

DIVERSIFIED

DIV

ROYALTY CORP.

Diversified Royalty Corp. Completes Acquisition of Nurse Next Door Trademarks and Confirms Increase in Annual Dividend Effective December 2019

For Immediate Release

Vancouver, British Columbia – November 15, 2019 – Diversified Royalty Corp. (TSX: DIV; DIV.DB) (the “**Corporation**” or “**DIV**”) is pleased to announce it has completed its previously announced transaction with Nurse Next Door Professional Homecare Services Inc. (“**Nurse Next Door**”) to add a fifth royalty stream to DIV's portfolio. DIV's subsidiary, NND Royalties Limited Partnership (“**NND LP**”) acquired the trademarks and certain other intellectual property rights utilized by Nurse Next Door in its premium home care business (the “**NND Rights**”) for a purchase price (the “**Purchase Price**”) of \$52.0 million (the “**Acquisition**”), excluding a retained interest provided to Nurse Next Door through the issuance of limited partnership units of NND LP (the “**Exchangeable Units**”).

The cash Purchase Price of \$52.0 million was funded with \$44.5 million of DIV's cash on hand and \$7.5 million of senior debt provided by a Canadian chartered bank under a new credit facility having a maximum borrowing capacity of \$14.5 million. In addition to the cash portion of the Purchase Price, NND LP issued the Exchangeable Units to Nurse Next Door as a retained interest having an agreed value of \$23.0 million.

Immediately following the closing of the Acquisition, DIV licensed the NND Rights back to Nurse Next Door for 99 years, in exchange for an initial royalty payment of \$4.8 million per annum (the “**Royalty**” and together with the Acquisition, the “**Transaction**”). The Royalty will grow contractually at a rate of 2% per annum during the term of the license.

For further details with respect to the Transaction, see DIV's news release dated November 1, 2019, a copy of which is available under DIV's profile at www.sedar.com.

Dividend Increase

Given the successful completion of the Transaction, DIV's annual dividend will increase from 22.25 cents per share to 23 cents per share as previously announced in DIV's news release dated November 1, 2019. The dividend increase will take effect commencing with the December 2019 dividend.

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®, Mr. Mikes and Nurse Next Door trademarks. 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 44 casual steakhouse restaurants primarily in western Canadian communities with over \$85 million of annual system sales. Nurse Next Door is one of North America's fastest growing home care providers and operates 177 locations across Canada, the United States and Australia with over \$100 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 statements, although not all forward-looking statements contain these identifying words. Specifically, forward-looking information in this news release includes, but are not limited to, statements made in relation to: the effective date of the increase to the annual dividend; 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 be able to achieve any of its corporate objectives or make monthly dividend payments to the holders of its common shares. 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 nine months ended September 30, 2019 that are available under DIV’s profile on SEDAR at www.sedar.com.

In formulating the forward-looking statements contained herein, management has assumed that, among other things, DIV will obtain the expected benefits of the Transaction, and the 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 information disclosed in this news release is 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 contemplated thereby will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, DIV contemplated by such forward-looking information contained herein. The forward-looking information included in this news release is made 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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