

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 2024
or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission File Number: 001-13357

Royal Gold, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

1144 15th Street, Suite 2500
Denver, Colorado
(Address of Principal Executive Offices)

84-0835164
(I.R.S. Employer
Identification No.)

80202
(Zip Code)

Registrant's telephone number, including area code (303) 573-1660

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of the Exchange on which Registered
Common Stock, \$0.01 par value	RGLD	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 65,740,856 shares of Royal Gold common stock outstanding as of July 31, 2024.

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

ROYAL GOLD, INC.
Consolidated Balance Sheets
(Unaudited, amounts in thousands except share data)

	June 30, 2024	December 31, 2023
ASSETS		
Cash and equivalents	\$ 74,232	\$ 104,167
Royalty receivables	40,338	48,884
Income tax receivable	5,637	2,676
Stream inventory	10,904	9,788
Prepaid expenses and other	2,387	1,911
Total current assets	133,498	167,426
Stream and royalty interests, net (Note 3)	3,053,988	3,075,574
Other assets	81,535	118,057
Total assets	\$ 3,269,021	\$ 3,361,057
LIABILITIES		
Accounts payable	\$ 13,227	\$ 11,441
Dividends payable	26,314	26,292
Current portion of long-term debt (Note 4)	50,000	—
Income tax payable	18,103	15,557
Other current liabilities	14,739	19,132
Total current liabilities	122,383	72,422
Debt (Note 4)	—	245,967
Deferred tax liabilities	133,351	134,299
Mount Milligan deferred liability (Note 5)	25,000	—
Other liabilities	7,094	7,728
Total liabilities	287,828	460,416
Commitments and contingencies (Note 12)		
EQUITY		
Preferred stock, \$.01 par value, 10,000,000 shares authorized; and 0 shares issued	—	—
Common stock, \$.01 par value, 200,000,000 shares authorized; and 65,656,625 and 65,631,760 shares outstanding, respectively	656	656
Additional paid-in capital	2,225,942	2,221,039
Accumulated earnings	742,270	666,522
Total Royal Gold stockholders' equity	2,968,868	2,888,217
Non-controlling interests	12,325	12,424
Total equity	2,981,193	2,900,641
Total liabilities and equity	\$ 3,269,021	\$ 3,361,057

The accompanying notes are an integral part of these consolidated financial statements.

ROYAL GOLD, INC.
Consolidated Statements of Operations and Comprehensive Income
(Unaudited, amounts in thousands except share data)

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Revenue (Note 6)	\$ 174,096	\$ 144,042	\$ 322,999	\$ 314,434
Costs and expenses				
Cost of sales (excludes depreciation, depletion and amortization)	24,174	23,367	45,924	48,387
General and administrative	10,511	9,093	21,923	20,093
Production taxes	1,581	1,274	3,031	3,263
Depreciation, depletion and amortization	35,747	38,412	74,512	84,741
Total costs and expenses	72,013	72,146	145,390	156,484
Operating income	102,083	71,896	177,609	157,950
Fair value changes in equity securities	(63)	(509)	383	291
Interest and other income	807	2,650	3,783	4,912
Interest and other expense	(2,516)	(8,408)	(7,123)	(17,582)
Income before income taxes	100,311	65,629	174,652	145,571
Income tax expense (Note 9)	(18,991)	(2,029)	(46,025)	(17,900)
Net income and comprehensive income	81,320	63,600	128,627	127,671
Net income and comprehensive income attributable to non-controlling interests	(112)	(151)	(255)	(347)
Net income and comprehensive income attributable to Royal Gold common stockholders	\$ 81,208	\$ 63,449	\$ 128,372	\$ 127,324
Net income per share attributable to Royal Gold common stockholders:				
Basic earnings per share	\$ 1.23	\$ 0.97	\$ 1.95	\$ 1.94
Basic weighted average shares outstanding	65,650,801	65,605,391	65,644,115	65,600,213
Diluted earnings per share	\$ 1.23	\$ 0.97	\$ 1.95	\$ 1.93
Diluted weighted average shares outstanding	65,767,538	65,762,903	65,753,899	65,736,028
Cash dividends declared per common share	\$ 0.40	\$ 0.375	\$ 0.800	\$ 0.75

The accompanying notes are an integral part of these consolidated financial statements.

ROYAL GOLD, INC.

Consolidated Statements of Changes in Stockholders' Equity
Three months ended June 30, 2024, and 2023
(unaudited, amounts in thousands except share data)

Royal Gold Stockholders						
	Common Shares		Additional Paid-In Capital	Accumulated Earnings	Non-controlling Interests	Total Equity
	Shares	Amount				
Balance at March 31, 2024	65,648,831	\$ 656	\$ 2,223,021	\$ 687,377	\$ 12,312	\$ 2,923,366
Stock-based compensation and related share issuances	7,794	—	2,921	—	—	2,921
Distributions to non-controlling interests	—	—	—	—	(99)	(99)
Net income and comprehensive income	—	—	—	81,208	112	81,320
Dividends declared	—	—	—	(26,315)	—	(26,315)
Balance at June 30, 2024	65,656,625	\$ 656	\$ 2,225,942	\$ 742,270	\$ 12,325	\$ 2,981,193

Royal Gold Stockholders						
	Common Shares		Additional Paid-In Capital	Accumulated Earnings	Non-controlling Interests	Total Equity
	Shares	Amount				
Balance at March 31, 2023	65,599,348	\$ 656	\$ 2,215,362	\$ 566,545	\$ 12,369	\$ 2,794,932
Stock-based compensation and related share issuances	10,388	—	2,197	—	—	2,197
Distributions to non-controlling interests	—	—	—	—	(189)	(189)
Net income and comprehensive income	—	—	—	63,449	151	63,600
Dividends declared	—	—	—	(24,647)	—	(24,647)
Balance at June 30, 2023	65,609,736	\$ 656	\$ 2,217,559	\$ 605,347	\$ 12,331	\$ 2,835,893

ROYAL GOLD, INC.

Consolidated Statements of Changes in Stockholders' Equity
Six months ended June 30, 2024, and 2023
(unaudited, amounts in thousands except share data)

Royal Gold Stockholders						
	Common Shares		Additional Paid-In Capital	Accumulated Earnings	Non-controlling Interests	Total Equity
	Shares	Amount				
Balance at December 31, 2023	65,631,760	\$ 656	\$ 2,221,039	\$ 666,522	\$ 12,424	\$ 2,900,641
Stock-based compensation and related share issuances	24,865	—	4,903	—	—	4,903
Distributions to non-controlling interests	—	—	—	—	(354)	(354)
Net income and comprehensive income	—	—	—	128,372	255	128,627
Dividends declared	—	—	—	(52,624)	—	(52,624)
Balance at June 30, 2024	65,656,625	\$ 656	\$ 2,225,942	\$ 742,270	\$ 12,325	\$ 2,981,193

Royal Gold Stockholders						
	Common Shares		Additional Paid-In Capital	Accumulated Earnings	Non-controlling Interests	Total Equity
	Shares	Amount				
Balance at December 31, 2022	65,592,597	\$ 656	\$ 2,213,123	\$ 527,314	\$ 12,376	\$ 2,753,469
Stock-based compensation and related share issuances	17,139	—	4,436	—	—	4,436
Distributions to non-controlling interests	—	—	—	—	(392)	(392)
Net income and comprehensive income	—	—	—	127,324	347	127,671
Dividends declared	—	—	—	(49,291)	—	(49,291)
Balance at June 30, 2023	65,609,736	\$ 656	\$ 2,217,559	\$ 605,347	\$ 12,331	\$ 2,835,893

The accompanying notes are an integral part of these consolidated financial statements.

