Shareholders of Flow Capital Corp.:

1. THE OFFER

Flow Capital invites Shareholders to tender, for purchase and cancellation by the Corporation, Shares pursuant to (i) Auction Tenders in which the tendering Shareholders specify a price of not less than \$0.15 per Share and not more than \$0.20 per Share (in increments of \$0.01 per Share within such range), or (ii) Purchase Price Tenders, in either case on the terms and subject to the conditions set forth in this Offer to Purchase, the Circular, and the related Letter of Transmittal and Notice of Guaranteed Delivery.

The Offer will commence on August 29, 2019 and expire at 5:00 p.m. (Toronto time) on October 7, 2019 (such time on such date, the "**Expiration Time**"), unless terminated, extended or varied by Flow Capital. Subject to applicable law, the Corporation may, in its sole discretion, extend the period of time during which the Offer will remain open. In the event of an extension, the term "Expiration Time" will refer to the latest time and date at which the Offer, as so extended, will expire. The Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer.

The Offer is subject to certain conditions and Flow Capital reserves the right, subject to applicable laws, to terminate the Offer and not take up and pay for any Shares tendered under the Offer if certain events occur. See "Offer to Purchase – Conditions of the Offer".

Each Shareholder who has validly tendered Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender, and who has not properly withdrawn such Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for each Share purchased, on the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration described herein.

The Depositary will return all Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, promptly after the Expiration Time or termination of the Offer, or the date of withdrawal of the Shares, in any case without expense to the tendering Shareholder.

The Offer is made only for Shares and not made for any Options or other securities of the Corporation. Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer as described under "Offer to Purchase – Procedures for Tendering Shares". **An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.** Holders of Options that exercise Options and then tender pursuant to the Offer the Shares received on such exercise could suffer adverse tax consequences. The tax consequences of such an exercise are not described under "Issuer Bid Circular – Income Tax Consequences". Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

Flow Capital's Board of Directors has approved the Offer and has authorized the delivery to Shareholders of the Offer. However, none of Flow Capital, the Board of Directors, the Depositary or any of the experts named in the Offer makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which Shareholders may tender Shares under the Offer. Shareholders must make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender. The Corporation's directors and officers have advised the Corporation that they do not intend to tender Shares pursuant to the Offer.

Shareholders should carefully consider the income tax consequences of tendering Shares under the Offer. See "Issuer Bid Circular – Income Tax Consequences". The accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery contain important information and should be read carefully and in their entirety before making a decision with respect to the Offer.

Valuation

The Valuation contains the Valuator's opinion that, based on the scope of its review and subject to the assumptions, restrictions and limitations provided therein, as of July 31, 2019, the fair market value per Share falls within the range of \$0.17 to \$0.20 per Share.

The full text of the written opinion of the Valuator, set out in the Valuation, which sets forth, among other things, assumptions made, procedures followed, matters considered, qualifications and exceptions, and limitations of the review undertaken in rendering the opinion, is attached as Schedule A to the Circular. Shareholders are urged to read the Valuation carefully and in its entirety.

The opinion of the Valuator is directed to the Board of Directors and addresses only the matters set out therein and is not a recommendation as to how the Board of Directors, any Shareholder or any other person or entity should act with respect to any matters relating to the Offer. Further, the Valuator's opinion does not in any manner address our underlying business decision to pursue the Offer or the relative merits of the Offer.

The following is a summary of the material analyses performed by the Valuator in connection with rendering its opinion. The Valuator noted that the basis and methodology for the Valuation have been designed specifically for this purpose and may not translate to any other purposes. While this summary describes the analyses and factors that the Valuator deemed material in its presentation and opinion to the Board of Directors, it does not purport to be a comprehensive description of all analyses and factors considered by the Valuator. The Valuation is based on the comprehensive consideration of the various analyses performed. This summary is qualified in its entirety by reference to the full text of the Valuation.

Scope of Review

In preparing the Valuation, the Valuator carried out the work described in the Valuation. The Valuator interviewed management of Flow Capital and undertook various procedures including, but not limited to, a review of: Flow Capital's audited financial statements for the preceding two years; Flow Capital's management-prepared balance sheet as of July 31, 2019; Flow Capital's most recent management prepared interim financial statements; the annual information form for the year ended December 31, 2017 and audited financial statements for the year ended December 31, 2017 for Grenville Strategic Royalty Corp.'s, a predecessor corporation to Flow Capital; Flow Capital's share capital information and corporate records; various material royalty contracts of Flow Capital; as well as public and non-public information relating to the business, operations, financial performance, expenses and forecasts of Flow Capital. The Valuator also reviewed financial and trading data on comparable public companies. The Valuator was given access to various books and records of Flow Capital, management of Flow Capital and its advisors and, to its knowledge, the Valuator was not denied access by Flow Capital to any type of requested information that might be considered material to the Valuation.

General Assumptions, Qualifications and Limitation

The Valuator relied on the information, materials and representations provided by Flow Capital and has assumed that the information contained in the Valuation is accurate, correct and complete, and that there is no material omission of information that would affect the conclusions of the Valuation.

The Valuation was rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date of the Valuation and the condition and prospects, financial or otherwise of Flow Capital as reflected in the information provided to the Valuator and as they were represented to the Valuator in discussions with management of Flow Capital. In its analysis and in preparing the Valuation, the Valuator made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which were beyond the control of the Valuator or any party involved with the Offer.

The Valuator believes that the Valuation must be considered as a whole and that selecting portions of the analysis or the factors considered by it, without considering all factors and analysis together could create a misleading view of the process underlying the Valuation. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description.

Determination of Fair Market Value

For the purposes of the Valuation, the Valuator has taken the "fair market value" to mean the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. The Valuation provides a conclusion on a per Share basis with respect to Flow Capital's "en bloc" value, being the price at which all of the Shares could be sold to one or more buyers at the same time.

As Flow Capital's business was conducting operations as at July 31, 2019 and had every reasonable expectation of doing so for the foreseeable future after that date, the Valuator determined that a going concern valuation approach was appropriate in preparing the Valuation.

Valuation Methodology

The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods where a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a "going concern".

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset).

The Asset-based Approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g. vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings / cash flows to be capitalized.

A combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

Valuation Conclusion

Based on the scope of its review and subject to the assumptions, restrictions, limitations and qualifications contained in the Valuation, the Valuator has concluded that in its opinion, the fair market value of the Shares as at July 31, 2019 falls within the range of \$0.17 to \$0.20 per Share.

The Valuator determined that the most appropriate method in determining the range of the fair market value of Flow Capital was two Market Approaches (guideline public company method based on i) a multiple of adjusted net asset value and ii) a multiple of adjusted capitalized earnings before interest, taxes, depreciation and amortization ("**EBITDA**").

Under the guideline public company method, the Valuator identified seven royalty companies that have freely tradeable shares from which to derive comparable multiples to Flow Capital. Using the enterprise value to net asset value multiple, after factoring into account the cash on hand of Flow Capital, the Valuator calculated fair market value of Flow Capital in the range of \$16,955,000. Using the enterprise value to trailing twelve months EBITDA, after factoring into account the cash on hand of Flow Capital, the Valuator calculated the fair market value of Flow Capital in the range of 14,405,000.

The Valuator then calculated the per Share valuation on a diluted basis, assuming the exercise of all in-the-money convertible securities that are convertible into Shares.

2. PURCHASE PRICE

Promptly following the Expiration Time, upon the terms and subject to the conditions of the Offer, the Corporation will determine the Purchase Price, which will not be less than \$0.15 per Share and not more than \$0.20 per Share, that it will pay for Shares validly tendered pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. For the purpose of determining the Purchase Price, Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at \$0.15 per Share (which is the minimum Purchase Price under the Offer). The Purchase Price will be the lowest price per Share that enables the Corporation to purchase the maximum number of Shares validly deposited and not properly withdrawn pursuant to the Offer having an aggregate purchase price not to exceed \$4,000,000. Shareholders are urged to obtain current market quotations for the Shares before deciding whether, and at price or prices, to tender Shares pursuant to the Offer.

If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. If the Purchase Price is determined to be \$0.15 per Share (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 26,666,666 Shares. If the Purchase Price is determined to be \$0.20 per Share (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 20,000,000 Shares. Shareholders who tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

All Shares purchased by the Corporation pursuant to the Offer (including Shares tendered at prices below the Purchase Price) will be purchased at the Purchase Price. The Corporation will return all Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, promptly after the Expiration Time or termination of the Offer, or the date of withdrawal of the Shares, in any case without expense to the tendering Shareholder. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any.

Each Shareholder who has tendered Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.

3. NUMBER OF SHARES AND PRO-RATION

As of August 28, 2019, there were 83,402,764 Shares issued and outstanding. If the Purchase Price is determined to be \$0.15 per Share (being the minimum Purchase Price under the Offer), the Offer is for a maximum of 26,666,666 Shares, which represents approximately 32.0% of the total number of issued and outstanding Shares. If the Purchase Price is determined to be \$0.20 per Share (which is the maximum Purchase Price under the Offer), the Offer is for a maximum of 20,000,000 Shares, which represents approximately 24.0% of the total number of issued and outstanding Shares. The Offer is not conditional upon any minimum number of Shares being tendered under the Offer and the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer.

If the aggregate purchase price for the Successfully Tendered Shares would result in an aggregate purchase price in excess of \$4,000,000, then the Successfully Tendered Shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Odd Lot Holders at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a *pro rata* basis according to the number of Shares tendered or deemed to be tendered at a price equal to or less than the Purchase Price by the tendering Shareholders, less the number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any.

For purposes of the Offer, the term "**Odd Lots**" means all Successfully Tendered Shares tendered by or on behalf of the Successful Shareholders who individually beneficially own, as of the Expiration Time, an aggregate of fewer than 100 Shares ("**Odd Lot Holders**"). As set forth above, Odd Lots will be accepted for purchase before any pro-ration. In order to qualify for this preference, an Odd Lot Holder must validly tender, pursuant to an Auction Tender at a price at or below the Purchase Price or pursuant to a Purchase Price Tender, all Shares beneficially owned by such Odd Lot Holder. Partial tenders will not qualify for this preference. This preference is not available to holders of 100 or more Shares even if holders have separate certificates for fewer than 100 Shares or hold fewer than 100 Shares in different accounts. Any Odd Lot Holder wishing to

tender all Shares beneficially owned, without pro-ration, must check the appropriate box on the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery. Shareholders owning an aggregate of less than 100 Shares whose Shares are purchased pursuant to the Offer will avoid any Odd Lot discounts, which may be applicable on a sale of their Shares in a transaction on the TSXV.

4. ANNOUNCEMENT OF RESULTS OF THE OFFER

The Corporation will publicly announce the results of the Offer, including the Purchase Price, the number of Shares validly tendered to the Offer and the aggregate purchase price of the Shares to be purchased for cancellation pursuant to the Offer, as promptly as practicable after the Expiration Time.

5. PROCEDURES FOR TENDERING SHARES

Valid Tender of Shares

To tender Shares pursuant to the Offer, (i) the certificate(s) or DRS statement(s) for all tendered Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares (with signatures that are guaranteed if so required in accordance with the Letter of Transmittal), and any other documents required by the Letter of Transmittal, must be received by the Depository at the address listed in the Letter of Transmittal prior to the Expiration Time, (ii) the guaranteed delivery procedure described below must be followed, or (iii) such Shares must be transferred pursuant to the procedures for book-entry transfer described below (and a confirmation of such transfer must be received by the Depository, including a Book-Entry Confirmation (as defined below) if the tendering Shareholder has not delivered a Letter of Transmittal). The term "**Book-Entry Confirmation**" means a confirmation of a book-entry transfer of a Shareholder's Shares into the Depository's account at CDS.

In accordance with Instruction 5 – *Indication of Type of Tender* in the Letter of Transmittal or the Book-Entry Confirmation, each Shareholder desiring to tender Shares pursuant to the Offer should indicate, in Box A captioned "Type of Tender" on such Letter of Transmittal or, if applicable, the Notice of Guaranteed Delivery: (i) whether the Shareholder is tendering Shares pursuant to an Auction Tender or a Purchase Price Tender, and (ii) each Shareholder desiring to tender Shares pursuant to an Auction Tender must further indicate, in the appropriate box in such Letter of Transmittal or the Book-Entry Confirmation, the price per Share (in increments of \$0.01 per within such range) at which such Shares are being tendered. Under each of (i) and (ii) respectively, only one box may be checked. If a Shareholder desires to tender Shares in separate lots at a different price and/or different type of tender for each lot, such Shareholder must complete a separate Letter of Transmittal or Book-Entry Confirmation (and, if applicable, a Notice of Guaranteed Delivery) for each lot. The same Shares cannot be tendered (unless previously properly withdrawn) pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price. **Shareholders who validly tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.** In addition, Odd Lot Holders who tender all their Shares must check the appropriate box in the Letter of Transmittal in order to qualify for the preferential treatment available to Odd Lot Holders as set forth in "Offer to Purchase – Number of Shares and Pro-Ration".

If your Shares are held through a broker, dealer, commercial bank, trust company or other nominee, you must request that your broker, dealer, commercial bank, trust company or other nominee tender your Shares for you. If your Shares are so held, you should immediately contact such nominee in order to take the necessary steps to be able to tender such Shares under the Offer. In addition, it is likely that such broker, dealer, commercial bank, trust company or other nominee has an earlier deadline, for administrative reasons, for you to act to instruct such nominee to tender Shares on your behalf. We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to confirm any earlier deadline.

Participants of CDS should contact such depository with respect to the tender of their Shares under the terms of the Offer.

Signature Guarantees

No signature guarantee is required on the Letter of Transmittal if (i) the Letter of Transmittal is signed by the registered Shareholders exactly as the name of the registered Shareholder appears on the share certificate or DRS statement tendered

therewith, and payment and delivery are to be made directly to such registered Shareholder, or (ii) Shares are tendered for the account of a Canadian Schedule I chartered bank, a commercial bank or trust company in the United States, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an "**Eligible Institution**"). In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 1 in the Letter of Transmittal.

If a certificate or DRS statement representing Shares is registered in the name of a person other than the signatory to a Letter of Transmittal, or if payment is to be made, or certificate(s) or DRS statement(s) representing Shares not purchased or tendered are to be issued, to a person other than the registered Shareholder, the certificate or DRS statement must be endorsed or accompanied by an appropriate power of attorney, in either case, signed exactly as the name of the registered Shareholder appears on the certificate or DRS statement with the signature on the certificate or DRS statement or stock power signature guaranteed by an Eligible Institution.

Book-Entry Transfer Procedures – CDS

An account with respect to the Shares will be established at CDS for purposes of the Offer. Any financial institution that is a participant in CDS may make book-entry delivery of the Shares through the CDS on-line tendering system pursuant to which book-entry transfers may be effected ("**CDSX**") by causing CDS to transfer such Shares into the Depository's account in accordance with the applicable CDS procedures for such transfer. Delivery of Shares to the Depository by means of book-entry through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depository at its Toronto, Ontario office address set forth on the back cover page of this Offer to Purchase and Circular prior to the Expiration Time. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry transfer of their holdings with CDS, shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and, therefore, such instructions received by the Depository are considered to be a valid tender in accordance with the terms of the Offer. **Delivery of documents to CDS does not constitute delivery to the Depository.**

Method of Delivery

The method of delivery of all documents, including certificate(s) or DRS statement(s) representing Shares, is at the election and sole risk of the tendering Shareholder. Delivery is only effective upon receipt by the Depository. If delivery is by mail, registered mail that is properly insured is recommended, and it is suggested that the mailing be made sufficiently in advance of the Expiration Time to permit delivery to the Depository on or prior to such time.

Procedure for Guaranteed Delivery

If a Shareholder wishes to tender Shares pursuant to the Offer and cannot deliver certificate(s) or DRS statement(s) for such Shares, or the book-entry transfer procedures described above cannot be completed, prior to the Expiration Time, or time will not permit all required documents to reach the Depository prior to the Expiration Time, such Shares may nevertheless be tendered if all of the following conditions are met:

- (a) such tender is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Corporation with this Offer to Purchase (indicating the type of tender and, in the case of an Auction Tender, the price at which Shares are being tendered), including (where required) a signature guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery, is received by the Depository at its Toronto, Ontario office address listed in the Notice of Guaranteed Delivery, by the Expiration Time; and
- (c) the certificate(s) or DRS statement(s) for all physically tendered Shares, as well as a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), or a Book-Entry Confirmation thereof in the case of a book-entry transfer, relating to such Shares, with signatures

guaranteed, if so required, in accordance with the Letter of Transmittal, and all other documents required by the Letter of Transmittal, is received by the Depository at its Toronto, Ontario office address listed in the Notice of Guaranteed Delivery, before 5:00 p.m. (Toronto time) on or before the second trading day on the TSXV after the Expiration Time.

