



**BMO Capital Markets 2009  
Global Metals & Mining Conference**  
*February 2009*



*The Leading Precious Metals Royalty Company*

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## Cautionary Statement Under the Private Securities Litigation

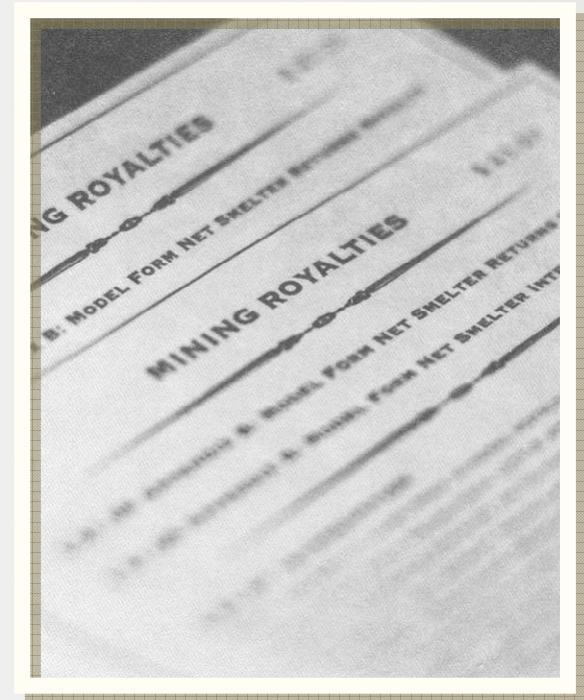
This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to, statements regarding the Company's business model; higher margins; strong financial performance; growth plan execution; asset growth; royalty acquisition criteria; capitalization; strong track record of growth; expanded portfolio of producing properties; robust pipeline of development properties; positioning for future growth; pro forma revenue in calendar years 2008 and 2009; pro forma reserves and additional mineralized material; reserve and production estimates made by the operators or owners of the royalty properties; estimated production start-up; and statements about a strong outlook for gold. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: exercise of third party buy down right on royalty in the Barrick royalty portfolio, changes in gold and other metals prices; decisions and activities of the operators of the Company's royalty properties; unanticipated grade, geological, metallurgical, processing or other problems at the properties; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; economic and market conditions; the ability of operators to bring non-producing and not yet in development projects into production and operate in accordance with feasibility studies; future financial needs; the impact of future acquisitions and royalty financing transactions; changes in the Mining Law of 1872; risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes; environmental laws and enforcement; and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

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## Agenda

- 💡 Royal Gold Overview
- 💡 Key Asset Review
- 💡 Growth Strategy
- 💡 Attractive Environment for Royal Gold







# Overview



## Company Profile

### 💡 Market Information (as of 2/19/09)

- 💡 NASDAQ: RGLD; TSX: RGL
- 💡 Market cap: \$1.5B
- 💡 Average Volume (TTM): 626,000

### 💡 Shares Outstanding

- 💡 Common: 34.0M
- 💡 Inside ownership: 11%

### 💡 Financial (as of 12/31/08):

- 💡 Cash: \$55M
- 💡 Net debt: \$0
- 💡 Available credit line: \$125M
- 💡 Annual dividend: \$0.32 per share
- 💡 Dividend payout ratio<sup>1</sup>: 22%

<sup>1</sup> Calculated as dividends paid divided by cash flow from operations as of the six months ended 12/31/08.



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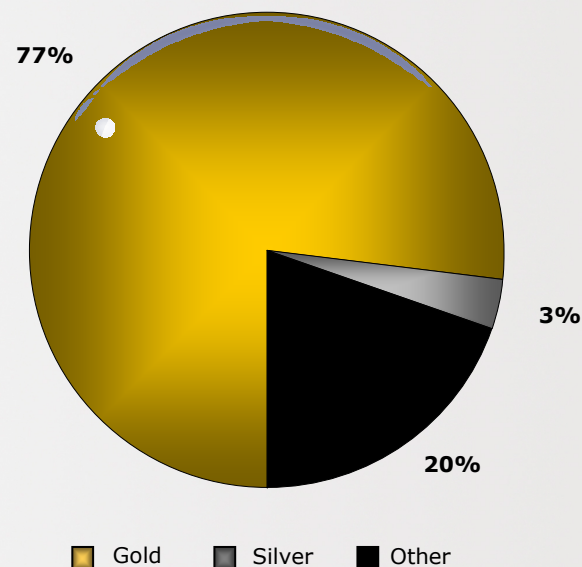
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**Revenue Distribution by Metal Type**  
(Calendar Year Ended 12/31/08)



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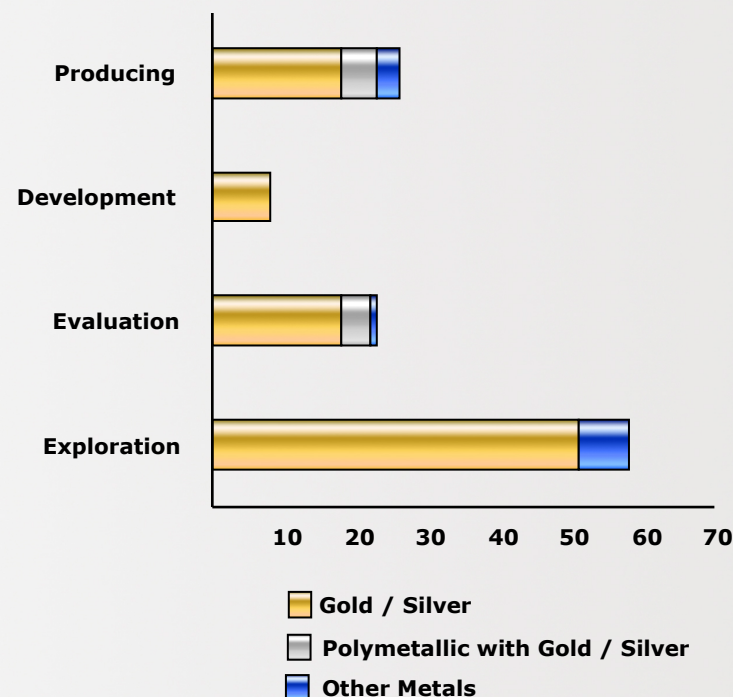
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Royalty Asset Distribution



<sup>1</sup> Calculated as dividends paid divided by cash flow from operations as of the six months ended 12/31/08.