ROYAL GOLD, INC.
Consolidated Statements of Cash Flows
(Unaudited, amounts in thousands)

	Six Months Ended	
	June 30, 2024	June 30, 2023
Cash flows from operating activities:		
Net income and comprehensive income	\$ 128,627	\$ 127,671
Adjustments to reconcile net income and comprehensive income to net cash provided by operating activities:		
Depreciation, depletion and amortization	74,512	84,741
Non-cash employee stock compensation expense	6,336	4,579
Fair value changes in equity securities	(383)	(291)
Deferred tax expense (benefit)	3,419	(7,139)
Other	484	445
Changes in assets and liabilities:		
Royalty receivables	8,546	12,948
Stream inventory	(1,116)	1,998
Income tax receivable	(2,961)	(6,536)
Prepaid expenses and other assets	10,530	(2,641)
Accounts payable	1,786	1,866
Income tax payable	2,547	(462)
Mount Milligan deferred liability	25,000	—
Other liabilities	(5,528)	(597)
Net cash provided by operating activities	\$ 251,799	\$ 216,582
Cash flows from investing activities:		
Acquisition of stream and royalty interests	(52,256)	(2,670)
Proceeds from Khoemacau debt facility	25,000	—
Other	(85)	(151)
Net cash used in investing activities	\$ (27,341)	\$ (2,821)
Cash flows from financing activities:		
Repayment of debt	(200,000)	(175,000)
Net payments from issuance of common stock	(1,432)	253
Common stock dividends	(52,603)	(49,271)
Other	(358)	(2,172)
Net cash used in financing activities	\$ (254,393)	\$ (226,190)
Net decrease in cash and equivalents	(29,935)	(12,429)
Cash and equivalents at beginning of period	104,167	118,586
Cash and equivalents at end of period	\$ 74,232	\$ 106,157

The accompanying notes are an integral part of these consolidated financial statements.

ROYAL GOLD, INC.
Notes to Consolidated Financial Statements
(Unaudited)

1. OPERATIONS, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING STANDARDS

Royal Gold, Inc., together with its subsidiaries ("Royal Gold," the "Company," "we," "us," or "our"), is engaged in the business of acquiring and managing precious metals streams, royalties and similar interests. We seek to acquire existing stream and royalty interests or to finance projects that are in production or in the development stage in exchange for stream or royalty interests. A metal stream is a purchase agreement that provides, in exchange for an upfront deposit payment, the right and obligation to purchase all or a portion of one or more metals produced from a mine at a price determined for the life of the transaction by the purchase agreement. Royalties are non-operating interests in a mining project that provide the right to revenue or metals produced from the project after deducting contractually specified costs, if any.

Summary of Significant Accounting Policies

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for annual financial statements. In the opinion of management, all adjustments which are of a normal recurring nature considered necessary for a fair presentation of our interim financial statements have been included in this Form 10-Q. Operating results for the three and six months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the calendar year ending December 31, 2024. These interim unaudited consolidated financial statements should be read in conjunction with our Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 15, 2024 ("2023 10-K").

Recent Accounting Standards

We have evaluated all the recently issued, but not yet effective, accounting standards that have been issued or proposed by the Financial Accounting Standards Board or other standards-setting bodies through the filing date of these unaudited consolidated financial statements and do not believe the future adoption of any such standards will have a material impact on our consolidated financial statements.

2. ACQUISITIONS

Back River Royalties

On June 26, 2024, International Royalty Corporation, a wholly-owned subsidiary of Royal Gold, acquired a 0.7% net smelter return ("NSR") royalty (the "Hill Royalty") that declines by 50% after \$5 million Canadian dollars in royalty revenue is received, and a 26.25% interest in a 5% gross smelter return royalty (the "KM Royalty") that is payable after approximately 780,000 ounces have been produced on the Back River Gold Project ("Back River") for aggregate cash consideration of \$51 million. Payments for the Hill Royalty are deductible from the KM Royalty. Back River is operated by B2Gold Corporation and is located in Western Nunavut, Canada.

The Back River royalties have been accounted for as an asset acquisition and the \$51 million cash consideration, plus direct transaction costs, have been allocated to development (\$42 million) and exploration (\$9 million) stage royalty interests within *Stream and royalty interests, net* on our consolidated balance sheets. The purchase price was funded with available cash on hand.

ROYAL GOLD, INC.
Notes to Consolidated Financial Statements
(Unaudited)

3. STREAM AND ROYALTY INTERESTS, NET

The following tables summarize our stream and royalty interests, net as of June 30, 2024 and December 31, 2023.

As of June 30, 2024 (Amounts in thousands):	Cost	Accumulated Depletion	Net
Production stage stream interests:			
Mount Milligan	\$ 790,635	\$ (446,143)	\$ 344,492
Pueblo Viejo	610,404	(303,712)	306,692
Andacollo	388,182	(171,396)	216,786
Khoemacau	265,911	(51,179)	214,732
Rainy River	175,727	(80,377)	95,350
Other	237,059	(144,268)	92,791
Total production stage stream interests	2,467,918	(1,197,075)	1,270,843
Production stage royalty interests:			
Cortez (Legacy Zone and CC Zone)	353,850	(71,850)	282,000
Voisey's Bay	205,724	(122,401)	83,323
Red Chris	116,187	(5,966)	110,221
Peñasquito	99,172	(62,459)	36,713
Other	462,695	(413,211)	49,484
Total production stage royalty interests	1,237,628	(675,887)	561,741
Total production stage stream and royalty interests	3,705,546	(1,872,962)	1,832,584
Development stage stream interests:			
Other	12,038	—	12,038
Development stage royalty interests:			
Côté	45,421	—	45,421
Back River	42,948	—	42,948
La Fortuna	35,140	—	35,140
Other	32,892	—	32,892
Total development stage stream and royalty interests	168,439	—	168,439
Exploration stage stream interests:			
Xavantina	16,313	—	16,313
Exploration stage royalty interests:			
Cortez (Legacy Zone and CC Zone)	456,479	—	456,479
Great Bear	209,106	—	209,106
Pascua-Lama	177,690	—	177,690
Red Chris	48,895	—	48,895
Côté	29,610	—	29,610
Other	114,872	—	114,872
Total exploration stage stream and royalty interests	1,052,965	—	1,052,965
Total stream and royalty interests, net	\$ 4,926,950	\$ (1,872,962)	\$ 3,053,988

ROYAL GOLD, INC.
Notes to Consolidated Financial Statements
(Unaudited)

As of December 31, 2023 (Amounts in thousands):

	Cost	Accumulated Depletion	Net
Production stage stream interests:			
Mount Milligan	\$ 790,635	\$ (430,106)	\$ 360,529
Pueblo Viejo	610,404	(299,354)	311,050
Andacollo	388,182	(165,553)	222,629
Khoemacgu	265,911	(41,635)	224,276
Rainy River	175,727	(74,858)	100,869
Other	232,703	(132,043)	100,660
Total production stage stream interests	2,463,562	(1,143,549)	1,320,013
Production stage royalty interests:			
Cortez (Legacy Zone and CC Zone)	353,850	(61,891)	291,959
Voisey's Bay	205,724	(121,000)	84,724
Red Chris	116,187	(3,758)	112,429
Peñasquito	99,172	(59,900)	39,272
Other	448,899	(408,522)	40,377
Total production stage royalty interests	1,223,832	(655,071)	568,761
Total production stage stream and royalty interests	3,687,394	(1,798,620)	1,888,774
Development stage stream interests:			
Other	12,038	—	12,038
Development stage royalty interests:			
Côte	45,421	—	45,421
La Fortuna	35,140	—	35,140
Other	45,992	—	45,992
Total development stage stream and royalty interests	138,591	—	138,591
Exploration stage stream interests:			
Xavantina	19,565	—	19,565
Exploration stage royalty interests:			
Cortez (Legacy Zone and CC Zone)	456,479	—	456,479
Great Bear	209,106	—	209,106
Pascua-Lama	177,690	—	177,690
Red Chris	48,895	—	48,895
Côte	29,610	—	29,610
Other	106,864	—	106,864
Total exploration stage royalty interests	1,048,209	—	1,048,209
Total stream and royalty interests, net	\$ 4,874,194	\$ (1,798,620)	\$ 3,075,574

ROYAL GOLD, INC.
Notes to Consolidated Financial Statements
(Unaudited)

4. DEBT

Our debt as of June 30, 2024 and December 31, 2023 consists of the following (amounts in thousands):

	As of June 30, 2024			As of December 31, 2023		
	Principal	Debt Issuance Costs ⁽¹⁾	Total	Principal	Debt Issuance Costs	Total
Current portion of long-term debt	\$ 50,000	\$ —	\$ 50,000	\$ —	\$ —	\$ —
Long-term debt	\$ —	\$ —	\$ —	\$ 250,000	\$ (4,033)	\$ 245,967
Total debt	\$ 50,000	\$ —	\$ 50,000	\$ 250,000	\$ (4,033)	\$ 245,967

⁽¹⁾ Debt issuance costs of \$3.6 million included within Other assets on our consolidated balance sheets.