The Notice of Guaranteed Delivery may be hand delivered, couriered, or mailed or transmitted by email to one of the Depository's Toronto, Ontario office addresses listed in the Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery. For Shares validly tendered pursuant to the guaranteed delivery procedure, the Depository must receive the Notice of Guaranteed Delivery prior to the Expiration Time.

Notwithstanding any other provision hereof, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of (i) certificate(s) or DRS statement(s) for all Shares proposed to be taken up, or timely confirmation of the book-entry transfer of such Shares, (ii) a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, or a Book-Entry Confirmation, and (iii) any other documents required by the Letter of Transmittal.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently delivered.

Return of Unpurchased Shares

Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificate(s) representing Shares all of which are not purchased), or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), promptly after the Expiration Time or termination of the Offer or the date of withdrawal of the Shares without expense to the tendering Shareholder. In the case of Shares tendered through book-entry transfer into the Depository's account at CDS, or through the DRS maintained by the Depository, the Shares will be credited to the appropriate account maintained by the tendering Shareholder at CDS without expense to the Shareholder.

Determination of Validity, Rejection; Notice of Defect

All questions as to the number of Shares to be taken up, the price to be paid therefor, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by the Corporation, in its sole discretion, which determination shall be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. Flow Capital reserves the absolute right to reject any tenders of Shares determined by it, in its sole discretion, not to be in proper form or not completed in accordance with the instructions set forth herein and in the Letter of Transmittal or the acceptance for payment of, or payment for, which may, in the opinion of the Corporation's counsel, be unlawful. Flow Capital also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the tender of any particular Shares. No individual tender of Shares will be deemed to be validly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Corporation shall determine. The Corporation will not be liable for failure to waive any condition of the Offer or any defect or irregularity in any tender of Shares. **None of the Corporation, the Depository or any other person will be obligated to give notice of defects or irregularities in tenders, nor shall any of them incur any liability for failure to give any such notice.** The Corporation's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

Under no circumstances will interest accrue or be paid by the Corporation by reason of any delay in making payment to any person, including persons using the guaranteed delivery procedures. The amount paid for Shares tendered pursuant to the guaranteed delivery procedures will be the same as that for Shares delivered to the Depository on or prior to the Expiration Time.

Formation of Agreement

A valid tender of Shares pursuant to any one of the procedures described above will constitute a binding agreement between the tendering Shareholder and the Corporation, effective as of the Expiration Time, upon the terms and conditions of the Offer.

Lost or Destroyed Share Certificates

If any certificate representing Shares has been lost or destroyed, the Shareholder should promptly notify the Depository at the phone number or at the address set forth on the back cover page of this Offer to Purchase and Circular. The Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed. Shareholders are requested to contact the Depository immediately in order to permit timely processing of this documentation.

Further Assurances

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Flow Capital, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of any Shares proposed to be taken up by the Corporation. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

6. WITHDRAWAL RIGHTS

Except as otherwise provided in this Section, tenders of Shares pursuant to the Offer will be irrevocable. Shares tendered pursuant to the Offer may be withdrawn by the Shareholder:

- (a) at any time prior to the Expiration Time;
- (b) at any time if the Shares have not been taken up by the Corporation before actual receipt by the Depository of a notice of withdrawal in respect of such Shares;
- (c) at any time if the Shares have been taken up but not been paid for by the Corporation within three business days of being taken up;
- (d) at any time before the expiration of 10 days from the date upon which either:
 - (i) a notice of change relating to a change which has occurred in the information contained in this Offer to Purchase or the Circular, as amended from time to time, or in any notice of extension or variation, that would reasonably be expected to affect the decision of a Shareholder to accept or reject the Offer (other than a change that is not within the control of the Corporation or an affiliate of the Corporation), in the event that such change occurs before the Expiration Time or after the Expiration Time but before the expiry of all rights of withdrawal in respect of the Offer; or
 - (ii) a notice of variation concerning a variation in the terms of the Offer (other than a variation consisting solely of an increase in the consideration offered for the Shares where the Expiration Time is not extended for more than 10 days or a variation consisting solely of a waiver of a condition to the Offer) (see "Offer to Purchase – Extension and Variation of the Offer"), is mailed, delivered or otherwise properly communicated (subject to abridgement of that period pursuant to such order or orders as may be granted by applicable courts, securities regulatory authorities or applicable stock exchanges, including the TSXV) and only if such tendered Shares have not been taken up by the Corporation at the date of the notice.

For a withdrawal to be effective, a written or printed copy of a notice of withdrawal must be actually received by the Depository prior to 5:00 p.m. (Toronto time) on the applicable date specified above at the place of tender of the relevant Shares. Any such notice of withdrawal must (i) be signed by or on behalf of the person who signed the Letter of Transmittal that accompanied the Shares being withdrawn or, in the case of Shares tendered by a CDS participant, be signed by such participant in the same manner as the participant's name as listed on the applicable Book-Entry Confirmation, or be accompanied by evidence sufficient to the Depository that the person withdrawing the tender has succeeded to the beneficial ownership of the Shares, and (ii) specify the name of the person who tendered the Shares to be withdrawn, the name of the registered holder (if different from that of the person who tendered such Shares) and the number of Shares to be withdrawn. If the certificate(s) for the Shares tendered pursuant to the Offer have been delivered or otherwise identified to the Depository, then, prior to the release of such certificate(s), the tendering Shareholder must submit the serial number(s) shown on the particular certificate(s) evidencing the Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution, except in the case of Shares tendered by an Eligible Institution. If Shares have been tendered pursuant to the procedure for book-entry transfer described under "Offer to Purchase – Procedures for Tendering Shares", the notice of withdrawal must also specify the name and number of the account at CDS, as applicable, to be credited with the withdrawn Shares, and must otherwise comply with CDS' procedures. If a Shareholder has used more than one Letter of Transmittal or has otherwise tendered more than one group of Shares, such Shareholder may withdraw Shares using either separate notices of withdrawal or a combined notice of withdrawal, so long as the information specified above is included. **A withdrawal of Shares tendered pursuant to the Offer can only be accomplished in accordance with the foregoing procedure. The withdrawal shall take effect only upon actual receipt by the Depository of a properly completed and executed notice of withdrawal in writing.**

A Shareholder who wishes to withdraw Shares under the Offer and who holds Shares through a broker, dealer, commercial bank, trust company or other nominee should immediately contact such broker, dealer, commercial bank, trust company or other nominee in order to take the necessary steps to be able to withdraw such Shares under the Offer. Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Shares that differ from those set out in this Offer to Purchase. We recommend that you contact any such nominee to find out its deadline.

Participants of CDS should contact such depository with respect to the withdrawal of Shares under the Offer.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Corporation, in its sole discretion, which determination shall be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. None of the Corporation, the Depository nor any other person will be obligated to give notice of defects or irregularities in notices of withdrawal, nor shall any of them incur any liability for failure to give any such notice.

Any Shares properly withdrawn will thereafter be deemed not tendered for purposes of the Offer. However, withdrawn Shares may be re-tendered prior to the Expiration Time by again following the procedures described under "Offer to Purchase – Procedures for Tendering Shares".

If the Corporation extends the period of time during which the Offer is open, is delayed in its purchase of Shares or is unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to the Corporation's rights under the Offer, the Depository may, subject to applicable law, retain on behalf of the Corporation all tendered Shares, and such Shares may not be withdrawn except to the extent that tendering Shareholders are entitled to withdrawal rights as described herein.

7. CONDITIONS OF THE OFFER

The Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer. Notwithstanding any other provision of the Offer, the Corporation shall not be required to accept for purchase, to purchase or, subject to any applicable rules or regulations, to pay for any Shares tendered, and may extend, vary or terminate the Offer or may, subject to any applicable rules and regulations, postpone the acceptance for purchase of, or payment for, Shares tendered, if, at any time before the payment for any such Shares, any of the following events shall have occurred (or shall have been determined by the Corporation to have occurred) which, in the Corporation's sole judgment, acting reasonably, in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase or payment:

- (a) there shall have been threatened, taken or pending any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction: (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Shares by the Corporation or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) seeking material damages or that otherwise, in the sole judgment of the Corporation, acting reasonably, has or may have a material adverse effect on the business, income, assets, liabilities, condition or statement (financial or otherwise), properties, operations, results of operations or prospects of the Corporation or has impaired or may materially impair the contemplated benefits of the Offer to the Corporation or otherwise make it inadvisable to proceed with the Offer;
- (b) there shall have been any action or proceeding threatened, pending or taken or approval withheld or any statute, rule, regulation, stay, decree, judgment or order, or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or the Corporation or any of its subsidiaries by or before any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation shall become operative or applicable in any jurisdiction that, in the sole judgment of the Corporation, acting reasonably, might, directly or indirectly, result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or would or might prohibit, prevent, restrict or delay consummation of the Offer or impair the contemplated benefits of the Offer to the Corporation;
- (c) there shall have occurred: (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the United States, (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States (whether or not mandatory), (iii) a natural disaster or the commencement or escalation of a war, armed hostilities, act of terrorism or other international or national calamity directly or indirectly involving Canada, the United States or any other region where the Corporation maintains significant business activities, (iv) any limitation (whether or not mandatory) by any government or governmental authority or regulatory or administrative agency or any other event that, in the sole judgment of the Corporation, acting reasonably, might affect the extension of credit by banks or other lending institutions, (v) any significant decrease, in the sole judgment of the Corporation, acting reasonably, in the market price of the Shares since the close of business on August 28, 2019, (vi) any material change in short term or long term interest rates; (vii) any change in the general political, market, economic or financial conditions that, in the sole judgment of the Corporation, acting reasonably, has or may have, individually or in the aggregate, a material adverse effect on the Corporation's business, operations or prospects or the trading in, or value of, the Shares, or (viii) any significant decrease, in the sole judgement of the Corporation, acting reasonably, in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the S&P 500 Composite Index since the close of business on August 28, 2019, or (ix) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;
- (d) there shall have occurred any change or changes (or any development involving any prospective change or changes) in: (i) general political, market (including, but not limited to, any stock market or currency or foreign exchange market), economic, financial or industry conditions in Canada or the United States, (ii) the business, earnings, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of the Corporation or any of its subsidiaries that, in each case in the sole judgment of the Corporation, acting reasonably, has or may have, individually or in the aggregate, a material adverse effect with respect to the Corporation and its subsidiaries taken as a whole, or would otherwise make it inadvisable, in the sole judgement of the Corporation, acting reasonably, to proceed with the Offer, or (iii) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof; any take-over bid or tender or exchange offer with respect to some or all of the securities of the Corporation, or any merger, amalgamation, arrangement, business combination or acquisition proposal, disposition of assets outside of the ordinary course of business, or other similar transaction with or involving the Corporation or any of its affiliates, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;

- (e) the Corporation shall have concluded, in its sole judgment, acting reasonably, that the Offer or the take up and payment for any or all of the Shares by the Corporation is illegal or not in compliance with applicable law or stock exchange requirements, or that necessary exceptions under applicable securities legislation, including exemptions from obligations to take up Shares in the event that the Offer is extended in certain circumstances, are not available to the Corporation for the Offer and, if required under any such legislation, the Corporation shall not have received the necessary exemptions from or approvals or waivers of the appropriate courts or applicable securities regulatory authorities or stock exchange(s) in respect of the Offer;
- (f) any change shall have occurred or been proposed to the *Income Tax Act* (Canada) ("**Tax Act**") or regulations thereunder, to the publicly available administrative policies or assessing practices of the Canada Revenue Agency ("**CRA**") or to relevant jurisprudence, that, in the sole judgment of the Corporation, acting reasonably, is detrimental to the Corporation or its subsidiaries, taken as a whole, or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares tendered under the Offer;
- (g) any change shall have occurred or been proposed to the United States Internal Revenue Code of 1986, as amended (the "**Code**"), the Treasury Regulations promulgated thereunder, or publicly available administrative policies of the United States Internal Revenue Service, or the equivalent laws, regulations and policies of another jurisdiction where one or more Shareholders are resident, that, in the sole judgment of the Corporation, acting reasonably, is detrimental to the Corporation or its subsidiaries, taken as a whole, or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares tendered under the Offer;
- (h) completion of the Offer subjects the Corporation to any material tax liability, including tax liability under Part VI.1 of the Tax Act;
- (i) completion of the Offer and the purchase of the Shares may cause the Shares to be delisted from the TSXV; or
- (j) no Auction Tenders or Purchase Price Tenders have been made pursuant to the Offer.

The foregoing conditions are for the sole benefit of the Corporation and may be asserted by the Corporation, in its sole discretion, acting reasonably, regardless of the circumstances (including any action or inaction by the Corporation) giving rise to any such condition, or may be waived by the Corporation, in its sole discretion, in whole or in part, at any time at or prior to the expiration of the Offer (other than those involving the receipt of any requisite government approvals), provided that any condition waived in whole or in part will be waived with respect to all Shares tendered. The failure by the Corporation at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to the particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time at or prior to the expiration of the Offer (other than those involving the receipt of any requisite government approvals). For the avoidance of doubt, the foregoing conditions (other than those involving the receipt of any requisite government approvals) must be satisfied or waived at or prior to the expiration of the Offer. Any determination by the Corporation concerning the events described in this Section shall be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

Any waiver of a condition or the termination of the Offer by the Corporation shall be deemed to be effective on the date on which notice of such waiver or termination by the Corporation is delivered or otherwise communicated to the Depository. The Corporation, after giving notice to the Depository of any waiver of a condition or the termination of the Offer, shall immediately make a public announcement of such waiver or termination and provide or cause to be provided, to the extent required by law, notice of such waiver or termination to the TSXV and the applicable Canadian securities regulatory authorities. If the Offer is terminated, the Corporation shall not be obligated to take up, accept for purchase or pay for any Shares tendered under the Offer, and the Depository will return all tendered Shares, Letters of Transmittal and Notices of Guaranteed Delivery and any related documents to the parties by whom they were tendered.

8. EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, the Corporation expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified herein shall have occurred, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer, by giving written notice, of extension or variation to the Depositary and by causing the Depositary to provide to all Shareholders, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth under "Offer to Purchase – Notice". Promptly after giving notice of an extension or variation to the Depositary, but, in the case of an extension, no later than 9:00 a.m. (Toronto time), on the next business day following the last previously scheduled or announced Expiration Time, the Corporation will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSXV and the applicable Canadian securities regulatory authorities. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of the waiver of a condition of the Offer), the period during which Shares may be deposited pursuant to the Offer shall not expire before 10 days (except for any variation increasing or decreasing the percentage of Shares to be purchased, the consideration provided for under the Offer, in which case the Offer shall not expire before ten business days) after the notice of variation has been given to Shareholders, unless otherwise permitted by applicable law. During any such extension or in the event of any variation, all Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Corporation in accordance with the terms of the Offer, subject to "Offer to Purchase – Withdrawal Rights". An extension of the Expiration Time or a variation of the Offer does not constitute a waiver by the Corporation of its rights under "Offer to Purchase – Conditions of the Offer".

If the Corporation makes a material change to the terms of the Offer or the information concerning the Offer, the Corporation will extend the time during which the Offer is open to the extent required under applicable securities legislation.

The Corporation also expressly reserves the right, in its sole discretion, (i) to terminate the Offer and not take up and pay for any Shares not theretofore taken up and paid for if certain events occur as described under "Offer to Purchase – Conditions of the Offer", and/or (ii) at any time or from time to time, to vary the Offer in any respect, including increasing or decreasing the aggregate purchase price for Shares that the Corporation may purchase or the range of prices it may pay pursuant to the Offer, subject to compliance with applicable securities legislation.

Any such extension, variation or termination will be followed promptly as practicable by a public announcement and by the filing and mailing of a notice of variation or extension, if applicable. Without limiting the manner in which the Corporation may choose to make any public announcement, except as provided by applicable law, the Corporation shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through a widely circulated news wire service.

9. TAKING UP AND PAYMENT FOR TENDERED SHARES

Upon the terms and provisions of the Offer (including pro-ration) and subject to and in accordance with applicable securities laws, the Corporation will take up and pay for Shares validly tendered and not properly withdrawn under the Offer, in accordance with the terms thereof, promptly after the Expiration Time, but in any event not later than 10 days after the Expiration Time, provided that the conditions of the Offer (as the same may be varied) have been satisfied or waived on or prior to the Expiration Time. Any Shares taken up will be paid for as soon as practicable but in any event no later than three business days after they are taken up in accordance with applicable securities laws. The Corporation will acquire Shares to be purchased pursuant to the Offer and title thereto under this Offer to Purchase effective from the time the Corporation takes up and pays for such Shares.