## Effective Business Model

- 💡 Simple
  - 💡 No management demands
  - 💡 No operating exposure
  - 💡 No capex challenges
- 💡 Efficient
  - 💡 Passive investor
  - 💡 No continuing investment
  - 💡 High margins/low overhead
- 💡 Option value
  - 💡 Unhedged
  - 💡 Reserve additions at no cost
  - 💡 Sliding-scale structure
  - 💡 Exploration portfolio





# Effective Business Model

## 💡 Simple

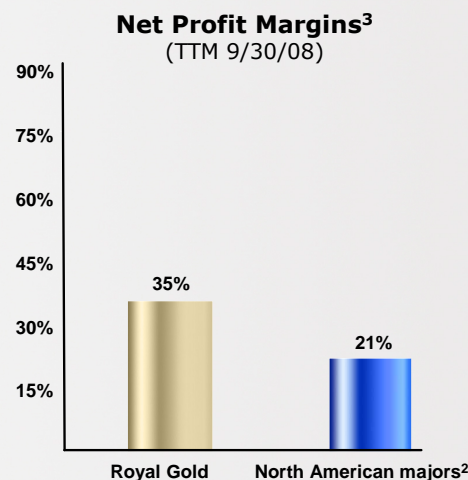
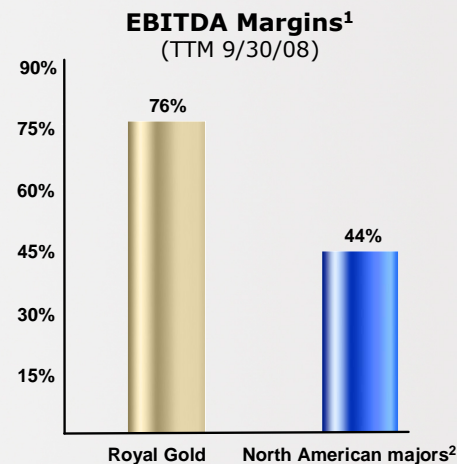
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## 💡 Efficient

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## 💡 Option value

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<sup>1</sup> EBITDA margin = EBITDA divided by revenue

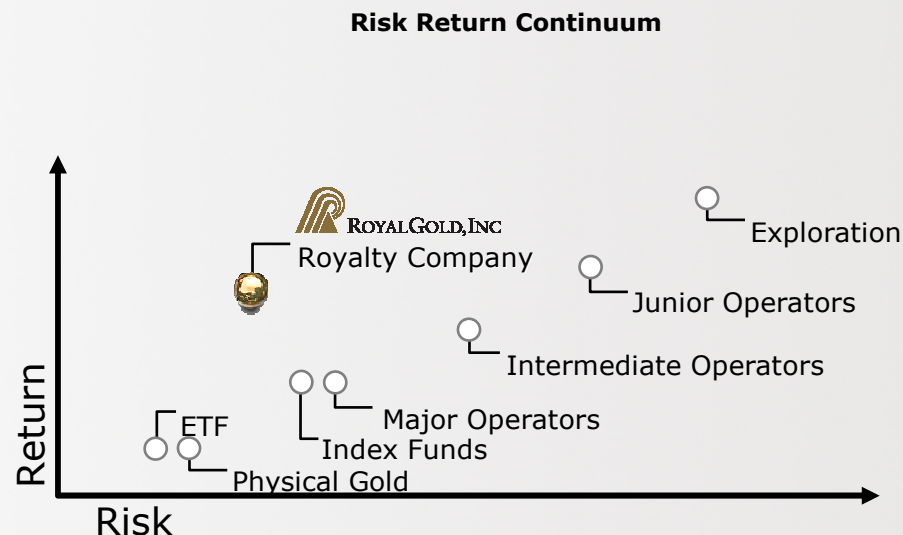
<sup>2</sup> Barrick, Newmont, Goldcorp

<sup>3</sup> Net profit margin = net earnings from continuing operations divided by revenue



## Effective Business Model

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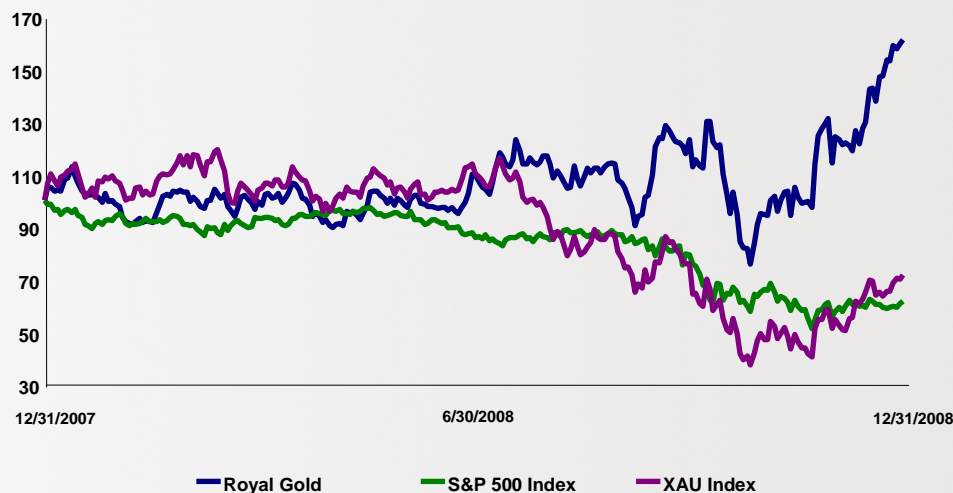
Note: This chart represents the views of Royal Gold.