Revolving credit facility

For the six months ended June 30, 2024, we repaid a total of \$200 million on our outstanding revolving credit facility. As of June 30, 2024, we had \$50 million outstanding and \$950 million available under our revolving credit facility. The interest rate on borrowings under our revolving credit facility as of June 30, 2024, was Term SOFR plus 1.20% for an all-in rate of 6.5%. Interest expense, which includes interest on outstanding borrowings and amortization of debt issuance costs, was \$1.7 million and \$5.6 million for the three and six months ended June 30, 2024, respectively, and \$7.8 million and \$16.3 million for the three and six months ended June 30, 2023, respectively. We were in compliance with each financial covenant (leverage ratio and interest coverage ratio) under our revolving credit facility as of June 30, 2024.

On July 10, 2024, we repaid \$25 million on our outstanding revolving credit facility, and on August 12, 2024, we plan to pay the remaining outstanding balance. We may repay any borrowings under our revolving credit facility at any time without premium or penalty.

5. MOUNT MILLIGAN DEFERRED LIABILITY

On February 13, 2024, RGLD Gold AG, a subsidiary of the Company, entered into a Processing Cost Support Agreement (the "Mount Milligan Cost Support Agreement") with Centerra Gold Inc. ("Centerra") with respect to the Mount Milligan Mine ("Mount Milligan") for cash consideration of \$24.5 million, 50,000 ounces ("Deferred Gold Consideration") of gold to be delivered in the future and a free cash flow interest. The cost support allowed for the extension of the mine from 2032 to 2035 and the potential to extend the mine life beyond 2035.

The value of the cash consideration and free cash flow interest received from Centerra is recorded as a deferred liability in our consolidated balance sheets as of June 30, 2024. This amount will be amortized as we provide future cost support to Centerra under the Mount Milligan Cost Support Agreement on a units of production basis over the Mount Milligan mine life beginning with the first cost support payment made after the First Threshold (defined below) is met.

The key features of the Mount Milligan Cost Support Agreement are discussed below.

Deferred Gold Consideration

The Deferred Gold Consideration will be delivered in equal installments of 2,500 ounces for a period of 20 quarters commencing on the earlier of June 30, 2030, or the delivery of 375,000 ounces of gold or 30,000 tonnes of copper from metal deliveries referenced by the Mount Milligan Cost Support Agreement with a bill of lading date on or after January 1, 2024. As part of the Deferred Gold Consideration, we are entitled to receive three tranches of 11,111 ounces each (the "Greenstone Deliveries"), with the last delivery expected before year end 2027. Each of the Greenstone Deliveries received shall reduce the number of ounces in any remaining Deferred Gold Consideration delivery on a pro-rata basis. The Deferred Gold Consideration deliveries require no cash payment from the Company, and will be made irrespective of the operating status of Mount Milligan as long as we comply with the terms of the Mount Milligan Cost Support Agreement and existing stream agreement. Each of the Greenstone Deliveries will be delivered to Royal Gold within 30 days of such delivery to Centerra.

ROYAL GOLD, INC.
Notes to Consolidated Financial Statements
(Unaudited)

When the Deferred Gold Consideration is received and subsequently sold, we anticipate the value of the gold ounces sold will be recorded as a deferred liability and amortized on a units of production basis over the mine life of Mount Milligan as we provide future cost support.

Cost Support

Metal deliveries referenced in the Mount Milligan Cost Support Agreement are those with a bill of lading date on or after January 1, 2024 (the "Reference Date"). Delivery thresholds used to define the periods of cost support are the earlier deliveries of:

- a. 375,000 ounces of gold or 30,000 tonnes of copper from the Reference Date (the "First Threshold").
- b. 665,000 ounces of gold or 60,000 tonnes of copper from the Reference Date (the "Second Threshold").

Near-Term Cost Support Through Approximately 2029

At Centerra's request, in the event that both the gold price is at or below \$1,600 per ounce and the copper price is at or below \$3.50 per pound, for each delivery under the existing Mount Milligan stream agreement, we will pay the lower of either \$415 per ounce of gold, or 66% of the spot gold price less \$435 per ounce, and 35% of the spot copper price for each pound of copper delivered (the "Pre-Threshold Support"). This near-term cost support will be made available from the Reference Date through to the First Threshold, which is expected to be through approximately 2029.

Any Pre-Threshold Support we provide will be recoverable from any cost support calculated after the First Threshold at metal prices above \$1,600 per ounce of gold and \$3.50 per pound of copper. For gold, any cost support payment will be reduced by the difference between the gold price and \$1,600 per ounce. For copper, any cost support payment will be reduced by the difference between the copper price and \$3.50 per pound.

Cost Support from Approximately 2030 Through Approximately 2035

We will provide Centerra cost support payments from the First Threshold until the Second Threshold as follows:

- a. With respect to gold, the lower of either \$415 per ounce, or 50% of the spot gold price less \$435 per ounce, for each ounce of gold delivered under the existing Mount Milligan stream agreement.
- b. With respect to copper, 35% of the spot copper price for each pound of copper delivered under the existing Mount Milligan stream agreement.

Cost Support After Approximately 2036

We will provide Centerra cost support payments after the Second Threshold as follows:

- a. With respect to gold, the lower of either \$615 per ounce, or 66% of the spot gold price less \$435 per ounce, for each ounce of gold delivered under the existing Mount Milligan stream agreement.
- b. With respect to copper, 51% of the spot copper price, for each pound of copper delivered.

Suspension of Cost Support

Our obligation to make long-term cost support payments will be suspended if (and for so long as) Centerra discloses reserve tonnage which, when combined with mining depletion from the Reference Date to the date of such disclosure, is less than the current reserves expected to be processed through to 2035. Suspension of cost support payments will not impact the Deferred Gold Consideration and free cash flow interest, and the cash consideration is not refundable as long as we comply with the terms of the Mount Milligan Cost Support Agreement and the existing stream agreement.

Nothing in the Mount Milligan Cost Support Agreement modifies the existing stream agreement, including the payment of \$435 for each gold ounce delivered and 15% of the spot price for each pound of copper delivered.

6. REVENUE

Revenue Recognition

A performance obligation is a promise in a contract to transfer control of a distinct good or service (or integrated package of goods and/or services) to a customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, a performance obligation is satisfied. In accordance with this guidance, revenue attributable to our stream interests and royalty interests is generally recognized at the point in time that control of the related metal production transfers to our customers. The amount of revenue we recognize further reflects the consideration to which we are entitled under the respective stream or royalty agreement. A more detailed summary of our revenue recognition policies for our stream and royalty interests is discussed below.