For the purpose of the Offer, the Corporation will be deemed to have taken up and accepted for payment Successfully Tendered Shares having an aggregate purchase price not exceeding \$4,000,000 if, as and when the Corporation gives written notice to the Depositary to that effect.

The Corporation reserves the right, in its sole discretion, subject to applicable securities laws, to delay taking up or paying for Shares or to terminate the Offer and not take up or pay for any Shares upon the occurrence of any of the events

specified under "Offer to Purchase – Conditions of the Offer" on or prior to the Expiration Time, by giving written notice thereof to the Depository. The Corporation also reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Shares in order to comply, in whole or in part, with any applicable law.

In the event of pro-ration of Shares tendered pursuant to the Offer, the Corporation will determine the pro-ration factor and pay for those tendered Shares accepted for payment promptly after the Expiration Time. **However, the Corporation does not expect to be able to announce the final results of any such pro-ration until approximately three business days after the Expiration Time.**

Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificate(s) representing Shares all of which are not purchased) or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), or in the case of Shares tendered by book-entry transfer, or through the DRS maintained by the Depository credited to the account maintained with CDS by the participant who delivered the Shares, promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Shares, in any case without expense to the Shareholder

The Corporation will pay for Shares taken up under the Offer by providing the Depository with sufficient funds (by bank transfer or other means satisfactory to the Depository) for transmittal to tendering Shareholders. Under no circumstances will interest accrue or be paid by the Corporation or the Depository on the Purchase Price of the Shares purchased by the Corporation, regardless of any delay in making such payment or otherwise.

Tendering Shareholders will not be obligated to pay brokerage fees or commissions to the Corporation or the Depository. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their brokers or other intermediaries in connection with a tender of Shares pursuant to the Offer.

The Depository will act as agent of persons who have validly tendered Shares in acceptance of the Offer and have not properly withdrawn them, for the purposes of receiving payment from the Corporation and transmitting payment to such persons. **Receipt by the Depository from the Corporation of payment for such Shares will be deemed to constitute receipt of payment by persons tendering Shares.** The Depository will also coordinate with CDS with respect to Shareholders who have tendered Shares by way of book-entry transfer which are taken up and accepted by the Corporation, to arrange for payment to be made to such Shareholders in accordance with the settlement procedures of CDS.

The settlement with each Shareholder who has tendered Shares under the Offer will be effected by the Depository by forwarding a cheque, representing the cash payment (less applicable withholding taxes, if any) for such Shareholder's Shares taken up under the Offer. The cheque will be issued in the name of the person as specified by properly completing the appropriate box in the Letter of Transmittal. Unless the tendering Shareholder instructs the Depository to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, the cheque will be forwarded by prepaid first class mail to the payee at the address specified in the Letter of Transmittal. If no such address is specified, the cheque will be sent to the address of the tendering Shareholder as it appears in the registers maintained in respect of the Shares. Cheques, mailed in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

Each Shareholder who has tendered Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.

Successfully Tendered Shares taken up and paid for by the Corporation will immediately be cancelled by the Corporation.

10. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, cheques in payment for Shares purchased under the Offer and certificate(s) for any Shares to be returned will not be mailed if the Corporation determines that delivery by mail may be delayed. Persons entitled to cheques or certificate(s) that are not mailed for this reason may take delivery at the office of the Depository at which the tendered certificate(s) for the Shares were delivered until the Corporation has determined that delivery by mail

will no longer be delayed. Flow Capital will provide notice, in accordance with this Offer to Purchase, of any determination under this Section not to mail as soon as reasonably practicable after such determination is made.

11. LIENS AND DIVIDENDS

Shares acquired pursuant to the Offer shall be acquired by the Corporation free and clear of all hypothecs, liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions that may be paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record on or prior to the date upon which the Shares are taken up and paid for under the Offer shall be for the account of such Shareholders. Each Shareholder of record on that date will be entitled to receive that dividend or distribution, whether or not such Shareholder tenders Shares pursuant to the Offer.

A tender of Shares made pursuant to any method of delivery set forth herein will also constitute a representation and warranty to us that the tendering Shareholder has full power and authority to tender, sell, assign and transfer the tendered Shares and any and all dividends, distributions, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of the tendered Shares with a record date on or after the date that Flow Capital takes up and accepts for purchase the tendered Shares and that, if the tendered Shares are taken up and accepted for purchase by Flow Capital, Flow Capital will acquire good and marketable title thereto, free and clear of all liens, charges, claims, encumbrances, security interests, restrictions and equities whatsoever, together with all rights and benefits arising therefrom. Any such tendering Shareholder will, on request by the Depositary or us, execute and deliver any additional documents deemed by the Depositary or us to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered, all in accordance with the terms of the Offer.

All authority conferred or agreed to be conferred by delivery of the Letter of Transmittal shall be binding on the successors, assigns, heirs, personal representatives, executors, administrators and other legal representatives of the tendering Shareholder and shall not be affected by, and shall survive, the death or incapacity of such tendering Shareholder.

12. NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by the Corporation or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the registered Shareholders at their respective addresses as shown on the share registers maintained in respect of the Shares and will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite (i) any accidental omission to give notice to any one or more Shareholders, and (ii) an interruption of mail service following mailing. In the event of an interruption of mail service following mailing, the Corporation will use reasonable efforts to disseminate the notice by other means, such as publication. If post offices are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which the Corporation or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if it is issued by way of a news release and if it is published once in the *National Post* or *The Globe and Mail*, and in a French language daily newspaper of general circulation in the Province of Québec.

13. OTHER TERMS

- (a) No broker, dealer or other person has been authorized to give any information or to make any representation on behalf of the Corporation, the Board of Directors, the Depositary or experts name in the Offer other than as contained in the Offer, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Corporation, the Board of Directors, the Depositary or experts named in the Offer.
- (b) The Offer and all contracts resulting from the acceptance thereof shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (c) Flow Capital, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer and the

validity of any withdrawals of Shares, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

- (d) The Offer is not being made to, and tenders will not be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance would not be in compliance with the laws of such jurisdiction. However, Flow Capital may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.

Neither Flow Capital nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares. Shareholders are urged to consult their own financial, legal, investment and tax advisors and make their own decision whether to tender Shares to the Offer and, if so, how many Shares to tender, and at what price or prices.

The accompanying Circular, together with this Offer to Purchase, constitutes the issuer bid circular required under Canadian securities legislation with respect to the Offer. The accompanying Circular contains additional information relating to the Offer.

DATED this August 29, 2019.

FLOW CAPITAL CORP.

(Signed) "*Alex Baluta*"
President and Chief Executive Officer

ISSUER BID CIRCULAR

This Circular is being furnished in connection with the Offer by Flow Capital to purchase for not more than \$4,000,000 in value of its Shares at a Purchase Price of not less than \$0.15 per Share and not more than \$0.20 per Share. Terms defined in the Offer to Purchase and not otherwise defined herein have the same meaning in this Circular. The terms and conditions of the Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of the terms and conditions of the Offer.

1. FLOW CAPITAL CORP.

On March 12, 2018, Grenville Strategic Royalty Corp. ("**Grenville**") and LOGiQ Asset Management Inc. ("**LOGiQ**") announced that they had entered into an arrangement agreement (the "**Arrangement Agreement**") pursuant to which LOGiQ agreed to acquire all of the issued and outstanding common shares of Grenville based on 6.25 common shares of LOGiQ for each outstanding Grenville share (the "**Transaction**"). The Transaction was completed on June 7, 2018, being the date on which Grenville and LOGiQ amalgamated to form one corporate entity named Flow Capital Corp. (the "**Amalgamation**").

2. AUTHORIZED CAPITAL

The authorized capital of Flow Capital consists of an unlimited number of Shares, with nominal or par value, and no other classes of shares. As at August 28, 2019, there were 83,402,764 Shares issued and outstanding.

3. PURPOSE AND EFFECT OF THE OFFER

Flow Capital's Board of Directors believes that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, its cash requirements and its borrowing costs. In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation's business and therefore, the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders.

The Board of Directors believes that the "modified Dutch auction" tender offer set forth in the Offer to Purchase and this Circular represents an efficient mechanism to provide Shareholders with the opportunity to tender all or a portion of their Shares and, thereby, receive a return of some or all of their investment if they so elect. Flow Capital believes that the Offer provides Shareholders with an opportunity to obtain liquidity with respect to all or a portion of their Shares without potential disruption to the Share price. In addition, if Flow Capital completes the Offer, Shareholders who do not participate in the Offer, or otherwise retain an equity interest in the Corporation, will automatically increase their relative percentage ownership interest in the Corporation.

The Offer also provides Shareholders with an efficient way to sell their Shares without incurring broker's fees or commissions associated with open market sales. However, Shareholders who hold Shares through brokers, dealers, commercial banks, trust companies or other nominees are urged to consult their brokers, dealers, commercial banks, trust companies or other nominees to determine whether transaction costs may apply if Shareholders tender Shares through the brokers, dealers, commercial banks, trust companies or other nominee and not directly to the Depositary. Furthermore, Odd Lot holders who hold Shares registered in their names and tender their Shares directly to the Depositary and whose Shares are purchased in the Offer will avoid any applicable Odd Lot discounts that might otherwise be payable on sales of their Shares. Shares acquired by the Corporation pursuant to the Offer will be cancelled.

As at August 28, 2019, 83,402,764 Shares were issued and outstanding. The Offer is for a maximum of approximately 32.0% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.15 per Share (being the minimum Purchase Price under the Offer) and a maximum of approximately 24.0% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.20 per Share (being the maximum Purchase Price under the Offer).

Background to the Offer

The Board of Directors believes that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, its cash requirements and borrowing costs. In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation's business and therefore, the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders, while maintaining the Corporation's ability to pursue its existing business operations.

For the reasons described above and the reasons set out below, the Board of Directors has determined that it would be in the best interests of the Corporation to proceed with an issuer bid. The Offer was approved by the Board of Directors on August 28, 2019. In considering whether the Offer would be in the best interest of the Corporation, the Board of Directors gave careful consideration to a number of factors including, without limitation, the following:

- (a) its belief that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, and its cash requirements and borrowing costs;
- (b) the Corporation has cash on hand to make full payment for the Shares it has offered to acquire under the Offer and, after giving effect to the Offer, the Corporation will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations;
- (c) the Offer is not expected to preclude the Corporation from pursuing its foreseeable strategic opportunities or the continued operation of its business;
- (d) the Offer provides Shareholders with an opportunity to realize on all or a portion of their investment in the Corporation, should they desire liquidity, in quantities which might not otherwise be available in the market and without incurring brokerage commissions which might otherwise be payable on a sale of their Shares in a transaction on the TSXV;
- (e) tendering Shares under the Offer is optional and available to all Shareholders and, therefore, each Shareholder is free to accept or reject the Offer;
- (f) Shareholders wishing to tender Shares may do so pursuant to Auction Tenders or Purchase Price Tenders;
- (g) the Offer is not conditional on a minimum of Shares being tendered under the Offer and;
- (h) Shareholders who do not tender their Shares to the Offer, or who otherwise retain an equity interest in the Corporation, will realize a proportionate increase in their equity interest in the Corporation to the extent Shares are purchased by the Corporation pursuant to the Offer; and
- (i) the advice of the Valuator with respect to the purchase price range of the Offer as well as the Valuation.

The foregoing summary of the factors considered by the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its determination to proceed with the Offer, the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion.

The Board of Directors, after careful consideration of the above mentioned reasons, determined that the Offer is in the best interests of the Corporation and its Shareholders and authorized the making of the Offer, the pricing of the Offer and the forms of the Offer to Purchase and Circular and related documents on August 28, 2019.

Notwithstanding the foregoing considerations, before making any decision to tender or not tender Shares to the Offer, Shareholders should carefully consider the risks associated with the Corporation's business, including the risks described under the heading "Risk Factors" in the Corporation's Management Discussion and Analysis for the fiscal quarter ended June 30, 2019.

None of Flow Capital, the Board of Directors, the Depositary or any expert named herein makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.

Canadian securities laws prohibit the Corporation and its affiliates from acquiring or offering to acquire beneficial ownership of any Shares, other than pursuant to the Offer, until at least 20 business days after the Expiration Time or termination of the Offer, except, in the case of acquisitions during the period following the Expiration Time, pursuant to certain acquisitions effected in the normal course on a published market or as otherwise permitted by applicable law.

Flow Capital may in the future, subject to applicable law, purchase additional Shares on the open market, in private transactions, through normal course issuer bids, other issuer bids or otherwise. Any such purchases may be on the same terms or on terms which are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by the Corporation will depend on many factors, including the market price of the Shares, the Corporation's business and financial position, the results of the Offer and general economic and market conditions.

Except as disclosed herein, neither the Corporation, nor to the Corporation's knowledge, any of its officers or directors has current plans or proposals which relate to, or would result in (i) any extraordinary transaction involving the Corporation, such as a merger, a reorganization, the sale or transfer of a material amount of its assets or the assets of any of its subsidiaries; (ii) any material change in its present Board of Directors or management; (iii) any material change in its indebtedness or capitalization; (iv) any other material change in its business or corporate structure; (v) any material change in its constating documents; (vi) or any actions similar to any of the foregoing. Shareholders who do not tender their Shares to the Offer or whose Shares are not accepted because their tenders were at a price above the Purchase Price or due to the preferential acceptance of Odd Lots or pro-rata should be aware that while remaining Shareholders will have a proportionately increased equity interest in the Corporation, the amounts available for future returns of capital to Shareholders, if any, on a per Share basis may be less than the Purchase Price under the Offer.

Additional Securities Law Considerations

Flow Capital is a reporting issuer (or the equivalent thereof) in each of the provinces of Canada, and the Shares are listed on the TSXV. Flow Capital believes that the purchase of Shares pursuant to the Offer will not result in: (i) Flow Capital ceasing to be a reporting issuer in any jurisdiction in Canada, or (ii) the Shares being delisted from the TSXV.

4. VALUATION

Engagement of Valuator

The Board of Directors engaged the Valuator on August 6, 2019, to prepare the Valuation, within the meaning of MI 61-101, of the Shares. The Valuation contains the Valuator's opinion that, based on the scope of its review and subject to the assumptions, restrictions and limitations provided therein, as of July 31, 2019, the fair market value per Share falls within the range of \$0.17 to \$0.20 per Share.

A summary of the Valuation is set out in the Offer to Purchase under the "*Offer to Purchase – Valuation*". The full text of the Valuation, which sets forth, among other things, assumptions made, procedures followed, matters considered, qualifications and exceptions, and limitations of the review undertaken in rendering the opinion, is attached as Schedule A to the Circular. Shareholders are urged to read the Valuation carefully and in its entirety.

The Valuator's fee of \$15,500, plus applicable taxes and reimbursement of reasonable out-of-pocket expenses, was paid by the Corporation. The fees and expenses of the Valuator are not contingent in whole or in part upon the outcome of the Offer, and the Valuator has no financial interest in Flow Capital or in any other "interested party" (as such term is defined in MI 61-101) that may be affected by the Offer. The Board of Directors determined the compensation paid for the services provided by the Valuator.

Qualifications of Valuator

The Valuator has been determined by the Board of Directors to be qualified to produce the Valuation on the basis of its qualifications, as presented to the Board of Directors and as set out in the Valuation. The Valuator has advised that it has participated in a significant number of transactions involving both public and private companies and has extensive experience in preparing valuations. On the basis of the foregoing, the Valuator has represented to the Corporation that, for the purposes of the Valuation, the Valuator has appropriate qualifications within the meaning of MI 61-101.

Independence of Valuator

The Valuator has been determined by the Corporation to be independent on the basis that there has been no past relationship, and there is no present or anticipated relationship, other than the engagement of the Valuator by the Corporation for purposes of preparing the Valuation, between the Valuator and the Corporation or any other "interested party" (as such term is defined in MI 61-101) that may be relevant to any perceived lack of independence of the Valuator.

The Valuator has represented that it is of the view that it is independent of Flow Capital and any other interested party and that neither the Valuator nor any of its "affiliated entities" (as such term is defined in MI 61-101): (i) is an associated or affiliated entity or issuer insider of Flow Capital or any other interested party; (ii) is an advisor to Flow Capital or any other interested party in respect of the Offer; or (iii) has a material financial interest in the completion of the Offer. There are no understandings or agreements between the Valuator and Flow Capital or any other interested party with respect to future business dealings.

The Board of Directors determined that the compensation paid to the Valuator did not in any way interfere with the Valuator's independence and is not dependent, in whole or in part, on the conclusions reached by the Valuator or the outcome of the Offer. Having reviewed all of the relevant circumstances, the Valuator has advised Flow Capital that it is qualified for and independent in the preparation of the Valuation.

