FLOW METALS CORP.

Condensed Interim Financial Statements

For the Three Months Ended October 31, 2018 and

For the Period from July 11, 2018 to July 31, 2018

(Expressed in Canadian dollars)

FLOW METALS CORP.

Suite 810 – 789 West Pender Street
Vancouver, British Columbia, V6C 1H2
Phone: (604) 687-2038 Fax: (604) 687-3141

December 19, 2018

Interim Financial Statements

First Quarter Report

For the three months period ended October 31, 2018

NOTICE TO READER

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company must disclose if an auditor has not performed a review of the interim financial statements.

The accompanying unaudited interim financial statements have been prepared by and are the responsibility of the Company's management.

These unaudited interim financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company.

Yours truly,

FLOW METALS CORP.

"Scott Sheldon"

Scott Sheldon

CEO

FLOW METALS CORP.
Condensed Interim Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

	October 31, 2018 $	July 31, 2018 $
Assets		
Current Assets		
Cash and cash equivalents	246	-
	246	-
Mineral properties (Note 5)	326,000	-
	326,246	-
Liabilities and Shareholders' Equity		
Current Liabilities		
Bank overdraft	-	1
Accounts payable and accrued liabilities	21,495	5,675
Due to related parties (Note 7)	855	-
	22,350	5,676
Shareholders' Equity		
Share capital (Note 5)	326,000	5
Deficit	(22,104)	(5,681)
	303,896	(5,676)
	326,246	-

Nature of operations and continuance of business (Note 1)
Subsequent event (Note 11)

Approved by the Board of Directors on December 19, 2018:

"Scott Sheldon"
Scott Sheldon, Director & CEO

"Donald Sheldon"
Donald Sheldon, Director

FLOW METALS CORP.
Condensed Interim Statements of Loss and Comprehensive Loss
For the Three Months Ended October 31, 2018 and
For the Period from the Date of Incorporation on July 11, 2018 to July 31, 2018
(Unaudited)
(Expressed in Canadian dollars)

	Three Months Ended October 31, 2018 $	**For the Period Ended July 31, 2018 $**
Administrative Expenses		
Audit and accounting fees	3,675	3,838
Consulting fees	-	1,837
General and administrative	5,761	6
Management fees	1,838	-
Transfer agent and filing fees	5,149	-
Net loss and comprehensive loss for the period	(16,423)	(5,681)
Loss per share, basic and diluted	(0.00)	(56.81)
Weighted average shares outstanding	4,671,338	100

FLOW METALS CORP.

Condensed Interim Statement of Changes in Equity
For the Three Months Ended October 31, 2018 and
For the Period from the Date of Incorporation on July 11, 2018 to July 31, 2018
(Unaudited)
(Expressed in Canadian dollars)

	Share Capital			
	Common Shares	Amount $	Deficit $	Total $
Balance, at July 11, 2018 (incorporation)	100	5	-	5
Net loss for the period	-	-	(5,681)	(5,681)
Balance, at July 31, 2018	100	5	(5,681)	(5,676)
Shares issued for Plan of Arrangement (Note 4)	9,767,234	326,000	-	326,000
Shares cancelled	(100)	(5)	-	(5)
Net loss for the period	-	-	(16,423)	(16,423)
Balance, at October 31, 2018	9,767,234	326,000	(22,104)	303,896

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

FLOW METALS CORP.
Condensed Interim Statements of Cash Flows
For the Three Months Ended October 31, 2018 and
For the Period from the Date of Incorporation on July 11, 2018 to July 31, 2018
(Unaudited)
(Expressed in Canadian dollars)

	Three Months Ended October 31, 2018 $	Period Ended July 31, 2018 $
Cash provided by (used in):		
Operating activities		
Net loss for the period	(16,423)	(5,681)
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	15,820	5,675
Due to related parties	855	-
	252	(6)
Financing activities		
Issue of shares	-	5
Cancellation of shares	(5)	-
Bank overdraft	(1)	1
	(6)	6
Increase in cash	246	-
Cash, beginning of period	-	-
Cash, end of period	246	-
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for Plan of Arrangement	326,000	-

1. Nature of Operations and Continuance of Business

Flow Metals Corp. ("Flow Metals" or the "Company") was incorporated under the *Business Corporations Act* (British Columbia) with 100 common shares issued to its initial and sole shareholder, Go Cobalt Mining Corp. ("Go Cobalt"). 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 Cobalt whereby the Company will own all of Go Cobalt's interest in the New Brenda Property (Note 4). As consideration for the New Brenda Property, the Company will issue 9,767,234 common shares, equal to one common share of the Company for every six common shares of Go Cobalt outstanding, to Go Cobalt, which will then be distributed to the shareholders of Go Cobalt pro-rata based on their relative shareholdings of Go Cobalt. Following the Arrangement, the Company will be a junior mineral exploration company focused on copper and gold exploration projects in Canada. Its primary focus will be exploration of the New Brenda Property located in Southern British Columbia approximately 40km west of Kelowna, British Columbia.