Stream Interests

A metal stream is a purchase agreement that provides, in exchange for an upfront deposit payment, the right and obligation to purchase all or a portion of one or more of the metals produced from a mine, at a price determined for the life of the transaction by the purchase agreement. Gold, silver and copper received under our metal streaming agreements are taken into inventory, and then sold primarily at cash average or spot market prices. The sales price for the averaging contracts is determined by the average daily gold, silver or copper spot prices during the term of the contract, typically a consecutive period between ten days and three months (depending on the frequency of deliveries under the respective streaming agreement and our sales policy in effect at the time), commencing shortly after receipt and purchase of the metal. We settle both averaging and spot sales contracts via physical delivery of the metal to the purchaser (our customer) on the settlement date specified in the contract. Under our sales contracts, there is a single performance obligation to sell a contractually specified volume of metal to the purchaser, and we satisfy this obligation at the point in time of physical delivery. Accordingly, revenue from our metal sales is recognized on the date of settlement, which is the date that control, custody and title to the metal transfer to the purchaser.

Royalty Interests

Royalties are non-operating interests in mining projects that provide the right to a percentage of revenue or metals produced from the project after deducting specified costs, if any. We are entitled to payment for our royalty interest in a mining project based on a contractually specified commodity price (for example, a monthly or quarterly average spot price) for the period in which metal production occurs. As a royalty holder, we act as a passive entity in the production and operations of the mining project, and the third-party operator of the mining project is responsible for all mining activities, including subsequent marketing and delivery of all metal production to their ultimate customer. In all of our material royalty interest arrangements, we have concluded that we transfer control of our interest in the metal production to the operator at the point at which production occurs, and thus, the operator is our customer. We have further determined that the transfer of each unit of metal production comprising our royalty interest to the operator represents a separate performance obligation under the contract, and each performance obligation is satisfied at the point in time of metal production by the operator. Accordingly, we recognize revenue attributable to our royalty interests in the period in which metal production occurs at the specified commodity price per the agreement, net of any contractually allowable costs.

Royalty Revenue Estimates

For a small number of our royalty interests, we may not receive, or be entitled to receive, payment information, including production information from the operator, for the period in which metal production occurred prior to issuance of our financial statements for that period. As a result, we may estimate revenue for these royalties based on available information, including public information, from the operator. If adequate information is not available from the operator or from other public sources before we issue our financial statements, we will recognize royalty revenue during the period in which the necessary payment information is received. Differences between estimates and actual amounts could differ significantly and are recorded in the period that the actual amounts are known. Please also refer to our "Use of Estimates" accounting policy discussed in our 2023 10-K. For the three months ended June 30, 2024, royalty revenue that was estimated or was attributable to metal production for a period prior to June 30, 2024, was not material.

Disaggregation of Revenue

We have identified two material revenue sources in our business: stream interests and royalty interests. These identified revenue sources are consistent with our reportable segments as discussed in Note 10.

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Revenue by metal type attributable to each of our revenue sources is disaggregated as follows (amounts in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Stream revenue:				
Gold	\$ 91,597	\$ 80,227	\$ 169,874	\$ 158,856
Silver	16,880	19,230	31,628	37,539
Copper	14,475	6,558	23,979	24,610
Total stream revenue	\$ 122,952	\$ 106,015	\$ 225,481	\$ 221,005
Royalty revenue:				
Gold	\$ 37,171	\$ 30,169	\$ 70,667	\$ 73,037
Silver	4,978	2,721	9,307	5,667
Copper	3,648	1,572	7,269	6,630
Other	5,347	3,565	10,275	8,095
Total royalty revenue	\$ 51,144	\$ 38,027	\$ 97,518	\$ 93,429
Total revenue	\$ 174,096	\$ 144,042	\$ 322,999	\$ 314,434

Revenue attributable to our principal stream and royalty interests is disaggregated as follows (amounts in thousands):

		Three Months Ended		Six Months Ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Metal(s)				
Stream revenue:					
Mount Milligan	Gold & Copper	\$ 52,139	\$ 41,208	\$ 87,134	\$ 87,863
Pueblo Viejo	Gold & Silver	19,801	23,540	37,562	45,898
Andacollo	Gold	10,608	7,823	22,297	20,757
Khoemacgu	Silver	8,394	8,881	16,152	18,035
Other	Gold & Silver	32,010	24,563	62,336	48,452
Total stream revenue		\$ 122,952	\$ 106,015	\$ 225,481	\$ 221,005
Royalty revenue:					
Cortez Legacy Zone	Gold	\$ 11,214	\$ 14,305	\$ 24,579	\$ 37,393
Cortez CC Zone	Gold	4,548	3,520	8,959	6,726
Peñasquito	Gold, Silver, Lead & Zinc	11,279	6,105	20,508	13,538
Other	Various	24,103	14,097	43,472	35,772
Total royalty revenue		\$ 51,144	\$ 38,027	\$ 97,518	\$ 93,429
Total revenue		\$ 174,096	\$ 144,042	\$ 322,999	\$ 314,434

Please refer to Note 10 for the geographical distribution of our revenue by reportable segment.

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7. STOCK-BASED COMPENSATION

We recognized stock-based compensation expense as follows (amounts in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Restricted stock	\$ 1,924	\$ 1,540	\$ 3,895	\$ 3,154
Performance stock	1,424	183	2,441	993
Stock appreciation rights	—	212	—	417
Stock options	—	8	—	15
Total stock-based compensation expense	<u>\$ 3,348</u>	<u>\$ 1,943</u>	<u>\$ 6,336</u>	<u>\$ 4,579</u>

Stock-based compensation expense is included within *General and administrative* expense in the consolidated statements of operations and comprehensive income.

We granted the following stock-based compensation awards:

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Number of shares)		(Number of shares)	
Performance stock (at maximum 200% attainment)	—	—	93,840	82,360
Restricted Stock	—	—	65,850	56,530
Total equity awards granted	<u>—</u>	<u>—</u>	<u>159,690</u>	<u>138,890</u>

As of June 30, 2024, unrecognized compensation expense (expressed in thousands below) and weighted-average vesting period for each of our stock-based compensation awards were as follows:

	Unrecognized compensation expense	Weighted- average vesting period (years)
Restricted stock	\$ 9,676	2.0
Performance stock	7,248	2.0

8. EARNINGS PER SHARE (“EPS”)

Basic EPS was computed using the weighted average number of shares of common stock outstanding during the period, considering the effect of participating securities. Unvested stock-based compensation awards that contain non-forfeitable rights to dividends or dividend equivalents are considered participating securities and are included in the computation of EPS pursuant to the two-class method. Our unvested restricted stock awards contain non-forfeitable dividend rights and participate equally with common stock with respect to dividends issued or declared. Our unexercised stock option awards, unexercised stock-settled stock appreciation rights and unvested performance stock do not contain rights to dividends. Under the two-class method, the earnings used to determine basic EPS are reduced by an amount allocated to participating securities. Use of the two-class method has an immaterial impact on the calculation of basic and diluted EPS.

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The following table summarizes the effects of dilutive securities on diluted EPS for the periods shown below (amounts in thousands, except share data):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net income attributable to Royal Gold common stockholders	\$ 81,208	\$ 63,449	\$ 128,372	\$ 127,324
Weighted-average shares for basic EPS	65,650,801	65,605,391	65,644,115	65,600,213
Effect of other dilutive securities	116,737	157,512	109,784	135,815
Weighted-average shares for diluted EPS	65,767,538	65,762,903	65,753,899	65,736,028
Basic EPS	\$ 1.23	\$ 0.97	\$ 1.95	\$ 1.94
Diluted EPS	\$ 1.23	\$ 0.97	\$ 1.95	\$ 1.93

9. INCOME TAXES

The following table provides the income tax expense (amounts in thousands) and effective tax rates for the periods indicated:

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Income tax expense	\$ 18,991	\$ 2,029	\$ 46,025	\$ 17,900
Effective tax rate	18.9 %	3.1 %	26.4 %	12.3 %

The effective tax rate for the six months ended June 30, 2024, included a \$13.0 million discrete U.S. GILTI income tax expense related to the consideration from the Mount Milligan Cost Support Agreement. The effective tax rates for the three and six months ended June 30, 2023 included a discrete income tax benefit of \$8.5 million attributable to the release of a valuation allowance on certain foreign deferred tax assets.