5. WITHDRAWAL RIGHTS

The withdrawal rights of Shareholders are described under "Offer to Purchase – Withdrawal Rights" and are incorporated into and form part of this Circular.

6. FINANCIAL STATEMENTS

The audited annual financial statements of Flow Capital for the fiscal year ended December 31, 2018 and the unaudited interim condensed consolidated financial statements of Flow Capital as at and for the six month period ended June 30, 2019 may be found on the Corporation's SEDAR profile at www.sedar.com. Shareholders may obtain copies of the most recent financial statements free of charge upon request to the Chief Financial Officer of Flow Capital, Donnacha Rahill, by email at donnacha@flowcap.com or telephone at 416 477-2601.

7. PRICE RANGE AND TRADING VOLUME OF THE SHARES

The outstanding Shares are listed on the TSXV under the trading symbol 'FW'. The following table sets forth the price range, calculated using intraday high and low prices, and trading volume of the Shares as reported by the TSXV, being the market on which the Shares are principally traded, for the six-month period preceding the date hereof:

Period	High Price (\$)	Low Price (\$)	Volume
February 2019	0.125	0.10	1,443,040
March 2019	0.12	0.085	1,595,912
April 2019	0.16	0.10	2,010,381
May 2019	0.14	0.11	2,062,823
June 2019	0.14	0.12	989,761
July 2019	0.155	0.125	1,635,601
August 2019	0.15	0.125	659,949

(Source: TMX Money)

On August 28, 2019, the last full trading day prior to the public announcement of Flow Capital of its intention to make the Offer, the closing price of the Shares on the TSXV was \$0.13 per Share.

Shareholders are urged to obtain current market quotations for the Shares.

8. DIVIDEND POLICY

Holders of the Corporation's Shares do not have a right to dividends on such shares unless declared by the Board of Directors. The declaration of dividends is at the discretion of the Board of Directors, even if the Corporation has sufficient funds, net of its liabilities, to pay such dividends, and the declaration of any dividend will depend on the Corporation's financial results, cash requirements, future prospects and other factors deemed relevant by the Board of Directors.

Since the effective date of Amalgamation on June 7, 2019, the Corporation has not paid any dividends to the holders of Shares.

9. PREVIOUS PURCHASES AND SALES

The Corporation announced a normal course issuer bid on July 30, 2018 (collectively, the "**2018 NCIB**"), which allowed the Corporation to repurchase, at its discretion, until August 2, 2019, the following securities of the Corporation:

- a) up to 4,666,666 Shares;
- b) up to \$1,720,100 principal amount of the \$17,250,000 principal amount 8% convertible unsecured subordinate debentures of the Corporation due December 31, 2019 (the "**8% Debentures**"); and
- c) up to \$521,000 principal amount of the \$5,214,000 principal amount 7% convertible unsecured subordinated debentures of the Corporation due June 30, 2021 (the "**7% Debentures**").

The tables below set out the securities of the Corporation that were purchased by the Corporation during the 2018 NCIB:

Date	Number of Shares Purchased	Purchase Price (\$)
August 17, 2018	89,500	0.1550
August 31, 2018	271,000	0.1700
October 19, 2018	9,000	0.1600
December 13, 2018	25,000	0.1250
December 14, 2018	78,000	0.1250
December 20, 2018	176,000	0.1250
December 21, 2018	221,000	0.1250
December 31, 2018	81,000	0.1250
January 4, 2019	151,000	0.1200
January 11, 2019	255,000	0.1200

January 16, 2019	161,500	0.1200
January 18, 2019	267,500	0.1200
January 21, 2019	300,000	0.1200
January 24, 2019	100,000	0.1200
January 31, 2019	200,500	0.1200
February 8, 2019	58,000	0.1200
February 11, 2019	6,500	0.1200
April 17, 2019	201,500	0.1150
April 22, 2019	127,500	0.1200
April 24, 2019	23,500	0.1201
April 26, 2019	128,000	0.1200
April 30, 2019	45,500	0.1200
May 2, 2019	37,500	0.1200
May 3, 2019	162,500	0.1200
May 8, 2019	164,500	0.1150
May 17, 2019	14,500	0.1150
May 21, 2019	185,000	0.1150
May 24, 2019	9,000	0.1100
June 21, 2019	95,500	0.1300
June 24, 2019	97,500	0.1300
June 28, 2019	21,000	0.1250
July 5, 2019	79,000	0.1250
July 10, 2019	100,000	0.1300
July 11, 2019	199,000	0.1400
July 12, 2019	29,000	0.1400
July 19, 2019	64,000	0.1400
July 26, 2019	45,500	0.1500
July 31, 2019	55,500	0.1500

Date	Amount of 7% Debentures Purchased (\$)	Price per Debenture (\$)
August 31, 2018	10,000	75.0000
November 23, 2018	3,000	75.0000
November 27, 2018	4,000	75.0000
December 7, 2018	19,000	75.0000
December 10, 2018	2,000	75.0000
December 13, 2018	3,000	75.0000
December 20, 2018	38,000	75.0000
December 21, 2018	1,000	75.0000
December 31, 2018	6,000	75.0000
January 4, 2019	5,000	75.0000

Date	Amount of 8% Debentures Purchased (\$)	Price per Debenture (\$)
August 20, 2018	10,000	89.0000
August 31, 2018	15,000	89.0000
September 20, 2018	11,000	89.0000
September 28, 2018	4,000	89.0000
October 22, 2018	1,000	89.0000
November 14, 2018	7,000	92.0000
November 15, 2018	31,000	92.0000
November 23, 2018	4,000	92.0000
November 27, 2018	1,000	92.0000
November 30, 2018	10,000	92.0000
January 22, 2019	64,000	93.5000
January 30, 2019	25,000	93.5000
February 1, 2019	25,000	93.5000
February 4, 2019	25,000	93.0000
February 8, 2019	46,000	93.0000
July 31, 2019	13,000	97.0000

Except for the purchases of securities described above, and excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights, no Shares of the Corporation have been purchased or sold by the Corporation during the 12 months preceding the date of the Offer.

10. OWNERSHIP OF SECURITIES OF THE CORPORATION

To the knowledge of the Corporation, after reasonable inquiry, the following table indicates, as at August 28, 2019, the number of securities of the Corporation beneficially owned or over which control or direction is exercised, by each director and officer of the Corporation and, after reasonable inquiry, by each insider of the Corporation (other than directors and executive officers) and their respective associates and affiliates, and each associate or affiliate of the Corporation or person or company acting jointly or in concert with the Corporation in connection with the Offer (collectively, the "**Disclosable Persons**"), as well as the percentage of outstanding Shares so owned:

Name	Relationship with Flow Capital	# of Shares/% of Outstanding	Principal Amount of 8% Debentures /% of Outstanding	Principal Amount of 7% Debentures /% of Outstanding
Paul De Luca	Director	234,375/0.28%	Nil/0.00%	Nil/0.00%
Catherine McLeod-Seltzer	Director	1,253,721/1.50%	\$100,000/0.59%	Nil/0.00%
Vernon Lobo	Director	4,389,948/5.26%	\$159,000/0.94%	Nil/0.00%
Gordon McMillan	Director	3,205,128/3.84%	Nil/0.00%	Nil/0.00%
Alan D. Torrie	Director	1,000,000/1.20%	Nil/0.00%	Nil/0.00%
Alex Baluta	President & CEO	Nil/0.00%	Nil/0.00%	Nil/0.00%
Donnacha Rahill	CFO	1,074,869/1.29%	\$40,000/0.24%	Nil/0.00%
Robb McLarty	CIO	2,200,000/2.64%	Nil/0.00%	Nil/0.00%

11. ACCEPTANCE OF OFFER

To the knowledge of the Corporation, after reasonable inquiry, no Disclosable Person has indicated the present intention to tender any of such person's Shares pursuant to the Offer. Flow Capital's management and its Board of Directors have agreed not to tender any Shares to the Offer.

12. AGREEMENTS, COMMITMENTS AND UNDERSTANDINGS

Except for securities issued, purchased or sold pursuant to the exercise of employee stock options or in connection with the Corporation's stock option plan and as otherwise described in the Offer to Purchase and this Circular, the Corporation has no commitments to purchase Shares and, to the Corporation's knowledge, after reasonable inquiry, no Disclosable Person is a party to any agreement, arrangement, commitment or understanding with respect to securities of the Corporation and there are no agreements, commitments or understandings made or proposed to be made between the Corporation and a holder of any securities of the Corporation in relation to the Offer.

13. BENEFITS FROM THE OFFER

Except as described or referred to herein, no Disclosable Person will receive any direct or indirect benefit from accepting or refusing to accept the Offer other than the Purchase Price for any Shares purchased by the Corporation in accordance with the terms of the Offer and any benefit available to any Shareholder who does or does not participate in the Offer.

14. MATERIAL CHANGES IN THE AFFAIRS OF THE CORPORATION

Except as described or referred to herein, (a) the Corporation does not have any plans or proposals for material changes in the affairs of the Corporation, other than as have been publicly disclosed, (b) there have not been any material changes that have occurred, other than as have been publicly disclosed, and (c) the Corporation is not aware of any material fact concerning the Shares or any other matter not previously publicly disclosed and known to the Corporation that would reasonably be expected to affect the decision of Shareholders to accept or reject the Offer.

15. PRIOR VALUATIONS AND BONA FIDE OFFERS

To the knowledge of the directors and officers of the Corporation, after reasonable inquiry, no "prior valuation" (as defined in MI 61-101) in respect of the Corporation has been made in the 24 months before the date hereof. No bona fide prior offer that relates to the Shares or is otherwise relevant to the Offer has been received by the Corporation during the 24 months preceding August 29, 2019 (the date on which the Offer was publicly announced).

16. PREVIOUS DISTRIBUTION

Since the effective date of the Amalgamation on June 7, 2019, the Corporation completed a non-brokered private placement of units of the Corporation on July 5, 2018 (the "**Private Placement**"). Under the Private Placement, the Corporation issued 5,032,689 units (each, a "**Unit**") for aggregate gross proceeds of \$905,884.02. Each Unit consisted of one Share and one Share purchase warrant, with each warrant exercisable at a price of \$0.22 for a period of sixty months following the issuance date.

17. INCOME TAX CONSEQUENCES

Certain Canadian Federal Income Tax Considerations

The Corporation has been advised by Owens Wright LLP that the following summary describes certain of the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable, as at the date hereof, to a disposition of Shares pursuant to the Offer.

This summary is based on the current provisions of the Tax Act, the regulations thereunder, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and counsel's understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form currently proposed. No assurances can be given that the Proposed Amendments will be enacted as currently proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by judicial, governmental or legislative decision or action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a "financial institution", (ii) that is a "specified financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that has entered into, or will enter into, with respect to their Shares, a "derivative forward agreement", or (v) that reports its "Canadian tax results" in a currency other than Canadian dollars, as each of those terms is defined in the Tax Act. This summary is also not applicable to a Shareholder that acquired Shares pursuant to the exercise of an employee stock option and who disposes of such Shares pursuant to the Offer. Such Shareholders should consult their own tax advisors regarding their particular circumstances.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Shareholder and no representations with respect to Canadian federal income tax consequences to any particular Shareholder are made. Accordingly, Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Shares must be expressed in Canadian dollars, including adjusted cost base and proceeds of disposition. This summary assumes that at all relevant times the Shares will be listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV).

Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for the purposes of the Tax Act (i) is or is deemed to be a resident of Canada, (ii) deals at arm's length with Flow Capital and is not affiliated with Flow Capital, (iii) is not exempt from tax under Part I of the Tax Act, and (iv) holds its Shares as capital property (a "**Resident Shareholder**"). Generally, Shares will be considered to be capital property to a Resident Shareholder provided that the Resident Shareholder does not hold the Shares in the course of carrying on a business and has not acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade. A Resident Shareholder whose Shares might not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election under subsection 39(4) of the Tax Act to have the Shares and every other "Canadian security", as defined in the Tax Act, owned by such Resident Shareholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Resident Shareholders are advised to consult their own tax advisors to determine if this election is appropriate in their particular circumstances.

A Resident Shareholder who sells a Share to Flow Capital pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid-up capital of such Share for purposes of the Tax Act at the time of sale exceeds the amount paid by Flow Capital for such Share pursuant to the Offer. Counsel has been advised by Flow Capital that the paid-up capital of each Share for purposes of the Tax Act currently exceeds the maximum amount payable for such Share pursuant to the Offer. Flow Capital has also advised counsel that it expects that the paid-up capital of each Share for purposes of the Tax Act will exceed the maximum amount payable for such Share at the time the Shares are sold pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Resident Shareholder on the sale of a Share to Flow Capital pursuant to the Offer.

The amount paid by Flow Capital for a Share disposed of by a Resident Shareholder under the Offer will be treated as proceeds of disposition of the Share. A Resident Shareholder will realize a capital gain (or capital loss) on the disposition of the Share equal to the amount by which the Resident Shareholder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Shareholder of the Share.

Generally, a Resident Shareholder will be required to include in computing its income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by it in that year. A Resident Shareholder must generally deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Shareholder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Resident Shareholder in the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss realized on the disposition of a Share by a Resident Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Shares. Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Shareholder who is an individual (other than a trust) and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the "superficial loss" rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period. Resident Shareholders who are individuals are urged to consult their own tax advisors with respect to the application of the "superficial loss" rules in their particular circumstances.

A Resident Shareholder that is a corporation or trust and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss suspended under the "suspended loss" rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period. Resident Shareholders that are corporations are urged to consult their own tax advisors with respect to the application of the "suspended loss" rules in their particular circumstances.

A Resident Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the year may be liable to pay an additional refundable tax on its "aggregate investment income" for the year, which is defined to include an amount in respect of taxable capital gains.

A Resident Shareholder who is an individual or a trust (other than certain specified trusts), who realizes a capital gain on the disposition of Shares pursuant to the Offer may be subject to alternative minimum tax under the Tax Act.

Non-Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for purposes of the Tax Act: (i) is not resident or deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Shares in connection with carrying on a business in Canada, (iii) deals at arm's length with Flow Capital and is not affiliated with Flow Capital, and (iv) is not an insurer that carries on an insurance business in Canada and elsewhere (a "**Non-Resident Shareholder**").

A Non-Resident Shareholder who sells a Share to Flow Capital pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid-up capital of such Share for purposes of the Tax Act at the time of sale exceeds the amount paid by Flow Capital pursuant to the Offer. Counsel has been advised by Flow Capital that the paid-up capital of each Share for purposes of the Tax Act currently exceeds the maximum amount payable for such Share pursuant to the Offer. Flow Capital has also advised counsel that it expects that the paid-up capital of each Share for purposes of the Tax Act will exceed the maximum amount payable for such Share at the time the Shares are sold pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Non-Resident Shareholder on a sale of a Share to Flow Capital pursuant to the Offer.

Accordingly, the amount paid by Flow Capital to a Non-Resident Shareholder for Shares pursuant to the Offer will be treated as proceeds of disposition of the Shares. A Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of a Share pursuant to the Offer unless the Shares are "taxable Canadian property" to the Non-Resident Shareholder for purposes of the Tax Act and the Non-Resident Shareholder is not entitled to relief under an applicable income tax convention between Canada and the jurisdiction in which the Non-Resident Shareholder is resident.

Generally, Shares will not constitute "taxable Canadian property" to the Non-Resident Shareholder at a particular time provided that the Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) unless at any particular time during the preceding 60 months,

1. 25% or more of the issued shares of any class or series of Flow Capital's shares were owned by one or any combination of (i) the Non-Resident Shareholder, (ii) persons with whom the Non-Resident Shareholder did not deal at arm's length (within the meaning of the Tax Act), and (iii) partnerships in which the Non-Resident

Shareholder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships, and

2. more than 50% of the fair market value of the Share was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such foregoing properties, whether or not such properties exist.

Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Shares could be deemed to be taxable Canadian property. **Non-Resident Shareholders whose shares may constitute taxable Canadian property are urged to consult with their own tax advisors.**

United States Tax Consequences

Shareholders should be aware that acceptance of this Offer may have United States tax consequences for Shareholders who are considered U.S. Persons under the United States Internal Revenue Code of 1986 (as modified, if applicable, by a tax treaty) including, but not limited to, Shareholders who are resident in, or citizens of, the United States (or who are otherwise subject to United States federal, state, or local taxation). Such United States tax consequences are not described herein.

