

# DIVERSIFIED

DIV

ROYALTY CORP.

## Diversified Royalty Corp. Announces Mr. Lube Q4 and Year End 2019 Results

**Vancouver, British Columbia – February 26, 2020** – Diversified Royalty Corp. (TSX: DIV; DIV.DB) (the “Corporation” or “DIV”) is pleased to announce that Mr. Lube Canada Limited Partnership (“Mr. Lube”) reported its audited results for the three months and year ended December 31, 2019, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Mr. Lube reported same-store-sales-growth (“SSSG”) of 2.1% for the three months and 4.1% for the year ended December 31, 2019 for the Mr. Lube stores in the royalty pool, which are consistent with the amounts reported in DIV’s news release dated January 30, 2020.

### 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 Mr. Lube, AIR MILES®, Sutton, Mr. Mikes, Nurse Next Door and Oxford Learning Centres trademarks. Mr. Lube is the leading quick lube service business in Canada, with locations across Canada. AIR MILES® is Canada’s largest coalition loyalty program with approximately two-thirds of Canadian households actively participating in the AIR MILES® Program. Sutton is among the leading residential real estate brokerage franchisor businesses in Canada. Mr. Mikes currently operates casual steakhouse restaurants primarily in western Canadian communities. Nurse Next Door is one of North America’s fastest growing home care providers with locations across Canada and the United States as well as in Australia. Oxford Learning Centres is one of Canada’s leading franchised supplemental education services in Canada and the United States.

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: 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, the “Risk Factors” section of its management’s discussion and analysis for the three and nine months ended September 30, 2019 and the “Risk Factors” section of its preliminary short form prospectus dated February 24, 2020, each of which is available under DIV’s profile on*

SEDAR at [www.sedar.com](http://www.sedar.com).

*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.*

#### Non-IFRS Financial Measures

*“Same Store Sales Growth” or “SSSG” is used as a non-IFRS measure in this news release. SSSG for Mr. Lube means the percentage increase in store sales over the prior comparable period for locations that were open in both the current and applicable prior periods that were included in the Mr. Lube royalty pool, excluding stores that were permanently closed. SSSG is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS. However, DIV believes that SSSG is a useful measure as it provides investors with an indication of the change in year-over-year sales of Mr. Lube locations. DIV’s method of calculating SSSG may differ from those of other issuers or companies and, accordingly, SSSG may not be comparable to similar measures used by other issuers or companies. Accordingly, non-IFRS financial measures should never be considered in isolation nor as a substitute for measures reflected in financial statements prepared in accordance with IFRS*

**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](http://www.sedar.com).

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