



Diversified Royalty Corp. Announces Developments at Sutton Group Realty and Oxford Learning Centres

Vancouver, BC, December 11, 2023 – Diversified Royalty Corp. (TSX: DIV and DIV.DB.A) (the “Corporation” or “DIV”) is pleased to announce developments at two of its royalty partners, Sutton Group Realty Services Ltd. (“Sutton”) and Oxford Learning Centres, Inc. (“Oxford Learning Centres”).

Sutton

On December 11, 2023, Ross McCredie (“McCredie”), through a newly formed holding company (“AcquisitionCo”), completed the acquisition of all the shares of Sutton. Following the acquisition, McCredie became the President and Chief Executive Officer of Sutton.

McCredie is an experienced residential real estate entrepreneur and executive in Canada and in the United States with a successful 20-year track record of founding and operating real estate firms:

- McCredie is the principal of McCredie Investments, a boutique investment and advisory firm focused on cutting edge real estate technology.
- In 2020, McCredie founded RealWealth, an early-stage wealth management platform for real estate and tangible assets.
- In 2016, Ross was the Chief Global Strategist of Pacific Union and the Chief Executive Officer of its subsidiary, The Mark Company.
- In 2011, Ross co-founded Dundee 360, a global real estate investment company specializing in development, sales/marketing and asset management.
- In 2004, McCredie founded Sotheby’s International Realty Canada, grew it to 30 markets across Canada with over 900 realtors generating over \$25 billion in real estate sales in its first ten years.

McCredie’s acquisition of Sutton is expected to enhance the competitive position of Sutton in the Canadian real estate brokerage industry. McCredie expects to increase the support services and provide opportunities for Sutton franchisees to generate incremental revenue and expand the number of Sutton agents across Canada.

Sutton is a residential real estate firm in the business of franchising and licensing Sutton franchises in Canada. DIV’s subsidiary, SGRS Royalties Limited Partnership (“SGRS LP”), owns the Sutton trademarks and certain related intellectual property rights (collectively, the “Sutton Rights”). SGRS LP acquired the Sutton Rights from Sutton in June 2015. Sutton licenses the Sutton Rights from SGRS LP for use in the Sutton business in accordance with the terms of the license and royalty agreement between Sutton and SGRS LP.

Sean Morrison, President and Chief Executive Officer of DIV, stated, “I have known Ross for over 20 years. He brings an entrepreneurial spirit as well as extensive residential real estate services experience to Sutton. We look forward to working with Ross and Sutton’s management team to continue to grow the franchise across Canada.”

Ross McCredie, President and Chief Executive Officer of Sutton, stated, “I’m excited to complete the acquisition of Sutton. Sutton is an iconic brand in the Canadian real estate industry. I look forward to revitalizing the brand, providing value to its existing franchisees and building Sutton into a market leader in Canada. We look forward working with DIV for years to come.”

Oxford Learning Centres

On December 4, 2023, Oxford Learning Centres announced the hiring of Joshua Cadoch (“Cadoch”) as its new President.



Cadoch is a dynamic business executive with over thirteen years of experience in the education and franchising sectors. Cadoch began his career as a tutor and course instructor. After operating a successful tutoring business for four years, he decided to venture into the world of franchising. In 2014, he joined Kumon North America Inc. ("Kumon"), a large multinational education franchise, where he took on key roles in both franchise operations and marketing. In his most recent position, he held the role of Assistant Vice President of Canadian Field Operations and served as a member of the North American Executive Team.

Sean Morrison, President and Chief Executive Officer of DIV, stated, "The hiring of Joshua as President of Oxford Learning Centres will bolster its management team and help the business expand across Canada and into select markets in the US."

Nick Whitehead, founder of Oxford Learning Centres, stated, "We are excited to have Joshua join Oxford Learning Centres as a key executive. His experience in the learning and franchise industry will help drive the growth of Oxford Learning Centres for years to come."

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 + Tires, AIR MILES®, Sutton, Mr. Mikes, Nurse Next Door, Oxford Learning Centres, Stratus Building Solutions and BarBurrito trademarks. Mr. Lube + Tires 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 a 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 franchisee 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. BarBurrito is the largest quick service Mexican restaurant food chain in Canada.

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 "intend" 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: DIV's expectation that the recent change of ownership to Sutton will enhance the competitive position of Sutton in the Canadian real estate brokerage industry; Sutton's expectation to increase the support services and provide opportunities for Sutton franchisees to generate incremental revenue and expand the number of Sutton agents across Canada; DIV's plans to work with McCredie and Sutton's management team to continue to grow the franchise across Canada; Sutton's plans to revitalize the brand, provide value to its existing franchisees and build Sutton into a market leader in Canada; DIV's expectation that the hiring of Cadoch as President of Oxford Learning Centres will bolster its management team and help the business expand across Canada and into select markets in the US; Oxford Learning Centres' expectation that Cadoch's experience in the learning and development industry will help drive the growth of Oxford Learning Centres for years to come; DIV's objective to continue to pay predictable and stably monthly dividends to shareholders and increase the dividend over time; 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: competition in the real estate brokerage industry; the expected benefits of the acquisition being realized; DIV's royalty partners may be unsuccessful in implementing their corporate objectives; 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 9, 2023 and in DIV's management's discussion and analysis for the three and nine months ended September 30, 2023, copies of which are available under DIV's profile on SEDAR+ at www.sedarplus.ca.

In formulating the forward-looking information contained herein, management has assumed that the expected benefits of the acquisition will be realized; 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 other necessary covenant waivers to DIV and its royalty partners; the performance of DIV's royalty partners will be consistent with DIV's and its royalty partners' respective expectations; recent positive trends for certain of DIV's royalty partners (including their respective franchisees) will continue and not regress; AIR MILES will be successful in attracting more new loyalty partners going forward; government mandated COVID-19 restrictions will not be re-imposed; the businesses of DIV's respective royalty partners will not suffer any material adverse effect; 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 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.

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.sedarplus.com.

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