



Diversified Royalty Corp. Announces Completion of BMO Acquisition of Air MILES Reward Program Business and June 2023 Cash Dividend

Vancouver, BC, June 5, 2023 – Diversified Royalty Corp. (TSX: DIV and DIV.DB.A) (the “Corporation” or “DIV”) is pleased to announce that on June 1, 2023 the Bank of Montreal (“BMO”) issued a news release (the “BMO News Release”) confirming BMO completed its previously announced acquisition of the AIR MILES Reward Program business from LoyaltyOne, Co. (the “AIR MILES Acquisition”). In addition, DIV is also pleased to announce that its board of directors has approved a cash dividend of \$0.02 per common share for the period of June 1, 2023 to June 30, 2023, which is equal to \$0.24 per common share on an annualized basis. The dividend will be paid on June 30, 2023 to shareholders of record as of the close of business on June 15, 2023.

BMO Completes Acquisition of Air Miles Reward Program Business

According to the BMO News Release, BMO completed the AIR MILES Acquisition on June 1, 2023. The BMO News Release described the AIR MILES Acquisition as a made-in-Canada opportunity to reinvigorate one of Canada’s most celebrated loyalty programs for all Canadians collecting AIR MILES Reward Miles, as well as partners across the country. The BMO News Release also noted that, in the coming months, AIR MILES plans to introduce a wide range of new program enhancements including:

- An improved travel booking platform featuring richer offers, more ways to book travel, and new ways for collectors to earn Miles.
- A new and innovative way for collectors to earn Bonus Miles in connection with eligible purchases through receipt scanning, rolling out first for collectors in Atlantic Canada with other regions to follow.
- New opportunities to earn and redeem Miles with top Canadian brands in categories including fashion, travel, grocery, meal delivery, home goods and technology.
- Leveraging AIR MILES’ industry-leading insights and technology to bring more value to the collector and partner experience.

DIV’s wholly-owned subsidiary AM Royalties Limited Partnership (“AM LP”) owns the Canadian AIR MILES trademarks and certain related Canadian intellectual property rights (collectively, the “AIR MILES Rights”). Prior to the AIR MILES Acquisition, AM LP licenced the AIR MILES Rights to LoyaltyOne, Co. for use in the AIR Miles Reward Program business in Canada in accordance with the terms of two license agreements (collectively, the “AIR MILES Licences”). In connection with the AIR MILES Acquisition, the AIR MILES Licences were assigned to, and assumed by, an affiliate of BMO, and remain in full force and effect. BMO has confirmed to DIV that the remaining uncollected Q1 2023 royalty income of approximately \$0.8 million will be paid to AM LP in the near term.

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, Oxford Learning Centres and Stratus Building Solutions 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. Sutton is among the leading residential real estate brokerage franchisor businesses in Canada. Mr. Mikes 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. Stratus Building Solutions is a leading commercial



cleaning service franchise company providing comprehensive environmentally friendly janitorial, building cleaning, and office cleaning services primarily in the United States.

DIV's objective is to increase cash flow per share by making accretive royalty purchases and through the growth of purchased royalties. DIV intends to continue to pay a predictable and stable monthly dividend to shareholders and increase the dividend over time, in each case as cash flow per share allows.

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: BMO's plans for the integration of the AIR MILES Reward Program business into BMO's business; BMO's plans for future actions with respect to the AIR MILES Reward Program business; BMO confirming to DIV that the remaining uncollected Q1 2023 royalty income of approximately \$0.8 million will be paid to AM LP in the near term; the amount and timing of the June 2023 dividend to be paid to DIV's shareholders; DIV's objective to continue to pay predictable and stable 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 there can be no assurance that: the anticipated benefits from the AIR MILES Acquisition will be realized in the time frame anticipated or at all; the AIR MILES Reward Program business will perform as expected or in a manner consistent with historical performance; BMO will be able to promptly and effectively integrate and reinvigorate the AIR MILES Reward Program business; BMO will pay the remaining uncollected Q1 2023 royalty income to AM LP in the near term or at all; 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 9, 2023 and in its most recent Management's Discussion and Analysis, copies of each 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, among other things, DIV will generate sufficient cash flows from its royalties to service its debt and pay dividends to shareholders; lenders will provide any necessary waivers required in order to allow DIV to continue to pay dividends; lenders will provide any necessary covenant waivers to DIV and its royalty partners; BMO will be successful in promptly and effectively integrating and reinvigorating the AIR MILES Reward Program business; BMO will pay AML LP the remaining uncollected Q1 2023 royalty income in the near term; 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 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.

Third Party Information

This news release includes information obtained from third party company filings and reports and other publicly available sources. 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. Accordingly, the accuracy and completeness of this information is not guaranteed.

Additional Information

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

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