

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: FLOW METALS CORP. (the “Issuer”).

Trading Symbol: FWM

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

First Quarter (Three-month period) ended October 31, 2021

Unaudited condensed consolidated interim financial statements of the Issuer for the three-month period ended October 31, 2021, as filed with securities regulatory authorities, are attached to this Form 5 - Quarterly Listing Statement as Appendix A.

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

The supplementary information set out below must be provided when not included in Schedule A.

### **1. Related party transactions**

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed consolidated interim financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the three-month period ended October 31, 2021, as filed with securities regulatory authorities and attached to this Form 5 - Quarterly Listing Statement as Appendix B.

## 2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

The following securities were issued during the period of August 1, 2021 to October 31, 2021:

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
No securities were issued during the period of August 1, 2021 to October 31, 2021.								

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
No options were issued during the period of August 1, 2021 to October 31, 2021.						

## 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

As at October 31, 2021, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 31,698,123 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Quarterly Listing Statement), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the

rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

(b) number and recorded value for shares issued and outstanding,

Date	Share Class	Number of Shares	Recorded value of shares
As at October 31, 2021	Common	31,698,123	\$1,758,159

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Options: Options to purchase common shares in the capital of the Issuer are granted by the Issuer's Board of Directors to eligible persons pursuant to the Issuer's Stock Option Incentive Plan.

As at October 31, 2021, the following options were outstanding entitling holders to purchase common shares in the capital of the Issuer as summarized below:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Recorded Value
October 13, 2020	800,000	\$0.10	October 13, 2022	\$22,450
January 20, 2021	600,000	\$0.10	January 20, 2022	\$18,958
<b>TOTAL</b>	<b>1,400,000</b>			

Warrants: As at October 31, 2021, the following warrants were outstanding entitling holders to purchase common shares in the capital of the Issuer as summarized below:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
June 12, 2019	4,000,000	\$0.10	June 12, 2023	\$Nil
May 6, 2020	3,700,000	\$0.10	May 6, 2022	\$Nil
August 26, 2020	10,195,808	\$0.15	August 26, 2023	\$41,379
<b>TOTAL</b>	<b>17,895,808</b>			

Plan of Arrangement Convertible Securities: As at October 31, 2021, the Issuer has the following securities outstanding arising from the Plan of Arrangement with Go Metals Corp. ("Go Metals"). The following common shares are reserved for issuance pursuant to the exercise of Go Metals stock options and warrants:

<b>Date of Issue</b>	<b>Type</b>	<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Recorded Value</b>
January 23, 2018	Stock options	549,999	\$0.09	January 23, 2023	\$Nil
February 11, 2018	Warrants	1,999,995	\$0.15	February 11, 2022	\$Nil
<b>TOTAL</b>		2,549,994			

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

The Issuer does not have any securities outstanding that are subject to an escrow, pooling agreement or a restriction on transfer.

4. **List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.**

<b>Name of Director/Officer</b>	<b>Position with Issuer</b>
R. Brian Murray	Director and Chief Financial Officer
Donald Sheldon	Director
Scott Sheldon	Director and Chief Executive Officer
Adrian Smith	Director
Michael Woods	Corporate Secretary

## **SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion & Analysis for the three-month period ended October 31, 2021, as filed with securities regulatory authorities, is attached to this Form 5 - Quarterly Listing Statement as Appendix B.

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated December 22, 2021.

Scott Sheldon  
Name of Director or Senior Officer

"Scott Sheldon"  
Signature

Director  
Official Capacity

<b>Issuer Details</b>	For Quarter Ended	Date of Report
Name of Issuer		YY/MM/D
Flow Metals Corp.	October 31, 2021	2021/12/22
Issuer Address		
789 West Pender Street, Suite 810		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6C 1H2	(604) 687-3141	(604) 687-2038
Contact Name	Contact Position	Contact Telephone No.
Scott Sheldon	Director/CEO	(604) 725-1857
Contact Email Address	Web Site Address	
gold@flowmetals.com	www.flowmetals.com	

**APPENDIX A**

FLOW METALS CORP.

Unaudited condensed consolidated interim financial statements  
for the three-month period ended October 31, 2021

# **FLOW METALS CORP.**

Condensed Interim Financial Statements

For the Three Months Ended October 31, 2021 and 2020

(Unaudited)

(Expressed in Canadian dollars)



## **NOTICE TO READER**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

**FLOW METALS CORP.**

Condensed Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

As at	October 31, 2021 \$	July 31, 2021 \$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 9)	173,500	423,827
Receivables	43,678	39,747
Prepaid expenses and deposits	11,950	12,295
<b>Total Current Assets</b>	<b>229,128</b>	<b>475,869</b>
Mineral properties (Note 4)	579,384	579,384
Right-of-use asset (Note 5)	7500	9,750
<b>Total Assets</b>	<b>816,012</b>	<b>1,065,003</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	34,100	191,266
Due to related parties (Note 8)	96,240	81,740
Current portion of lease liabilities (Note 7)	8,061	9,438
<b>Total Current Liabilities</b>	<b>138,401</b>	<b>282,444</b>
<b>Long Term-Liabilities</b>		
Long term portion of lease liabilities (Note 7)	-	852
<b>Total Liabilities</b>	<b>138,401</b>	<b>283,296</b>
<b>Shareholders' Equity</b>		
Share capital (Note 6)	1,758,159	1,758,159
Reserves	84,468	84,468
Deficit	(1,165,016)	(1,060,920)
<b>Total Shareholders' Equity</b>	<b>677,611</b>	<b>781,707</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>816,012</b>	<b>1,065,003</b>

Approved by the Board of Directors on December 22, 2021:

*"Scott Sheldon"*\_\_\_\_\_  
Scott Sheldon, Director & CEO*"Donald Sheldon"*\_\_\_\_\_  
Donald Sheldon, Director

The accompanying notes are an integral part of these condensed interim financial statements

**FLOW METALS CORP.**

Condensed Interim Statements of Loss and Comprehensive Loss  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

	<b>Three months ended</b>	
	<b>October 31,</b>	<b>October 31,</b>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Exploration Expenses</b> (Notes 4 and 8)	47,627	237,636
<b>Administrative Expenses</b>		
Audit and accounting fees	11,525	7,250
Accretion (Note 7)	358	-
Consulting fees	6,000	6805
Depreciation (Note 5)	2,250	-
General and administrative	3,251	9,606
Marketing	2,645	-
Management fees (Note 8)	25,500	36,000
Stock-based compensation (Notes 6 and 8)	-	24,380
Transfer agent and filing fees	4,940	8,451
<b>Total administrative expenses</b>	(56,469)	(92,492)
<b>Net loss before other items</b>	(104,096)	(330,128)
<b>Other Income</b>		
Interest income	-	20
<b>Net loss and comprehensive loss for the period</b>	(104,096)	(330,108)
Loss per share, basic and diluted	(0.00)	(0.01)
Weighted average shares outstanding	31,698,123	20,330,438

The accompanying notes are an integral part of these condensed interim financial statements

**FLOW METALS CORP.**

Condensed Interim Statements of Changes in Shareholders' Equity

For the three months ended October 31, 2021 and 2020

(Unaudited)

(Expressed in Canadian dollars)

	<b>Share Capital</b>				
	<b>Common Shares #</b>	<b>Amount \$</b>	<b>Reserves \$</b>	<b>Deficit \$</b>	<b>Total \$</b>
Balance, at July 31, 2020	20,766,315	872,788	1,681	(266,774)	607,695
Shares issued for private placement	9,731,808	880,163	-	-	880,163
Share issuance cost	-	(103,735)	38,322	-	(65,413)
Shares issued for mineral properties	800,000	88,000	-	-	88,000
Stock-based compensation	-	-	24,380	-	24,380
Net loss for the period	-	-	-	(330,108)	(330,108)
Balance, at October 31, 2020	31,298,123	1,737,216	64,383	(596,882)	1,204,717
Balance, at July 31, 2021	31,698,123	1,758,159	84,468	(1,060,920)	781,707
Net loss for the period	-	-	-	(104,096)	(104,096)
Balance, at October 31, 2021	31,698,123	1,758,159	84,468	(1,165,016)	677,611