10. SEGMENT INFORMATION

We manage our business under two reportable segments, consisting of the acquisition and management of stream interests and the acquisition and management of royalty interests. Our long-lived assets (stream and royalty interests, net) are geographically distributed as shown in the following table (amounts in thousands):

	As of June 30, 2024			As of December 31, 2023		
	Stream interest	Royalty interest	Total stream and royalty interests, net	Stream interest	Royalty interest	Total stream and royalty interests, net
Canada	\$ 439,843	\$ 662,678	\$ 1,102,521	\$ 461,398	\$ 614,900	\$ 1,076,298
Dominican Republic	306,692	—	306,692	311,050	—	311,050
Africa	249,070	321	249,391	264,529	321	264,850
Chile	216,785	224,116	440,901	222,629	224,116	446,745
United States	—	783,860	783,860	—	794,891	794,891
Mexico	—	36,903	36,903	—	41,803	41,803
Australia	—	20,437	20,437	—	21,288	21,288
Rest of world	86,804	26,479	113,283	92,010	26,639	118,649
Total	\$ 1,299,194	\$ 1,754,794	\$ 3,053,988	\$ 1,351,616	\$ 1,723,958	\$ 3,075,574

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Our reportable segments for purposes of assessing performance are shown below (amounts in thousands):

Three Months Ended June 30, 2024					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 122,952	\$ 24,174	\$ —	\$ 26,124	\$ 72,654
Royalty interests	51,144	—	1,581	9,534	40,029
Total	\$ 174,096	\$ 24,174	\$ 1,581	\$ 35,658	\$ 112,683

Three Months Ended June 30, 2023					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 106,015	\$ 23,367	\$ —	\$ 29,352	\$ 53,296
Royalty interests	38,027	—	1,274	8,945	27,808
Total	\$ 144,042	\$ 23,367	\$ 1,274	\$ 38,297	\$ 81,104

Six Months Ended June 30, 2024					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 225,481	\$ 45,924	\$ —	\$ 53,525	\$ 126,032
Royalty interests	97,518	—	3,031	20,816	73,671
Total	\$ 322,999	\$ 45,924	\$ 3,031	\$ 74,341	\$ 199,703

Six Months Ended June 30, 2023					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 221,005	\$ 48,387	\$ —	\$ 63,104	\$ 109,514
Royalty interests	93,429	—	3,263	21,408	68,758
Total	\$ 314,434	\$ 48,387	\$ 3,263	\$ 84,512	\$ 178,272

⁽¹⁾ Excludes depreciation, depletion and amortization.

⁽²⁾ Depletion amounts are included within *Depreciation, depletion and amortization* on our consolidated statements of operations and comprehensive income.

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A reconciliation of total segment gross profit to the consolidated *Income before income taxes* is shown below (amounts in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Total segment gross profit	\$ 112,683	\$ 81,104	\$ 199,703	\$ 178,272
Costs and expenses				
General and administrative expenses	10,511	9,093	21,923	20,093
Depreciation and amortization	89	115	171	229
Operating income	102,083	71,896	177,609	157,950
Fair value changes in equity securities	(63)	(509)	383	291
Interest and other income	807	2,650	3,783	4,912
Interest and other expense	(2,516)	(8,408)	(7,123)	(17,582)
Income before income taxes	\$ 100,311	\$ 65,629	\$ 174,652	\$ 145,571

Our revenue by reportable segment for the three and six months ended June 30, 2024 and 2023, is geographically distributed as shown in the following table (amounts in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Stream interests:				
Canada	\$ 62,661	\$ 50,848	\$ 107,365	\$ 107,829
Africa	20,396	18,763	39,497	36,301
Dominican Republic	19,801	23,540	37,562	45,899
Chile	10,608	7,823	22,297	20,757
Rest of world	9,486	5,041	18,760	10,219
Total stream interests	\$ 122,952	\$ 106,015	\$ 225,481	\$ 221,005
Royalty interests:				
United States	\$ 25,273	\$ 23,265	\$ 49,352	\$ 56,845
Mexico	12,888	8,155	23,656	17,449
Australia	7,047	5,081	12,022	9,180
Canada	3,035	(97)	8,166	6,495
Rest of world	2,901	1,623	4,322	3,460
Total royalty interests	\$ 51,144	\$ 38,027	\$ 97,518	\$ 93,429
Total revenue	\$ 174,096	\$ 144,042	\$ 322,999	\$ 314,434

11. FAIR VALUE MEASUREMENTS

Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, we utilize a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Quoted prices for identical instruments in active markets;

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Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and

Level 3: Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As of June 30, 2024 and December 31, 2023, we had financial assets in the form of marketable securities which are measured at fair value on a recurring basis; however, the carrying value of such financial assets is not material.

The carrying value of our revolving credit facility (Note 4) approximates fair value as of June 30, 2024.

As of June 30, 2024, we had assets that, under certain conditions, are subject to measurement at fair value on a non-recurring basis like those associated with stream and royalty interests, intangible assets and other long-lived assets. For these assets, measurement at fair value in periods subsequent to their initial recognition is applicable if any of these assets are determined to be impaired. If recognition of these assets at their fair value becomes necessary, such measurements will be determined utilizing Level 3 inputs.

12. COMMITMENTS AND CONTINGENCIES

Ilovica Gold Stream Acquisition

As of June 30, 2024, our conditional funding schedule of \$163.75 million, as part of the Ilovica gold stream acquisition entered into in October 2014, remains subject to certain conditions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General Presentation

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide information to assist you in better understanding and evaluating the financial condition and results of operations of Royal Gold. You should read this MD&A in conjunction with our consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q, as well as the audited consolidated financial statements included in our Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 15, 2024 ("2023 10-K").

This MD&A contains forward-looking information. You should review our important note about forward-looking statements following this MD&A.

We do not own, develop, or mine the properties on which we hold stream or royalty interests. Certain information provided in this Quarterly Report on Form 10-Q about operating properties in which we hold interests, including information about mineral resources and reserves, historical production, production estimates, property descriptions, and property developments, was provided to us by the operators of those properties or is publicly available information filed by these operators with applicable securities regulatory bodies, in certain cases including the SEC. We have not verified, and are not in a position to verify, and expressly disclaim any responsibility for the accuracy, completeness, or fairness of, this third-party information and refer the reader to the public reports filed by the operators for information regarding those properties.

Unless the context otherwise requires, references to "Royal Gold," the "Company," "we," "us," and "our" refer to Royal Gold, Inc. and its consolidated subsidiaries.

Overview of Our Business

We acquire and manage precious metal streams, royalties, and similar interests. We seek to acquire existing stream and royalty interests or finance projects that are in production or in the development stage in exchange for stream or royalty interests.

We manage our business under two segments:

- *Acquisition and Management of Stream Interests* — A metal stream is a purchase agreement that provides, in exchange for an upfront deposit payment, the right and obligation to purchase all or a portion of one or more metals produced from a mine, at a price determined for the life of the transaction by the purchase agreement. As of June 30, 2024, we owned nine stream interests, which are on seven producing properties and two development stage properties. Stream interests accounted for approximately 71% and 70% of our total revenue for the three months and six months ended June 30, 2024, respectively, and 74% and 70% for the three and six months ended June 30, 2023, respectively. We expect stream interests to continue representing a significant portion of our total revenue.
- *Acquisition and Management of Royalty Interests* — Royalties are non-operating interests in mining projects that provide the right to revenue or metals produced from the project after deducting specified costs, if any. As of June 30, 2024, we owned royalty interests on 31 producing properties, 20 development stage properties and 117 exploration stage properties, of which we consider 49 to be evaluation stage projects. We use "evaluation stage" to describe exploration stage properties that contain mineral resources and on which operators are engaged in the search for mineral reserves. Royalty interests accounted for 29% and 30% of our total revenue for the three and six months ended June 30, 2024, respectively, and 26% and 30% for the three and six months ended June 30, 2023, respectively.

