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Diversified Royalty Corp. Announces Closing of \$34.5 Million Bought Deal and November 2014 Cash Dividend

Vancouver, B.C., November 12, 2014, For Immediate Release

Closing of \$34.5 Million Bought Deal

Diversified Royalty Corp. (TSX: DIV) (the "**Corporation**" or "**DIV**") is pleased to announce that it has closed its previously announced public offering (the "**Offering**") of 14,375,000 common shares (each a "**Share**"), on a bought deal basis, at a price of \$2.40 per Share, for total gross proceeds of \$34,500,000. Included in the closing were 1,875,000 Shares from the full exercise of the over-allotment option described in DIV's short form prospectus dated October 31, 2014 (the "**Prospectus**"). A copy of the Prospectus is available on SEDAR at www.sedar.com.

The Offering was conducted through a syndicate of underwriters co-led by Cormark Securities Inc. and GMP Securities L.P., and which also included Laurentian Bank Securities Inc., National Bank Financial Inc. and PI Financial Corp.

As described in the Prospectus, DIV intends to use the net proceeds of the Offering to fund future acquisitions of additional top-line royalties from other well-managed, multi-location businesses and franchisors in furtherance of the Corporation's stated business strategy, and for general corporate purposes. Proceeds not used to fund future acquisitions or for general corporate purposes will be invested by the Corporation in such investments as may be determined from time to time by the Corporation's board of directors.

The Shares sold pursuant to the Offering have been listed on the Toronto Stock Exchange under DIV's existing trading symbol DIV. After giving effect to the Offering, DIV now has 68,530,173 Shares issued and outstanding.

November 2014 Cash Dividend

DIV is also pleased to announce that its board of directors has approved a cash dividend of \$0.0157 per Share for the period of November 1, 2014 to November 30, 2014, which is equal to \$0.1884 per Share on an annualized basis. The dividend will be paid on November 28, 2014 to shareholders of record on November 21, 2014.

About Diversified Royalty Corp.

DIV is a multi-royalty corporation, engaged in the business of acquiring top-line royalties from well-managed multi-location businesses and franchisors in North America. DIV's objective is to acquire predictable, growing royalty streams from a diverse group of multi-location businesses and franchisors.

DIV expects to increase cash flow per share by making accretive royalty purchases and through the growth of purchased royalties. DIV expects to pay a predictable and stable dividend to shareholders and increase the dividend as cash flow per share increases allow.

Forward Looking Statements

Certain statements contained in this news release and in certain documents incorporated herein by reference may constitute forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “intend”, “may”, “will”, “project”, “should”, “believe”, “confident”, “plan” and “intends” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specifically, forward-looking statements in this news release include, but are not limited to, statements made in relation to: the use of proceeds from the Offering; the amount and timing of the first dividend to be paid to DIV’s shareholders; and DIV’s corporate objectives. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events, performance, or achievements of DIV to differ materially from those anticipated or implied in such forward-looking statements. DIV believes that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct. In particular there can be no assurance that DIV will be able to: identify and make acquisitions that satisfy the Corporation’s business objectives or strategy; make monthly dividend payments to the holders of its common shares; or achieve any of its corporate objectives. Given these uncertainties, readers are cautioned that forward-looking statements included in this news release are not guarantees of future performance, and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date of this news release. DIV undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law.

In formulating the forward-looking statements contained herein, management has assumed that business and economic conditions affecting DIV will continue substantially in the ordinary course, including without limitation with respect to general industry conditions, general levels of economic activity and regulations. These assumptions, although considered reasonable by management at the time of preparation, may prove to be incorrect.

All of the forward-looking statements made in this news release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, DIV.

The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act. This news release does not constitute an offer for sale of the Shares in the United States.

THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR THE ACCURACY OF THIS RELEASE.

Additional Information

Additional information relating to the Corporation and other public filings, is available on SEDAR at www.sedar.com.

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