The accompanying notes are an integral part of these condensed interim financial statements

**FLOW METALS CORP.**

Condensed Interim Statements of Cash Flows  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

	<b>Three months ended</b>	
	<b>October 31,</b>	<b>October 31,</b>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
Cash provided by (used in):		
<b>Operating activities</b>		
Net loss for the period	(104,096)	(330,108)
Items not involving cash:		
Accretion	358	-
Depreciation	2,250	-
Stock-based compensation	-	24,380
Changes in non-cash operating working capital:		
Receivables	(3,931)	(8,531)
Prepaid expenses and deposits	345	(36)
Accounts payable and accrued liabilities	(157,166)	95,760
Due to related parties	14,500	(9,762)
Cash used in operating activities	(247,740)	(228,297)
<b>Investing activities</b>		
Lease payments	(2,587)	-
Mineral properties	-	(6,439)
Cash used in investing activities	(2,587)	(6,439)
<b>Financing activities</b>		
Net proceeds from private placements	-	814,750
Cash received from financing activities	-	814,750
(Decrease) Increase in cash and cash equivalents	(250,327)	580,014
Cash and cash equivalents, beginning of year	423,827	192,841
Cash and cash equivalents, end of period	173,500	772,855
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Cash	163,500	762,855
Cash equivalents	10,000	10,000
	173,500	772,855
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<b>Supplemental information</b>		
Shares issued for mineral properties	-	88,000
Warrants issued for finders' fees	-	38,322

The accompanying notes are an integral part of these condensed interim financial statements

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **1. Nature of Operations and Going Concern**

Flow Metals Corp. ("Flow Metals" or the "Company") was incorporated on July 11, 2018 under the *Business Corporations Act* (British Columbia) with 100 common shares issued to its initial and sole shareholder, Go Metals Corp. ("Go Metals"). The Company's registered office is located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

The Company entered into a Plan of Arrangement (the "Arrangement") with Go Metals whereby the Company would own all of Go Metals' interest in the New Brenda Property. On September 10, 2018, the B.C. Supreme Court approved the Arrangement effective for September 17, 2018. As consideration for the New Brenda Property, the Company issued 9,767,234 common shares valued at \$326,000 to Go Metals on September 17, 2018, which were then distributed to the shareholders of Go Metals pro-rata based on their relative shareholdings of Go Metals. Following the Arrangement, the Company would be a junior mineral exploration company focused on copper and gold exploration projects in Canada. On June 22, 2020 the Company has satisfied the listing requirements of the Canadian Securities Exchange and its common shares are being listed with commencement of trading effective June 22, 2020, under the symbol "FWM".

These condensed interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at October 31, 2021, the Company has not generated any revenues from operations and has an accumulated deficit of \$1,165,016 (July 31, 2021 – \$1,060,920). The Company expects to incur further losses in the development of its business, all of which may cast significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The pandemic could result in delays in the course of business, including potential delays to its exploration efforts/activities/programs, and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **2. Basis of Presentation**

#### (a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements as at and for the year ended July 31, 2021.

#### (b) Basis of Measurement

These condensed interim financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. These condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### (c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its condensed interim financial statements. These condensed interim financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

### **3. Significant Accounting Policies**

#### Critical Accounting Judgments and Estimates

The preparation of condensed interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

#### *Critical Accounting Estimates*

The following are the key estimates that may have a significant risk of resulting in a material adjustment in future periods.

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### 3. Significant Accounting Policies (continued)

Critical Accounting Judgments and Estimates (continued)

#### Fair value estimates of equity instruments

The fair value of each stock option granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the stock options and conversion at grant date is based on the expected life of the options and assumptions about the expected exercise pattern. Expected volatility of stock options is estimated based on the volatility of companies comparable in size and operations to the Company. Forfeiture rates and dividend yields are estimated based on historical data.

#### Right-of-use assets and lease liabilities

The Company uses estimation in determining the incremental borrowing rate used to measure the lease liability, specific to the asset, underlying currency, and geographic location. Where the rate implicit in the lease is not readily determinable, the discount rate of the lease obligations are estimated using a discount rate similar to the Company's specific borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase the asset of a similar value, with similar payment terms and security in a similar environment.

#### *Critical Judgments Used in Applying Accounting Policies*

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim financial statements are as follows:

#### Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

#### Determination of Going Concern Assumption

The preparation of these condensed interim financial statements requires management to make judgments regarding the applicability of going concern assumption to the Company as discussed in Note 1.

#### Impairment of mineral properties

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral properties.

In respect of costs incurred for its mineral properties, management has determined that related acquisition costs incurred, which have been capitalized, continue to be appropriately recorded on the condensed interim statements of financial position at its carrying value as management has determined there are no indicators of impairment for its mineral properties as at October 31, 2021 and July 31, 2021.



## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **3. Significant Accounting Policies (continued)**

Critical Accounting Judgments and Estimates (continued)

#### Right of use assets and lease liability

The Company applies judgment in determining whether the contract contains an identified asset, whether they have the right to control the asset, and the lease term. The lease term is based on considering facts and circumstances, both qualitative and quantitative, that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option.

#### Leases

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration and sales and marketing expense in the consolidated statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less.

Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. The depreciation is recognized from the commencement date of the lease.

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

### 4. Mineral Properties

The Company's mineral property interests are comprised of the following properties:

	Ashuanipi	New Brenda	Sixty Mile	Total
Balance, at July 31, 20	\$ 30,000	\$ 334,250	\$ 90,000	\$ 454,250
Additions	62,134	-	63,000	125,134
Balance, at July 31, 2021	92,134	334,250	153,000	579,384
Additions	-	-	-	-
<b>Balance at October 31, 2021</b>	<b>\$ 92,134</b>	<b>\$ 334,250</b>	<b>\$ 153,000</b>	<b>\$ 579,384</b>

During the three months period ended October 31, 2021, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	Ashuanipi	New Brenda	Sixty Mile	Total
Assay / analytical	\$ -	\$ -	\$ 36,882	\$ 36,882
Drilling	-	-	1,732	1,732
Field work	-	-	300	300
General administrative	-	500	5,970	6,470
Geological (Note 8)	-	-	2,243	2,243
<b>Total mineral property expenditures</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 47,127</b>	<b>\$ 47,627</b>

During the year ended July 31, 2021, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	Ashuanipi	New Brenda	Sixty Mile	Total
Assay / analytical	\$ -	\$ 30,000	\$ 49,807	\$ 79,807
Drilling	-	-	276,385	276,385
General administrative	-	-	6,843	6,843
Field work	-	3,975	56,865	60,840
Geological (Note 8)	900	-	96,352	97,252
Transportation / travel	-	506	16,238	16,744
Recovery of expenses	-	-	(40,000)	(40,000)
<b>Total mineral property expenditures</b>	<b>\$ 900</b>	<b>\$ 34,481</b>	<b>\$ 462,490</b>	<b>\$ 497,871</b>

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **4. Mineral Properties (continued)**

#### *Ashuanipi Gold Property, Quebec, Canada*

On February 21, 2020, the Company signed an option agreement with Windfall Geotek "Windfall", to acquire a 100% interest in 115 claims located in Quebec, Canada. As consideration, the Company is required to make cash payments of \$120,000 over three years, issue 2,100,000 common shares over three years, and have a strategic partnership with Windfall for \$60,000 and expend exploration expenditures of \$450,000, as follows:

Cash consideration – See Go Metals below.