We do not conduct mining operations on the properties in which we hold stream and royalty interests, and we generally are not required to contribute to capital costs, exploration costs, environmental costs or other operating costs on those properties.

We are continually reviewing opportunities to grow our portfolio, whether through the creation or acquisition of new or existing stream or royalty interests or other acquisition activity. We generally have acquisition opportunities in various stages of review. Our review process may include, for example, engaging consultants and advisors to analyze an opportunity; analysis of technical, financial, legal, environmental, social, governance and other confidential information

regarding an opportunity; submission of indications of interest and term sheets; participation in preliminary discussions and negotiations; and involvement as a bidder in competitive processes.

Business Trends and Uncertainties

Metal Prices

Our financial results are primarily tied to the price of gold, silver, copper, and other metals. Metal prices have fluctuated widely in recent years and we expect this volatility to continue. The marketability and price of metals are influenced by numerous factors beyond our control, and significant changes in metal prices can have a material effect on our revenue.

For the three and six months ended June 30, 2024 and 2023, average metal prices and percentages of revenue by metal were as follows:

Metal	Three Months Ended				Six Months Ended			
	June 30, 2024		June 30, 2023		June 30, 2024		June 30, 2023	
	Average Price	Percentage of Revenue	Average Price	Percentage of Revenue	Average Price	Percentage of Revenue	Average Price	Percentage of Revenue
Gold (\$/ounce) ⁽¹⁾	\$ 2,338	74%	\$ 1,976	77%	\$ 2,203	74%	\$ 1,932	74%
Silver (\$/ounce) ⁽¹⁾	\$ 28.84	13%	\$ 24.13	15%	\$ 26.07	13%	\$ 23.31	14%
Copper (\$/pound) ⁽²⁾	\$ 4.42	10%	\$ 3.84	6%	\$ 4.12	10%	\$ 3.95	10%
Other	N/A	3%	N/A	2%	N/A	3%	N/A	2%

⁽¹⁾ Based on the average U.S. dollars London Bullion Market Association PM fixing price for gold and daily fixing price for silver, as applicable.

⁽²⁾ Based on the average U.S. dollars London Metals Exchange settlement price for copper.

Recent Developments

Back River Royalties Acquisition

On June 26, 2024, International Royalty Corporation, a wholly-owned subsidiary of Royal Gold, acquired a 0.7% net smelter return royalty (the "Hill Royalty") that declines by 50% after \$5 million Canadian dollars in royalty revenue is received, and a 26.25% interest in a 5% gross smelter return ("GSR") royalty (the "KM Royalty") that is payable after approximately 780,000 ounces have been produced on the Back River Gold Project ("Back River") for aggregate cash consideration of \$51 million. Payments for the Hill Royalty are deductible from the KM Royalty. When considered together, the royalty interests are equivalent to an approximate effective 1.1% GSR royalty rate over the majority of the mine life. Back River is operated by B2Gold Corporation and is located in Western Nunavut, Canada. Refer to Note 2 to the notes to consolidated financial statements for more information on the Back River royalties acquisition.

Property Developments

This section provides recent updates for our principal properties as reported by the operators, either directly to us or in their publicly available documents.

Stream Interests

Andacollo

Gold stream deliveries from Andacollo were approximately 5,800 ounces for the three months ended June 30, 2024, compared to approximately 3,700 ounces for the three months ended June 30, 2023. The increase in deliveries in the current period resulted primarily from differences in the timing of shipments and settlements during the periods. Stream deliveries typically occur approximately 5 months after mine production. We receive stream deliveries based on a fixed payability factor of 89%.

On July 23, 2024, Teck Resources Limited ("Teck") reported that production at Andacollo continued to be impacted by low water availability due to extreme drought conditions which limited ore processing rates. The water restrictions improved during the June 2024 quarter and Teck expects that improvement to continue in the second half of 2024.

Khoemacau

Silver stream deliveries from Khoemacau were approximately 281,600 ounces for the three months ended June 30, 2024, compared to approximately 398,700 ounces for the three months ended June 30, 2023. The decrease in deliveries in the current period resulted from lower tonnage milled due to equipment downtime and lower ore grade as a result of the mining schedule, and the timing of shipments and settlements during the periods. We receive stream deliveries based on a fixed payability factor of 90%.

On July 24, 2024, MMG Limited ("MMG") reported that mining operations at Khoemacau during the June 2024 quarter were influenced by equipment availability and high turnover of skilled labor, a situation intensified by a competitive labor market in Botswana, due to an increase in underground mining operations in the country. To address this issue, Khoemacau has sourced a significant number of replacements who are being trained and inducted.

MMG reported that mining activities during the June 2024 quarter were concentrated in lower-grade sectors due to the mining sequence, which, coupled with dilution, adversely impacted ore grades. MMG is taking measures to reduce the dilution factor, with the expectation of achieving better ore grades in the forthcoming quarters.

Additionally, MMG reported it is committed to supporting the ramp-up of Khoemacau to achieve an annual production of 60,000 tonnes of copper by 2026, facilitated by ongoing mining development efforts to increase mining fronts, operational flexibility and mined grades. These efforts will be further enhanced by the completion of the primary vent fans as well as the paste fill project. In addition, MMG is dedicated to completing the construction of an expansion project by 2028, which aims to increase production capacity to 130,000 tonnes of copper, and is expected to reach full capacity by 2029. Any expanded production from the Zone 5 and Mango NE deposits falls within the area of interest covered by our silver stream interest.

Mount Milligan

Gold stream deliveries from Mount Milligan were approximately 9,800 ounces for the three months ended June 30, 2024, compared to approximately 17,300 ounces for the three months ended June 30, 2023. Deliveries at Mount Milligan lag mine production by approximately 5 months. Decreased gold deliveries primarily resulted from the timing of shipments and settlements during the periods, including the early settlement of a concentrate shipment that occurred in the prior quarter.

Copper stream deliveries from Mount Milligan were approximately 2.5 million pounds during the three months ended June 30, 2024, in line with the prior year quarter.

On August 1, 2024, Centerra Gold Inc. ("Centerra") reported that it continued to execute on its site-wide optimization program at Mount Milligan, initially launched in the fourth quarter of 2023. According to Centerra, the program is focused on a holistic assessment of occupational health and safety, as well as improvements in mine and plant operations, and covers all aspects of the operation to maximize the potential of the orebody. Centerra reported that milling costs in the six months ended June 30, 2024, were 12% lower than the prior year period. Due to the longer-term nature of the mining optimization initiatives, Centerra expects to see improvements in mining costs per tonne in 2025.

Centerra also reported that work is progressing on a preliminary economic assessment to evaluate the substantial mineral resources at the Mount Milligan mine with a goal to unlock additional value beyond its current 2035 mine life. Centerra continues to expect that the Preliminary Economic Assessment will be completed in the first half of 2025.

Pueblo Viejo

Gold stream deliveries from Pueblo Viejo were approximately 7,000 ounces for the three months ended June 30, 2024, compared to approximately 6,800 ounces for the three months ended June 30, 2023.

Silver stream deliveries were approximately 332,700 ounces for the three months ended June 30, 2024, compared to approximately 150,700 ounces for the three months ended June 30, 2023.

On July 16, 2024, Barrick reported that Pueblo Viejo's production during the June 2024 quarter was flat sequentially as throughput is ramped up with a shift to recovery rate optimization in the second half of 2024.

Royalty Interests

Cortez

Production attributable to our royalty interest at the Cortez Complex was approximately 162,400 ounces of gold for the three months ended June 30, 2024, of which 42,600 ounces were attributable to the Legacy Zone, and 119,800 ounces were attributable to the CC Zone, compared to approximately 179,600 ounces of gold for the three months ended June 30, 2023, of which 68,100 ounces were attributable to the Legacy Zone, and 111,500 ounces were attributable to the CC Zone.

The reduction compared to the prior period is a result of planned lower production at Cortez.

