



MOSAIC CAPITAL CORPORATION

DIVIDEND REINVESTMENT PLAN

Introduction

Mosaic Capital Corporation (the “**Corporation**”) has established this common share dividend reinvestment plan (the “**Plan**”), as amended from time to time, to enable holders (the “**Shareholders**”) of the Corporation’s common shares (“**Common Shares**”) to acquire additional Common Shares through reinvestment of the dividends paid on their Common Shares (“**Distributions**”).

Distributions on Common Shares will be used to purchase additional Common Shares on behalf of participating Shareholders (“**Participants**”) by Computershare Trust Company of Canada or its successor, as “plan agent” under this Plan (the “**Plan Agent**”), on the terms and conditions of the Plan. The Plan Agent’s obligations in this respect shall be governed by a plan services agreement (the “**Agreement**”) with the Corporation, as the same may be amended from time to time. The terms of the Plan are set forth below and a copy of the Agreement may be obtained from the Corporation upon request and without cost.

At the election of the Corporation, additional Common Shares acquired by the Plan Agent under the Plan will either be issued by the Corporation or acquired through the purchase of Common Shares in the open market.

Eligible Participants

Except as otherwise provided in this Plan, any registered holder of Common Shares who is a resident of Canada is eligible to join in the Plan at any time. Beneficial owners of Common Shares whose Common Shares are not registered in their own names may participate in the Plan only: (i) by transferring such Common Shares into their own name or into a specific segregated registered account such as a numbered account with a bank, trust company or broker; or (ii) if such Common Shares are held through CDS Clearing and Depository Services Inc. or its nominee (the “**Depository**”), by enrolling in the Plan through a participant in such Depository (a “**Depository Participant**”).

Beneficial owners of Common Shares whose Common Shares are held through the Depository may enrol through the Depository Participant that currently holds their Common Shares. Beneficial owners of Common Shares whose Common Shares are held in a numbered nominee account with a bank, trust company or broker may arrange to enrol such account in the Plan. If a beneficial owner holds Common Shares in more than one such account, or in such an account or accounts as well as in such owner’s own name, such Common Shares may be dealt with separately with respect to the Plan.

Shareholders who are resident in Canada may participate in the Plan. Unless otherwise announced by the Corporation, Shareholders who are not resident in Canada may not participate in the Plan.

The Corporation and the Plan Agent reserve the right to deny participation in the Plan and to not accept enrolment or other forms of elections or instructions from any person or agent of such person who appears to be, or who either of the Corporation and the Plan Agent has reason to believe is subject to the laws of any jurisdiction which do not permit participation in the Plan by or on behalf of such person.

The Corporation reserves the right, in its sole discretion, to determine from time to time the minimum aggregate principal amount of Common Shares that a Participant must hold in order to qualify for the Plan and reserves the right to refuse participation to, or cancel participation of, any person for reasons which include, without limitation, where participation in the Plan appears to be, in the opinion of the Corporation, primarily for the purpose of arbitrage trading.

Enrolment in the Plan

A registered Shareholder may elect to become a Participant by notifying the Plan Agent that the Shareholder wishes to become a Participant. A Participant must provide such notification in the prescribed form (“**Enrolment Form**”) prior to 4:30 p.m. (Calgary time) on the business day immediately preceding the last business day of the month (the “**Record Date**”) in respect of the initial Distribution in which the Shareholder intends to participate in the Plan. If the Plan Agent does not receive the Enrolment Form by 4:30 p.m. (Calgary time) on the business day immediately preceding the applicable Record Date, the Participant’s enrolment in the Plan will not take effect until the next following Record Date. The Enrolment Form is attached hereto as Schedule A, but may be changed from time to time in the discretion of the Corporation.

The Enrolment Form directs the Corporation to forward to the Plan Agent all of the Participant’s Distributions received on the Common Shares and directs the Plan Agent to invest such Distributions in the purchase of Common Shares on behalf of the Participant. If a beneficial owner holds Common Shares in, for example, more than one brokerage account, and wishes to participate in the Plan in respect of Common Shares in all such accounts, a separate Enrolment Form must be completed and returned to the Plan Agent by the registered holder of the Common Shares in respect of each such account.

Where the Common Shares are held indirectly through the Depository, enrolment instructions must be communicated to the Depository by the applicable Depository Participant in accordance with the procedures of the Depository system, and the Depository will in turn provide instructions to the Plan Agent regarding the extent of its participation, on behalf of eligible Shareholders, in the Plan. Depository instructions will advise the Plan Agent of the aggregate number of Common Shares held through the Depository in respect of which Distributions are to be reinvested under the Plan.

