

## **New stock arbitrage--- Diversified Royalty Corp**

Diversified Royalty Corp is a multi-royalty company. It is engaged in the business of acquiring royalties from multi-location businesses and franchisors in North America. As a part of investment strategy, the firm always purchases trademarks of the companies it is going to acquire. It gives its partners benefit of full operational control of their business, participation in the growth of their company and tax deductibility on royal payments. All of the company's operating revenues are earned from the receipt of royalties and management fees from its Royalty Partners.

Diversified Royalty Corporation announced today that it has entered into an agreement with a syndicate of investment dealers led by Cormark Securities Inc. pursuant to which the Underwriters have agreed to purchase 9,400,000 Common Shares from the treasury of the Corporation, at a price of \$3.20 per Common Share for total gross proceeds of approximately \$30 million. The net proceeds of the Offering will be used for repayment of outstanding amounts under DIV's acquisition line following the completion of DIV's royalty transaction with Oxford Learning Centres, Inc., working capital and general corporate purposes, which may include the acquisition of additional royalties from DIV's existing royalty partners.

Closing of the Offering is expected to occur on or about March 5, 2020

<b>Stock Name</b>	Diversified Royalty Corp
<b>Stock Symbol</b>	DIV
<b>Exchange</b>	TSX, Toronto Stock Exchange
<b>Issuer</b>	Diversified Royalty Corporation
<b>Shares</b>	9,400,000 Common Shares
<b>Issue Price</b>	\$3.20 per Common Share
<b>Offering</b>	\$30,080,000
<b>Closing Date</b>	On or about March 5, 2020
<b>Underwriters</b>	Cormark Securities Inc.