



LatticeBiologics

Natural & Regenerative Tissue Solutions

*An emerging leader in the field of
cellular therapies and tissue engineering.*

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Grenville Completes Follow-On Investment in Lattice Biologics

Grenville Strategic Royalty Corp. May 11, 2015 2:00 PM

TORONTO, ONTARIO - (Marketwired - May 11, 2015) GrenvilleStrategicRoyaltyCorp. (TSX VENTURE:GRC) ("Grenville") is pleased to announce that it has advanced an additional USD\$1,000,000 to Lattice Biologics Inc. ("Lattice Biologics"). This investment represents Grenville's first follow-on investment in Lattice Biologics and brings Grenville's total investment in Lattice Biologics to USD\$3,000,000. In exchange for this advance, Grenville will receive a royalty based on Lattice's gross revenue within Grenville's average royalty rate of between 1% and 4%.

Lattice Biologics is a leader in the innovative medical field of allograft healthcare services, producing allograft products for use in various clinical applications. Known industry wide for their allograft quality, operational efficiency and customer satisfaction, Lattice operates from its state-of-the-art facility in Phoenix, Arizona. Lattice Biologics' staff of highly trained tissue bank specialists, surgical technicians, certified sterile processing and distribution technicians and CNC operators maintain the highest standards of aseptic technique throughout each step of the manufacturing process, from donor acceptance to the final packaging and distribution of finished allografts.

"Our follow-on investment will allow Guy Cook, CEO of Lattice, and his team to continue to diversify their allograft offering and grow their revenues," noted William (Bill) R. Tharp, President and Chief Executive Officer of Grenville.

"This investment will also help us to increase our defensive-sector portfolio exposure as well as strengthen our partnership with a fast-growing company with a top tier management team."

"Lattice Biologics is a fast growing company in regenerative medicine, and we need supportive partners like Grenville to develop our next generation allografts," stated Guy Cook, President and CEO of Lattice Biologics. **"Part of the use of proceeds will be to begin clinical testing, which we believe will be available in early 2016. The royalty based capital we need today is well below equity alternatives."**

To date, Grenville has completed approximately \$34.23 million in royalty financings, building a diversified portfolio in Canada and the United States.

About Lattice Biologics

Lattice Biologics opened their doors in the spring of 2007 in Scottsdale, AZ as International Biologics, LLC. In the fall of 2013, International Biologics, LLC was purchased by Lattice Biologics, Inc. The company's facility include ISO Class 1000 and ISO Class 100 clean rooms, and specialized equipment capable of crafting traditional allografts and precision specialty allografts for various clinical applications. Lattice's staff of highly trained tissue bank specialists, surgical technicians, certified sterile processing and distribution technicians, and CNC operators maintains the highest standards of aseptic technique throughout each step of the manufacturing process.

From donor acceptance to the final packaging and distribution of finished allografts, Lattice Biologics is committed to maintaining the highest standards of allograft quality, innovation, and customer satisfaction.

About Grenville

Grenville is a Toronto-based company that was formed to provide royalty-based finance solutions by acquiring revenue streams generated by growing industrial and technology businesses. Grenville has identified a large and underserved finance market for companies generating up to \$50 million in revenue, many of which are well managed and generating improving cash flow, but face difficult financing hurdles from traditional debt and equity markets. The non-dilutive royalty financing structure offered by Grenville can bridge the financing needs of these companies until traditional debt or equity is available to them on more attractive commercial terms. The application of Grenville's royalty financing structure into sectors not traditionally serviced by royalty companies represents a new and innovative financing model - Capital Simplified - that has already attracted a considerable number of opportunities with attractive potential returns.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and statements are not representative of historical facts or information or current condition, but instead represent only Grenville's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Grenville's control. Generally, such forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may",

"could", "would", "might" or "will be taken, "will continue", "will occur" or "will be achieved". The forward-looking information contained herein may include, but is not limited to, information with respect to: prospective financial performance; expenses and operations; anticipated cash needs and need for additional financing; anticipated use of the net proceeds of the Offering; anticipated funding sources; future growth plans; royalty acquisition targets and proposed or completed royalty transactions; estimated operating costs; estimated market drivers and demand; business prospects and strategy; anticipated trends and challenges in Grenville's business and the markets in which it operates; the amount and timing of the payment of dividends by Grenville; and Grenville's financial position. By identifying such information and statements in this manner, Grenville is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Grenville to be materially different from those expressed or implied by such information and statements.

An investment in securities of Grenville is speculative and subject to a number of risks including, without limitation, risks relating to: the need for additional financing; the relative speculative and illiquid nature of an investment in Grenville; the volatility of Grenville's share price; Grenville's lack of operating history; Grenville's ability to generate sufficient revenues; Grenville's ability to manage future growth; the limited diversification in Grenville's existing investments; ability to negotiate additional royalty purchases from new investee companies; dependence on the operations, assets and financial health of investee companies; limited ability to exercise control or direction over investee companies; potential defaults by investee companies and the unsecured nature of Grenville's investments; Grenville's ability to enforce on any default by an investee company; competition with other investment entities; tax matters; Grenville's ability to pay dividends in the future and the timing and amount of those dividends; reliance on key personnel, particularly Grenville's founders; dilution of shareholders' interest through future financings; and general economic and political conditions.



Although Grenville has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this document, Grenville has made certain assumptions. Assumptions about the performance of the Canadian and U.S. economies over the next 24 months and how that will affect Grenville's business and its ability to identify and close new opportunities with new investees are material factors that Grenville considered when setting its strategic priorities and objectives, and its outlook for its business. Key assumptions include, but are not limited to: assumptions that the Canadian and U.S. economies will continue to grow moderately over the next 12 to 24 months; that interest rates will not increase dramatically over the next 12 to 24 months; that Grenville's existing investees will continue to make royalty payments to Grenville as and when required; that the businesses of Grenville's investees will not experience material negative results; that Grenville will continue to grow its portfolio in a manner similar to what has already been established; that tax rates and tax laws will not change significantly in Canada and the U.S.; that more small to medium private and public companies will continue to require access to alternative sources of capital that Grenville will have the ability to raise required equity and/or debt financing on acceptable terms; and that Grenville will have sufficient free cash flow to pay dividends. Grenville has also assumed that access to the capital markets will remain relatively stable, that the capital markets will perform with normal levels of volatility and that the Canadian dollar will not have a high amount of volatility relative to the U.S. dollar. In determining expectations for economic growth, Grenville primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies.

Although Grenville believes that the assumptions and factors used in preparing, and the expectations contained in, the forward looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance

or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements.

For additional information with respect to these risks, uncertainties and assumptions, please refer to the "Risk Factors" section of Grenville's annual information form dated February 11, 2015 and the other public filings of Grenville available on SEDAR at www.sedar.com. The forward-looking information and statements contained in this press release is made as of the date hereof, and Grenville does not undertake to update any forward-looking information and/or statement that is contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward looking information and statements attributable to Grenville or persons acting on its behalf is expressly qualified in its entirety by this notice.

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

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