Administration

The Corporation shall pay to the Plan Agent, on behalf of the Participants, all amounts paid as Distributions on Common Shares for which Participants are the owners of record on the Record

Date immediately preceding the corresponding date on which the Corporation makes a Distribution to Shareholders (each such date being a “**Distribution Payment Date**”). The Corporation may advance funds to the Plan Agent from time to time prior to a Distribution Payment Date for the purpose of effecting market purchases, which advance will be credited to the amount payable to the Plan Agent on the Distribution Payment Date. The Plan Agent shall purchase Common Shares for the Participants on the terms and conditions set out below under “*Purchase of Common Shares by Plan Agent*”. The Plan Agent shall not be obligated to expend any of its own funds in carrying out its duties under this Plan.

Purchase of Common Shares by Plan Agent

Subject to the immediately preceding paragraph, on each Distribution Payment Date the Corporation will pay to the Plan Agent all Distributions due (less any applicable withholding tax) in respect of the Common Shares properly enrolled in the Plan (the “**Distribution Funds**”). The Plan Agent will use such funds to purchase Common Shares in accordance with the following terms and conditions. In no event will interest be paid to Participants on any funds held for reinvestment under the Plan.

Common Shares will be purchased by the Plan Agent, at the discretion and direction of the Corporation, in one of the following manners:

- (a) through the facilities of the primary market on which the Common Shares are then listed and quoted for trading (“**Market Purchase**”);
- (b) from new issuances of Common Shares by the Corporation from treasury (“**Treasury Purchases**”); or
- (c) acquired through some combination of Market Purchases and Treasury Purchases.

Market Purchases

If the Corporation elects for Market Purchases, the Plan Agent shall utilize the Distribution Funds to acquire Common Shares at prevailing market prices through the facilities of the primary market on which the Common Shares are then listed and quoted for trading (the “**Exchange**”) for the purposes of satisfying the Corporation’s obligations under this Plan. The Common Shares acquired by the Plan Agent will be allocated by the Plan Agent on a *pro rata* basis to the Participants based upon the number of Common Shares held by each such Participant. The price at which such Common Shares so acquired shall be allocated to the Participants shall be the average price for which those Common Shares were actually so acquired through the facilities of the Exchange prorated over five business days prior to the Distribution Payment Date (the “**Market Purchase Price**”).

Treasury Purchases

If the Corporation elects for Treasury Purchases, the Plan Agent shall utilize the Distribution Funds to acquire Common Shares from the Corporation’s treasury at a price equal to the Treasury Average Market Price less a discount, if any, of up to 3% as determined in the discretion of the Corporation (the “**Treasury Purchase Price**”). For this purpose “**Treasury**

Average Market Price” means the arithmetic average (calculated by the Corporation to six decimal places) of the daily volume weighted average prices of all Common Shares traded on the Exchange for each of the 10 trading days immediately preceding the second last trading day prior to the Distribution Payment Date; provided that a day shall only qualify as a trading day if at least one board lot is traded. The Common Shares acquired by the Plan Agent will be allocated by the Plan Agent on a *pro rata* basis to the Participants based upon the number of Common Shares held by each such Participant.

Combination of Market Purchases and Treasury Purchases

If the Corporation elects for a combination of both the Market Purchases and Treasury Purchases, the Plan Agent shall utilize the Distribution Funds to acquire Common Shares from the Corporation’s treasury and the Exchange; the price of the Common Shares will be a weighted average of the Market Purchase Price and the Treasury Average Market Price, weighted based upon the relative number of Common Shares acquired through the use of Market Purchases and Treasury Purchases.

Instructions to Plan Agent

From time to time, the Corporation will advise the Plan Agent of the method selected for the acquisition of Common Shares and, in the case of Treasury Purchases of the corresponding price. The Corporation may also provide the Plan Agent with a “standing order” in respect to how acquisitions of Common Shares are to occur through use of Market Purchases or Treasury Purchases or some combination of both, and the Plan Agent shall adhere to the “standing order” until such time as advised otherwise by the Corporation.

Computations

Any Distributions on Common Shares (including fractions of Common Shares) that are held by the Plan Agent for a Participant’s account under the Plan will be reinvested in new Common Shares, and such new Common Shares will be credited to the Participant’s account. Under this Plan, all computations in respect to Common Shares which give rise to fractions of Common Shares shall be computed to six decimal places.

