



FOR IMMEDIATE RELEASE

**MOSAIC CAPITAL COMPLETES ACQUISITION OF WINDSOR-BASED
CIRCLE 5 TOOL & MOLD**

Calgary, Alberta – November 1, 2017. Mosaic Capital Corporation ("**Mosaic**") (TSX-V Symbols: **M** and **M.DB**) is pleased to announce the acquisition of a 75% interest in the business being carried on by Circle 5 Tool & Mold Inc. ("**Circle 5**").

Circle 5 is a supplier of molding solutions to Tier 1 automotive part manufacturers, offering custom, high-precision molds and tools for plastic injection production of highly-visible interior automotive components. Circle 5's broad international customer base produces interior components for today's leading automotive brands including BMW, Ford, Volkswagen, General Motors, Toyota, Daimler and Tesla. With an established track record of over 30 years, Circle 5 is highly regarded in the industry for its delivery of quality molds and tools based on strong customer responsiveness, innovation and collaboration. Circle 5 operates out of a modern, 50,000-sq. ft. manufacturing facility in Windsor, Ontario. The remaining 25% of Circle 5 is being retained by its President and primary operating shareholder, Saylo Lam (41), a professional mechanical engineer who has been involved with the company for over 18 years.

Mosaic's acquisition cost of \$27 million was funded by cash and will be subject to typical post-closing adjustments. Mosaic financed the transaction with \$7 million from available credit facilities and \$20 million from the issuance of three year, 7% subordinated preferred units within a newly formed limited partnership, which is 100% controlled by Mosaic.

Saylo Lam, President of Circle 5 stated "Mosaic's involvement successfully solved a key ownership succession issue, which results in an orderly transition of Circle 5's two founding shareholders, one of whom is my father. We are excited to move forward with the Mosaic team, as we collectively pursue a number of identified organic and acquisition growth opportunities."

Mark Gardhouse, CEO of Mosaic Capital commented "we are delighted to welcome Saylo Lam and his management team at Circle 5 as Mosaic's newest operating partner and we look forward to a long-term relationship. Circle 5 has an established track record of strong financial growth and profitability within a niche market that has an attractive outlook. This acquisition illustrates the diversified growth model we are implementing and offers a new business platform for future growth opportunities."

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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FORWARD-LOOKING INFORMATION:

This news release may contain forward-looking information and statements within the meaning of applicable Canadian securities laws (herein referred to as "forward-looking statements") that involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All information and statements in this news release which are not statements of historical fact may be forward-looking statements. 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. In particular, forward-looking statements in this news release include, but are not limited to: statements with respect to the terms of the acquisition by Mosaic of a 75% interest in the business carried on by Circle 5 and that Circle 5 has growth potential. Such statements or information 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 due to these statements being subject to a number of risks and uncertainties.

Undue reliance should not be placed on these forward-looking statements 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 involve assumptions and known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions and other forward-looking statements will not occur. Some of the assumptions made by Mosaic, upon which such forward-looking statements are based include, but are not limited to: the business operations of Circle 5 will continue on a basis at least consistent with prior years; there will be reasonable continuity of Circle 5's management team; and future market conditions for Circle 5 will not be materially different than anticipated by Mosaic.

A number of factors could cause actual results to differ materially from those expressed or implied by the forward-looking statements, including, but not limited to: general business and economic conditions in geographic areas where Circle 5 has operations; pricing pressures and other competitive factors; third parties failing to honour their contractual obligations with Circle 5; procurement and pricing issues with suppliers; unforeseen cost overruns on Circle 5's projects; legislative or regulatory developments; the continued availability and cost of qualified labour; the continued strength of the industries within which customers of Circle 5 operate; and the continued ability to secure new business. Should any of the risks or uncertainties facing Mosaic and its subsidiaries materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, activities or achievements could vary materially from those expressed or implied by any forward-looking statements contained in this news 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 are included in Mosaic's annual information form for the year ended December 31, 2016, a copy of which is available under Mosaic's profile on SEDAR (www.sedar.com).

Although Mosaic believes that the expectations represented by any forward-looking-statements contained herein are reasonable based on the information available to it on the date of this news release, management cannot assure investors that actual results, performance or achievements will be consistent with these forward-looking statements. Any forward-looking statements herein contained are made as of the date of this news 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.