SHAREHOLDERS THAT MAY BE SUBJECT TO UNITED STATES TAX SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES OF THE OFFER TO THEM, INCLUDING UNITED STATES TAX REPORTING REQUIREMENTS, UNITED STATES BACKUP WITHHOLDING RULES, THE APPLICABILITY AND EFFECT OF UNITED STATES FEDERAL, STATE, AND LOCAL AND NON- UNITED STATES TAX LAWS, AND THE EFFECT OF ANY PROPOSED CHANGES IN APPLICABLE TAX LAWS.

18. LEGAL MATTERS AND REGULATORY APPROVALS

Flow Capital is not aware of any license or regulatory permit that is material to the Corporation's business that might be adversely affected by the Corporation's acquisition of Shares pursuant to the Offer or of any approval or other action by any government or governmental, administrative or regulatory authority or agency in any jurisdiction, that would be required for the acquisition or ownership of Shares by the Corporation pursuant to the Offer and that has not been obtained on or before the date hereof. Should any such approval or other action be required, the Corporation currently contemplates that such approval will be sought or other action will be taken. Flow Capital cannot predict whether it may determine that it must delay the acceptance for payment of Shares tendered pursuant to the Offer pending the outcome of any such matter.

There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to the Corporation's business.

19. SOURCE OF FUNDS

Flow Capital expects to fund any purchases of Shares pursuant to the Offer, including any fees and expenses, using available cash on hand.

20. DEPOSITARY

Flow Capital has retained Computershare Trust Company of Canada to act as a depositary for, among other things, (i) the receipt of certificates representing Shares and related Letters of Transmittal tendered under the Offer, (ii) the receipt of Notices of Guaranteed Delivery delivered pursuant to the procedures for guaranteed delivery set forth under "Offer to Purchase – Procedures for Tendering Shares", (iii) the receipt from the Corporation of cash to be paid in consideration of the Shares acquired by the Corporation under the Offer, as agent for the tendering Shareholders, and (iv) the transmittal of such cash to the tendering Shareholders, as agent for the tendering Shareholders. The Depositary may contact Shareholders by mail, telephone or email and may request brokers, dealers and other nominee Shareholders to forward materials relating to the Offer to beneficial owners. The Depositary is not an affiliate of the Corporation and the Depositary acts as the Corporation's transfer agent and registrar.

21. FEES AND EXPENSES

The Valuator has been retained by the Corporation to prepare the Valuation. Flow Capital has paid the Valuator a fee for its services in providing the Valuation, and Flow Capital has also reimbursed the Valuator for certain reasonable out-of-pocket expenses incurred by the Valuator in providing the services.

The Depositary will receive reasonable and customary compensation for its services. Certain officers and employees of the Corporation may render services in connection with the Offer but will not receive any additional compensation for such services.

Flow Capital is expected to incur expenses of approximately \$100,000 in connection with the Offer, which includes filing fees, the Valuation fee and legal, translation, accounting, depositary, printing and mailing fees.

Brokers, dealers, commercial banks, trust companies and other nominees will, upon request, be reimbursed by the Corporation for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers.

22. STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides security holders of the Corporation with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL AND CERTIFICATE

August 29, 2019

The Board of Directors of Flow Capital Corp. has approved the contents of the Offer to Purchase and the accompanying Issuer Bid Circular dated August 29, 2019 and the sending, communication or delivery thereof to the holders of its common shares. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

(Signed) "*Alex Baluta*"
President and Chief Executive Officer

(Signed) "*Donnacha Rahill*"
Chief Financial Officer

On behalf of the Board of Directors

(Signed) "*Gordon McMillan*"
Director

(Signed) "*Alan Torrie*"
Director

CONSENT OF OWENS WRIGHT LLP

TO: The Board of Directors of Flow Capital Corp.

We consent to the inclusion of our name and reference to our opinion in the section titled "Income Tax Consequences – Certain Canadian Federal Income Tax Considerations" in the Circular dated August 29, 2019.

August 29, 2019

(Signed) "Owens Wright LLP"

CONSENT OF EVANS & EVANS, INC.

TO: The Board of Directors of Flow Capital Corp.

We refer to the formal valuation dated August 20, 2019, which we prepared for the Corporation in connection with its offer to the holders of Shares. We consent to the filing of the formal valuation with the securities regulatory authorities and the inclusion of our name and the references to our formal valuation dated August 20, 2019 in the section titled "Valuation" in the Circular dated August 29, 2019 of the Corporation and the inclusion of the text of our formal valuation in Schedule A thereof.

August 29, 2019

(Signed) "Evans & Evans, Inc."

SCHEDULE A – VALUATION OF EVANS & EVANS, INC.

COMPREHENSIVE VALUATION REPORT

FLOW CAPITAL CORP.

Toronto, Ontario

August 20, 2019

EVANS & EVANS, INC.

FLOW CAPITAL CORP.

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1.0 ASSIGNMENT AND BACKGROUND

1.1 Assignment

Evans & Evans, Inc. (“Evans & Evans” or the “authors of the Report”) was engaged by Flow Capital Corp. (“Flow Capital” or the “Company”) to prepare an independent Comprehensive Valuation Report (the “Report”) with regard to the fair market value of the Company’s common shares (the “Shares”) on a per share basis as at July 31, 2019 (the “Valuation Date”).

Flow Capital is a reporting issuer and the Shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “FW”. We understand Flow Capital is contemplating a substantial issuer bid (“SIB”) with respect to a purchase a portion of the Shares. Given the planned SIB, the Board of Directors of the Company (the “Board”) has requested the Report in order to have an independent opinion as to the fair market value of the Shares as at a current date.

The Report may be used for inclusion in any public disclosure documents in connection with the SIB and for submission to the Exchange as part of the regulatory approval of the SIB. The Report may also be placed on Flow Capital’s electronic file and included or referenced in any information circular provided to the Flow Capital shareholders.

As Evans & Evans relied on information, materials and representations provided to us by the Company’s management and associated representatives, the authors of the Report required that the Company’s management confirm to Evans & Evans in writing that the information and management’s representations contained in the Report are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report.

Evans & Evans, or its staff and associates, will not assume any responsibility or liability for losses incurred by Flow Capital and/or its shareholders, management or any other parties as a result of the circulation, publication, reproduction, or use of the Report, or any excerpts thereto contrary to the provisions of this section of the Report. Evans & Evans also reserves the right to review all calculations included or referred to in the Report and, if Evans & Evans considers it necessary, to revise the Report in light of any information existing at the Valuation Date which becomes known to Evans & Evans after the date of the Report.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.

1.2 Background of Flow Capital

Flow Capital is an investment company making revenue-linked, venture debt and other cashflow-oriented investments in emerging growth businesses (individually, a “investee” and collectively the “investees”), seeking to meet a substantial need in the financing market for profitable or near-profitable companies looking to fuel expansion without the dilution

of equity or restrictive covenants of conventional debt. Flow Capital also provides a range of advisory services to assist investees in fulfilling their growth objectives.

The Company resulted from a Plan of Arrangement (the “Arrangement”) between LOGiQ Asset Management Inc. (“LOGiQ”) and Grenville Strategic Royalty Corp. (“Grenville”) dated March 11, 2018. Flow Capital has five wholly-owned subsidiaries.

Flow Capital generates revenues / returns in three ways:

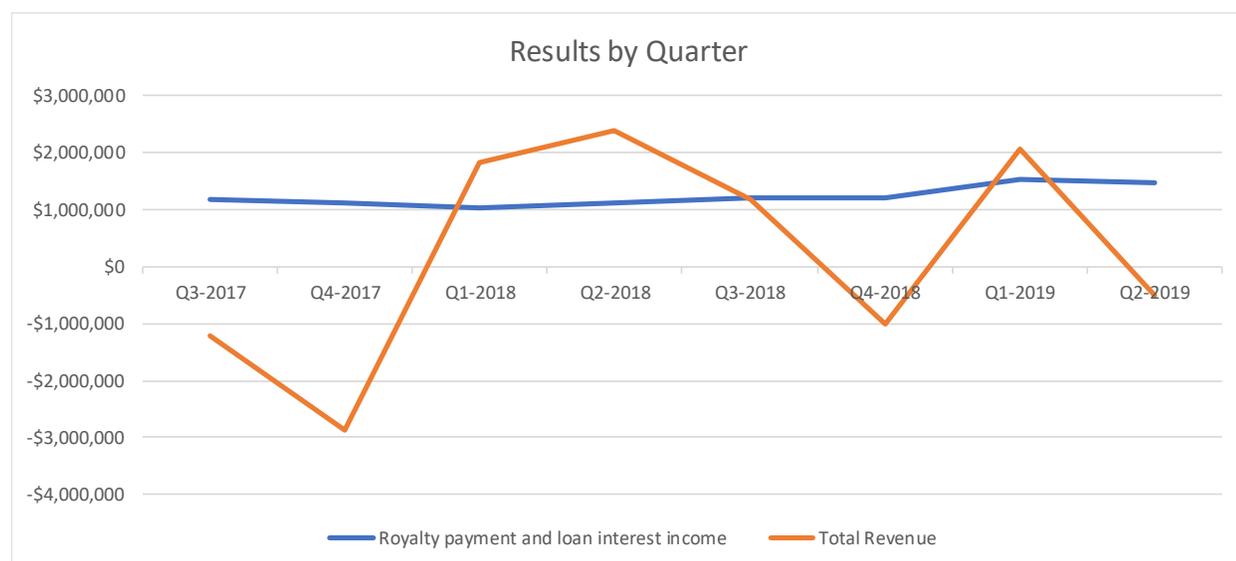
1. By providing growth capital to private and public businesses, typically in exchange for long-term royalties on those companies’ revenues or for venture debt in exchange for interest and principal payments. Flow Capital’s portfolio of investments in investees creates the potential for a stable and growing stream of long-term, recurring revenues;
2. Flow Capital’s royalties typically (but do not exclusively) stipulate that once an investee has returned one-times (1X) the aggregate investment amount, an investee may exit its royalty contract for a price that is at least equivalent to two-times (2X) Flow Capital’s aggregate investment amount; and,
3. Flow Capital also realizes returns from equity and warrant positions. While Flow Capital does not typically purchase the equity of its investees, the Company has from time-to-time earned equity or warrants in exchange for providing an investment or advisory services to investees, or in other cases, such as when an existing royalty is converted into equity.

As at the Valuation Date the Company had 26 active investments (the “FC Investments”). The Company’s fiscal year end is December 31. A summary of the Company’s results is outlined in the table below.

	6 Months 30-Jun-19	12 Months 31-Dec-18	12 Months 31-Dec-17
Number of company investments	45	43	40
Number of active company investments	24		
Number of company investments in period	2	3	7
Number of royalty buyouts since inception	9	9	6
Total capital deployed	\$1,645,025	\$6,899,497	\$5,048,298
Total capital under management	\$90,272,131	\$77,627,106	\$70,784,202
Total capital deployed since inception	\$77,675,956	\$76,024,420	\$69,100,050
Cash returned from royalty payments and royalty buyouts since inception	\$54,434,295	\$51,650,534	\$43,911,352
Cash returned from royalty payments and royalty buyouts during the period	\$3,109,459	\$7,739,182	\$10,966,739

	6 Months 30-Jun-19	12 Months 31-Dec-18	12 Months 31-Dec-17
Cash returned as % of capital deployed	70.00%	68.00%	63.00%
Weighted average royalty rate	2.63%	2.67%	3.60%

While total revenues vary from quarter-to-quarter due to realized and unrealized gains on the FC Investments and buy-outs, royalty and loan interest revenue has been relatively stable over the past 2.5 years.



Recent Events

On April 15, 2019, Flow announced the Company had entered into an asset purchase agreement (the “Asset Purchase Agreement”), providing for the sale of the Global Partner assets owned by LOGiQ Asset Management Ltd. (“LAML”). The assets are comprised of the Global Partner sales-related fee earning contracts and certain other business-related assets. Under the terms of the Asset Purchase Agreement, the purchase price for the assets sold was \$12,375,000. The purchase price is subject to an adjustment of up to \$1,500,000 upward or downward if the revenue of the Global Partners business for the 2019 fiscal year increases or decreases by more than 5% compared to the revenue for the 2018 fiscal year.

On July 24, 2019, the Company announced it had raised \$10,000,000 through Flow Priority Return Fund LP (“LP” or “Fund”). In exchange for the \$10,000,000 in the LP (the “Investment Amount”), Flow Capital will grant to the LP, a royalty on a group of investments held by the Company and its subsidiaries (the “Underlying Royalty Contracts”). The royalty will pay the LP investors:

- An amount equal to the lesser of 1% per month of the outstanding Investment Amount or the royalty payments received by the Company from the Underlying Royalty Contract;
- All cash buyout payments received by the Company from the Underlying Royalty Contracts until 110% of the invested principal has been repaid;
- If by the third anniversary of the establishment of the LP there has been less than \$5 million in redemptions, investors will receive an enhanced return equal to 20% of the adjusted net royalty payments on a monthly basis until such time as there have been \$5 million in redemptions; and
- Flow Capital will have no obligation to make any payments to the LP unless and until it receives corresponding royalty and buyout payments under the Underlying Royalty Contracts.

There will be no additional obligation or liability to the Company beyond the Underlying Royalty Contracts. Flow Investor Services Corp. (formerly LAML), a subsidiary of the Company, was appointed as the General Partner of the LP.

Capital Structure

As at the Valuation Date the Company had 83,402,764 Shares issued and outstanding along with 5,032,689 warrants with an exercise price of \$0.22. Flow Capital also has 1,287,759 exercisable options issued and outstanding with a weighted average exercise price of \$0.4172.

In addition to the \$10.0 million owing to the holders of units in the LP, the Company had approximately \$20.0 million outstanding in convertible debentures (the “Debentures”) issued in 2014 and 2017. The majority of the Debentures mature on December 31, 2019. The face value of the Debentures as at the Valuation Date was \$22,070,590.

1.3 Economic Outlook

The Canadian economy has slowed in 2019 and many analysts expect the Bank of Canada will reduce interest rates as early as September to combat slowing growth and growing trade tensions.

The Canadian economy began to slow in the last quarter of 2018, with a gain of 0.3% annualized.

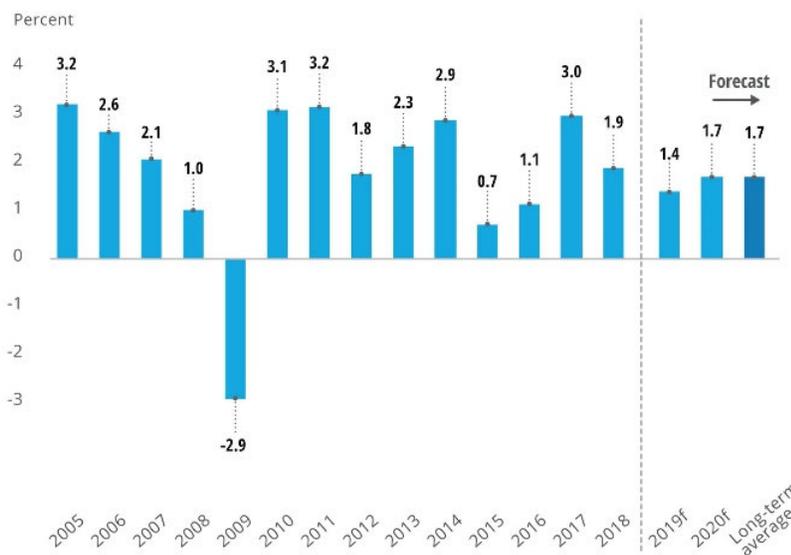
Despite the slowing economy, the Conference Board of Canada is projecting Canada will see the strongest job gains on record in 2019 with tight labour markets driving wage increases¹.

The Canadian housing market is expected to slow in 2019 along with business investment. The outlook for 2020 is more positive as increases in private investment spending and exports are expected to drive growth.

Deloitte LLP (“Deloitte”) is forecasting the Canadian economy will grow at a rate of 1.4% in 2019, down from 1.9% in 2018². The forecast for 2020 and thereafter is 1.7%. The forecast levels of growth will result in the Canadian dollar remaining well below the US dollar with an average forecast exchange rate of \$1.33.

FIGURE 1

Canadian economic outlook (real GDP)



Source: Statistics Canada. Forecast by Deloitte Economic Advisory, as of July 2019.