- (i) \$30,000 to be paid within the first anniversary date from signing of the agreement. (amended on April 23, 2020 to 13 months from the common shares of the Company being listed on the Canadian Securities Exchange ("CSE"))
- (ii) \$40,000 to be paid February 20, 2022; and
- (iii) \$50,000 to be paid February 20, 2023

Share consideration

- (iv) 100,000 issued within 10 days of signing; (issued with a fair value of \$5,000)
- (v) 500,000 issued upon listing on the CSE; (issued with a fair value of \$25,000)
- (vi) 500,000 issued February 20, 2021; (issued with a fair value of \$55,000)
- (vii) 500,000 to be issued February 20, 2022; and
- (viii) 500,000 to be issued February 20, 2023

Strategic partnership

The Company agreed to use the artificial intelligence "AI" exploration targeting and Computer Aided Resource Detection System "CARDS" supplied by Windfall Geotek, on another project with a contract value of \$60,000 plus tax. Agreement for use of this AI must be signed within 45 days of listing on the CSE. During the year ended July 31, 2021, this clause was amended and removed.

Exploration expenditures

\$450,000 to be spent during the first three years of the agreement.

During the year ended July 31, 2021 the Company staked 58 (2020 – Nil) contiguous claims.

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **4. Mineral Properties (continued)**

#### *Ashuanipi Gold Property, Quebec, Canada*

##### Go Metals

On May 5, 2021 the Company entered an agreement with Go Metals whereby Go Metals can earn in on the Ashuanipi property for up to 80% through the funding of exploration as follows:

- \$200,000 spent on exploration by December 1, 2021 for Go Metals to earn 40%;
- \$200,000 spent on exploration by December 1, 2022 for Go Metals to earn an additional 20%;
- Following the exploration expenditures from Go Metals of \$400,000, the Company has the option to create a Joint Venture; or
- Go Metals may spend an additional \$400,000 by December 1, 2023 to earn an additional 20% interest.

In accordance with the agreement, Go Metals has the obligation to pay the cash portion of the option agreement from Flow Metals Corp. with Windfall Geotek. These payments are outlined below.

Cash consideration:

- (i) \$30,000 to be paid within the first anniversary date from signing of the agreement. (amended on April 23, 2020 to 13 months from the common shares of the Company being listed on the CSE) – paid by Go Metals
- (ii) \$40,000 to be paid by Go Metals on February 20, 2022; and
- (iii) \$50,000 to be paid by Go Metals on February 20, 2023

The transaction is a related party transaction as the Company and Go Metals share common management and directors (Note 8). Additionally, Windfall Geotek Inc. has retained a 2% net smelter return on the Ashuanipi property.

#### *New Brenda Property, British Columbia, Canada*

i) On September 17, 2018, the Company acquired the 100% of the New Brenda Property from Go Metals valued at \$326,000 pursuant to the Arrangement (Note 1). The New Brenda Property is comprised of 15 contiguous mineral claims located in South Central British Columbia in the traditional territory of the West Bank First Nation.

During the year ended July 31, 2019, the Company issued 158,331 common shares valued at \$4,750 to shareholders of Go Metals upon exercise of Go Metals' stock options and warrants, pursuant to the Arrangement which has been capitalized to the New Brenda Property (Note 1).

ii) On June 9, 2020, the Company has entered into a purchase and sale agreement with an arm's length party and acquired the Old Gorilla mining claim located within the New Brenda property borders. The Old Gorilla claim is in proximity to the historical and 2019 trenching targets. To acquire the Old Gorilla claim, the Company issued 70,000 common shares with a fair value of \$3,500 (Note 6).

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
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(Unaudited)  
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### 4. Mineral Properties (continued)

#### *Sixty Mile Property, Yukon Territory, Canada*

On March 23, 2019, the Company signed an option agreement with three optionors to acquire a 100% interest in the Sixty Mile Property located in Yukon Territory, Canada. For consideration, the Company is required to make the following payments:

- a) \$5,000 cash payment on the agreement date or within five calendar days thereof (paid);
- b) \$25,000 cash payment (paid) and 300,000 common shares (issued and fair valued at \$15,000) of the Company on the earlier of 120 days from the agreement date or upon listing of the common shares of the Company on the CSE;
- c) \$30,000 cash payment and 300,000 common shares of the Company on or before the first-year anniversary of the agreement date (issued 600,000 shares with a fair value of \$30,000 for the cash payment and issued 300,000 shares with a fair value of \$15,000 for the shares);
- d) \$30,000 cash payment (paid) and 300,000 common shares of the Company on or before the second-year anniversary of the agreement date (issued 300,000 shares with a fair value of \$33,000); and
- e) \$30,000 cash payment and 300,000 common shares of the Company on or before the third-year anniversary of the agreement date.

Upon completion of these payments, the Company will earn a 100% interest in the property ("Earn-In") subject to a 3% net smelter return ("NSR") royalty retained by the optionors. At any time, the Company shall have the option to acquire 2% of the 3% NSR by paying \$1,000,000 per 1% to the optionors. In addition, the Company is required to pay an advance royalty of \$30,000 to the optionors one year following the Earn-In and annually thereafter on the Earn-In anniversary date, until the mineral claims are in commercial production which the advance royalty payments shall be deducted from the Optionors' share of the NSR. The Company can elect to issue common shares in substitution for such cash payment at a deemed value equal to the most recent closing price of the Company's shares on the CSE.

During the year ended July 31, 2021, the Company staked 141 contiguous claims.

### 5. Right-of-use asset

During the year ended July 31, 2021, the Company entered into a sublease agreement for the office space. Upon entering into the lease, the Company measured the present value of the lease payments using an incremental borrowing rate of 15% per annum and recognized \$16,500 as a right-of-use asset. The sublease is reflected on the condensed interim statement of financial position as a right-of-use asset, with an associated lease liability (Note 7).

	October 31, 2021	July 31, 2021
Beginning balance	\$ 9,750	\$ -
Additions	-	16,500
Depreciation	(2,250)	(6,750)
Ending balance	\$ 7,500	\$ 9,750

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
(Unaudited)  
(Expressed in Canadian dollars)

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### **6. Share Capital**

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and Outstanding

As at October 31, 2021, the Company had 31,698,123 (July 31, 2021 – 31,698,123) shares outstanding.

(i) Shares issued during the three months period ending October 31, 2021.

The Company did not issue any shares during the three months period.

(ii) Shares issued during the year ended July 31, 2021

The Company entered into debt settlement agreements to settle outstanding fees owed to two insiders of the Company for management fees totaling \$24,000. On December 21, 2020, pursuant to the settlement agreements, the Company issued an aggregate of 400,000 common shares to the insiders at a price of \$0.06 per common share (fair value of \$24,000) (Note 8).

On August 26, 2020, the Company completed a private placement and issued 9,516,782 units at a price of \$0.09 per unit; each unit was comprised of one common share and one common share purchase warrants. Each warrant can purchase one common share at a price of \$0.15 per warrant until August 26, 2023. In connection with the private placement, the Company issued 215,026 finder shares at a fair value of \$0.11 per share for a total fair value of \$23,653 and paid \$41,760 cash finders' fee. The Company also issued an additional 679,026 finders warrants on the same terms. The fair value of the finders' warrants was determined to be \$41,379 calculated under the Black-Scholes model. The finders' warrants were recorded as share issuance costs.

On August 25, 2020, the Company issued 500,000 common shares pursuant to the mineral property acquisition option agreement of the Ashuanipi property (Note 4), at a fair value of \$0.11 per share for a total fair value of \$55,000.