## Effective Business Model

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Royal Gold vs. Indices  
CY2008 Price Performance

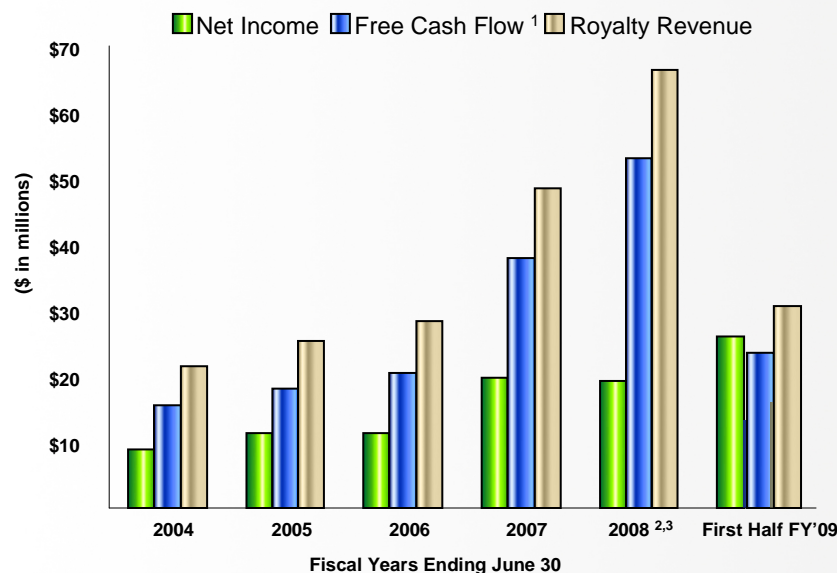




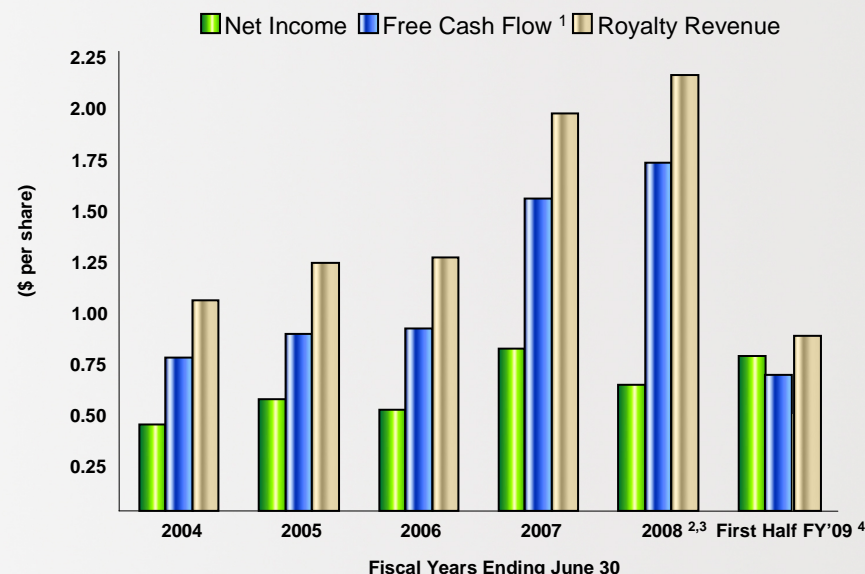


# Strong Financial Performance

**Gross Financial Results**



**Per Share Financial Results**



<sup>1</sup> Free cash flow is a non-GAAP measure and is explained in the Company's SEC filings.

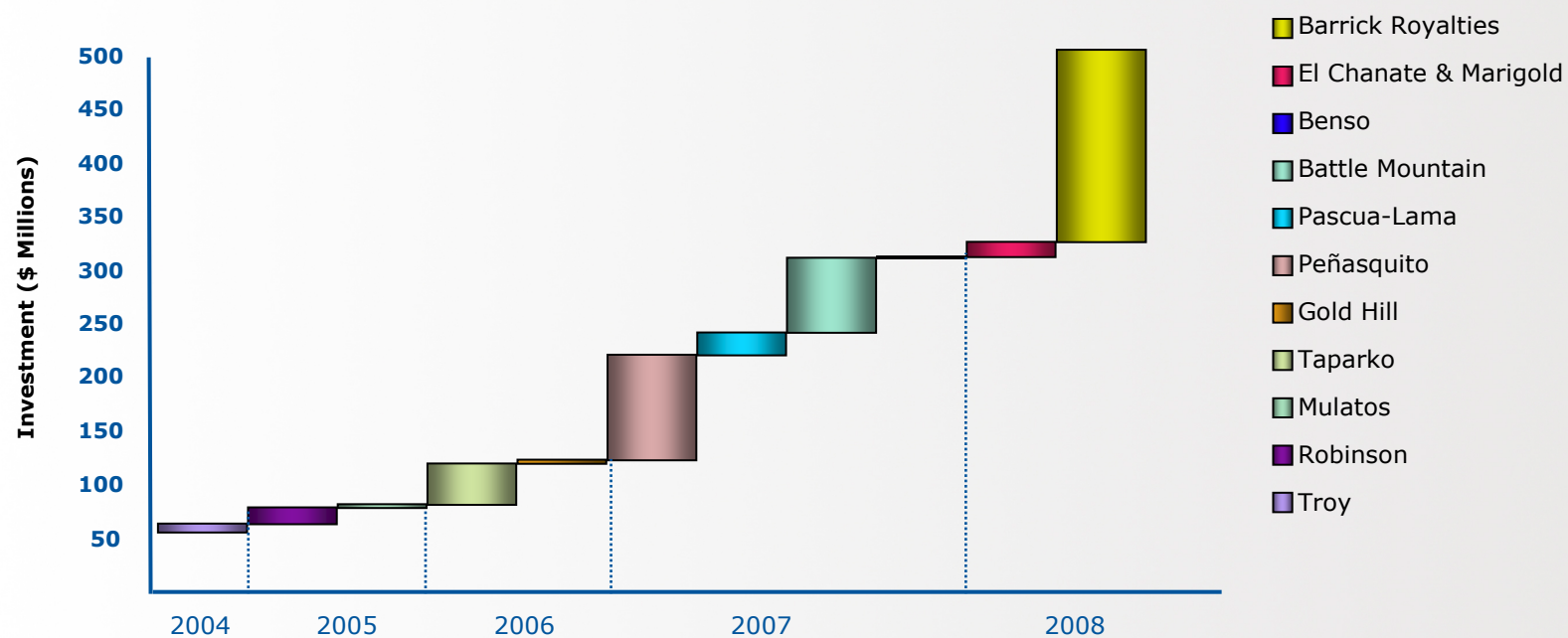
<sup>2</sup> In fiscal 2008, total net income was \$24.0 million. Basic income per share was reduced by payment of preferred dividends and a non-cash preferred share conversion adjustment of \$4.8M or \$0.15 per basic share.

