

NOT FOR DISTRIBUTION IN THE UNITED STATES. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF UNITED STATES SECURITIES LAW.

[Alaris Royalty Corp.](#) ("Alaris" or the "Corporation") (TSX:AD) is pleased to announce that in connection with its previously announced bought-deal financing, Alaris and a syndicate of underwriters with Acumen Capital Finance Partners Limited and RBC Capital Markets Inc. acting as joint book runners, and including Cormark Securities Inc., National Bank Financial Inc., Raymond James Ltd and Canaccord Genuity Corp. have agreed to increase the size of the previously announced financing. Alaris will now issue 3,279,700 common shares ("Common Shares") at a price of \$30.50 per Common Share for gross proceeds of \$100,030,850 million (the "Offering"). The Underwriters have been granted an option to purchase up to an additional 15% of the Common Shares issued under this Offering at a price of \$30.50 per Common Share to cover over-allotments exercisable in whole or in part at any time until 30 days after the closing for further gross proceeds of \$15,004,628, which would increase the Offering to \$115,035,478 if fully exercised.

The Corporation will use net proceeds of the Offering to reduce debt outstanding on its senior credit facility (the "Facility"). The Facility was recently utilized to contribute US\$70,000,000 (CAD\$87,150,000) to DNT Construction, LLC as well as today's US\$47,000,000 (CAD\$58,378,700) contribution (the "FR Contribution") to Federal Resources Supply Company. The Corporation is estimating to have a balance of approximately \$42,500,000 drawn on the Facility after closing of the Offering. Total Common Shares outstanding following the Offering will be 35,455,621.

The Common Shares will be offered in each of the provinces of Canada, other than the province of Québec, by way of a short form prospectus. The Offering is expected to close on or about July 16, 2015 (the "Closing Date"). Completion of the Offering is subject to certain conditions, including, without limitation, the receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange.

About Alaris

The Corporation provides alternative financing to a diversified group of private businesses ("Private Company Partners") in exchange for royalties or distributions from the Private Company Partners, with the principal objective of generating stable and predictable cash flows for dividend payments to its shareholders. Royalties or distributions to Alaris from the Private Company Partners are structured as a percentage of a "top line" financial performance measure such as gross margin, same clinic sales, gross revenues and same-store sales and rank in priority to the owners' common equity position.

Forward-Looking Statements

This news release contains forward-looking statements as defined under applicable securities laws. Statements other than statements of historical fact contained in this news release may be forward-looking statements under applicable securities legislation, including, without limitation, management's expectations, intentions and beliefs concerning: the use of proceeds of the Offering and the Closing Date and the indebtedness under the Facility following the Offering; and the jurisdictions and method of Offering. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.

By their nature, forward-looking statements require Alaris to make assumptions and are subject to inherent risks and uncertainties. Assumptions about the performance of the Canadian and U.S. economies in 2015 and how that will affect Alaris' business and that of its Private Company Partners are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that the Canadian and U.S. economies will grow moderately over the next 12 months, that interest rates will not rise in a material way over the next 12 to 24 months, that the Private Company Partners will continue to make distributions to Alaris as and when required, that the businesses of the Private Company Partners will continue to grow, what the Corporation expects to experience regarding resets to its annual royalties and distributions from its Private Company Partners in 2015, and that Alaris will have the ability to raise required equity and/or debt financing on acceptable terms. Management of Alaris has also assumed that capital markets will remain stable and that the Canadian dollar will remain in a range of approximately plus or minus 10% of par relative to the U.S. dollar. In determining expectations for economic growth, management of Alaris primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies.

There can be no assurance that the assumptions, plans, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. The actual results of the Corporation and the Private Company Partners could materially differ from those anticipated in the forward looking statements contained herein as a result of certain risk factors, including, but not limited to, the following: the dependence of Alaris on the Private Company Partners; reliance on key personnel; general economic conditions; failure to complete or realize the anticipated benefit of Alaris' financing arrangements with the Private Company Partners; government regulations; a failure to obtain required regulatory approvals on a timely basis or at all; changes in legislation and regulations and the interpretations thereof; a material adjustment to the unaudited financial information of a Private Company Partner provided to Alaris; and risks relating to the Private Company

Partners and their businesses, including, without limitation, a material change in the operations of a Private Company Partner or the industries they operate in and a change in the ability of the Private Company Partners to continue to pay Alaris' preferred distributions. Additional risks that may cause actual results to vary from those indicated are discussed under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2014, which is filed under the Corporation's profile at www.sedar.com.

Accordingly, readers are cautioned not to place undue reliance on any forward-looking information contained in this news release as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this news release. Although management believes that the assumptions reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations will prove to be correct.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date of this news release and Alaris does not undertake or assume any obligation to update or revise such statements to reflect new events or circumstances except as expressly required by applicable securities legislation.

This press release does not constitute an offer of Common Shares for sale in the United States. The Common Shares have not been registered under the United States Securities Act of 1933, (the "1933 Act") as amended, and may not be offered or sold within the United States absent registration or an exemption from registration under the 1933 Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

Contact

[Alaris Royalty Corp.](http://www.alarisroyalty.com)

Curtis Krawetz

Vice President, Investments and Investor Relations

(403) 221-7305

www.alarisroyalty.com