



Diversified Royalty Corp. Announces Clarification to Q4 2021 MD&A

Vancouver, BC, March 14, 2022 – Diversified Royalty Corp. (TSX: DIV and DIV.DB) (the “Corporation” or “DIV”) announced today a clarification to the relevant comparative period for certain SSSG¹ (defined below) figures for the Mr. Lube Canada Limited Partnership (“Mr. Lube”) locations in the Mr. Lube royalty pool originally reported in DIV’s management’s discussion and analysis (“MD&A”) for the three months and year ended December 31, 2021 dated and filed on SEDAR at www.sedar.com on March 10, 2022.

In the MD&A it was inadvertently stated that Mr. Lube reported to DIV that Mr. Lube generated SSSG for the Mr. Lube stores in the Mr. Lube royalty pool of 21.5% and 10.4% for the three months and year ended December 31, 2021 compared to the three months and year ended December 31, 2020, respectively, when such SSSG figures actually reflected the comparative performance of the Mr. Lube stores in the Mr. Lube royalty pool to the three months and year ended December 31, 2019.

As previously separately stated in the MD&A, Mr. Lube reported to DIV that Mr. Lube generated SSSG for the Mr. Lube stores in the Mr. Lube royalty pool of 20.7% and 15.8% for the three months and year ended December 31, 2021 compared to the three months and year ended December 31, 2020, respectively.

The above figures were properly reported in DIV’s news releases dated February 3, 2022 and March 10, 2022 without error. In addition, no other figures reported in the prior MD&A were impacted by this inadvertent error.

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”,

¹ SSSG is a supplementary financial measure and as such, does not have a standardized meaning under IFRS. For additional information, refer to “Non-IFRS Financial Measures” in this news release.



“continue”, “estimate”, “expect”, “intend”, “may”, “will”, “project”, “should”, “believe”, “confident”, “plan” and “intend” and similar expressions are intended to identify forward-looking information, although not all forward-looking information contain these identifying words. Specifically, forward-looking information in this news release includes, but is not limited to, statements made in relation to: DIV’s intention to pay monthly dividends 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, risks and uncertainties include: DIV may not be able to make monthly dividend payments to the holders of its common shares; dividends are not guaranteed and may be reduced, suspended or terminated at any time; or DIV may not 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 10, 2022 and in DIV’s amended management’s discussion and analysis for the three months and year ended December 31, 2021, copies of which are available under DIV’s profile on SEDAR at www.sedar.com.

In formulating the forward-looking information contained herein, management has assumed that DIV will generate sufficient cash flows from its royalties to service its debt and pay dividends to shareholders; and lenders will provide any necessary waivers required in order to allow DIV to continue to pay dividends. These assumptions, although considered reasonable by management at the time of preparation, may prove to be incorrect.

All of the forward-looking information 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 will be realized or, even if substantially realized, that it will have the expected consequences to, or effects on, DIV. The forward-looking information 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 a supplementary financial measure and does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. For further details, refer to the subsection entitled “Supplementary Financial Measures” under “Description of Non-IFRS Financial Measures, Non-IFRS Ratios and Supplementary Financial Measures” in DIV’s amended management’s discussion and analysis for the three months and year ended December 31, 2021, a copy of which is available on SEDAR at www.sedar.com.

Third Party Information

This news release includes information obtained from third party company filings and reports and other publicly available sources as well as financial statements and other reports provided to DIV by its royalty partners. Although DIV believes these sources to be generally reliable, such information cannot be verified with complete certainty. Accordingly, the accuracy and completeness of this information is not guaranteed. DIV has not independently verified any of the information from third party sources referred to in this news release nor ascertained the underlying assumptions relied upon by such sources.

THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR THE ACCURACY OF THIS RELEASE.



Additional Information

The information in this news release should be read in conjunction with DIV's consolidated financial statements and amended management's discussion and analysis for the three and year ended December 31, 2021, which are available on SEDAR at www.sedar.com.

Additional information relating to the Corporation and other public filings, is available on SEDAR at www.sedar.com.

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