<sup>3</sup> Financial results have been restated for fiscal 2008.

<sup>4</sup> Net income for fiscal 2009 includes a one-time gain of \$31.5 million, or \$0.60 per basic share after taxes, and a decrease in revenue of \$3.3 million, or \$0.06 per basic share after taxes, due to provisional pricing adjustments.



# Execution of Growth Plan

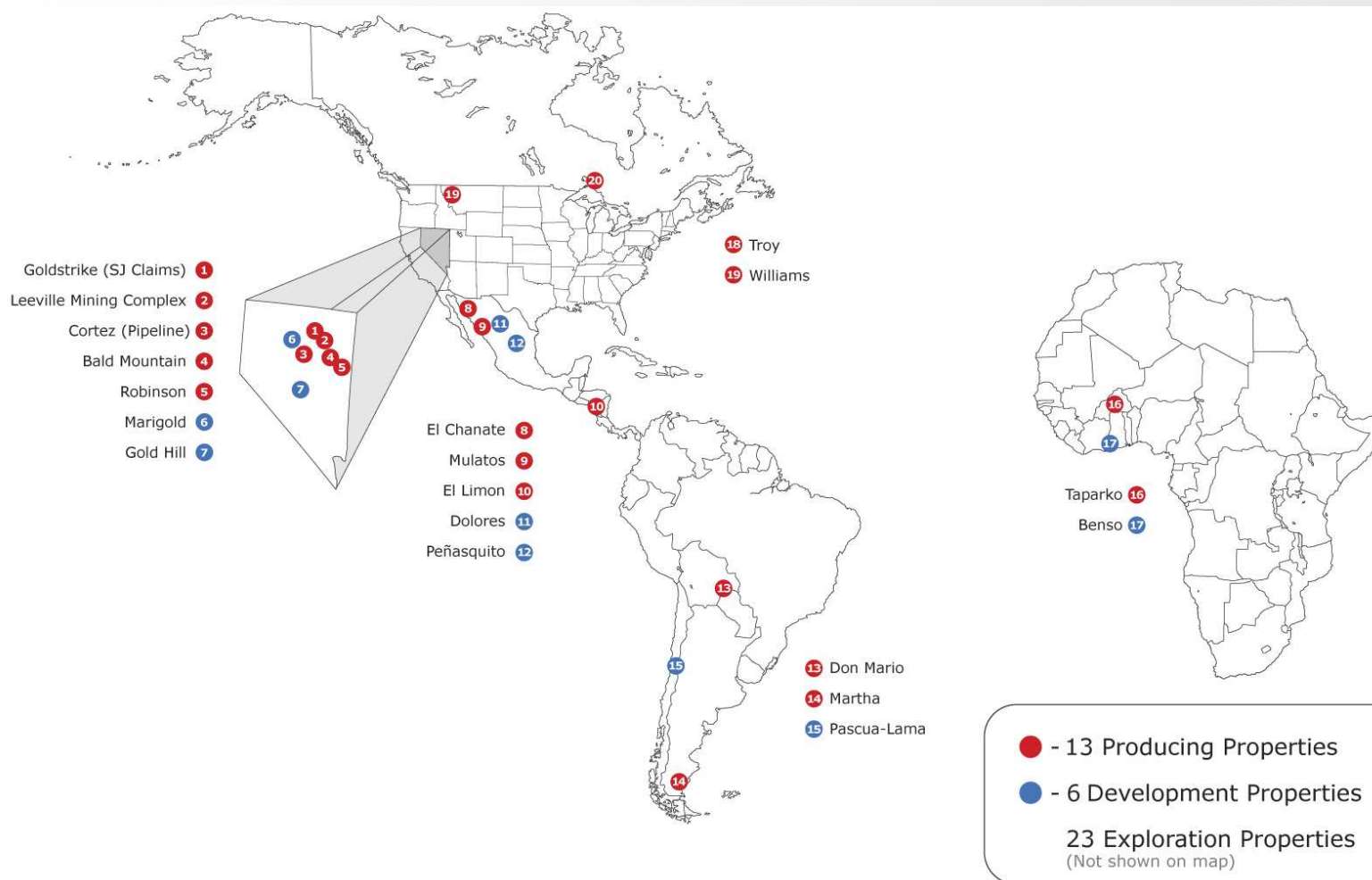


 Total Investment of \$453M



# Consistent Asset Growth

(February 2008)

