



Diversified Royalty Corp. Announces Filing of Preliminary Short Form Base Shelf Prospectus

Vancouver, BC, June 12, 2023 – Diversified Royalty Corp. (TSX: DIV and DIV.DB.A) (the “Corporation” or “DIV”) announced today that it has filed, and received receipt for, a preliminary short form base shelf prospectus (the “Prospectus”). The Prospectus was filed with the securities regulatory authorities in each of the Provinces and Territories of Canada. DIV’s prior short form base shelf prospectus dated May 11, 2021, expired on June 11, 2023. Accordingly, the Prospectus was filed to continue to provide DIV with financial flexibility and efficient access to Canadian capital markets to pursue strategic initiatives, which may include acquisitions of additional royalties. A copy of the Prospectus is available under DIV’s profile on SEDAR at www.sedar.com.

Once a receipt for the final Prospectus is received from the applicable securities regulators, the final Prospectus will be valid for a 25-month period during which time DIV may, from time to time, issue common shares, warrants, subscription receipts, debt securities, convertible securities or rights or any combination thereof, including in the form of units (collectively, the “Securities”), having an aggregate offering price up to Cdn\$250 million. The specific terms of any offering of Securities will be described in one or more shelf prospectus supplements which will be filed at the time of the offering of such Securities.

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: the Prospectus being filed to provide DIV with financial flexibility and efficient access to Canadian capital markets to pursue strategic initiatives, which may include acquisitions of



additional royalties; the specific terms of any offering of Securities will be described in one or more shelf prospectus supplements which will be filed at the time of the offering of such Securities; 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 there can be no assurance that: DIV will receive regulatory approval for the final Prospectus; DIV will complete any offerings of securities under the Prospectus; DIV will complete any future royalty acquisitions; 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 DIV will receive all necessary regulatory approvals for the final Prospectus; DIV will complete one or more offerings under the final Prospectus and one or more prospectus supplements and DIV will successfully deploy the proceeds therefrom; DIV will complete additional royalty acquisitions; 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; 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.

Additional Information

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

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