On August 25, 2020, the Company issued 300,000 common shares pursuant to the mineral property acquisition option agreement of the Sixty Mile property (Note 4), at a fair value of \$0.11 per share for a total fair value of \$33,000.

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
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### 6. Share Capital (continued)

#### (b) Warrants

	Three months ended October 31, 2021		Year ended July 31, 2021	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Opening	<b>17,895,808</b>	<b>\$ 0.12</b>	7,700,000	\$ 0.08
Issued	-	-	10,195,808	0.15
Ending	<b>17,895,808</b>	<b>\$ 0.12</b>	17,895,808	\$ 0.12

As at October 31, 2021, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
4,000,000*	\$ 0.07	June 12, 2023
3,700,000	0.10	May 6, 2022
10,195,808	0.15	August 26, 2023
17,895,808	\$ 0.12	

\*During the year ended July 31, 2021, the Company reduced the exercise price of 4,000,000 warrants from \$0.10 to \$0.07 and extended the expiry date from June 12, 2021 to June 12, 2023.

The weighted average remaining life of outstanding warrants as at October 31, 2021 is 1.50 years (July 31, 2021 – 1.67).

#### (c) Stock Options

The Company grants stock options to directors, officers, employees and consultants and affiliate or any person deemed suitable by the board of directors, pursuant to its Incentive Share Option Plan (the "Plan"). The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options issued under the Plan vest immediately and must have a term equal to or less than 5 years and exercise price equal to or greater than market price on grant date.

	Year ended October 31, 2021		Year ended July 31, 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	<b>1,400,000</b>	<b>\$ 0.10</b>	500,000	\$ 0.11
Granted	-	-	1,400,000	0.10
Expired	-	-	(500,000)	(0.11)
Ending	<b>1,400,000</b>	<b>\$ 0.10</b>	1,400,000	\$ 0.10
Exercisable	<b>1,400,000</b>	<b>\$ 0.10</b>	1,400,000	\$ 0.10

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
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### 6. Share Capital (continued)

#### (c) Stock Options (continued)

As at October 31, 2021, the Company had the following stock options outstanding:

Number of options	Exercise price	Expiry date
800,000	\$0.10	October 13, 2022
600,000	\$0.10	January 20, 2022
1,400,000	\$0.10	

The weighted average grant date fair value of options granted during the three months period ended October 31, 2021 was \$0.03 (July 31, 2021 – \$0.03). The weighted average remaining life of outstanding options as at October 31, 2021 is 0.64 years (July 31, 2021 – 0.89).

The fair value of stock options granted during the year ended July 31, 2021 of \$41,408 was estimated using the Black-Scholes option pricing model using the following assumptions:

	2021	2020
Risk free interest rate	0.12% - 0.20%	0.26%
Expected life (in years)	1.00 - 2.00	0.50
Expected volatility	100%	100%
Dividend yield	-	-
Forfeiture rate	0%	0%

The expected volatility assumption is based on the volatility of companies comparable in size and operations to the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its share capital.

### 7. Lease Liability

The Company recognized right-of-use asset of \$16,500 (Note 5) and lease liability of \$16,500. The Company recorded a right-of-use asset for subleased office space in the condensed interim statement of financial position relating to the sublease agreement effective November 1, 2020. At the commencement date of the lease, the lease liability was measured as the present value of the future lease payments that were not paid at that date. These lease payments are discounted using a discount rate of 15%, which is the Company's estimated incremental borrowing rate.



## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
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### 7. Lease Liability (continued)

The following is a continuity schedule of lease liabilities for the three months period ended October 31, 2021 and for the year ended July 31, 2021:

	\$
Balance, July 31, 2020	-
Lease additions	16,500
Lease payments	(7,762)
Accretion on lease liability	1,552
Balance July 31, 2021	10,290
Lease payments	(2,587)
Accretion on lease liability	358
Balance October 31, 2021	8,061
Current portion	8,061
Long term portion	-

### 8. Related Party Transactions

During the three months periods ended October 31, 2021 the Company had the following transactions:

	Three months October 31, 2021		Three months October 31, 2020	
Management fees	\$	25,500	\$	36,000
Geological consulting fees		-		10,500
	\$	25,500	\$	46,500

As at October 31, 2021, the Company had an amount owing of \$95,250 (July 31, 2021 – \$68,900) and a loan payable of \$100 (July 31, 2021 – \$100) to the Chief Executive Officer of the Company. This amount is non-interest bearing, unsecured and repayable on demand.

As at October 31, 2021, the Company had an amount owing of \$11,850 (July 31, 2021 – \$11,850) to a company controlled by a previous Officer of the Company. This amount is non-interest bearing, unsecured and repayable on demand.

As at October 31, 2021, the Company had an amount owing of \$890 (July 31, 2021 – \$890) and a loan payable of \$Nil (July 31, 2021 - \$Nil) to Go Metals, a company with common management and directors. This amount is non-interest bearing, unsecured and repayable on demand.

During the year ended July 31, 2021, the Company entered into debt settlement agreements to settle outstanding fees owed to two insiders of the Company for management fees totaling \$24,000. On December 21, 2020, pursuant to the settlement agreements, the Company issued an aggregate of 400,000 common shares to the insiders at a price of \$0.06 per common share (Note 6).

On May 5, 2021 the Company entered an agreement with Go Metals (Note 4).

## FLOW METALS CORP.

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
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### 9. Financial Instruments

#### (a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	October 31, 2021 \$	July 31, 2021 \$
Financial assets, measured at amortized cost:		
Cash and cash equivalents	173,500	423,827
	173,500	423,827
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	34,100	191,266
Due to related parties	96,240	81,740
Lease liabilities	8,061	10,290
	138,401	283,296

#### (b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at October 31, 2021, the fair values of cash and cash equivalents, accounts payable and accrued liabilities, due to related parties and lease liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

#### (c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. Mainly all of the Company's current liabilities are due within 90 days of October 31, 2021 and lease liabilities of \$8,061 due within 12 months, and \$Nil beyond 12 months.

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
For the three months ended October 31, 2021 and 2020  
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(Expressed in Canadian dollars)

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### **9. Financial Instruments (continued)**

#### (d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. As at October 31, 2021, the Company's credit risk is limited to the carrying amount on the condensed interim statement of financial position arising from the Company's cash and cash equivalents.

Cash and cash equivalents consist of cash and guaranteed investment certificates held in Canadian financial institutions from which management believes the risk of loss to be remote. The guaranteed investment certificates have a maturity date of June 3, 2022 and an interest rate of prime less 2.40%. Financial instruments included in amounts receivable consist primarily of goods and services tax and harmonized sales tax due from the Federal Government of Canada.

#### (e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. The Company is not exposed to any significant price risk at October 31, 2021.

#### (f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company is not subject to significant interest rate risk.

#### (g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies and is not exposed to significant foreign currency exchange rate risk.

### **10. Capital Management**

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

## **FLOW METALS CORP.**

Notes to the Condensed Interim Financial Statements  
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### **10. Capital Management (continued)**

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements as at October 31, 2021.

### **11. Segmented Information**

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts. All long-term assets of the Company are located in Canada.

**APPENDIX B**

FLOW METALS CORP.

Management's Discussion & Analysis  
for the three-month period ended October 31, 2021

## **FLOW METALS CORP.**

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MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) AS OF DECEMBER 22, 2021 TO ACCOMPANY THE FINANCIAL STATEMENTS OF FLOW METALS CORP. (THE “COMPANY” OR “FLOW METALS”) FOR THE THREE MONTHS PERIOD ENDED OCTOBER 31, 2021.