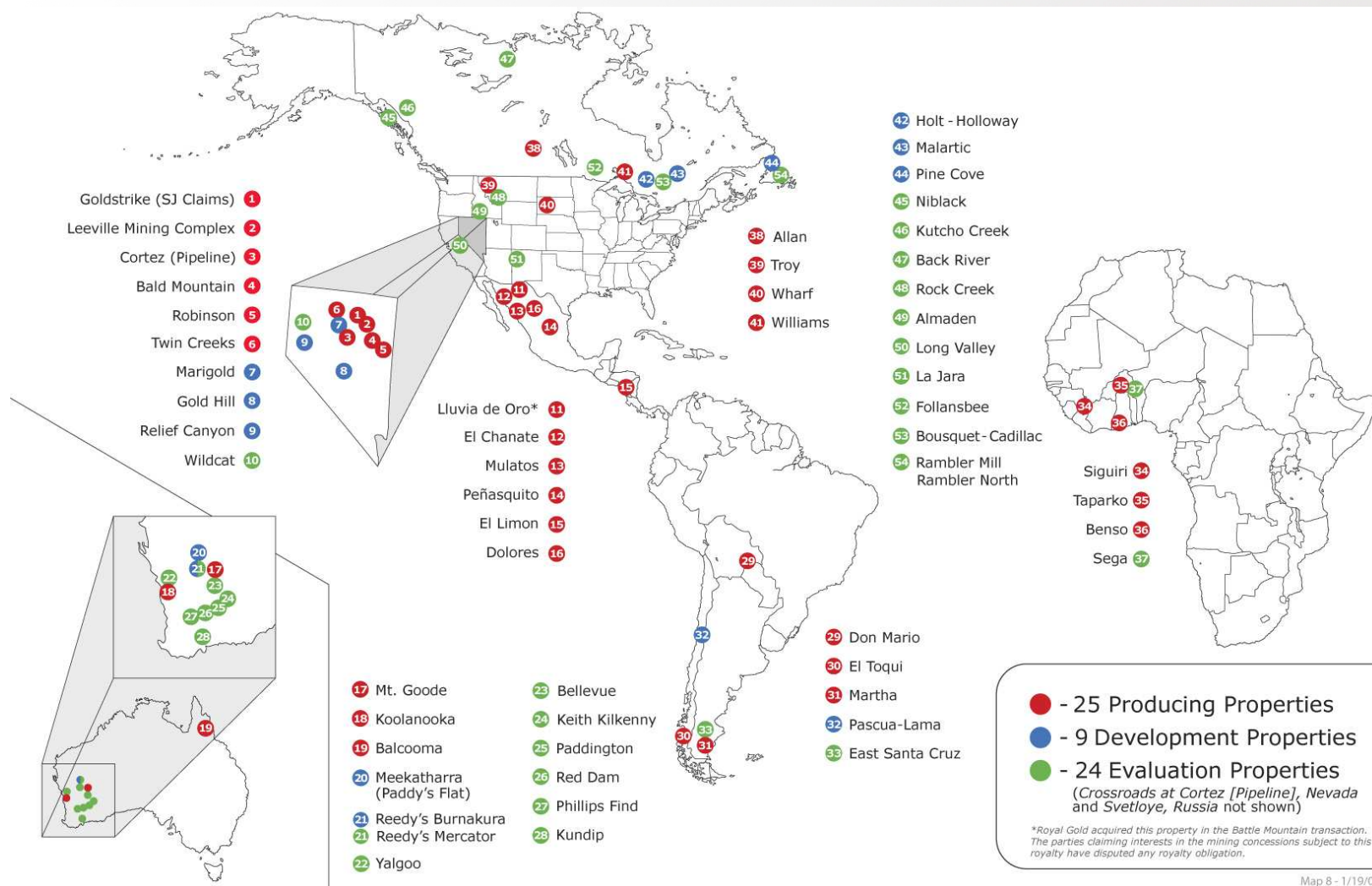






# Consistent Asset Growth

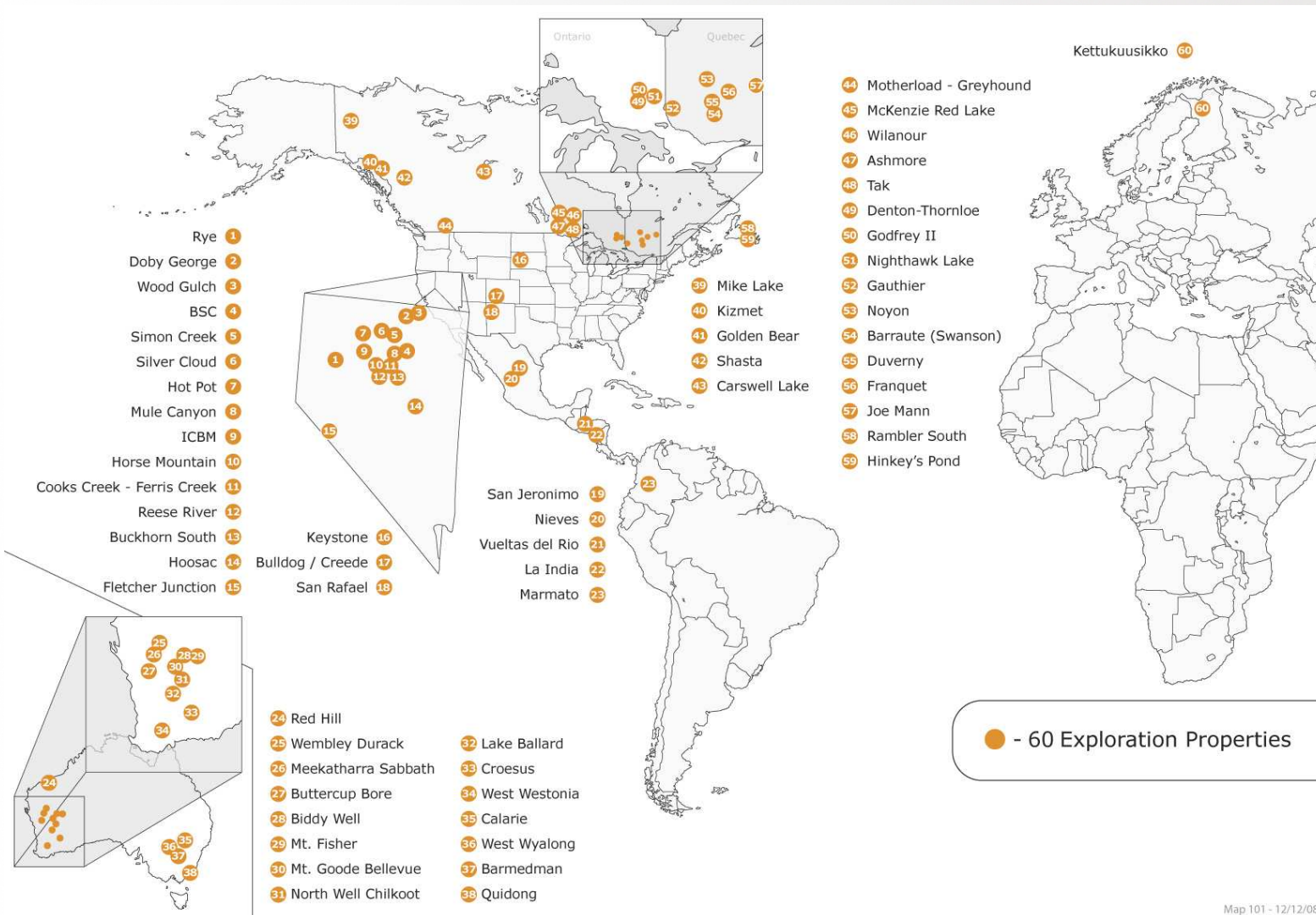
(February 2009)





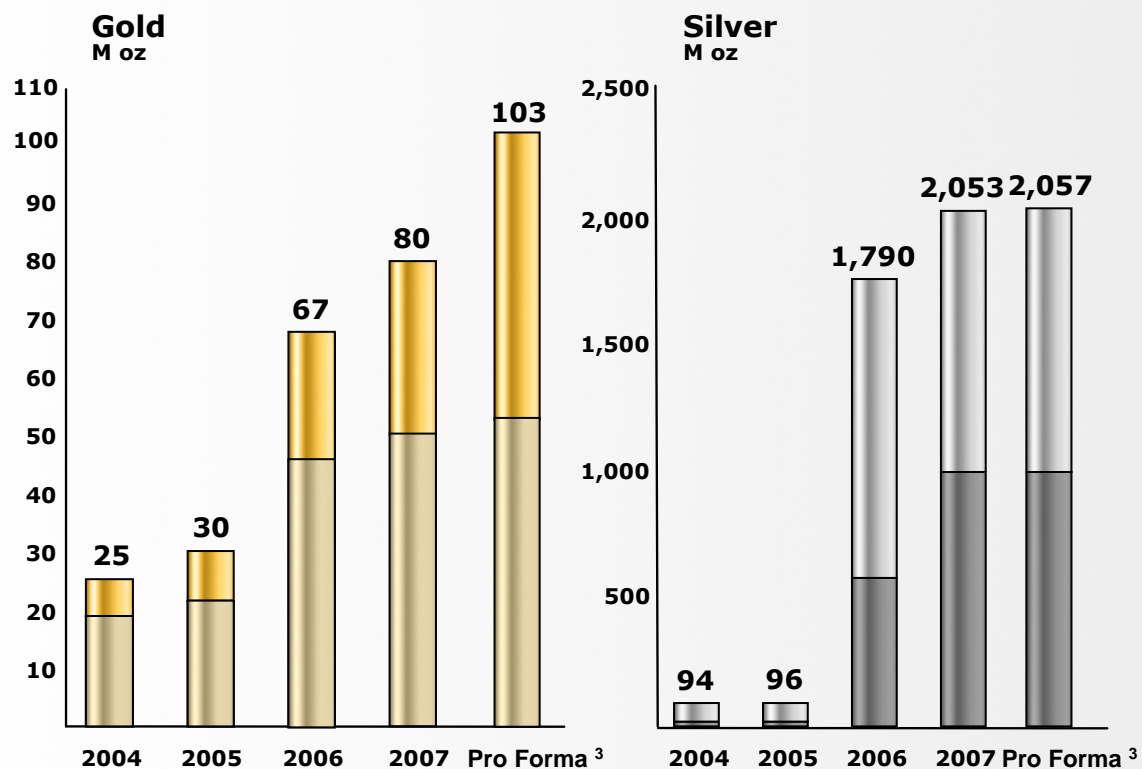
# Exploration Assets

(February 2009)



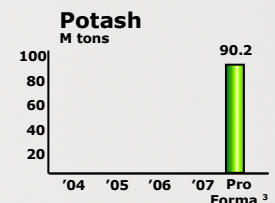
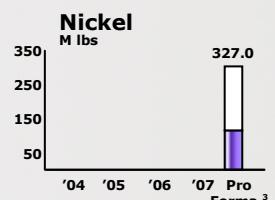
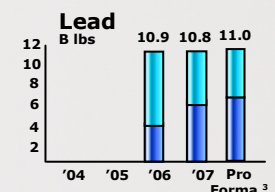
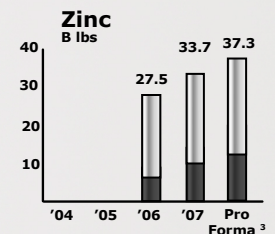
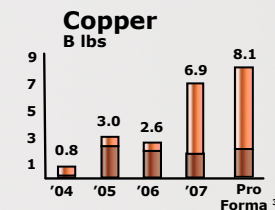