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, 2018, the Company has not generated any revenues from operations and has an accumulated deficit of $22,104. The Company expects to incur further losses in the development of its business, all of which casts 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 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.

2. Basis of Presentation

(a) Statement of Compliance

These 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 period ended July 31, 2018.

2. Basis of Presentation (continued)

(a) Statement of Compliance (continued)

The accounting policies followed in these condensed interim financial statements are consistent with those applied in the Company's most recent annual financial statements for the period ended July 31, 2018.

(b) Basis of Measurement

These 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.

(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 financial statements. These financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

3. Significant Accounting Policies

(a) Critical Accounting Judgments and Estimates

The preparation of 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 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.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

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

<u>Determination of functional currency</u>
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

<u>Income taxes</u>
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

3. Significant Accounting Policies (continued)

(b) New Accounting Standards

IFRS 9 *Financial Instruments* ("IFRS 9") is part of the IASB's wider project to replace IAS 39 - *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The adoption of IFRS 9 did not have a material impact on the Company's financial statements.

On May 28, 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"). IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations. IFRS15 is effective for reporting periods beginning on or after January 1, 2018 with early application permitted. The adoption of IFRS 15 did not have a material impact on the Company's financial statements.

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The following standard will be effective for annual periods beginning on or after January 1, 2019:

In June 2016, the IASB issued IFRS 16 *Leases* ("IFRS 16"). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

4. Plan of Arrangement

Under the terms of the Arrangement, in consideration of the New Brenda Property, the Company will issue to Go Cobalt 9,767,234 common shares (the "Flow Metals Shares") based on one Flow Metals Share being issued for every six issued and outstanding Go Cobalt common shares ("Go Cobalt Shares") (Note 6). As a step in the Arrangement, Go Cobalt distributed the Flow Metals Shares to its registered shareholders by way of a return of paid-up capital, and each registered shareholder will receive one Flow Metals Share for every six Go Cobalt Shares held (Note 1). On September 10, 2018, the B.C. Supreme Court approved the Arrangement effective for September 17, 2018.

As a result of the Arrangement, outstanding warrants and options to purchase Go Cobalt Shares will be exercisable to acquire Flow Metals Shares as well as Go Cobalt Shares on the basis that the holder will receive, upon exercise, one Flow Metals Share for every six Go Cobalt Shares so acquired.

Flow Metals will be managed by Go Cobalt's current team of officers and its Board of Directors will initially be comprised of the same individuals as the Go Cobalt's board.

Pursuant to the Arrangement, the New Brenda property transferred to the Company, based on its carrying value, was $326,000. The Arrangement envisioned the transfer of the New Brenda property from Go Cobalt to ownership by the Company in consideration of the Company's common shares and the immediate distribution of such common shares to the current shareholders of Go Cobalt. The shareholders of the Go Cobalt at the time of the Arrangement continued to collectively own the New Brenda Property, albeit through an altered corporate structure. Consequently, given that there was no substantive change in the beneficial ownership of the asset at the time that it was transferred to the Company; the transfer was recorded using the historical carrying value of the asset.

5. Mineral Properties

New Brenda Property, British Columbia, Canada

On September 17, 2018, the Company acquired the 100% of the New Brenda Property from Go Cobalt valued at $326,000 pursuant to the Arrangement (Note 4). 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.

6. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and Outstanding

On July 11, 2018, the Company issued 100 common shares at $0.05 per share to Go Cobalt and were subsequently returned and cancelled pursuant to the terms of the Arrangement (Note 4).

On September 17, 2018, the Company issued 9,767,234 common shares valued at $326,000 to Go Cobalt under the terms of the Arrangement (Note 4).

(Expressed in Canadian dollars)

7. Related Party Transactions

During the three months ended October 31, 2018 and period from the date of incorporation on July 11, 2018 to July 31, 2018, the Company did not compensate its officers and directors.

As at October 31, 2018, the Company had an amount owing of $855 (July 31, 2018 - $Nil) to Go Cobalt, a company with certain management and directors in common. This amount is non-interest bearing, unsecured and repayable on demand.

8. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	October 31, 2018 $
Financial assets:	
Held for trading, measured at fair value:	
Cash	246
	246
Financial liabilities, measured at amortized cost:	
Accounts payable	21,495
Due to related parties	855
	22,350

(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, 2018, the fair values of accounts payable and due to related parties 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.

(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.

The Company is not exposed to any significant credit risk at October 31, 2018.

(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, 2018.

(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 does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

9. 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. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements as at October 31, 2018.

10. 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.

11. Subsequent Event

On November 8, 2018, the Company issued 158,331 common shares at a deemed value of $0.03 per share to shareholders of Go Cobalt upon exercise of Go Cobalt's stock options and warrants, pursuant to the Arrangement (Note 4).