



Mosaic Capital Corporation
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FOR IMMEDIATE RELEASE

MOSAIC CAPITAL CORPORATION
COMPLETES ACQUISITION OF MACKOW INDUSTRIES

Calgary, Alberta - August 8, 2016. Mosaic Capital Corporation ("**Mosaic**") (TSX-V Symbols: **M** and **M.PR.A**) is pleased to announce that it has successfully completed the acquisition of an 80% interest in the business being carried on by Mackow Industries ("**Mackow**"). The remaining 20% was retained by key management of Mackow. This transaction was previously discussed in Mosaic's August 2, 2016 news release.

Founded in 1984 and based in Winnipeg, Manitoba, Mackow is a manufacturer of precision fabricated metal components. Mackow's primary market is North American manufacturers of transit buses and highway motor coaches. Mackow currently has approximately 115 employees. More information about Mackow can be found at www.mackowindustries.com.

Mosaic's cost of the acquisition was \$29.50 million, subject to typical post-closing adjustments, and was funded through a combination of cash (\$22.75 million) and vendor take-back financing (\$6.75 million). The vendor take-back financing is to be paid out by Mosaic over a three-year period at a commercial rate of interest. In addition, there is a two-year earn out provision to be paid to the vendors if the business meets specified targets.

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 optimal transaction structuring and working closely with subsidiary businesses after acquisition.

FOR FURTHER INFORMATION PLEASE CONTACT:

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This news release may contain forward-looking statements and forward-looking information, including statements and information which relate to the terms of the acquisition by Mosaic of 80% of Mackow. 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. The forward-looking statements and information contained herein 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 the predictions, projections and other forward-looking statements and information will not occur. These risks and uncertainties include, but are not limited to, general business and economic conditions in geographic areas where Mackow has operations; pricing pressures and other competitive factors; third parties failing to honour their contractual obligations with Mackow; procurement and pricing issues with suppliers; unforeseen cost overruns on Mackow's projects; legislative or regulatory developments; the continued availability and cost of qualified labour; the continued strength of the industries within which customers of Mackow operate; and the continued ability to secure new business. Should any of the risks or uncertainties facing Mackow materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results, performance, activities or achievements of both Mackow and Mosaic could vary materially from those expressed or implied by the forward-looking statements or information contained in this document. Readers are cautioned not to place undue reliance on any forward-looking statements or information contained in this news release as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Readers are cautioned that the foregoing list of risks is not exhaustive. Additional information on other factors that could affect the operations or financial results of Mosaic and its subsidiaries are included in reports on file with applicable securities regulatory authorities (including, in particular, Mosaic's most recent annual information form) and may be accessed through the SEDAR website (www.sedar.com) under the profile for Mosaic. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this news release including, but not limited to, a reasonably stable North American economy. Although management believes that the assumptions reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statements or information herein contained are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Mosaic does not assume any obligation to update or revise them to reflect new information, events or circumstances unless required by applicable law.