# Reserve and Resource Growth <sup>1,2</sup>


**Legend:**

Reserves: Dark solid colors

Additional mineralized material: Light solid colors



- <sup>1</sup> Royal Gold royalty portfolio reserves and resources subject to our royalty interests as reported by the various operators as of December 31 for calendar years 2004-2007.
- <sup>2</sup> "Resource" is not a term recognized by the SEC. For purposes of this presentation, Royal Gold assumes "additional mineralized material" is the same as "resources" and uses these terms interchangeably.
- <sup>3</sup> Reserves and resources on some properties are derived from recent publicly-available information from the operators of the various properties or from various recent National Instrument 43-101 reports. Royal Gold has not been supplied with information directly from the operators of these properties. Reserves and additional mineralized material shown in this chart may include reserves and additional mineralized material that is not subject to the royalty interests and/or may be subject to contractual limitations such as production caps, monetary caps, and the extent of claim, concession or tenement boundaries.





# Key Asset Review



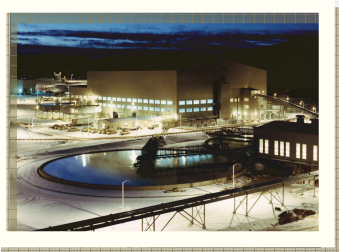
# Core Producing Properties

## Cortez (Pipeline Mining Complex)



Barrick

## Robinson



Quadra

## Taparko



High River

## Leeville Mining Complex



Newmont

**CY 2008 Production**

288,000 oz (Au)

128,000 oz (Au)  
147M lbs (Cu)

35,000 oz (Au)

458,000 oz (Au)

**CY 2008 Revenue**

\$18.4M

\$13.4M

\$7.3M

\$7.1M

**Reserves**

1.9M oz (Au)

0.8M oz (Au)  
1.6B lbs (Cu)

0.8M oz (Au) <sup>1</sup>

2.2M oz (Au)

<sup>1</sup> Upon receiving \$35 million from the TB-GSR1 royalty, both the TB-GSR1 and TB-GSR2 royalties cease and the TB-GSR3 royalty becomes effective. Based on the operator's gold price assumption of \$800 per ounce, the TB-GSR1 and the TB-GSR2 reserves are estimated to consist of 303,000 ounces of gold. The TB-GSR3 reserves are estimated at 497,000 ounces and represent the remaining reserves.



# Core Producing Properties

## Mulatos



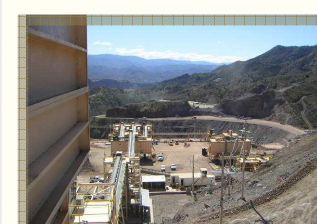
## Goldstrike (SJ Claims)



## Siguiri



## Dolores



Alamos Gold

Barrick

AngloGold Ashanti

Minefinders

### CY 2008 Production

148,000 oz (Au)

801,000 oz (Au)

333,000 oz (Au)

2,000 oz (Au)  
42,800 oz (Ag)

### CY 2008 Revenue

\$6.5M <sup>1</sup>

\$6.1M

\$5.8M <sup>2,3</sup>

0.02M <sup>4</sup>

### Reserves

1.7M oz (Au)

7.0M oz (Au)

2.6M oz (Au) <sup>5</sup>

2.4M oz (Au)  
126.6M oz (Ag)

<sup>1</sup> Estimated pro forma revenue for CY'08 based upon revenue from royalty interest pre-Barrick transaction and revenue associated with royalty interest acquired in the Barrick transaction.

<sup>2</sup> Estimated pro forma revenue for CY'08 based upon annualized actual revenue for the nine months ended March 31, 2008 including results prior to acquisition by Royal Gold.

<sup>3</sup> 3.75% royalty rate reduced to 1.875% royalty rate in March 2008. Thus, 2009 revenue is expected to be lower than 2008.

<sup>4</sup> Production commenced November 2008.

<sup>5</sup> These reserves are derived from recent publicly-available information from the operators of the various properties or from various recent National Instrument 43-101 reports. Royal Gold has not been supplied with information directly from the operator. Reserves shown in this chart may include reserves that are not subject to the royalty interests and/or may be subject to contractual limitations such as production caps, monetary caps, and the extent of claim, concession or tenement boundaries.





# Core Development and Evaluation Properties

## Peñasquito <sup>1</sup>



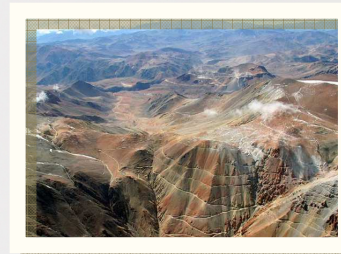
Goldcorp

## Malartic <sup>2</sup>



Osisko

## Pascua-Lama



Barrick

### CY 2008 Production

17,000 oz (Au)  
1.2M oz (Ag)

-

-

### Reserves

13.1M oz (Au)  
863.9M oz (Ag)

4.7M oz (Au) <sup>3</sup>

14.6M oz (Au) <sup>4</sup>

### Additional Mineralization <sup>5</sup>

13.6M oz (Au)  
921.5 oz (Ag)

1.58M oz (Au) <sup>3</sup>

2.7M oz (Au)

### Est. Production Start-up

Commenced Q2 CY 2008  
(Au-oxide)

2011

Post 2010

<sup>1</sup> Peñasquito reserves also contain 12.8 billion pounds of zinc and 5.9 billion pounds of lead. Peñasquito additional mineralized material also contains 20.9 billion pounds of zinc and 4.9 billion pounds of lead.

<sup>2</sup> Royalty subject to buydown right.

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<sup>4</sup> Royalty applies to all gold production from an area of interest in Chile. Only that portion of the reserves pertaining to our royalty interest in Chile is reflected here.