Cash Distributions

If, in respect of any Distribution Payment Date, the amount of Common Shares issuable on the reinvestment of Distributions under the Plan exceeds the limit, if any, on the number or aggregate amount of Common Shares issuable, as may be set by the Corporation, then the Distributions to which the Participants are entitled will be paid in cash.

If the Corporation determines not to issue Common Shares through the Plan on a particular Distribution Payment Date, and if the Corporation has instructed the Plan Agent not to otherwise purchase Common Shares on the market at prevailing market prices in accordance with the Plan, all Participants will receive the Distributions paid in cash to which they would otherwise be entitled to on such Distribution Payment Date and same will not be reinvested pursuant to this Plan.

Certificates/DRS Advices (if applicable)

Common Shares purchased and held under the Plan will be registered in the name of the Plan Agent, as agent for the Participants, and certificates/DRS Advices for such Common Shares will not normally be issued to Participants unless specifically requested in writing. Common Shares held by the Plan Agent for a Participant under the Plan may not be pledged, sold or otherwise disposed of by the Participant while so held.

A registered Participant may, upon written request to the Plan Agent and without terminating participation in the Plan, have a certificate/DRS Advice issued and registered in the Participant's name for any number of whole Common Shares held for the Participant's account under the Plan. Certificates/DRS Advices will normally be issued within three weeks of receipt by the Plan Agent of the Participant's written request for a certificate/DRS Advice. Any remaining whole Common Shares and any fraction of a Common Share will continue to be held for the Participant's account under the Plan.

Accounts under the Plan are maintained in the names of the Participants at the time the Participants entered the Plan, and certificates/DRS Advices for whole Common Shares will be similarly registered when issued.

Termination of Participation

Once enrolled, participation in the Plan will continue automatically unless terminated in accordance with the terms of this Plan. In addition to the rights of the Corporation to terminate participation in the Plan by a Participant on the basis set forth elsewhere herein, a Participant may voluntarily terminate participation in the Plan by providing written notice to the Plan Agent stating that the Participant wishes to terminate his or her participation in the Plan. Such notice, when actually received by the Plan Agent, will have the effect of terminating the Plan in respect of Distributions to be paid to the terminating Participant for and in respect of all subsequent Record Dates commencing with the Record Date which is at least five business days subsequent to the receipt of such written termination notice by the Plan Agent. Following termination of its participation in the Plan, the Participant will, upon written request to the Corporation's transfer agent, be entitled to receive a certificate/DRS Advice for the number of whole Common Shares then held by the former Participant together with a cheque for any remaining fraction of a Common Share so held. Any fractional Common Share interest will be paid in cash based on the prevailing market value of a Common Share, at the time of sale, as determined by the Corporation in its sole discretion, acting reasonably.

If a Participant sells or transfers Common Shares that are enrolled in the Plan, reinvestment of the Distributions will cease in respect of the Common Shares that have been sold or transferred.

Participation in the Plan will be terminated following receipt by the Plan Agent of evidence of the death of a Participant together with written instructions to terminate from any person acting in a representative or fiduciary capacity. Such request must be accompanied by satisfactory evidence of their appointment and authority to act. A certificate/DRS Advice for the number of whole Common Shares held for the account of a deceased Participant under the Plan will be issued by the Plan Agent in the name of the estate of the deceased Participant or the deceased

Participant's broker or nominee, as appropriate, and the Plan Agent will send to the legal representative or broker or nominee of the deceased Participant such certificate/DRS Advice and a cheque in payment for any remaining fraction of a Common Share in the deceased Participant's account. Any fractional Common Share interest will be paid in cash based on the prevailing market value of a Common Share at the time of sale, as determined by the Corporation, acting reasonably.

A certificate/DRS Advice and cheque, if any, will normally be issued within three weeks of receipt by the Plan Agent of the written termination notice. If a written termination notice is received by the Plan Agent less than five business days prior to a Record Date, then the Participant's account will not be closed, and participation in the Plan will not be terminated, until after the Distribution Payment Date to which such Record Date relates. A certificate/DRS Advice and cheque, if any, will be issued thereafter.

Costs

Unless determined otherwise by the board of directors of the Corporation, other than fees for enrolment in the Plan, withdrawal of the Common Shares from the Plan and termination of the Plan by a Participant, all commissions, administrative and other costs associated with the operation of the Plan will be paid by the Corporation as set out in the Agreement, including any additional payments to the Plan Agent required in connection with Market Purchases.