Deloitte insights | deloitte.com/insights

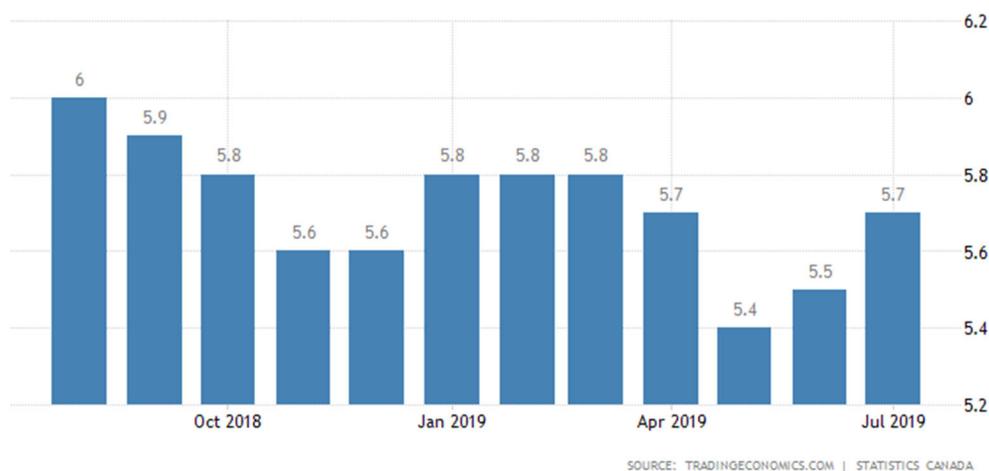
The unemployment rate in Canada increased to 5.7% in July of 2019 from 5.5% in the previous month and compared with market expectations of 5.5%³. July 2019 saw the the highest jobless rate since April, as the economy shed 24,200 jobs led by both full-time (-11.6 thousand) and part-time jobs (-12.6 thousand). Historically, the unemployment rate in

¹ <https://www.conferenceboard.ca/e-library/abstract.aspx?did=10389>

² <https://www2.deloitte.com/insights/us/en/economy/americas/canada-economic-outlook.html>

³ <https://tradingeconomics.com/canada/unemployment-rate>

Canada averaged 7.62% from 1966 until 2019, reaching an all-time high of 13.10% in December of 1982 and a record low of 2.90% in June of 1966.



2.0 VALUATION OPINION

It is the opinion of Evans & Evans, Inc., given the scope of its engagement and with reference to its engagement letter that the fair market value of a Share, as at the Valuation Date (i.e. July 31, 2019), is in the range of \$0.17 to \$0.20.

A Comprehensive Valuation Report provides the highest level of assurance regarding the valuation conclusion. This Valuation Opinion as well as the entire Report is subject to the scope of the work conducted (refer to section 3.0) as well as the assumptions made (refer to section 5.0) and to all of the other sections of the Report.

3.0 DEFINITION OF MARKET VALUE

For the purposes of our Report, Evans & Evans has been requested by the Company to refer to Multilateral Instrument 61-101 (the “Instrument”). Fair market value as defined in the Instrument is “*the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm’s length with the other and under no compulsion to act*”.

The Instrument definition of fair market value is in line with the Canadian Institute of Chartered Business Valuators definition of fair market value – “*the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.*”

With respect to the market for the shares of a company viewed “en bloc” there are, in essence, as many “prices” for any business interest as there are purchasers and each purchaser for a particular “pool of assets”, be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or “synergies” that may result from such an acquisition. Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser.

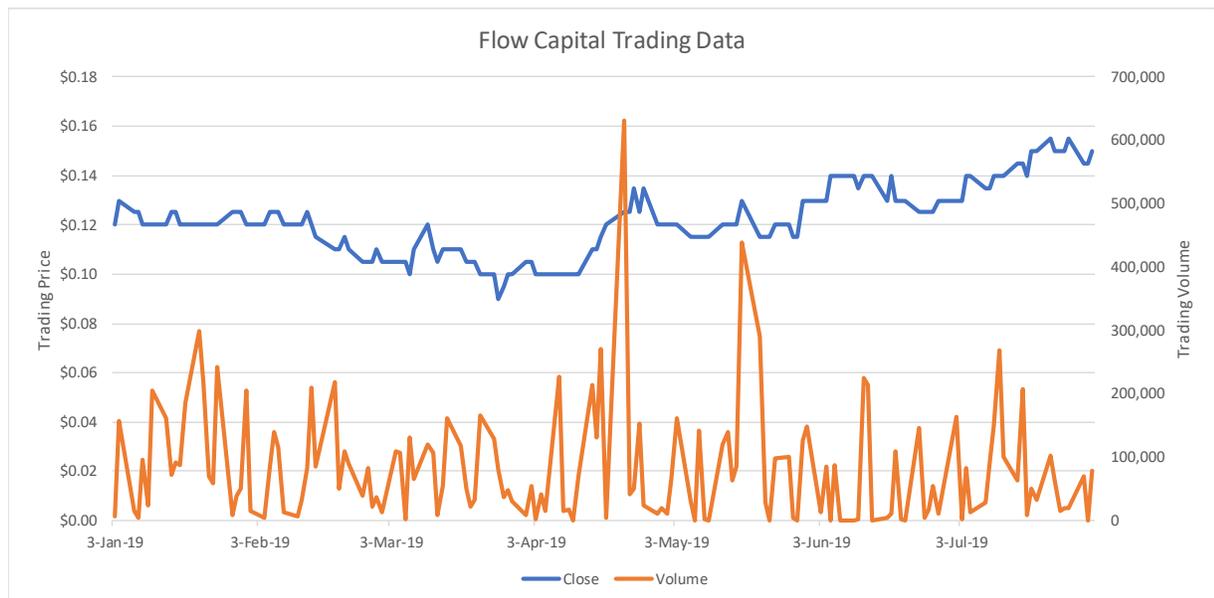
Based on our experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor. The shares have been valued initially *en bloc*.

4.0 SCOPE OF THE REPORT

The authors of the Report have reached the assessments contained herein by relying on the following:

- Interviewed management of the Company to gain an understanding of current and planned operations.
- Reviewed the Company’s website www.flowcap.com, which included a review of the Company’s case studies.
- Reviewed the Company’s management-prepared balance sheet as of July 31, 2019.
- Reviewed the Company’s management-prepared financial statements for the six months ended June 30, 2019.
- Reviewed the Company’s financial statements for the years ended December 31, 2017 and 2018 as audited by Goodman & Associates LLP, Chartered Professional Accountants of Toronto, Ontario.
- Reviewed the Company’s Management Discussion and Analysis for the six months ended June 30, 2019 and the year ended December 31, 2018.
- Reviewed Grenville’s Annual Information Form for the year ended December 31, 2017.
- Reviewed Grenville’s consolidated financial statements for the year ended December 31, 2017 as audited by Goodman & Associates LLP.

- Reviewed the Joint Management Information Circular with respect to the proposed Plan of Arrangement between Grenville and LOGiQ dated May 2, 2018.
- Reviewed the Capital Activity Report from Computershare outlining the number of common shares issued and outstanding as of August 9, 2019.
- Reviewed the Capital Activity Reports from Computershare outlining the face value of the Debentures as of August 15, 2019.
- Reviewed a management-prepared summary of the royalty and investment portfolio as of June 30, 2019. The report outlines the investee name, the date of the agreement, initial investment date and current fair value.
- Reviewed a memo prepared by management for the Audit Committee outlining the fair value of the Company's royalty portfolio as of June 30, 2019.
- Reviewed with management the royalty agreements which are related to the Limited Partnership. Those agreements are Bluedrop Performance Learning Inc., Mera Development Corp., eScribe Software Ltd.; Hybrid Financial Ltd., Factor75 LLC, InteriorMark LLC, TruGolf, Inc., and ConnectAndSell, Inc., and in each case any affiliate thereof.
- Reviewed the Company's trading price and volume for the period June 7, 2018 (date of last share consolidation) and the Valuation Date. As can be seen from the chart below (January to July 2019)



- Reviewed management-prepared list of common shares and warrants which form part of the FC Investments.
- Reviewed the Company's press releases for the 18 months preceding the Valuation Date.
- Reviewed economic data as at the Valuation Date from a variety of sources.
- Reviewed financial and stock market trading information on the following companies whose shares are listed for trading on recognized stock exchanges: Pizza Pizza Royalty Corp.; Alaris Royalty Corp.; SIR Royalty Income Fund; Diversified Royalty Corp.; Royalty North Partners Ltd.; and, Crown Capital Partners Inc.
- **Scope Restriction:** Evans & Evans did not undertake a site visit to the Company's facilities in Ontario.

5.0 CONDITIONS OF THE REPORT

- The Report may be included in public disclosure documents regarding the SIB and may be submitted to the Exchange. The Report may be referenced or included in any information circular provided to Flow Capital shareholders and may be placed on the Company's public file on SEDAR.
- The Report is not intended for submission to any tax authorities or for use in any court proceedings.
- Any use beyond that defined above is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.
- Evans & Evans did rely only on the information, materials and representations provided to it by the Company. Evans & Evans did apply generally accepted valuation principles to the financial information it did receive from the Company.
- We have assumed that the information which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Company is aware of. Evans & Evans did attempt to verify the accuracy or completeness of the data and information available.
- Should the assumptions used in the Report be found to be incorrect, then the valuation conclusion may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.
- Evans & Evans denies any responsibility, financial or legal or other, for any use and/or improper use of the Report however occasioned.

- Evans & Evans's assessments and conclusion is based on the information that has been made available to it. Evans & Evans reserves the right to review all information and calculations included or referred to in the Report and, if it considers it necessary, to revise part and/or its entire Report in light of any information which becomes known to Evans & Evans during or after the date of this Report.
- The Report, and more specifically the assessments and views contained therein, is meant as independent review of the Shares as at July 31, 2019. The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding the Company, the Shares or events after the date of which final information was provided to Evans & Evans. The information and assessments contained in the Report pertain only to the conditions prevailing at the time the Valuation Report was substantially completed in August of 2019.
- Evans & Evans as well as all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

6.0 ASSUMPTIONS OF THE REPORT

In arriving at its conclusions, Evans & Evans have made the following assumptions:

- 1) An audit of the Company's balance sheets as at July 31, 2019 and June 30, 2019 and the income statement for the six months ended June 30, 2019 would not result in any material changes to the management-prepared financial statements provided to the authors of the Report.
- 2) As at the Valuation Date all assets and liabilities of the Company have been recorded in its accounts and financial statements and follow International Financial Reporting Standards.
- 3) The Company's disclosure with respect to the fair value of the FC Investments as at the Valuation Date is true and accurate to the best of the Company's knowledge.
- 4) The Company has satisfactory title to all of its assets, intellectual property and there are no liens or encumbrances on such assets nor have any assets been pledged in any way.
- 5) Evans & Evans has assumed that the Company and all of its related parties and its principals have no current and/or other contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other

than those disclosed by management and included in the Report, (the Report is not a formal fairness opinion) that would affect Evans & Evans' evaluation or comments.

- 6) The Company has complied with all government taxation, import and export and regulatory practices as well as all aspects of its contractual agreements that would have an effect on the Report, and there are no other material agreements entered into by the Company that are not disclosed in the Report.
- 7) At the Valuation Date, no specific special purchaser(s) was/were identified that would pay a premium to purchase 100% of the issued and outstanding shares of the Company

This Report is based upon information made available to Evans & Evans and on the assumptions that have been made. Evans & Evans reserves the right to review all information and calculations included or referred to in this Report and, if we consider it necessary, to revise our views in the light of any information which becomes known to us during or after the date of this Report.

7.0 FINANCIAL HISTORY

The authors of the Report reviewed the management-prepared balance sheet as at July 31, 2019 and the income statement for the six months ended June 30, 2019. Evans & Evans also reviewed the audited financial statements for the years ended December 31, 2017 and 2018. Evans & Evans has common-sized the results of the Company to indicate trends in Exhibits 1.0 and 2.0.

8.0 FINANCIAL PROJECTIONS

The Company did not provide a forecast as the forecast is conditional upon unrealized gains and losses which cannot be predicted with any level of certainty. With respect to the FC Investments, Evans & Evans did review with management how the fair value of such investments was calculated quarterly and found the Company's process to be reflective of industry standards and guidelines.

9.0 TANGIBLE ASSET BACKING

In determining the underlying book value of a company or business, it is useful to view the tangible asset backing ("TAB") as at the Valuation Date.

The value of a firm's tangible assets affects a purchaser's analysis of the risk inherent in investing in that firm. TAB is defined as the aggregate fair market value of all tangible and identifiable intangible assets of a business, where the latter have values that can be separately determined under a going-concern assumption, minus all liabilities. Tangible assets represent the assets required in operations such as fixed assets and working capital net of operating liabilities such as bank debt. Identifiable intangible assets are assets such as patents, trademarks, customer relationships and licences.

TAB provides insight into the risk associated with the particular investment because, in a worst case scenario, the net tangible assets of the company could be sold. The proceeds realized could then be used to relieve the liabilities of the company and recoup shareholder investment. The TAB also provides an indication of the capital investment required to enter the market. In this case, the TAB provides an indication of the potential financial barrier to entry for new competitors.

The authors of the Report have reviewed the July 31, 2019 balance sheet of the Company and made certain adjustments in order to determine the tangible asset backing of Flow Capital as at the Valuation Date.

Evans & Evans determined the TAB was equal to the net asset value (“NAV”) of \$18.6 million. It is important for the reader to understand the TAB/NAV does not include the costs associated with selling the FC Investments and converting the book value to cash. In other words, the TAB / NAV of Flow Capital represents the going concern value of Flow Capital and not the liquidation value.

In determining the TAB of Flow Capital, Evans & Evans undertook the following:

1. adjusted the book value of the cash and the Debentures to reflect the face value of the Debentures as at the Valuation Debt to reflect the amount to be repaid;
2. reviewed the methodology utilized by Flow Capital management to arrive at the fair value of the FC Investments; and,
3. removed assets and liabilities created by the timing difference between financial and accounting reporting.

The reader is advised to refer to Exhibit 3.0 – Tangible Asset Backing for the detailed calculations.

10.0 REDUNDANT ASSETS

The authors of the Report assessed whether there are any redundancies or redundant assets in the Company. Redundant assets are defined as those assets, which are not required in the day-to-day operation of a business, and accordingly can be liquidated or put to some alternative use without any “financial risk” to the business. The fair market value of a corporation’s redundant assets increases the fair market value of its shares otherwise determined under an Income Approach. This is considered an under-levered financial position. Alternatively, a company’s capital structure may be over-levered when compared to industry norms and would require an equity injection. The degree of over-leverage is considered as negative redundancy and must be adjusted for in determining the company’s fair market value.

In reviewing the Company’s financial position as at the Valuation Date, Evans & Evans did not believe the cash on the balance sheet to be redundant as it is fundamental to the

Company's operating business (making investments) and a portion is required to repay Debentures that mature in December 31, 2019.

Evans & Evans did also consider whether the Company was over-levered as of the Valuation Date given the Debentures and the capital owed to the LP. In reviewing Flow Capital's financial position as at July 31, 2019 and discussing with management the cash inflows expected between August and December of 2019, Evans & Evans found the Company had sufficient cash on hand to repay the portion of the Debentures which come due in December of 2019. Accordingly, Evans & Evans did not believe a leverage adjustment was appropriate.

11.0 BUSINESS AND MARKET SUMMARY ASSESSMENTS

In arriving at the valuation conclusions contained herein, the authors of the Report have considered the following assessments.

1. Evans & Evans found the portfolio of investments held by Flow Capital to be diversified. The FC Investments range from technologies focused on a variety of technology sectors to education to service companies to construction. While diversification reduces the risk of the portfolio value being impacted by one sector, it also raises risks with the ability of Company having sufficient subject area expertise on the investment committee and management team for every investment.
2. As at July 31, 2019, the FC Investments are diversified in that Flow Capital has invested in more than 26 different companies, meaning the portfolio is not significantly reliant on any one investment. No one investment represents more than 11% of the current fair value of the FC Investments. This is positive.
3. The FC Investments include a mixture of public companies. For private companies a realized or unrealized gain in the value of the investment can only come through some sort of triggering event - i.e., a new financing or a merger / acquisition. Inherently, investments in private companies also tend to be less liquid when compared to investments in public companies. Accordingly, there is risk associated with the Company's ability to convert such private investments to more liquid capital.
4. As noted earlier, the Series A Debentures with a face value of \$16,958,000 mature in December 2019. The Company does expect to have the cash on hand to repay the Debentures when they come due.
5. While a significant portion of the royalty revenue will be used to provide the return to the LP unitholders in the short-term, the creation of the LP did provide the Company with \$10.0 million in non-dilutive funding for new investments.
6. In the year preceding the Valuation Date, Flow Capital's share price has continued to trend downwards and has ranged from a high of \$0.20 per share to a low of \$0.09 per share. The stock price does appear to have stabilized as of the date of the Report.



12.0 METHODOLOGIES

12.1 Overview of Methodologies

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

- (a) The Income / Cash Flow Approach;
- (b) The Market Approach; and
- (c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a “going concern”.