This management's discussion and analysis (“MD&A”) provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the three months ended October 31, 2021, compared to the three months ended October 31, 2020. This report prepared as at December 22, 2021 intends to complement and supplement our condensed interim financial statements (the “financial statements”) as at October 31, 2021 which have been prepared in accordance with International Financial Reporting Standards, and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and should be read in conjunction with the condensed interim financial statements and the accompanying notes. Readers are also advised to read the Company's audited financial statements (the “financial statements”) and accompanying notes for the year ended July 31, 2021, (the “financial statements”), which have been prepared in accordance with International Financial Reporting Standards.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with IFRS. All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say “we”, “us”, “our”, the “Company” or “numbered company”, we mean Flow Metals Corp., as it may apply.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events and include without limitation, statements regarding discussions of the Company's business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management's expectations with respect to, among other things, the development of the Company's project. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity prices, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), delays in the receipt of government approvals, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this MD&A, the Company has applied several material assumptions, including without limitation, the assumptions that: (1) any additional financing needed will be available on reasonable terms.

Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other factors: (1) weak commodity prices and general metal price volatility; (2) the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand and economic and political events affecting supply and demand; and (3) securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure you that any of these assumptions will prove to be correct.

The words “expect,” “anticipate,” “estimate,” “may,” “will,” “should,” “intend,” “believe,” “target,” “budget,” “plan,” “projection” and similar expressions are intended to identify forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations or if and when an undeveloped project is actually developed.

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company believes that the expectations reflected in the forward-looking

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

statements, including future-oriented financial information, contained in this MD&A and any documents incorporated by reference are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, including future-oriented financial information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to disclose publicly any future revisions to forward-looking statements, including future-oriented financial information, to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events, except as expressly required by law.

Additionally, the forward-looking statements, including future-oriented financial information, contained herein are presented solely for the purpose of conveying our reasonable belief of the direction of the Company and may not be appropriate for other purposes.

The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

#### **Overall performance**

---

During the three months period ended October 31, 2021, the Company incurred exploration expenses of \$47,627 (2020 - \$237,636), which were mainly spent on the Sixty Mile property. In addition, general and administrative expenses of \$56,469 (2020 - \$92,492) consisted of general maintenance activity of the Company. See results of operations for more detail.

On October 22, 2021, the Company provided an update on the Yukon Sixtymile gold project 2021 RAB drill program. The program targeted 3 gold zones: Easter Egg, Miller Creek and Glacier Creek.

- The Easter Egg zone drilling followed up on four historical diamond drill holes done in 2010 to 2011. The follow up drilling from June 2021 confirmed 2 horizons of gold mineralization at the Easter Egg target while remaining open in all directions and at depth. The eastern mineralized horizon has a true thickness of roughly 50 to 60m wide whereas the western horizon has never been fully penetrated. These are good intercepts near surface and in close proximity to Miller Creek, an active placer mine with a storied history dating back over 100 years.
- The results from of the drilling of Glacier Creek missed significant mineralization.
- The RAB drill was not able to reach definitive bedrock and ended up drilling through soil and regolith. Multiple Gold hits of up to 2.7g/t over 1.5m were intersected but cannot be definitively attributed to bedrock mineralization at this time. An RC drill is needed to case below the 15m of over burden. This target remains untested and a priority for next season.
- The combined RAB and historic diamond drilling data now reveal that the gold horizons dip to the west. Understanding the orientation of these mineralized veins sets the stage for an expanded follow-up program in 2022.

On July 5, 2021, the Company announced a mutual data sharing agreement with Gold Mountain Mining Corp. for the New Brenda and neighboring Elk Gold project. The Company has further engaged Go Metals Corp. ("Go Metals") to integrate the shared data and create enhanced models for identifying gold mineralization. The search algorithms will use training data from a proven deposit to locate prospective areas on both properties.

On May 19, 2021, the Company announced preparations for a drill program at the Sixtymile Project. The company completed a 15-hole RAB drill program that started June 22 with Dawson City based GroundTruth Exploration. The drill campaign focused on three targets: Upper Glacier Creek, Easter Egg, and Miller Creek.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Overall performance (continued)**

On May 5, 2021, the Company entered an agreement with Go Metals whereby Go Metals can earn in on the Ashuanipi property for up to 80% through the funding of exploration as follows:

- \$200,000 spent on exploration by December 1, 2021 for Go Metals to earn 40%;
- \$200,000 spent on exploration by December 1, 2022 for Go Metals to earn an additional 20%;
- Following the exploration expenditures from Go Metals of \$400,000, the Company has the option to create a Joint Venture; or
- Go Metals may spend an additional \$400,000 by December 1, 2023 to earn an additional 20% interest.

The transaction is a related party transaction as the Company and Go Metals share common management and directors. Additionally, Windfall Geotek Inc. has retained a 2% net smelter return on the Ashuanipi property

On March 25, 2021, the Company reported further results from the drill program at the 100% owned Yukon Sixty-mile gold project.

- 5.6 g/t Au over 1.5 m in SM20-02 from 10.7 to 12.2 m
- 4.0 g/t Au over 1.5m in SM20-09 from 35.1 to 36.6 m
- Wider intervals with anomalous gold detected in SM20-14 and SM20-15

The drillhole data is currently being interpreted in the context of regional, project, and occurrence scale geophysics to plan future geophysical programs and drilling. The interpreted dataset will allow for the findings on Upper Glacier Creek to be expanded to the remainder of the claim block.

On February 1, 2021, the Company report results of historical drill core sampling on the 100% owned Sixty Mile Project:

- New high-grade intersect on Sixtymile project in the Easter Egg zone
- 12.81 g/t Au over 2.1m in DDH10-02 from 41.15 to 43.28m
- Data verification confirms widespread disseminated gold with local coarse gold

The Company also announced that Dr. Jacob Verbaas, P.Geo. has resigned from being the Chief Operating Officer and will continue as Vice President of Exploration providing consulting services to the Company in his capacity as a geologist.

The Company entered into debt settlement agreements to settle outstanding fees owed to two insiders of the Company for management fees totaling \$24,000. The disinterested directors of the Company have approved the settlement agreements with each of the Insiders. Pursuant to the settlement agreements, on December 21, 2020, the Company issued an aggregate of 400,000 common shares to the insiders at a price of \$0.06 per common share (fair value of \$24,000).

On November 17, 2020, the Company announced the discovery of visible gold in arsenopyrite-quartz veins at the surface on its 100% owned Sixty Mile Project. Highlights include:

- Visible gold identified in fault-related arsenopyrite-quartz veins
- Veins intersected at 16m and 50m depth in drill hole SM20-12
- Large vein system intersected from 35.1m to 41.1m in drill hole SM20-15

On October 28, 2020, the Company reported the completion of strategic land acquisition in Yukon and Quebec and added 141 contiguous claims staked in the Yukon and 58 contiguous claims staked in Quebec, connecting separate claim blocks on the Ashuanipi property. Additionally, Thanos Belivanakis joined the advisory board.

On October 15, 2020, the Company reported completing a drilling program on the Sixty-mile property.

On September 14, 2020, the Company released a technical report NI 43-101 on the geology of the New Brenda property in British Columbia, Canada.



## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Overall performance (continued)**

On August 26, 2020, the Company closed a private placement and issued 9,516,782 units at a price of \$0.09 per unit. Each unit was comprised of one common share and one common share purchase warrants. Each warrant can purchase one common share at a price of \$0.15 per warrant until August 26, 2023. The Company issued an additional 679,026 finders warrants on the same terms and \$41,760 cash payments. In addition, 215,026 finder shares were issued at a fair value of \$0.11 per share for a total fair value of \$23,653.

On August 25, 2020, the Company issued 500,000 common shares pursuant to the mineral property acquisition option agreement of the Ashuanipi property, at a fair value of \$0.11 per share for a total fair value of \$55,000.

On August 25, 2020, the Company issued 300,000 common shares pursuant to the mineral property acquisition option agreement of the Sixty Mile property, at a fair value of \$0.11 per share for a total fair value of \$33,000.