Peñasquito

Production attributable to our royalty interest at Peñasquito was approximately 64,200 ounces of gold, 7.95 million ounces of silver, 42.9 million pounds of lead and 113.3 million pounds of zinc for the three months ended June 30, 2024. This compares to approximately 48,100 ounces of gold, 5.95 million ounces of silver, 35.6 million pounds of lead and 89.7 million pounds of zinc for the three months ended June 30, 2023. Production was lower in the prior year quarter primarily due to a labor strike that was subsequently resolved.

On July 24, 2024, Newmont reported that full year 2024 production at Peñasquito is expected to be second half weighted driven primarily by improved grades. Newmont reported that Peñasquito delivered strong gold and zinc grades from the Chile Colorado pit during the June 2024 quarter, and stripping in the Peñasco pit is expected to allow access to ore with 50% higher gold grades in the December 2024 quarter.

Results of Operations

Quarter Ended June 30, 2024, Compared to Quarter Ended June 30, 2023

For the three months ended June 30, 2024, we recorded net income and comprehensive income attributable to Royal Gold stockholders (“net income”) of \$81.2 million, or \$1.23 per basic and diluted share, as compared to net income of \$63.4 million, or \$0.97 per basic and diluted share, for the three months ended June 30, 2023. The increase in net income was primarily attributable to higher revenue, as discussed below.

For the three months ended June 30, 2024, we recognized total revenue of \$174.1 million, comprised of stream revenue of \$123.0 million and royalty revenue of \$51.1 million at an average gold price of \$2,338 per ounce, an average silver price of \$28.84 per ounce and an average copper price of \$4.42 per pound. This is compared to total revenue of \$144.0 million for the three months ended June 30, 2023, comprised of stream revenue of \$106.0 million and royalty revenue of \$38.0 million, at an average gold price of \$1,976 per ounce, an average silver price of \$24.13 per ounce and an average copper price of \$3.84 per pound. Revenue and the corresponding production attributable to our stream and royalty interests for the three months ended June 30, 2024, compared to the three months ended June 30, 2023, are as follows:

Revenue and Reported Production Subject to Our Stream and Royalty Interests
(Amounts in thousands, except reported production oz. and lbs.)

Stream/Royalty	Metal(s)	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
		Revenue	Reported Production ⁽¹⁾	Revenue	Reported Production ⁽¹⁾
Stream⁽²⁾:					
Mount Milligan		\$ 52,139		\$ 41,208	
	Gold		16,100 oz.		17,500 oz.
	Copper		3.4 Mlbs.		1.7 Mlbs.
Pueblo Viejo		\$ 19,801		\$ 23,540	
	Gold		5,800 oz.		7,400 oz.
	Silver		218,200 oz.		362,200 oz.
Andacollo	Gold	\$ 10,608	4,500 oz.	\$ 7,823	4,000 oz.
Khoemacau	Silver	\$ 8,394	295,500 oz.	\$ 8,881	373,000 oz.
Other ⁽³⁾		\$ 32,010		\$ 24,563	
	Gold		12,800 oz.		11,600 oz.
	Silver		79,500 oz.		65,700 oz.
Total stream revenue		\$ 122,952		\$ 106,015	
Royalty⁽²⁾:					
Cortez Legacy Zone	Gold	\$ 11,214	42,600 oz.	\$ 14,305	68,100 oz.
Cortez CC Zone	Gold	\$ 4,548	119,800 oz.	\$ 3,520	111,500 oz.
Peñasquito		\$ 11,279		\$ 6,105	
	Gold		64,200 oz.		48,100 oz.
	Silver		8.0 Moz.		6.0 Moz.
	Lead		42.9 Mlbs.		35.6 Mlbs.
	Zinc		113.3 Mlbs.		89.7 Mlbs.
Other ⁽³⁾	Various	\$ 24,103	N/A	\$ 14,097	N/A
Total royalty revenue		\$ 51,144		\$ 38,027	
Total Revenue		\$ 174,096		\$ 144,042	

⁽¹⁾ Reported production relates to the amount of stream metal sales and the metal sales attributable to our royalty interests for the three months ended June 30, 2024, and 2023, and may differ from the operators' public reporting due to a number of factors, including the timing of the operator's concentrate shipments, the delivery of metal to us and our subsequent sale of the delivered metal. Refer to Note 6 to the notes to consolidated financial statements.

⁽²⁾ Refer to "Property Developments" above for a discussion of recent developments at principal properties.

⁽³⁾ Individually, no stream or royalty included within the "Other" category contributed greater than 10% of our total revenue for either period.

The increase in our total revenue resulted primarily from higher average gold, silver and copper prices compared to the prior period. Higher copper sales at Mount Milligan, and higher gold and silver production at Peñasquito also contributed to the increase. These increases were partially offset by lower gold and silver sales at Pueblo Viejo compared to the prior year period.

Gold and silver ounces and copper pounds purchased and sold during the three months ended June 30, 2024 and 2023, and gold and silver ounces and copper pounds in inventory as of June 30, 2024, and December 31, 2023, for our streaming interests were as follows:

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Gold Stream						
Mount Milligan	9,800	16,100	17,300	17,500	500	4,000
Pueblo Viejo	7,000	5,800	6,800	7,400	7,000	6,200
Andacollo	5,800	4,500	3,700	4,000	1,200	800
Other	11,800	12,800	11,200	11,600	3,300	4,200
Total	34,400	39,200	39,000	40,500	12,000	15,200

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Silver Stream						
Pueblo Viejo ⁽¹⁾	332,700	218,200	150,700	362,200	332,700	223,000
Khoemacau	281,600	295,500	398,700	373,000	88,000	135,300
Other	80,000	79,500	70,600	65,700	29,800	24,800
Total	694,300	593,200	620,000	800,900	450,500	383,100

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (Mlbs.)	Sales (Mlbs.)	Purchases (Mlbs.)	Sales (Mlbs.)	Inventory (Mlbs.)	Inventory (Mlbs.)
Copper Stream						
Mount Milligan	2.5	3.4	2.5	1.7	—	—

⁽¹⁾ Pueblo Viejo silver purchases do not include 142,800 ounces of silver permitted to be deferred based on the terms of the Pueblo Viejo silver stream agreement. Total deferred silver ounces were 1.12 million ounces at June 30, 2024, and the timing for the delivery of this deferred amount is uncertain.

Cost of sales, which excludes depreciation, depletion and amortization, increased to \$24.2 million for the three months ended June 30, 2024, from \$23.4 million for the three months ended June 30, 2023. The increase, when compared to the prior year quarter, was primarily due to higher copper sales at Mount Milligan. Cost of sales is specific to our stream agreements and, except for Mount Milligan, is the result of our purchase of metal for a cash payment that is a set contractual percentage of the spot price for that metal near the date of metal delivery. For Mount Milligan, the cash payments under the existing stream agreement are the lesser of \$435 per ounce or the prevailing market price of gold when purchased and 15% of the spot price for copper near the date of metal delivery. Separately, and in addition to the cash payments under the existing stream agreement, the Mount Milligan Cost Support Agreement detailed in Note 5 of our notes to consolidated financial statements provides for cash payments on gold and copper deliveries that are expected to begin after certain thresholds are met or earlier, if metal prices are below certain thresholds but only as requested by Centerra.

General and administrative costs increased to \$10.5 million for the three months ended June 30, 2024, from \$9.1 million for the three months ended June 30, 2023. The increase was primarily due to higher non-cash stock compensation expense compared to the prior year period.

Depreciation, depletion and amortization decreased to \$35.7 million for the three months ended June 30, 2024, from \$38.4 million for the three months ended June 30, 2023. The decrease was primarily due to lower depletion rates at Khoemacau and lower gold and silver sales at Pueblo Viejo compared to the prior year period.

Interest and other expense decreased to \$2.5 million for the three months ended June 30, 2024, from \$8.4 million for the three months ended June 30, 2023. The decrease was primarily due to lower interest expense as a result of lower average amounts outstanding under our revolving credit facility compared to the prior year period. For the three months ended June 30, 2024, amounts outstanding under our revolving credit facility averaged \$92 million at an average all-in borrowing rate

of 6.5% compared to average amounts outstanding of \$473 million at an average all-in borrowing rate of 6.3% for the prior year period.

