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FLOW CAPITAL ANNOUNCES WRITE DOWN OF SOLAR BROKERS INVESTMENT

TORONTO, January 22, 2019 – Flow Capital Corp. (“**Flow Capital**” and “**Flow**”) today announced that it will record a \$2,000,000 write-down charge on the company’s investment in Solar Brokers Canada Corp. and its affiliate Green Lion Eco Group Corp. (collectively “Solar Brokers”) during the three-month period ending December 31, 2018.

The Company decided to record the charge due to the recent difficulties experienced by the residential solar industry in Canada and management’s view that Solar Brokers does not have the ability to meet its payment obligations. After this charge, the book value of Flow’s investment of \$2,500,000 in Solar Brokers made up of a royalty, a secured line of credit and shares, is zero. The investment represents less than 4.5 percent of Flow’s total assets. While the company conducts extensive due diligence on prospective investee companies, it expects to incur losses from time to time given the inherent risk of high return potential emerging growth companies.

“Management is confident in the outlook for Flow despite the recent setback on its Solar Broker investment. We have been encouraged by the business’s ability to generate net positive cash flows through recurring royalties, management fees, buyouts, and increasingly, from equity positions in our investee companies. Flow’s strategy to manage the risk of investing in emerging growth companies by broadly diversifying our portfolio cushions the effect of any one company on our returns,” said Alex Baluta, Chief Executive Officer of Flow.

About Flow Capital Corp.

Based in Toronto, Flow Capital Corp. is a diversified alternative asset investor and advisor, operating two divisions: an investment operation providing revenue-linked capital to emerging growth businesses, and an institutional advisory sales platform providing pension funds, charities and endowment clients with access to leading institutional money managers from around the world. Learn more at www.flowcap.com.

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