On July 20, 2020, the Company issued 500,000 shares fair valued at \$25,000 pursuant to the acquisition of the Ashuanipi project.

On July 20, 2020, the Company granted 500,000 stock options at a price of \$0.11 to one consultant, the options vest after three months and have an expiry date of January 20, 2021.

On June 22, 2020, the Company has satisfied the listing requirements of the Canadian Securities Exchange and its common shares are being listed with commencement of trading effective June 22, 2020, under the symbol "FWM".

On June 9, 2020, the Company issued 70,000 common shares for a total fair value of \$3,500 pursuant to the acquisition of the Old Gorilla mineral claims expanding the New Brenda project.

On May 6, 2020, the Company closed a non-brokered private placement, by issuing 3,700,000 units at \$0.05 per unit for gross proceeds of \$185,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant is exercisable to purchase one additional share at a price of \$0.10 per common share until May 6, 2022.

On May 6, 2020, the Company issued 1,270,750 common shares at a fair value of \$0.05 per share to settle debt of \$127,075. The shares were fair valued at \$63,538 resulting in a gain on debt settlement of \$63,537 recorded in other income on the statement of loss and comprehensive loss. A total of \$52,000 of the debt was owing to the Chief Executive Officer and Chief Operating Officer the Company for management and geological consulting fees.

On March 23, 2020, the Company issued 600,000 common shares fair valued at \$30,000 in stead of cash payment, pursuant to the acquisition of the Sixty Mile Project.

On March 18, 2020, the Company issued 300,000 common shares fair valued at \$15,000 pursuant to the acquisition of the Sixty Mile Project.

On February 24, 2020, the Company issued 100,000 common shares fair valued at \$5,000 pursuant to the acquisition of the Ashuanipi Project.

On February 21, 2020, the Company signed an option agreement with Windfall Geotek "Windfall", to acquire a 100% interest in 115 claims located in Quebec, Canada. The Ashuanipi property is located from 30 to 90 kilometers west and north-west of Schefferville, Quebec, and lies within the Ashuanipi Complex in the northeastern portion of the Superior Province. As consideration, the Company is required to make cash payments of \$120,000 over three years, issue 2,100,000 common shares over three years, and have a strategic partnership with Windfall Geotek for \$60,000 and expend exploration expenditures of \$450,000.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Overall performance (continued)**

On March 23, 2019, the Company signed an option agreement with three optionors to acquire a 100% interest in the Sixty Mile Property located in Yukon Territory, Canada. For consideration, the Company is required to make total cash payments of \$120,000 and issue 1,200,000 common shares staged over a 36 month period. The option agreement does not require the Company to make any minimum amount of exploration expenditures. Upon completion of these payments, the Company will earn a 100% interest in the property ("Earn-In") subject to a 3% NSR royalty retained by the optionors. At any time, the Company shall have the option to acquire 2% of the 3% NSR by paying \$1,000,000 per 1% to the optionors. In addition, the Company is required to pay an advance royalty of \$30,000 to the optionors one year following the Earn-In and annually thereafter on the Earn-In anniversary date, until the mineral claims are in commercial production which the advance royalty payments shall be deducted from the Optionors' share of the NSR. The Company can elect to issue common shares in substitution for such cash payment at a deemed value equal to the most recent closing price of the Company's shares on the Canadian Securities Exchange.

On November 8, 2018, upon exercise of Go Metals' options and warrants, the Company issued 158,331 common shares of the Company to the shareholders of Go Metals pursuant to the Arrangement.

On September 17, 2018, the Company closed a statutory plan of arrangement to spin-out New Brenda Property from Go Metals to the Company (the "Arrangement"). Under the terms of the Arrangement, the Company issued 9,767,234 common shares to Go Metals based on one Company common share being issued for every six issued and outstanding common shares of Go Metals. Outstanding warrants and stock options to purchase Go Metals' shares will be exercisable to acquire Company common shares as well as Go Metals' common shares, on the basis that the holder will receive, upon exercise, one Company common share for every six common shares of Go Metals acquired.

#### **Discussion of operations**

Flow Metals Corp. ("Flow Metals" or the "Company") was incorporated on July 11, 2018 under the *Business Corporations Act* (British Columbia). On June 22, 2020 the Company has satisfied the listing requirements of the Canadian Securities Exchange and its common shares are being listed with commencement of trading effective June 22, 2020, under the symbol "FWM".

The Company is a junior mineral exploration company focused on gold exploration projects in Canada.

The Company is an exploration stage company located at Suite 810, 789 West Pender Street, Vancouver, British Columbia, Canada V6C 1H2, engaged in the acquisition, exploration and development of mineral resource properties located in Canada.

#### **Cash flow analysis**

##### *Operating Activities*

During the three months period ended October 31, 2021, cash used in operating activities was \$247,740 (2020 - \$228,297) for activities as described above.

##### *Investing activities*

During the three months period ended October 31, 2021, the company spent \$2,587 (2020 - \$6,439) in cash payments on investing activities, consisting of \$Nil (2020 - \$7,134) on the mineral interests by staking and \$2,587 on lease payments.

##### *Financing activities*

During the three months period ended October 31, 2021, the Company received \$Nil (2020 - \$814,750) net proceeds from financing activities, by issuing shares.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Project Summaries and Activities**

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##### **CANADA**

###### ***New Brenda Property (British Columbia)***

i) On September 17, 2018, the Company acquired the New Brenda Property from Go Metals pursuant to the Arrangement.

The New Brenda Property is comprised of 16 contiguous mineral claims covering an area of 10,500 Hectares west of the past producing Brenda Cu-Mo open pit located in southern British Columbia, approximately 40 kilometers west of Kelowna. The property is readily vehicle accessible via a well-developed network of forest service roads connected to Highway 97c or from the community of Peachland.

A soil sampling and prospecting program was carried out in June 2017 on the New Brenda Property. The areas sampled were within Twilight and Silverback Zones. Soil samples were collected every 50m along lines spaced at 200m.

Three contiguous samples from the Twilight Zone are highly anomalous in gold and occur in the central portion of the target area. There is also a E-W trending line of moderately anomalous samples extending from the central highly anomalous area to the west of the target area. The large target (600m X 500m) remains open to the south.

ii) On June 8, 2020, the Company has entered into a purchase and sale agreement with an arm's length party and acquired the Old Gorilla mining claim located within the New Brenda property borders. The Old Gorilla claim is in proximity to the historical and 2019 trenching targets. In order to obtain the Old Gorilla claim, the Company had to issue 70,000 common shares at a fair value of \$3,500.

The total size of the New Brenda project is now 104,723 Ha (105 Km<sup>2</sup>).

The Technical Report was authored by Rory Ritchie, P.Geo. and co-authored by Jaap Verbaas, Qualified Persons in accordance with the NI 43-101 of the Canadian Securities Administrators.

###### ***Sixty Mile Property (Yukon Territory)***

On March 23, 2019, the Company signed an option agreement with three optionors to acquire a 100% interest in the Sixty Mile Property located in the Yukon Territory, Canada.

On February 1, 2021 the Company report results of historical drill core sampling on the 100% owned Sixty Mile Project:

- New high-grade intersect on Sixtymile project in the Easter Egg zone
- 12.81 g/t Au over 2.1m in DDH10-02 from 41.15 to 43.28m
- Data verification confirms widespread disseminated gold with local coarse gold

Sixty Mile is an orogenic gold prospect hosted within the Mesozoic Finlayson Group with similar geology to the Jurassic Golden Saddle Deposit in the White Gold District. 160 Quartz Claims total 3132 Ha and cover 5 km of prospective strike length. The so-called Thrust Fault Zone was tested by 8 DDH (2,578m) in 2010 to 2011 by Rackla Metals Inc., the last company to run an active exploration program.

