

DIVERSIFIED

DIV

ROYALTY CORP.

Diversified Royalty Corp. Announces October 2019 Cash Dividend and Q3 2019 Earnings Release Date

Vancouver, BC, October 3, 2019 – Diversified Royalty Corp. (TSX: DIV and DIV.DB) (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, 2019 to October 31, 2019, which is equal to \$0.2225 per common share on an annualized basis. The dividend will be paid on October 31, 2019 to shareholders of record on October 15, 2019.

Q3 2019 Earnings Release Date

DIV will release earnings results for the three and nine months ended September 30, 2019 following the closing of regular trading on the Toronto Stock Exchange on November 7, 2019.

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 Sutton, Mr. Lube, AIR MILES® and Mr. Mikes trademarks in Canada. Sutton is among the leading residential real estate brokerage franchisor businesses in Canada with over 200 offices across Canada. Mr. Lube is the leading quick lube service business in Canada with 182 locations across Canada and over \$235 million of annual system sales. AIR MILES® is Canada’s largest coalition loyalty program with over 200 leading brand-name sponsors; approximately two-thirds of Canadian households actively participate in the AIR MILES® Program. Mr. Mikes operates 43 casual steakhouse restaurants primarily in western Canadian communities with over \$85 million of annual system sales.

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 information” within the meaning of applicable securities laws that 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 information. 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 information, although not all forward-looking information contains these identifying words. Specifically, forward-looking information in this news release includes, but is not limited to, statements made in relation to: the amount and timing of the October 2019 dividend to be paid to DIV’s shareholders; the timing of the release of DIV’s earnings results for the three and nine months ended September 30, 2019; DIV’s ability to pay a predictable and stable dividend to 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 by such forward-looking information. DIV believes that the expectations reflected in the forward-looking information included in this news release 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 DIV will achieve any of its corporate objectives. Given these uncertainties, readers are cautioned that forward-looking information included in this news

release are not guarantees of future performance, and such forward-looking information should not be unduly relied upon. More information about the risks and uncertainties affecting DIV's business and the businesses of its royalty partners can be found in the "Risk Factors" section of its Annual Information Form dated March 11, 2019, and the "Risk Factors" section of its management's discussion and analysis for the three and six months ended June 30, 2019 that are available under DIV's profile on SEDAR at www.sedar.com.

In formulating the forward-looking information contained herein, management has assumed that business and economic conditions affecting DIV and its royalty partners 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 forward-looking information included in this news release is presented as of the date of this news release and DIV assumes no obligation to publicly update or revise such information to reflect new events or circumstances, except as may be required by applicable law.

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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