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the “Guideline Public Company Method”, (b) the “Merger and Acquisition Method”; and (c) analyses of prior transactions of ownership interests in the subject entity.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an

asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value. The Cost Approach typically includes a comprehensive and all-inclusive definition of the cost to recreate an asset. Typically the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

The Asset-Based Approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings/cash flows to be capitalized. If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario (“Net Asset Method”) or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

13.0 VALUATION APPROACH FOR THE SHARES

13.1 Selected Valuation Approach

With respect to the fair market value of Flow Capital, Evans & Evans believed it was appropriate to value the Company on a going concern basis. The reason for this is: (1) the Company has positive cash flow; (2) Flow Capital is generating a fair return on its assets; and, (3) the going concern approach yields a higher value than a liquidation approach.

Given the above, the issue is which going concern approach(es) is most appropriate for estimating the fair market value of the Company as at the Valuation Date. Given the nature and status of Flow Capital at the Valuation Date as well as the approaches of valuation outlined above, it is the view of the authors of the Report that the most appropriate methods to determine the range of the fair market value of Flow Capital at the Valuation Date was two Market Approaches. Specifically, Evans & Evans used a Guideline Public Company Method considering a multiple of adjusted net asset value (“NAV”) and a multiple of adjusted Capitalized Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”) Method.

Evans & Evans considered a Market Approach the most appropriate as it reflects the prices investors are willing to pay for similar investment holding companies.

13.2 Methods Considered but Not Utilized

Evans & Evans also attempted to use a variety of other confirmation approaches. In this regard, Evans & Evans examined and considered the following traditional valuation approaches, but were unable to use any of them:

- (a) **Cost Approach.** The Cost Approach is generally appropriate under certain circumstances where an asset is still under development, there is no history of generating cash flows, and future cash flows are so uncertain as to be speculative. A weakness of the Cost Approach is that the cost of the opportunity may bear little relationship to the economic benefits that a purchaser might anticipate deriving from such opportunity upon commercial exploitation of the asset. In the case of Flow Capital, was inappropriate as the original cost of the FC Investments was not necessarily reflective of their fair market value as at a recent date.
- (b) **Asset Approach.** The Asset-Based Approach is generally utilized where either: (i) the company is not deemed to be a going concern; (ii) the nature of the business is such that asset values represent the largest portion of the company's worth (e.g., real estate holding companies); and, (iii) there are no earnings or cash flow to be capitalized. Evans & Evans did not consider an Asset Approach appropriate given certain investments that make up the FC Investments are generating cash flows for the Company.
- (c) **Income Approach – Discounted Cash Flow Method.** The Discounted Cash Flow Method involves forecasting the future cash flows the Company could generate from the FC Investments (royalty payments, loan interest, buyouts and gains / losses), interest and advisory fees and discounting the potential cash flows at a risk-adjusted rate to arrive at the present value of the expected future cash flows. However, in the case of the Flow Capital, the Company generates realized and unrealized gains on the FC Investments based on events that are largely out of the Company's control. Accordingly, future gains and losses on the portfolio of FC Investments are very difficult to predict and would be highly speculative, particularly given the majority of the investments are in private companies which are inherently illiquid. While the Company does receive royalty income, such income is difficult to predict with any level of certainty. Given all of the aforementioned, a Discounted Cash Flow Method was deemed too speculative. Evans & Evans also considered that royalty companies generally trade based on the diversified nature of their portfolio, not with respect to the gains and losses of any one specific investment.
- (d) **Market Approach – Trading Price Method.** As the Shares are listed for trading on the Exchange, the authors of the Report carefully considered the use of a Trading Price Method in determining the fair market value of the Shares as at the Valuation Date. The authors of the Report reviewed the trading data for the Shares for the period June 7, 2018 (effective date of the arrangement between Grenville and LOGiQ) to July 31, 2019. While a period of 13 months was reviewed, changes in the Company's financial results and market conditions resulted in a focus on the 180 trading days preceding the Valuation Date. The authors of the Report found for the 180 trading days preceding the Valuation Date (July 31, 2019) the Shares closed at an average price of \$0.12 to \$0.15 per Share with a daily average trading volumes of less than 100,000 Shares per day.

<u>Trading Price</u>	<u>July 31, 2019</u>		
	<u>Minimum</u>	<u>Average</u>	<u>Maximum</u>
10-Days Preceding	\$0.15	\$0.15	\$0.16
30-Days Preceding	\$0.13	\$0.14	\$0.16
120-Days Preceding	\$0.09	\$0.12	\$0.16
180-Days Preceding	\$0.09	\$0.12	\$0.16

<u>Trading Volume</u>	<u>July 31, 2019</u>				
	<u>Minimum</u>	<u>Average</u>	<u>Maximum</u>	<u>Total</u>	<u>%</u>
10-Days Preceding	698	45,643	102,840	456,428	0.5%
30-Days Preceding	0	66,064	267,840	1,981,918	2.4%
120-Days Preceding	0	78,146	630,160	9,377,486	11.2%
180-Days Preceding	0	76,985	630,160	13,857,366	16.6%

The authors of the Report deemed it necessary to examine the trading history of the Shares to determine the actual ability of shareholders to realize the implied value of their Shares (i.e., sell). In examining the trading volumes of the Shares over 180 trading days preceding the Valuation Date it is apparent that daily trading volumes are very low. While Shares traded on 174 of the 180 trading days, only 11.2% of the Company's Shares traded in the 90 days preceding the Valuation Date. Given the limited liquidity in the Shares, the authors deemed the value implied by the Trading Price Method not representative of the fair market value of the Shares as at the Valuation Date.

- (c) Market Approach – Prior Financings. In July of 2018, Flow Capital issued 5,032,689 units at a purchase price of \$0.18 per unit for gross proceeds of approximately \$900,000. Each unit consists of one common share and one half of one share purchase warrant of the Company. Each unit consisted of one Share and one Share purchase warrant of the Company. Each warrant is exercisable at a price of \$0.22 for a period of sixty (60) months following closing. Certain directors and officers of the Company subscribed for an aggregate of 4,893,800 units. The financing implied a value for the Shares of less than \$0.18 given the attached warrant. Given the financing primarily involved insiders of the Company and was for a very small portion of the total Shares outstanding, Evans & Evans used the prior financing as a test of the reasonableness of the valuation conclusions.

14.0 VALUATION OF THE SHARES

14.1 Guideline Public Company Method

The Guideline Public Company Method involves identifying stocks that trade freely in the public markets on a daily basis. The objective of the Guideline Public Company Method is to derive multiples to apply to the fundamental financial variables of the subject investment under review. Since the indication of value is based on minority interest transactions, if

one is valuing a controlling interest, it may sometimes be necessary to consider applying a premium for control. A discount for lack of marketability may also be appropriate.

Evans & Evans identified seven companies as outlined in Table 1 of Exhibit 4.0 – Guideline Public Company Method as potential guideline companies to use in the valuation of Flow Capital. The companies selected were royalty companies. Evans & Evans did not include in its review royalty companies that focus on oil & gas investments or natural resource companies as Evans & Evans found their valuation multiples to not be reflective of companies focused on diversified, technology and consumer focused companies.

The reader of the Report should note that although the guideline companies may not be direct competitors to the Company, they do or may offer similar products and/or services to their target markets and embody similar business, technical and financial risk/reward characteristics that a notional investor would consider as being comparable.

The six companies outlined in Table 2 were utilized in the analysis as one outlier was removed from the analysis.

Multiple of Adjusted NAV

The selected guideline companies were royalty companies with NAVs that ranged from \$5.5 million to \$645 million. Evans & Evans included larger royalty companies in the analysis and adjusted for differences in size between the guideline companies and Flow Capital through the selection of the multiple. Evans & Evans used a multiple of enterprise value (“EV”) to adjusted NAV (refer to Exhibit 4.0) as a means of deriving the fair market value of the Company at the Valuation Date. Evans & Evans deemed EV as the appropriate multiple as the Company had a significant uninvested cash as of the Valuation Date.

The selected companies had an EV to Adjusted NAV multiple of 1.0x to 1.9x with an average and median of approximately 1.44x. As at the Valuation Date, the Company was trading at a multiple below that of its peers.

Evans & Evans selected multiples of 1.4x to 1.5x in calculating the fair market value of the Company. Evans & Evans selected a multiple near the median as three of the four companies were in this range. In selecting the multiple, Evans & Evans did consider cash represented 68% of the adjusted NAV of Flow Capital as compared to an average of 10% for the guideline companies.

Upon applying the multiple to the adjusted NAV, Evans & Evans added back the cash on the balance sheet and deducted the debt to arrive at a fair market value of the Company in the range of \$16,955,000.

Multiple of Trailing 12 Month Adjusted EBITDA

The selected guideline companies were royalty companies with trailing 12 months (“TTM”) EBITDA that ranged from \$1.5 million to \$94.8 million. Evans & Evans

included larger royalty companies in the analysis and adjusted for differences in size between the guideline companies and Flow Capital through the selection of the multiple. Evans & Evans used a multiple of EV to adjusted EBITDA (refer to Exhibit 4.0) as a means of deriving the fair market value of the Company at the Valuation Date. Evans & Evans deemed EV as the appropriate multiple as the Company had a significant uninvested cash as of the Valuation Date and significant debt (the Debentures and the LP).

The selected companies had an EV to TTM EBITDA multiple of 5.1x to 12x with an average of 8.77x and a median of approximately 8.14x. As at the Valuation Date, the Company was trading at a multiple below that of its peers.

Evans & Evans selected multiples of 8.0x to 8.15x in calculating the fair market value of the Company. Evans & Evans selected a multiple below the average as Evans & Evans adjusted the EBITDA of the Company to include all non-cash charges (not just depreciation and amortization). Further, in reviewing the data from the guideline companies it was apparent that size did impact the multiple at which the selected companies traded in the market.

Upon applying the multiple to the adjusted TTM EBITDA, Evans & Evans added back the cash on the balance sheet and deducted the debt to arrive at a fair market value of the Company in the range of \$14,405,000.

14.2 Fair Market Value per Share

Upon arriving at the fair market value of 100% of the equity of the Company, it was then necessary to determine the fair market value per Share. In the first step, Evans & Evans determined the value per issued and outstanding Share implied by the fair market value of Flow Capital as outlined in section 14.1 above and Exhibit 4.0. Thereafter, Evans & Evans determined the number of options and warrants outstanding based on the calculated value per Share to determine the fully diluted number of Shares based on the valuation range. The proceeds from in-the-money options and warrants was added to the calculated fair market value. The adjusted fair market value was then divided by the number of shares issued and outstanding to arrive at the fair market value per share.

The concluded fair market value of the Company is below the TAB as outlined in Exhibit 3.0. Evans & Evans was of view this was reasonable given the risk associated with the underlying investments and the ability to realize gains on the sale of investments. Further, the book value of investments does not include the costs to sell such investments, accordingly, the net proceeds can often be less than the gross proceeds upon sale. Lastly, there would be latent taxes associated with gains and losses on the investments that would be factored into the sale of the Company.

Exhibit 5.0 calculates the fair market value of the Company on a per Share basis. *The end result is a calculated fair market value of \$0.17 to \$0.20.*

15.0 QUALIFICATIONS AND CERTIFICATION

15.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 32 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period he has been involved in the preparation of over 2,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes. Formerly, he spent three years in the computer industry in Western Canada with Wang Canada Limited (1983-1986) where he worked in the areas of marketing and sales.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Managing Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 1,500 valuation and due diligence reports for public and private transactions.

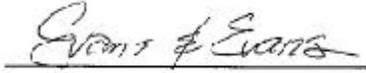
Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

15.2 Certification

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators. Evans & Evans was paid a fixed fee for the preparation of the Report. The fee established for the Report has not been contingent upon the value or other opinions presented or the success of the SIB. The authors of the Report have no

present or prospective interest in Flow Capital and we have no personal interest with respect to the parties involved.

Yours very truly,



EVANS & EVANS, INC.

16.0 RESTRICTIONS AND CONDITIONS

This Report is intended for the purpose stated in section 1.0 hereof and, in particular, is based on the scope of work and assumptions as to results that could reasonably be expected at the Valuation Date.

The authors of the Report advise the reader to carefully review sections on the Conditions of the Report and the Assumptions of the Report to understand the critical assumptions that the Report is based on. It is not to be the basis of any subsequent valuation and is not to be reproduced or used other than for the purpose of this Report without prior written permission in each specific instance.

Evans & Evans reserves the right to review all information and calculations included or referred to in this Report and, if it consider necessary, to revise its views in the light of any information which becomes known to it during or after the date of this Report. The authors of the Report disclaim any responsibility or liability for losses occasioned to Flow Capital, the Company, their respective investors, shareholders and all other related and other parties including potential investors as a result of the circulation, publication, reproduction or use of this Report or its use contrary to the provisions of this paragraph.

17.0 EXHIBITS

	Exhibit Number
FINANCIAL STATEMENTS	
Historical Balance Sheet.....	1.0
Historical Income Statements.....	2.0
VALUATION ANALYSIS	
Tangible Asset Backing ("TAB").....	3.0
Guideline Public Company Method.....	4.0
Fair Market Value per Share.....	5.0

(Canadian Dollars)	For the fiscal years ending					Common Size					Notes (1), (2)
	As of July 31, 2019	December 31, 2018	2017	For the fiscal years ending September 30, 2017	2016	July 31, 2019	2018	2017	2017	2016	
ASSETS											
Current Assets											
Cash and cash equivalents	20,144,988	8,607,686	7,534,383	1,278,000	1,652,000	30.3%	15.2%	19.1%	1.5%	21.3%	
Funds held in trust	-	0	-	7,167,000	-	0.0%	0.0%	0.0%	8.7%	0.0%	
Due from carrying broker	-	0	-	30,583,000	-	0.0%	0.0%	0.0%	37.0%	0.0%	
Trade and other receivables	-	0	-	3,597,000	3,684,000	0.0%	0.0%	0.0%	4.4%	47.6%	
Accounts receivable and accrued income	719,752	828,005	-	-	-	1.1%	1.5%	0.0%	0.0%	0.0%	
Income tax recoverable	-	79,790	426,586	-	-	0.0%	0.1%	1.1%	0.0%	0.0%	
Investment at fair value - current portion	-	162,005	1,098,650	12,000	-	0.0%	0.3%	2.8%	0.0%	0.0%	
Finance lease asset - current portion	-	-	-	674,000	73,000	0.0%	0.0%	0.0%	0.8%	0.9%	
Prepaid expenses and other receivables	344,247	1,175,122	137,124	-	-	0.5%	2.1%	0.3%	0.0%	0.0%	
Total Current Assets	21,208,987	10,852,608	9,196,743	43,311,000	5,409,000	31.9%	19.2%	23.3%	52.4%	69.8%	
Assets held for sale	-	-	-	29,448,000	746,000	0.0%	0.0%	0.0%	35.7%	9.6%	
Long-term assets											
Property and equipment	435,056	222,596	288,916	120,000	-	0.7%	0.4%	0.7%	0.1%	0.0%	
Prepaid deposits and expenses	-	-	-	76,000	-	0.0%	0.0%	0.0%	0.1%	0.0%	
Finance lease asset - non-current portion	1,689,884	-	-	-	-	2.5%	0.0%	0.0%	0.0%	0.0%	
Deferred tax asset	9,622,767	9,365,187	8,716,397	-	-	14.5%	16.5%	22.1%	0.0%	0.0%	
Other receivables	-	195,255	-	-	605,000	0.0%	0.3%	0.0%	0.0%	7.8%	
Intangible assets	-	12,115,869	-	9,519,000	-	0.0%	21.4%	0.0%	11.5%	0.0%	
Deferred sales commissions	-	-	-	117,000	987,000	0.0%	0.0%	0.0%	0.1%	12.7%	
Investment at fair value - non-current portion	33,549,917	23,913,834	21,190,507	-	-	50.4%	42.2%	53.8%	0.0%	0.0%	
TOTAL ASSETS	66,506,611	56,665,349	39,392,563	82,591,000	7,747,000	100.0%	100.0%	100.0%	100.0%	100.0%	
LIABILITIES AND EQUITY											
Current Liabilities											
Accounts payable and accrued liabilities	1,463,554	2,311,361	644,664	-	-	2.2%	4.1%	1.6%	0.0%	0.0%	
Deferred fee income - current portion	-	200,000	-	-	-	0.0%	0.4%	0.0%	0.0%	0.0%	
Income tax payable	12,312	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	
Due to clients	-	-	-	30,583,000	-	0.0%	0.0%	0.0%	37.0%	0.0%	
Due to carrying broker	-	-	-	7,167,000	-	0.0%	0.0%	0.0%	8.7%	0.0%	
Trade and other payables	-	-	-	5,165,000	4,441,000	0.0%	0.0%	0.0%	6.3%	57.3%	
Promissory note	-	-	-	6,376,000	-	0.0%	0.0%	0.0%	7.7%	0.0%	
Due to related parties	-	-	-	-	125,000	0.0%	0.0%	0.0%	0.0%	1.6%	
Provisions - current portion	-	493,110	-	2,463,000	-	0.0%	0.9%	0.0%	3.0%	0.0%	
Liabilities related to assets held for sale	-	-	-	-	296,000	0.0%	0.0%	0.0%	0.0%	3.8%	
Prepaid royalty payment income	(313)	-	251,872	-	-	0.0%	0.0%	0.6%	0.0%	0.0%	
Convertible debentures	-	16,667,633	-	-	-	0.0%	29.4%	0.0%	0.0%	0.0%	
Lease liability - current portion	-	2,888	3,560	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	
Total Current Liabilities	1,475,553	19,674,992	900,096	51,754,000	4,862,000	2.2%	34.7%	2.3%	62.7%	62.8%	
						0.0%	0.0%	0.0%	0.0%	0.0%	

