FOR IMMEDIATE RELEASE

FLOW CAPITAL ANNOUNCES COMPLETION OF A C$3.6 MILLION REDEMPTION AND A US$2.8 MILLION FINANCING BY FLOW PRIORITY RETURN FUND II LP

TORONTO, August 6, 2021 – Flow Capital Corp. (TSXV: FW) ("**Flow Capital**" or the "**Company**") announces that it has completed a redemption of C$3.6 million **("Redemption Amount"**) and has raised an additional US$2.8 million (**"Investment Amount"**), against the issuance of Class G Units (**"Transaction"**) in its Flow Priority Return Fund II LP (**"LP II"** or **"Fund II"**).

Under the Transaction, a collection of institutional and high net worth investors have subscribed for Class G senior units of Fund II. A majority of the existing LP investors opted to reinvest their share of the Redemption Amount and several also opted to top-up their investment. In exchange for the Investment Amount, the Company has granted to Fund II a royalty interest in 7 of the Company's existing investments (the "**Underlying Royalty Contracts**"). Pursuant to the terms of Fund II, the Company is subscribing for such number of subordinated units as is equal to 25% of the capital raised in senior units issued in Fund II.

The Class G Senior Units rank *pari passu* to the existing Class A and Class F units and the senior units collectively earn an amount equal to the lesser of the (i) sum of 9.00% per month of the outstanding Investment Amount (the **"Class A Return"**) and 10% per month of the outstanding Investment Amount (the **"Class F Return"**) and 9.25% per month of the outstanding Investment Amount (the **"Class G Return"**) or (ii) royalty payments received by Flow Capital from the Underlying Royalty Contracts will be paid to investors (collectively, the "**Preferred Return**").

Since its inception in October 2020, LP II has raised approximately C$19.2M of net new capital from the issuance of preferred units and has completed buyouts of Underlying Royalty Contracts in the amount of C$9.5M of which approximately $C3.6M has been redeemed and the balance has been rolled forward.

"The capital raised in this LP II will help Flow to continue to grow its portfolio of revenue-linked royalty and venture debt investments in high-growth companies," said Alex Baluta, CEO of Flow Capital.

Flow Capital Charitable Foundation, a not-for-profit corporation the directors and officers of which are also directors and officers of the Company, participated in the Transaction and, as such, the Transaction may constitute a related party transaction under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Transaction is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 by virtue of Section 5.5(b) of MI 61-101, and the minority shareholder approval requirements of Section 5.6 of MI 61-101 by virtue of Section 5.7(1)(a) of MI 61-101 on the basis that (i) no securities of the Company are listed or quoted on the specified markets, and (ii) at the time the Transaction was agreed to, neither the fair market value of, nor the fair market value of the consideration for, the units subscribed for by Flow Capital Charitable Foundation exceeded 25% of the Company's market capitalization (as determined in accordance with MI 61-101). No special committee was established by the Company in connection with the Transaction or the participation of Flow Capital Charitable Foundation in the Transaction, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto. Further details will be included in a material change report that will be filed by the Company in connection with the completion of the Transaction. The Company did not file the material change report more than 21 days before the expected closing date of the Transaction as the details of the Transaction and the total amount to be invested by Flow Capital Charitable Foundation were not settled until shortly prior to the closing of the Transaction, and the Company wished to complete the Transaction on an expedited basis for sound business reasons.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any of the securities referenced herein in the United States. The securities referenced herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Flow Capital Corp. is a diversified alternative asset investor, specializing in providing minimally dilutive capital to high-growth businesses. To apply for financing, visit www.flowcap.com.

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Forward-Looking Information and Statements

This press release contains certain “forward-looking information” and "forward-looking statements" within the meaning of applicable securities legislation. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Flow Capital’s beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Flow Capital’s control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “will continue”, “will occur” or “will be achieved”. By identifying such information and statements in this manner, Flow Capital is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements. Forward-looking information in this press release includes, but is not limited to, the quantum and timing of payments to be made by Flow Capital under the terms of the Transaction and the expected cash balance of Flow Capital following the completion of the Transaction.

An investment in securities of the Company is speculative and subject to a number of risks including, without limitation, risks relating to: the need for additional financing; the relative speculative and illiquid nature of an investment in the Company; the volatility of the Company's share price; the Company's ability to generate sufficient revenues; the Company's ability to manage future growth; the limited diversification in the Company's existing investments; the Company's ability to negotiate additional royalty purchases or other forms of investment from new investee companies; the Company's dependence on the operations, assets and financial health of its investee companies; the Company's limited ability to exercise control or direction over investee companies; potential defaults by investee companies and the unsecured nature of certain of the Company's investments; the Company's ability to enforce on any default by an investee company; competition with other investment entities; tax matters, including the potential impact of the *Foreign Account Tax Compliance Act* on the Company; the potential impact of the Company being classified as a Passive Foreign Investment Company; the Company's ability to pay dividends in the future and the timing and amount of those dividends; reliance on key personnel; dilution of shareholders' interest through future financings; and general economic and political conditions; as well as the risks discussed in the Company's public filings. Although Flow Capital has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, Flow Capital has made certain assumptions. Assumptions about the performance of the Canadian and U.S. economies over the next 24 months and how that will affect the Company's business and its ability to identify and close new opportunities with new investees are material factors that the Company considered when setting its strategic priorities and objectives, and its outlook for its business, including its ability to satisfy required payments under the Transaction. Although Flow Capital believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements.

The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and Flow Capital does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward- looking information and statements attributable to Flow Capital or persons acting on its behalf is expressly qualified in its entirety by this notice.

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