



Diversified Royalty Corp. Completes Second Royalty Acquisition

Vancouver, B.C., June 19, 2015, For Immediate Release – Diversified Royalty Corp. (TSX: DIV) (the “Corporation” or “DIV”) is pleased to announce today that it has completed its previously announced transaction with Sutton Group Realty Services Ltd. (“Sutton”) to acquire an initial royalty of \$3.5 million per annum for a purchase price of \$30.6 million (the “Transaction”).

DIV completed the Transaction after receiving conditional approval for the Transaction from the Toronto Stock Exchange on June 16, 2015.

Sean Morrison, President and Chief Executive Officer of DIV, stated, “We are happy to have successfully closed the transaction and are looking forward to working with Sutton in the future.”

The Transaction was completed by DIV through a newly formed limited partnership called SGRS Royalties Limited Partnership (the “Partnership”) and was financed by DIV with approximately \$24.3 million from DIV’s cash on hand and approximately \$6.3 million of senior debt provided to the Partnership by a Canadian chartered bank.

Further details of the Transaction and background information with respect to Sutton’s business, including, among other things, certain historical financial information of Sutton, will be included in a business acquisition report for the Transaction which will be filed by DIV on SEDAR at www.sedar.com within 75 days of the date of this news release. In addition, the specific terms of the Transaction are set out in the Acquisition Agreement dated June 9, 2015 among DIV, the Partnership and Sutton, a copy of which is available on SEDAR at www.sedar.com.

Given the successful closing of the Transaction, DIV’s annual dividend will increase from \$0.1884 per share to \$0.20 per share (a 6% increase) effective August 31, 2015.

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 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 filing by DIV of a business acquisition report for the Transaction and the expected content thereof; the increase in DIV’s annual dividend and the timing therefor; DIV’s corporate objectives; and DIV’s expectation that it will pay a predictable and stable dividend to shareholders and increase the dividend as cash flow per share increases allow. 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 file a business acquisition report for the Transaction containing the content currently expected or within the timing currently expected, or at all; DIV will receive final approval from the TSX for the Transaction; the Transaction, if completed, will be successful; DIV will increase its annual dividend in the amount and in accordance with the timing currently expected; DIV will be able to achieve any of its corporate objectives; or DIV will make monthly dividend payments to the holders of its common shares. 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 and Sutton 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 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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