Use of Proceeds

Any proceeds received by the Corporation through operation of the Plan will be utilized to increase working capital and for other general purposes.

Offerings

If the Corporation makes available to its registered Shareholders any rights to subscribe for additional Common Shares or other securities, the rights and certificates/DRS Advices will be forwarded to Participants in this Plan in proportion to the number of whole Common Shares being held for them and such rights will not be made available for any fraction of a Common Share held for a Participant unless the Corporation expressly determines otherwise in its sole discretion.

Responsibilities of the Corporation and the Plan Agent

Neither the Corporation nor the Plan Agent shall be liable for any act done by any of them or for any omission to act, except for losses directly, principally or immediately caused by bad faith, wilful misconduct or negligence. In particular, none of the Corporation or the Plan Agent shall have any liability with respect to the prices at which Common Shares are purchased for the Participant's accounts or the times at which such purchases are made. The duties, liabilities and responsibilities of the Corporation and the Plan Agent to a Participant are solely those which are set forth herein or required by law.

The Corporation and/or the Plan Agent shall have the right to reject any request regarding Plan participation including, without limitation, for reasons such as where a request is not received in

proper form or is otherwise not permitted by law. Any such request will be deemed to be invalid until any irregularities or compliance issues have been resolved to the satisfaction of the Corporation and/or the Plan Agent, as applicable. The Corporation and the Plan Agent are under no obligation to notify any Shareholder of an invalid request.

Participants should recognize that neither the Corporation nor the Plan Agent can assure a gain or protect against loss as a result of Participants holding Common Shares, including those purchased under this Plan.

Amendments, Suspension or Termination of Plan and Plan Agent

The Corporation may terminate the Plan, in its sole discretion, upon not less than 10 days' notice to the Participants via providing notice to the Plan Agent. The Corporation may also amend or modify in any respect whatsoever, or suspend the Plan at any time provided that it gives subsequent notice of that amendment, modification or suspension to the Participants. Any amendment to the Plan shall be pre-cleared with the Exchange, if required under the rules and policies of the Exchange.

Further, the Corporation may, without necessity of any notice to Participants, amend the Plan to provide for optional cash payments by Participants which enable them to purchase additional Common Shares. Unless the Corporation so determines, in its discretion, this Plan shall not be terminated by the amalgamation, arrangement, reorganization or other business combination involving the Corporation and/or Shareholders where holders of Common Shares receive new securities in exchange for their Common Shares (herein a "**Transaction**") but rather this Plan, modified as determined in the discretion of the Corporation as a result of such Transaction, shall continue to apply to the new securities held by Participants following completion of any such Transaction. The Corporation is not required to issue Common Shares into any jurisdiction where that issuance would be illegal or where compliance with the laws of that jurisdiction would be, in the sole judgment of the Corporation, impracticable or unduly expensive. Any amendments to the Plan are subject to prior regulatory approval, if any.

The Corporation may, in its sole discretion, and upon at least 90 days' notice to the Plan Agent or such lesser period as may be mutually agreed upon, remove the Plan Agent and appoint a successor Plan Agent. Similarly, the Plan Agent may resign as agent under the Plan upon at least 90 days' notice to the Corporation and upon delivery to the Corporation of all documents and monies being held by the Plan Agent on its behalf pursuant to the Agreement.

If this Plan is terminated by the Corporation, each Participant will, upon written request to the Corporation's transfer agent, be entitled to receive a certificate/DRS Advice for the number of whole Common Shares then held by the former Participant together with a cheque for any remaining fraction of a Common Share so held. Any fractional Common Share interest will be paid in cash based on the prevailing market value of a Common Share, at the time of sale, as determined by the Corporation in its sole discretion, acting reasonably.

Notices

All notices required to be given to Participants will be given to them at their respective addresses maintained by the Corporation's transfer agent. Written communications to the Plan Agent or the Corporation should be addressed to:

Computershare Trust Company of Canada
Suite 600, 530 – 8th Avenue S.W.
Calgary, AB T2P 3S8

Attention: Manager, Client Services
Fax No: (403) 267-6529

Mosaic Capital Corporation
400, 2424 4th Street S.W.
Calgary, AB T2S 2T4

Attention: Chief Financial Officer
Fax No: (403) 266-1541
Email: info@mosaiccapitalcorp.com

Effective Date of the Plan

The effective date of this Plan is December 5, 2016.

**SCHEDULE A
ENROLLMENT FORM**

[see attached]

