



Diversified Royalty Corp. Announces October 2015 Cash Dividend

Vancouver, B.C., October 8, 2015, For Immediate Release – Diversified Royalty Corp. (TSX: DIV) (the “Corporation” or “DIV”) is pleased to announce that its board of directors has approved a cash dividend of \$0.01854 per common share for the period of October 1, 2015 to October 31, 2015, which is equal to \$0.2225 per common share on an annualized basis. The dividend will be paid on October 30, 2015 to shareholders of record on October 23, 2015.

The October dividend reflects an increase of 11.2% from the September dividend, which was previously announced with the closing of the Mr. Lube Canada Limited Partnership transaction on August 19, 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 currently owns the Franworks, Sutton, and Mr. Lube trademarks. Franworks operates mid-tier casual neighborhood pub restaurants under the Original Joe’s, State & Main, and Elephant & Castle brands across Canada and in select US markets and generates over \$225 million of gross sales annually. Sutton is among the leading residential real estate brokerage franchisor businesses in Canada with approximately 8,000 agents and 200 offices across Canada. Mr. Lube is the leading quick lube service business in Canada with 169 locations across Canada and approximately \$200 million of annual system sales.

DIV is currently paying a dividend and 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 amount and timing of the October 2015 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: 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 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.

Contact:

Sean Morrison, President and Chief Executive Officer
Diversified Royalty Corp.
(604) 235-3146

Greg Gutmanis, Chief Financial Officer and VP Acquisitions
Diversified Royalty Corp.
(604) 235-3146