<sup>5</sup> Additional mineralized material includes measured, indicated and inferred categories.

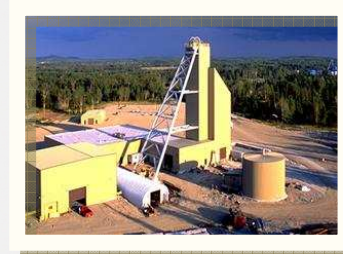


# Core Development and Evaluation Properties

## Crossroads



## Holt-Holloway <sup>1</sup>



Barrick

St Andrew Goldfields

**CY 2008 Production**

-

-

**Reserves**

-

0.5M oz (Au) <sup>2</sup>

**Additional Mineralized Material <sup>3</sup>**

1.1M oz (Au)

0.5M oz (Au) <sup>2</sup>

**Est. Production Start-up**

Post 2010

Post 2010

<sup>1</sup> Royalty applies only to Holt-McDermott claims.

<sup>2</sup> These reserves and additional mineralized material are derived from recent publicly-available information from the operators of the various properties or from various recent National Instrument 43-101 reports. Royal Gold has not been supplied with information directly from the operator. Reserves and additional mineralized material shown in this chart may include reserves and additional mineralized material that are not subject to the royalty interests and/or may be subject to contractual limitations such as production caps, monetary caps, and the extent of claim, concession or tenement boundaries.

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# Growth Strategy



## Royalty Acquisition Criteria

- 💡 Metal type
- 💡 Quality assets
- 💡 Major operators
- 💡 Geopolitical stability
- 💡 Diversification
- 💡 Balanced portfolio



- 💡 Goldstrike
- 💡 Cortez
- 💡 Pascua-Lama
- 💡 Bald Mountain
- 💡 Gold Hill
- 💡 Williams



- 💡 Leeville
- 💡 Twin Creeks



- 💡 Siguiri



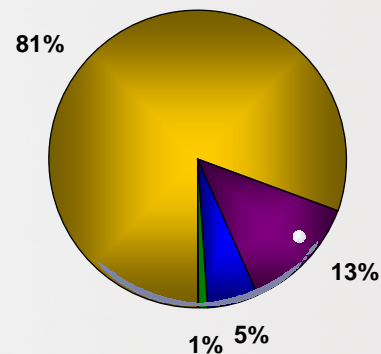
- 💡 Peñasquito
- 💡 Marigold
- 💡 Wharf



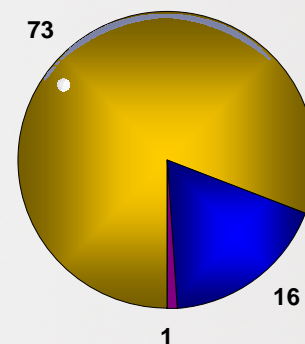
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**Revenue by Continent**  
(Calendar Year Ended 12/31/08)



**Reserves by Continent**  
(million Au equivalent ozs at 12/31/07)



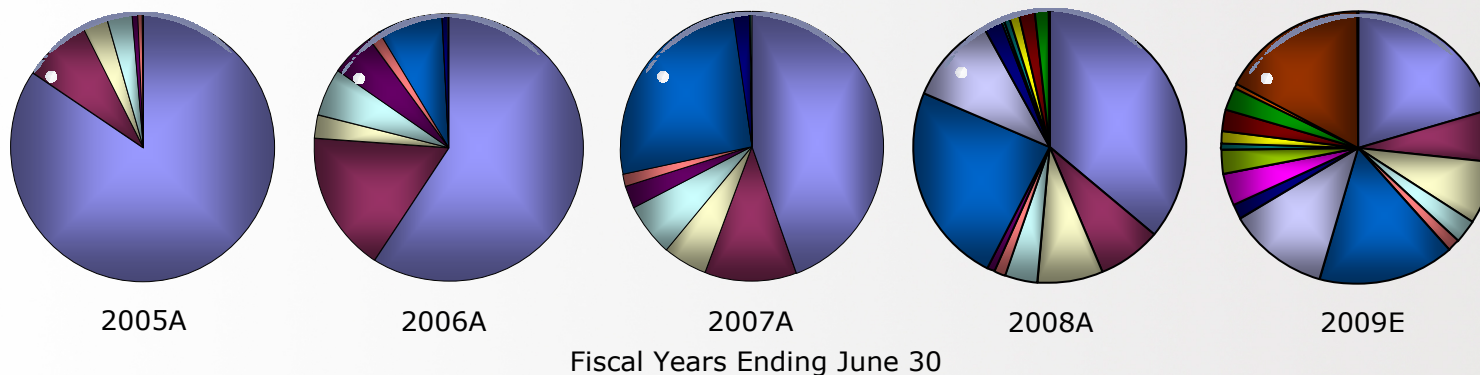
■ North America   
 ■ Africa   
 ■ South America   
 ■ Australia





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**Royal Gold Portfolio**  
(as of February 2009)

EXPLORATION	EVALUATION	DEVELOPMENT	PRODUCTION
			25 Producing
		9 Development	
	24 Evaluation		
60 Exploration			



# Attractive Environment for Royal Gold





## Case for Gold

- Portfolio diversification
- Negatively correlated with U.S. dollar
- Store of value
- Hedge against inflation
- Safe haven in turbulent times
- Diminishing mine supply
- Financial deterioration in the U.S.
- Geopolitical uncertainty





## Attractive Environment for Royal Gold

- Royal Gold is well capitalized
- Debt and equity markets are closed to many mining companies in need of financing
- De-leveraging in the mining space opens way for royalty financing
- Outlook for gold is strong





## Royal Gold – A Premium Investment

- Strong track record of growth
- Expanded portfolio of producing properties
- Robust pipeline of development properties
- Positioned well for future growth







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