(Canadian Dollars)	For the fiscal years ending					Common Size				
	As of July 31, 2019	December 31, 2018	2017	For the fiscal years ending September 30, 2017	2016	July 31, 2019	2018	2017	2017	2016
Deferred fee income - non-current portion	-	550,000	-	-	-	0.0%	1.0%	0.0%	0.0%	0.0%
Subordinated loan	-	-	-	11,000	-	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions - non-current portion	1,348,104	1,518,022	-	1,270,000	-	2.0%	2.7%	0.0%	1.5%	0.0%
Deferred tax liabilities	-	-	-	726,000	-	0.0%	0.0%	0.0%	0.9%	0.0%
Lease liability - non-current portion	3,390,523	-	3,941	-	-	5.1%	0.0%	0.0%	0.0%	0.0%
Convertible debentures	20,752,805	3,742,526	16,330,486	15,300,000	-	31.2%	6.6%	41.5%	18.5%	0.0%
Other debt	10,000,000	-	-	-	-	15.0%	0.0%	0.0%	0.0%	0.0%
Non-controlling interest	-	-	-	97,000	-	0.0%	0.0%	0.0%	0.1%	0.0%
	35,491,432	5,810,548	16,334,427	17,404,000	-	53.4%	10.3%	41.5%	21.1%	0.0%
TOTAL LIABILITIES	36,966,985	25,485,540	17,234,523	69,158,000	4,862,000	55.6%	45.0%	43.8%	83.7%	62.8%
Shareholder's equity						0.0%	0.0%	0.0%	0.0%	0.0%
Share capital	-	55,443,299	50,261,640	29,671,000	-	0.0%	97.8%	127.6%	35.9%	0.0%
Warrants	-	486,624	-	-	-	0.0%	0.9%	0.0%	0.0%	0.0%
Treasury stock	-	-	-	(3,000)	-	0.0%	0.0%	0.0%	0.0%	0.0%
Convertible debentures equity component	-	-	-	1,476,000	-	0.0%	0.0%	0.0%	1.8%	0.0%
Contributed surplus	-	1,206,422	1,010,960	2,348,000	-	0.0%	2.1%	2.6%	2.8%	0.0%
Equity component of convertible debentures	-	558,831	558,831	-	-	0.0%	1.0%	1.4%	0.0%	0.0%
Accumulated other comprehensive income	-	127,861	-	-	-	0.0%	0.2%	0.0%	0.0%	0.0%
Accumulated deficit	-	(26,643,228)	(29,673,391)	(20,059,000)	2,885,000	0.0%	-47.0%	-75.3%	-24.3%	37.2%
TOTAL EQUITY	29,539,627	31,179,809	22,158,040	13,433,000	2,885,000	44.4%	55.0%	56.2%	16.3%	37.2%
TOTAL LIABILITIES & EQUITY	66,506,612	56,665,349	39,392,563	82,591,000	7,747,000	100.0%	100.0%	100.0%	100.0%	100.0%
Cash-Free Debt-Free Net Working Capital	-411,554	-17,430,070	762,264	(9,721,000)	-1,105,000					
Current Ratio	14.4 x	0.6 x	10.2 x	0.8 x	1.1 x					
Long Term Debt to Equity Ratio	n/a	n/a	n/a	n/a	n/a					
Total Debt to Equity	n/a	n/a	n/a	n/a	n/a					

Notes:

- (1) Unaudited balance sheet provided by Management.
- (2) The results for the years ended September 30, 2017 and 2018 are pre-merger with LAML.

(Canadian Dollars)	For the fiscal years ending			Jan 1, 2018 to			Notes
	Jan 1, 2018 to June 30, 2019	December 31, 2018	2017	June 30, 2019	2018	2017	
							(1)
Revenue							
Income from investments at fair value							
Royalty and loan payment income	3,002,726	4,597,550	4,692,908	194.5%	100.1%	-48.9%	
Foreign exchange (loss) gain	-685,292	788,356	-1,809,435	-44.4%	17.2%	18.8%	
Realized gain (loss) from sale of investments	-1,602,091	-282,475	3,000,000	-103.8%	-6.1%	-31.2%	
Realized loss on investments written-off	-4,052,813	-17,932,127	-7,449,269	-262.5%	-390.3%	77.6%	
Adjustments to fair value	4,716,436	14,017,372	-9,053,879	305.5%	305.1%	94.3%	
Unrealized gain from investment derecognized	0	0	922,284	0.0%	0.0%	-9.6%	
	1,378,966	1,188,676	-9,697,391	89.3%	25.9%	101.0%	
Other income							
Share of joint venture profit, net of tax	0	11,706	-128	0.0%	0.3%	0.0%	
Consulting and license fee income	0	1,421,692	11,289	0.0%	30.9%	-0.1%	
Fee and other income	100,000	1,851,417	0	6.5%	40.3%	0.0%	
Other interest income and gains (losses)	64,886	120,595	83,009	4.2%	2.6%	-0.9%	
Management fees and other fees	0	0	0	0.0%	0.0%	0.0%	
Total Revenues	1,543,852	4,594,086	-9,603,221	100.0%	100.0%	100.0%	
Operating expense:							
Salaries, benefits and staffing costs	637,577	1,569,076	1,341,774	41.3%	34.2%	-14.0%	
Restructuring costs	0	706,250	0	0.0%	15.4%	0.0%	
Management and facility fees	0	84,328	157,959	0.0%	1.8%	-1.6%	
Share-based compensation	107,757	195,462	291,913	7.0%	4.3%	-3.0%	
Depreciation and amortization	80,328	1,022,606	40,786	5.2%	22.3%	-0.4%	
Professional fees	871,145	1,319,706	1,320,324	56.4%	28.7%	-13.7%	
Office and general administrative	294,004	862,530	810,618	19.0%	18.8%	-8.4%	
Net finance expense	0	0	0	0.0%	0.0%	0.0%	
Total operating expense	1,990,811	5,759,958	3,963,374	129.0%	125.4%	-41.3%	
Operating Profit	(446,959)	(1,165,872)	(13,566,595)	-29.0%	-25.4%	141.3%	
Bargain purchase (gain)	-304,908	-5,459,147	0	-19.7%	-118.8%	0.0%	
Financing expense	1,331,825	2,240,781	1,767,313	86.3%	48.8%	-18.4%	
Impairment charge	-	-	-	0.0%	0.0%	0.0%	
through profit or loss	-	-	-	0.0%	0.0%	0.0%	
	1,026,917	(3,218,366)	1,767,313	66.5%	-70.1%	-18.4%	
Profit before Taxes	(1,473,876)	2,052,494	(15,333,908)	-95.5%	44.7%	159.7%	
Income Taxes							
Current income tax (recovery)	71,132	(120,450)	(344,127)	4.6%	-2.6%	3.6%	
Deferred tax expense (recovery)	(407,501)	(857,219)	(3,638,358)	-26.4%	-18.7%	37.9%	
Total Income Taxes	(336,369)	(977,669)	(3,982,485)	-21.8%	-21.3%	41.5%	
Net Profit (Loss) from continuing operations	(1,137,507)	3,030,163	(11,351,423)	-73.7%	66.0%	118.2%	
Net profit (loss) from discontinued operations, net of taxes	350,194	-	-	22.7%	0.0%	0.0%	
Net Profit (Loss)	(787,313)	3,030,163	(11,351,423)	-51.0%	66.0%	118.2%	
Other Comprehensive Income (Loss)							
Foreign currency translation reserve	(120,819)	127,861	-	-7.8%	2.8%	0.0%	
Non-Controlling Interest - Discontinued Operation	-	-	-	0.0%	0.0%	0.0%	
Total Comprehensive Income (Loss)	-908,132	3,158,024	-11,351,423	-58.8%	68.7%	118.2%	

Notes:

(1) Unaudited income statement provided by Management.

Flow Capital Corp.
Calculation Valuation Report
Tangible Asset Backing
Valuation as of July 31, 2019

Exhibit 3.0

FINAL

(Canadian Dollars)	As of July 31, 2019	Adjustments	Adjusted Tangible Asset Backing	Notes
Assets				
Current Assets				
Cash	20,144,988		20,144,988	(1)
Accounts receivable and accrued income	719,752		719,752	(2)
Prepaid expenses	344,247		344,247	
Total Current Assets	21,208,987		21,208,987	
Long-term assets				
Property, plant and equipment	435,056		435,056	
Finance lease asset - non-current portion	1,689,884		1,689,884	
Deferred tax asset	9,622,767	(9,622,767)	-	(3)
Investment at fair value - non-current portion	33,549,917		33,549,917	
Total Assets	66,506,611		56,883,844	
Liabilities				
Current Liabilities				
Accounts payable & accrued liabilities	1,463,554		1,463,554	
Income taxes payable	12,312		12,312	
Prepaid royalty payment income	(313)		(313)	
Total Current Liabilities	1,475,553		1,475,553	
Provisions - non-current portion	1,348,104		1,348,104	
Lease liability - non-current portion	3,390,523		3,390,523	
Convertible debentures	20,752,805	11,317,785	32,070,590	(4)
Total Liabilities	26,966,985		38,284,770	
Assets Less Liabilities	39,539,626		18,599,074	
Leverage Adjustment			-	(5)
Tangible Asset Backing			18,600,000	

Notes:

- (1) Evans & Evans did consider whether the Company had excess working capital as at the Valuation Date. Given the Company is in the investment industry, cash was required to implement the business plan.
- (2) Assumed to be collectible.
- (3) Evans & Evans removed deferred tax assets which are derived from differences in financial and tax accounting as they do not represent a tangible asset.
- (4) Evans & Evans has adjusted the TAB to reflect the face value of the Debentures.

LP Units	10,000,000
Series A	16,958,000
Series B	5,112,590
	<u>32,070,590</u>

(5) The Com

EVANS & EVANS, INC.

Calculation Valuation Report

Market Approach - Guideline Public Company Method

Valuation as of July 31, 2019

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Table 1 - Identified Guideline Public Companies (1)

Company Name	Ticker	Exchange	Market Capitalization	Enterprise Value	TTM Revenue	TTM EBITDA	NAV	Adjusted NAV	EV/ Adjusted NAV	EV/ EBITDA
Pizza Pizza Royalty Corp.	PZA	TSX	237	282	35.6	35.0	267.4	288.3	1.0 x	8.1 x
Alaris Royalty Corp.	AD	TSX	743	1,007	103.1	94.8	630.9	645.8	1.6 x	10.6 x
SIR Royalty Income Fund	SRV.UN	TSX	138	141	17.8	17.3	91.8	97.9	1.4 x	8.1 x
Diversified Royalty Corp.	DIV	TSX	313	398	53.5	20.1	189.6	199.6	2.0 x	19.8 x
Royalty North Partners Ltd.	RNP	TSXV	2	8	1.6	1.5	5.5	5.5	1.4 x	5.1 x
Crown Capital Partners Inc.	CRWN	TSX	77	189	25.3	15.8	100.0	99.7	1.9 x	12.0 x
Flow Capital Corp.	FW	TSXV	13	13	1.9	3.3	29.5	19.9	0.7 x	4.0 x
Average									1.54 x	10.61 x
Median									1.50 x	9.38 x
Coefficient of Variance									0.24 x	0.48 x

Table 2 - Selected Guideline Public Companies (1)

Company Name	Ticker	Exchange	Market Capitalization	Enterprise Value	TTM Revenue	TTM EBITDA	NAV	Adjusted NAV	EV/ Adjusted NAV	EV/ EBITDA
Pizza Pizza Royalty Corp.	PZA	TSX	237	282	35.6	35.0	267.4	288.3	1.0 x	8.1 x
Alaris Royalty Corp.	AD	TSX	743	1,007	103.1	94.8	630.9	645.8	1.6 x	10.6 x
SIR Royalty Income Fund	SRV.UN	TSX	138	141	17.8	17.3	91.8	97.9	1.4 x	8.1 x
Royalty North Partners Ltd.	RNP	TSXV	2	8	1.6	1.5	5.5	5.5	1.4 x	5.1 x
Crown Capital Partners Inc.	CRWN	TSX	77	189	25.3	15.8	100.0	99.7	1.9 x	12.0 x
Average									1.45 x	8.77 x
Median									1.44 x	8.14 x
Coefficient of Variance									0.23 x	0.30 x

(Canadian Dollars)	Low	High
Adjusted NAV (2)	19,916,860	19,916,860
Multiple	1.40 x	1.50 x
Enterprise Value	27,883,604	29,875,290
Less: Debt	-32,070,590	-32,070,590
Plus: Cash	20,144,988	20,144,988
Fair Market Value of Equity	15,960,000	17,950,000
	16,955,000	

(Canadian Dollars)	Low	High
Adjusted EBITDA (3)	3,260,262	3,260,262
Multiple	8.00 x	8.15 x
Enterprise Value	26,082,096	26,571,135
Less: Debt	-32,070,590	-32,070,590
Plus: Cash	20,144,988	20,144,988
Fair Market Value of Equity	14,160,000	14,650,000
	14,405,000	

Notes:

(1) Source: Company filings, Yahoo Finance, TMX Money

(2) Adjusted Net Asset Value calculation

NAV as of July 31, 2019	29,539,627
Less: Deferred Tax Asset	-9,622,767
Plus: Deferred Tax Liability	0
	19,916,860

(3) Adjusted EBITDA

Six Months Ended June 30, 2019	2,004,295
Plus: 12 Months December 31, 2018	1,873,021
Less: Six Months June 30, 2018	-617,054
	3,260,262

Flow Capital Corp.
Calculation Valuation Report
Fair Market Value per Share
Valuation as of July 31, 2019

Exhibit 5.0

FINAL

(Canadian Dollars)	Low	High
Fair Market Value of Equity	14,405,000	16,955,000
Proceeds from In-the-Money Warrants / Options	<u>0</u>	<u>157,500</u> (1)
	14,405,000	17,112,500
Fully Diluted Shares Outstanding	83,402,764	84,277,764 (1)
Fair Market Value per Share	0.17	0.20

Notes:

(1) Shares Outstanding	83,402,764
Warrants Outstanding	5,032,689
Exercise Price of Warrants	0.22

	Number of Options	Exercise Price
Options	119,792	1.69
Options	39,063	1.23
Options	100,910	0.85
Options	152,994	0.29
Options	675,000	0.18
Options	<u>200,000</u>	<u>0.18</u>
	1,287,759	

	Low	High
In-the-Money Warrants Based on FMV	0	0
Proceeds from Warrant Exercise	0	0
In-the-Money Options Based on FMV	0	875,000
Proceeds from Option Exercise	0	157,500

EVANS & EVANS, INC.

The Letter of Transmittal, certificate(s) for Shares and any other required documents must be sent or delivered by each tendering Shareholder or the tendering Shareholder's broker, dealer, commercial bank, trust company or other nominee to the Depository at one of its addresses specified below.

Offices of the Depository, Computershare Trust Company of Canada

By Regular Mail:

Computershare Trust Company of Canada
P.O. Box 7021
31 Adelaide Street East
Toronto, Ontario
M5C 3H2, Canada
ATTN: CORPORATE ACTIONS

By Hand, Registered Mail or Courier:

Computershare Trust Company of Canada
100 University Avenue, 8th Floor
Toronto, Ontario
M5J 2Y1, Canada
ATTN: CORPORATE ACTIONS

Inquiries

Toll Free (Canada & U.S.): 1-800-564-6253
Telephone (Outside North America): 1-514-982-7512
Website: <https://www.computershare.com/ca/en>
E-mail: corporateactions@computershare.com

DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

Any questions or requests for assistance may be directed to the Depository at the addresses and telephone number specified above. Shareholders also may contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depository. Manually executed photocopies of the Letter of Transmittal will be accepted.