###### ***Ashuanipi Gold Property (Quebec)***

On February 21, 2020, the Company signed an option agreement with Windfall Geotek ("Windfall"), to acquire a 100% interest in 115 claims located in Quebec, Canada. The Ashuanipi property is located from 30 to 90 kilometers west and north-west of Schefferville, Quebec, and lies within the Ashuanipi Complex in the northeastern portion of the Superior Province. As consideration, the Company is required to make cash payments of \$120,000 over three years, issue 2,100,000 common shares over three years, and have a strategic partnership with Windfall Geotek for \$60,000 and expend exploration expenditures of \$450,000.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Project Summaries and Activities (continued)**

##### **Ashuanipi Gold Property (Quebec) (continued)**

On May 5, 2021 the Company entered an agreement with Go Metals whereby Go Metals can earn in on the Ashuanipi property for up to 80% through the funding of exploration as follows:

- \$200,000 spent on exploration by December 1, 2021 for Go Metals to earn 40%;
- \$200,000 spent on exploration by December 1, 2022 for Go Metals to earn an additional 20%;
- Following the exploration expenditures from Go Metals of \$400,000, the Company has the option to create a Joint Venture; or
- Go Metals may spend an additional \$400,000 by December 1, 2023 to earn an additional 20% interest.

The transaction is a related party transaction as the Company and Go Metals share common management and directors. Additionally, Windfall Geotek Inc. has retained a 2% net smelter return on the Ashuanipi property.

The project contains numerous AI targets over banded iron formations. The targets were generated by Windfall Geotek after a 330,000 km AI mining study of eastern Quebec. The project is northeast of Schefferville in the Ashuanipi complex, on the edge of the Superior Province.

#### **New Opportunities**

The Company continues to evaluate mineral properties and is focused on deposits in Canada with economic merit and good logistics will be considered for acquisition.

#### **Results of Operations**

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##### **Results of Operations – For the three months ended October 31, 2021**

For the three months ended October 31, 2021, the Company incurred a net loss of \$104,096 (2020 - \$330,108) including exploration expenses of \$47,627 (2020 - \$237,636).

Significant expenses include:

- Exploration expenses of \$47,627 (2020 - \$237,636) on the Sixty Mile (and New Brenda) properties
- Audit and accounting fees of \$11,525 (2020 - \$7,250). Audit and accounting fees increased to maintain reporting in good standing.
- Management fees decrease to \$25,500 (2020 – 36,000) as an incentive to management.
- Consulting fees of \$6,000 (2020 - \$6,805). Consulting fees decreased as the Company spent less on consultants.
- General and administrative fees of \$3,251 (2020 - \$9,606) spending expenses decreased due to decreased activity
- Stock based expenses decreased to \$Nil (2020 – 24,380) to directors, officers and consultants as an incentive to improve performance.
- Transfer agent and filing fees of \$4,940 (2020 - \$8,451) decreased as a result of less filing fees for the Company's various press releases, financial statements and miscellaneous transfer agent fees.

As indicated above, many of the decreased expenses had to do with the decreased activity to support exploration of the mineral interests.

## FLOW METALS CORP.

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### Summary of Quarterly Results:

<u>2022/2021 Quarterly Results:</u>	<u>1<sup>st</sup> Quarter</u>	<u>4<sup>th</sup> Quarter</u>	<u>3<sup>rd</sup> Quarter</u>	<u>2<sup>nd</sup> Quarter</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(104,096)	(271,955)	(81,367)	(110,716)
Basic and diluted loss per share	(0.00)	(0.01)	(0.00)	(0.00)
Total assets	816,012	1,065,003	1,139,200	1,767,169
Working capital	90,727	193,425	475,192	583,576

  

<u>2021/2020 Quarterly Results:</u>	<u>1<sup>st</sup> Quarter</u>	<u>4<sup>th</sup> Quarter</u>	<u>3<sup>rd</sup> Quarter</u>	<u>2<sup>nd</sup> Quarter</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(330,108)	(65,280)	(45,386)	(22,537)
Basic and diluted loss per share	(0.02)	(0.00)	(0.01)	(0.00)
Total assets	1,340,622	657,602	578,386	450,451
Working capital	656,028	153,445	58,506	13,892

The decreased loss of \$104,096 during the first quarter of 2022 compared to the loss of \$330,108 during the first quarter of 2021 is mainly because of decreased spending on exploration activities. The decreased exploration activities described above and the decrease in total assets from \$1,065,003 in Q4 2021 compared to \$816,012 in Q1 2022 is mainly due to a decrease in free cash, as is also reflected in the working capital available of \$90,727.

The increased loss of \$271,955 during the fourth quarter of 2021 compared to the loss of \$65,280 during the third quarter of 2020 is mainly attributable to increased mineral exploration expenses during the fourth quarter of 2021 mainly due to increased exploration activities on the Company's Sixty Mile property.

The increased loss of \$81,367 during the third quarter of 2021 compared to the loss of \$45,386 during the third quarter of 2020 is attributable to increased administrative expenses and increased mineral exploration expenses during the third quarter of 2021 due to increased exploration activities.

The increased loss of \$110,716 during the second quarter of 2021 compared to the loss of \$22,537 during the second quarter of 2020 is attributable to increased administrative expenses and increased mineral exploration expenses during the second quarter of 2021.

#### **Liquidity and Solvency**

The following table summarizes the Company's cash on hand, working capital and cash flow:

<u>As at</u>	<u>October 31, 2021</u>	<u>July 31, 2021</u>
Cash	\$ 173,500	\$ 423,827
Working capital	90,727	193,425

  

<u>Three months ended</u>	<u>October 31, 2021</u>	<u>October 31, 2020</u>
Cash (used in) provided by operating activities	\$ (247,740)	\$ (228,297)
Cash used in investing activities	(2,587)	(6,439)
Cash provided by financing activities	-	814,750
Change in cash	\$ (250,327)	\$ 580,014

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Liquidity and Solvency** (continued)

The Company is dependent on the sale of shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

#### **Capital Resources**

The Company has no operations that generate cash flow and its long-term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital assets are resource properties. Exploration expenditures are expensed as incurred. The Company depends on equity sales to finance its exploration programs and to cover administrative expenses.

At October 31, 2021, the Company had cash of \$173,500 (July 31, 2021 - \$423,827) available to pay total liabilities of \$138,401 (July 31, 2021 - \$283,296).

The condensed interim financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise programs depending on its working capital position.

#### **Outstanding Share Data**

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The Company has an authorized share capital of an unlimited number of common shares.

As at the date of this report, 31,698,123 common shares were issued and outstanding. In addition, the Company has 17,895,808 share purchase warrants exercisable at \$0.07 to \$0.15 per common share expiring from May 6, 2022 to August 26, 2023 and 1,400,000 stock options exercisable at \$0.10 until January 20, 2022 to October 13, 2022. The Company reduced the exercise price of 4,000,000 warrants from \$0.10 to \$0.07 and extended the expiry date from June 12, 2021 to June 12, 2023.

#### **Off-Balance Sheet Arrangements**

The Company does not utilize off-balance sheet transactions.

## FLOW METALS CORP.

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### Related Party Transactions

##### Directors and officers

The Directors, Executive Officers, and related companies of the Company are as follows:

Scott Sheldon	-	Director, President and CEO
Robert Murray	-	Director and CFO
Donald Sheldon	-	Director
Adrian Smith	-	Director
Jacob Verbaas	-	Vice President Exploration as consultant, not as officer Resigned as officer February 1, 2021 Chief Operating Officer – until February 1, 2021
Michael Woods	-	Secretary
Go Metals Corp	-	Management and directors in common
Surgenia Productions	-	Company owned by Scott Sheldon (Director, President and CEO)
Hicest Media Ltd	-	Company owned by Jacob Verbaas (Former Chief Operating Officer)
Divitiae Resources Ltd	-	Company owned by Adrian Smith (Director)
Woods & Company	-	Company owned by Michael Woods (Secretary)

##### Related Party Transactions (continued)

During the three months ended October 31, 2021 and 2020, the Company incurred the following related party transactions.

