MOSAIC CAPITAL

Mosaic Capital Corporation
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FOR IMMEDIATE RELEASE

MOSAIC CAPITAL CORPORATION
Moves to a Monthly Common Share Dividend and Increases Dividend by 5%

Calgary, Alberta – February 23, 2017. Mosaic Capital Corporation ("**Mosaic**") (TSX-V Symbols: **M** and **M.DB**) is pleased to announce that its Board of Directors has approved changing the common share dividend payments from a quarterly basis to a monthly basis and will increase the common share dividend, on an annual basis, by 5% from $0.40 per annum to $0.42 per annum.

The final quarterly dividend will be in the amount of $0.105 per share ($0.42 per share on an annualized basis). This quarterly dividend will be for shareholders of record as of March 15, 2017 and will be paid March 31, 2017.

The first monthly dividend payment of $0.035 per share ($0.42 per share on an annualized basis) will be paid on April 28, 2017 to shareholders of record on April 14, 2017.

The objective of paying a dividend is to allow common shareholders of the company to participate in our free cash flow, while ensuring Mosaic retains sufficient capital to preserve its strong balance sheet, continue its acquisition strategy and fund organic growth.

Mosaic's Dividend Reinvestment Plan announced on December 6, 2016 will continue to be offered to shareholders. The Plan provides eligible shareholders of Mosaic with an opportunity to receive, by reinvesting the cash dividends declared payable on their common shares of Mosaic, additional common shares of Mosaic. The Plan allows Mosaic to elect to have the common shares of Mosaic purchased on the open market or issued from treasury.

Registered shareholders who wish to enroll in the Plan must notify Computershare Trust Company of Canada by providing a duly completed enrollment form, a copy of which is available on Mosaic's website at www.mosaiccapitalcorp.com.

Mosaic's dividend is designated by the Corporation to be an eligible dividend for the purpose of the *Income Tax Act* (Canada) and any similar provincial or territorial legislation. An enhanced dividend tax credit applies to eligible dividends paid to Canadian residents.

ABOUT MOSAIC CAPITAL CORPORATION

Mosaic is a Canadian investment company that owns a portfolio of established businesses which span a diverse range of industries and geographies. Mosaic's strategy is to create long-term value for its shareholders through accretive acquisitions, long-term portfolio ownership, sustained cash flows and organic portfolio growth. Mosaic achieves its objectives by maintaining financial discipline, acquiring businesses at attractive valuations, performing extensive acquisition due diligence, utilizing creative transaction structuring and working closely with subsidiary businesses after acquisition.

FOR FURTHER INFORMATION PLEASE CONTACT:

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

This press release may contain forward-looking statements and forward-looking information, including statements and information regarding the future business plans and operations, as well as opportunities and prospects, of Mosaic and its subsidiaries. The words "believe", "expect", "intend", "estimate", "anticipate", "project", "scheduled", and similar expressions, as well as future or conditional verbs such as "will", "should", "would", and "could" often identify forward-looking statements and forward-looking information. More particularly, and without limitation, this press release contains forward-looking statements and information respecting: Mosaic's intention to pay dividends monthly instead of quarterly and to increase its common share dividend from $0.40 per share to $0.42 per share on an annualized basis, as well as the aforementioned upcoming dividend declarations.

The forward-looking statements and information herein contained are only predictions and reflect the current beliefs of management with respect to future events and are based on information currently available to management. Actual results and events may differ materially from those contemplated by these forward-looking statements and information due to these statements and information being subject to a number of risks and uncertainties. Undue reliance should not be placed on these forward-looking statements and forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature forward-looking statements and information involve numerous assumptions and known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the plans, predictions, projections and other forward-looking statements and information will not occur or come to fruition. These risks and uncertainties include, but are not limited to, general business and economic conditions in geographic areas where Mosaic and its subsidiaries have operations; pricing pressures and other competitive factors; third parties failing to honour their contractual obligations with Mosaic and its subsidiaries; the availability and cost of qualified labour; the continued ability of Mosaic's subsidiaries to retain existing, and secure new, business; results of management's on-going efforts to sell, re-lease, lease and improve real estate owned and being acquired indirectly by Mosaic through its subsidiaries; legislative or regulatory developments; changes in prevailing interest rates; and the availability and terms of financing. Should any of the risks or uncertainties facing Mosaic and its subsidiaries materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results, performance, activities or achievements could vary materially from those expressed or implied by the forward-looking statements or information contained in this press release.

Readers are cautioned that the foregoing list of risks is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Mosaic and its subsidiaries, and which could contribute to the possibility that the plans, predictions and other forward-looking statements and information herein contained will not occur, are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) under the profile for Mosaic.

Although Mosaic believes that the expectations represented by any forward-looking-statements and forward-looking information contained herein are reasonable based on the information available to them on the date of this press release, management cannot assure investors that actual results, performance or achievements will be consistent with these forward-looking statements or forward-looking information. Any forward-looking statements or information herein contained are presented as of the date of this press release and Mosaic does not assume any obligation to update or revise them to reflect new information, events or circumstances, except as required by law.