		Three months October 31, 2021	Three months October 31, 2020
Surgenia Productions	Management fees	\$ 25,500	\$ 36,000
Hicest Media Ltd	Geological consulting fees	-	10,500

As at October 31, 2021 and July 31, 2021, the Company has the following payables and receivables.

		October 31, 2021	July 31, 2021
Surgenia Productions	Accounts payable	\$ 95,250	\$ 68,900
Surgenia Productions	Loan payable	\$ 100	\$ 100
Hicest Media Ltd	Accounts payable	\$ 11,850	\$ 11,850
Go Metals Corp.	Accounts payable	\$ 890	\$ 890

The loan payable amount is non-interest bearing, unsecured and repayable on demand.

The amount payable to Go Metals Corp. is non-interest bearing, unsecured and repayable on demand. Also refer to Note 8 of the condensed interim financial statements for the three months ended October 31, 2021

During the year ended July 31, 2021, the Company entered into debt settlement agreements to settle outstanding fees owed to two insiders of the Company for management fees totaling \$24,000. On December 21, 2020, pursuant to the settlement agreements, the Company issued an aggregate of 400,000 Common shares to the insiders at a price of \$0.06 per common share.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Related Party Transactions** (continued)

During the year ended July 31, 2020, a total of \$52,000 of debt owing to the Chief Executive Officer and Chief Operating Officer the Company for management and geological consulting fees was settled for 520,000 common shares of the Company with a fair value of \$26,000 resulting in a gain on settlement of debt of \$26,000.

On May 5, 2021 the Company entered an agreement with Go Metals whereby Go Metals can earn in on the Ashuanipi property for up to 80% through the funding of exploration as follows:

- \$200,000 spent on exploration by December 1, 2021 for Go Metals to earn 40%;
- \$200,000 spent on exploration by December 1, 2022 for Go Metals to earn an additional 20%;
- Following the exploration expenditures from Go Metals of \$400,000, the Company has the option to create a Joint Venture; or
- Go Metals may spend an additional \$400,000 by December 1, 2023 to earn an additional 20% interest.

In accordance with the agreement, the Company has the obligation to pay the cash portion of the option agreement from Flow Metals Corp. with Windfall Geotek. These payments are outlined below.

Cash consideration:

- (i) \$30,000 to be paid within the first anniversary date from signing of the agreement. (amended on April 23, 2020 to 13 months from the common shares of the Company being listed on the Canadian Securities Exchange ("CSE")) – paid by Go Metals
- (ii) \$40,000 to be paid February 20, 2022; and
- (iii) \$50,000 to be paid February 20, 2023

#### **Proposed Transactions**

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There are no proposed transactions that will materially affect the performance of the Company.

#### **Accounting Policies**

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The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing condensed interim financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

#### *Critical Accounting Estimates*

The Company prepares its condensed interim financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the condensed interim financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's condensed interim financial statements. The Company's significant accounting policies are discussed in the condensed interim financial statements and or annual audited financial statements for the year ending July 31, 2021. Critical estimates in these accounting policies are discussed below.



## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Accounting Policies** (continued)

##### Fair value estimates of shares

The fair value of shares issued is estimated based on cash consideration received. If shares are issued for proceeds other than cash, the shares are valued at the fair market value of goods/services received.

##### Fair value estimates of equity instruments

The fair value of each stock option granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the stock options and conversion at grant date is based on the expected life of the options and assumptions about the expected exercise pattern. Expected volatility of stock options is estimated based on the volatility of companies comparable in size and operations to the Company.

##### Recoverable value of asset carrying values

The carrying value of exploration and evaluation assets and the likelihood of future economic recoverability is subject to significant management estimates and judgments. The application of the Company's accounting policy for and determination of recoverability of capitalized assets is based on assumptions about future events or circumstances. New information may change estimates and assumptions made. If information becomes available indicating that recovery of expenditures is unlikely, the amounts capitalized are impaired and recognized as a loss in the period that the new information becomes available. A change in estimate could result in the carrying amount of capitalized assets being materially different from their presented carrying costs.

##### IFRS 16 - Leases

The Company adopted IFRS 16. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company does not have any leases prior to January 1, 2019, and as a result, this standard had no impact on the Company's condensed interim financial statements on the day of adoption.

As a result of adopting IFRS 16, the Company updated its lease accounting policies as follows:

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration and sales and marketing expense in the consolidated statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Accounting Policies** (continued)

Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. The depreciation is recognized from the commencement date of the lease.

#### Changes in Accounting Standards

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed interim financial statements

#### **Financial Instruments**

##### **Designation and Valuation of Financial Instruments**

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued liabilities, due to related parties and lease liabilities. Cash and cash equivalents are classified as financial assets, measured at amortized costs. Accounts payable and accrued liabilities, due to related parties and lease liabilities are classified as other financial liabilities, and recorded at amortized cost using the effective interest rate method. The Company does not hold any derivative financial instruments.

As at October 31, 2021, the fair values of accounts payable and accrued liabilities, due to related parties and lease liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

#### **Risks**

##### Foreign exchange risk

The Company currently has no significant operations denominated in foreign currencies and is not exposed to significant foreign currency exchange rate risk.

##### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. As at October 31, 2021, the Company's credit risk is limited to the carrying amount on the condensed interim statement of financial position arising from the Company's cash and cash equivalents.

Cash and cash equivalents of cash and guaranteed investment certificates held in Canadian financial institutions from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist primarily of goods and services tax and harmonized sales tax due from the Federal Government of Canada.

##### Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company is not subject to significant interest rate risk.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Risks** (continued)

##### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. Mainly all of the Company's current liabilities are due within 90 days of October 31, 2021 and lease liabilities of \$8,061 due within 12 months.

##### Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. The Company is not exposed to any significant price risk.

#### **Risks and Uncertainties**

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors.

These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Financial and Disclosure Controls and Procedures**

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During the three months ended October 31, 2021, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's condensed interim financial statements of the Company for the three months ended October 31, 2021.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Annual Filings on SEDAR at [www.sedar.com](http://www.sedar.com).

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

#### **Other**

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Additional information relating to the Company's operations and activities can be found by visiting the [www.sedar.com](http://www.sedar.com).

#### **Trends**

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Trends in the industry can materially affect how well any junior exploration company is performing and by the capital markets which have made the raising of finance difficult. Under the current economic conditions, the Company is advancing its property as quickly as possible while still remaining prudent when considering large cost items such as drilling and geophysics.

At this early stage it is unsure to predict the outcome of the worldwide pandemic outbreak of Covid 19 virus and what risks the virus and newly laws to be announced might hold. While the extent of the impact is unknown, the Company anticipates this outbreak might increase the difficulty in capital raising which may negatively impact the Company's business operation and financing condition

#### **Novel coronavirus (Covid-19)**

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Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. As mentioned above, while the extent of the impact is unknown, the Company anticipates this outbreak might increase the difficulty in capital raising which may negatively impact the Company's business operation and financing condition.

## **FLOW METALS CORP.**

### Management Discussion and Analysis

For the three months ended October 31, 2021 and October 31, 2020

#### **Outlook**

The outlook for precious metals is good. The capital markets are prospect for financing the Company's are challenging but management believes the Company will continue as a viable entity. The Properties will require significant investment as it transitions into development stage projects.

#### **Cautionary Statement**

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavours to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.