For the three months ended June 30, 2024, we recorded income tax expense of \$19.0 million, compared to \$2.0 million for the three months ended June 30, 2023. The income tax expense resulted in an effective tax rate of 18.9% in the current period, compared with 3.1% for the three months ended June 30, 2023. The three months ended June 30, 2023 included a discrete tax benefit of \$8.5 million attributable to the release of a valuation allowance on certain foreign deferred tax assets.

Six Months Ended June 30, 2024, Compared to Six Months Ended June 30, 2023

For the six months ended June 30, 2024, we recorded net income of \$128.4 million, or \$1.95 per basic and diluted share, as compared to net income of \$127.3 million, or \$1.94 per basic and \$1.93 per diluted share, for the six months ended June 30, 2023. The increase in net income was primarily attributable to higher revenue, lower debt-related interest expense and lower depletion expense compared to the prior year period. This increase was partially offset by higher tax expense, as discussed below.

For the six months ended June 30, 2024, we recognized total revenue of \$323.0 million, comprised of stream revenue of \$225.5 million and royalty revenue of \$97.5 million at an average gold price of \$2,203 per ounce, an average silver price of \$26.07 per ounce and an average copper price of \$4.12 per pound. This is compared to total revenue of \$314.4 million for the six months ended June 30, 2023, comprised of stream revenue of \$221.0 million and royalty revenue of \$93.4 million, at an average gold price of \$1,932 per ounce, an average silver price of \$23.31 per ounce and an average copper price of \$3.95 per pound. Revenue and the corresponding production attributable to our stream and royalty interests for the six months ended June 30, 2024, compared to the six months ended June 30, 2023, are as follows:

Revenue and Reported Production Subject to Our Stream and Royalty Interests
(Amounts in thousands, except reported production oz. and lbs.)

Stream/Royalty	Metal(s)	Six Months Ended June 30, 2024		Six Months Ended June 30, 2023	
		Revenue	Reported Production ⁽¹⁾	Revenue	Reported Production ⁽¹⁾
Stream ⁽²⁾ :					
Mount Milligan		\$ 87,134		\$ 87,863	
	Gold		28,600 oz.		32,700 oz.
	Copper		5.8 Mlbs.		6.2 Mlbs.
Pueblo Viejo		\$ 37,562		\$ 45,898	
	Gold		12,000 oz.		15,300 oz.
	Silver		441,200 oz.		700,100 oz.
Andacollo	Gold	\$ 22,297	10,200 oz.	\$ 20,757	11,000 oz.
Khoemacau	Silver	\$ 16,152	627,400 oz.	\$ 18,035	777,000 oz.
Other ⁽³⁾		\$ 62,336		\$ 48,452	
	Gold		26,500 oz.		23,500 oz.
	Silver		159,600 oz.		131,900 oz.
Total stream revenue		\$ 225,481		\$ 221,005	
Royalty ⁽²⁾ :					
Cortez Legacy Zone	Gold	\$ 24,579	111,300 oz.	\$ 37,393	185,300 oz.
Cortez CC Zone	Gold	\$ 8,959	244,700 oz.	\$ 6,726	218,100 oz.
Peñasquito		\$ 20,508		\$ 13,538	
	Gold		108,100 oz.		103,700 oz.
	Silver		17.8 Moz.		12.0 Moz.
	Lead		107.5 Mlbs.		72.1 Mlbs.
	Zinc		248.1 Mlbs.		188.9 Mlbs.
Other ⁽³⁾	Various	\$ 43,472	N/A	\$ 35,772	N/A
Total royalty revenue		\$ 97,518		\$ 93,429	
Total Revenue		\$ 322,999		\$ 314,434	

⁽¹⁾ Reported production relates to the amount of stream metal sales and the metal sales attributable to our royalty interests for the six months ended June 30, 2024, and 2023, and may differ from the operators' public reporting due to a number of factors, including the timing of the operator's concentrate shipments, the delivery of metal to us and our subsequent sale of the delivered metal. Refer to Note 6 to the notes to consolidated financial statements.

⁽²⁾ Refer to "Property Developments" above for a discussion of recent developments at principal properties.

⁽³⁾ Individually, no stream or royalty included within the "Other" category contributed greater than 10% of our total revenue for either period.

The increase in our total revenue resulted primarily from higher average gold, silver and copper prices, higher production at Peñasquito, and higher gold sales at Xavantina which is included in other stream revenue in the table above. The increase was partially offset by lower gold and silver sales at Pueblo Viejo and lower production at the Cortez Legacy Zone when compared to the prior year period.

Gold and silver ounces and copper pounds purchased and sold during the six months ended June 30, 2024, and 2023, and gold and silver ounces and copper pounds in inventory as of June 30, 2024, and December 31, 2023, for our streaming interests were as follows:

	Six Months Ended June 30, 2024		Six Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Gold Stream						
Mount Milligan	25,100	28,600	31,200	32,700	500	4,000
Pueblo Viejo	12,700	12,000	14,200	15,300	7,000	6,200
Andacollo	10,700	10,200	9,000	11,000	1,200	800
Other	25,600	26,500	24,200	23,500	3,300	4,200
Total	74,100	77,300	78,600	82,500	12,000	15,200

	Six Months Ended June 30, 2024		Six Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Silver Stream						
Khoemacagu	580,200	627,400	826,200	777,000	88,000	135,300
Pueblo Viejo ⁽¹⁾	550,900	441,200	513,000	700,100	332,700	223,000
Other	164,500	159,600	140,000	131,900	29,800	24,800
Total	1,295,600	1,228,200	1,479,200	1,609,000	450,500	383,100

	Six Months Ended June 30, 2024		Six Months Ended June 30, 2023		As of June 30, 2024	As of December 31, 2023
	Purchases (Mlbs.)	Sales (Mlbs.)	Purchases (Mlbs.)	Sales (Mlbs.)	Inventory (Mlbs.)	Inventory (Mlbs.)
Copper Stream						
Mount Milligan	5.8	5.8	6.0	6.2	—	—

⁽¹⁾ Pueblo Viejo silver purchases do not include 266,100 ounces of silver permitted to be deferred based on the terms of the Pueblo Viejo silver stream agreement. Total deferred silver ounces were 1.12 million ounces at June 30, 2024, and the timing for the delivery of this deferred amount is uncertain.

Cost of sales, which excludes depreciation, depletion and amortization, decreased to \$45.9 million for the six months ended June 30, 2024, from \$48.4 million for the six months ended June 30, 2023. The decrease was primarily due to lower gold and silver sales at Pueblo Viejo. Cost of sales is specific to our stream agreements and, except for Mount Milligan, is the result of our purchase of metal for a cash payment that is a set contractual percentage of the spot price for that metal near the date of metal delivery. For Mount Milligan, the cash payments under the existing stream agreement are the lesser of \$435 per ounce or the prevailing market price of gold when purchased and 15% of the spot price for copper near the date of metal delivery. Separately, and in addition to the cash payments under the existing stream agreement, the Mount Milligan Cost Support Agreement detailed in Note 5 of our notes to consolidated financial statements provides for cash payments on gold and copper deliveries that are expected to begin after certain thresholds are met or earlier, if metal prices are below certain thresholds but only as requested by Centerra.

General and administrative costs increased to \$21.9 million for the six months ended June 30, 2024, from \$20.1 million for the six months ended June 30, 2023. The increase was primarily due to higher non-cash stock compensation expense compared to the prior year period.

Depreciation, depletion and amortization decreased to \$74.5 million for the six months ended June 30, 2024, from \$84.7 million for the six months ended June 30, 2023. The decrease was primarily due to lower depletion rates at Mount Milligan and Khoemacagu as a result of proven and probable mineral reserve increases when compared to the prior year period.

Interest and other expense decreased to \$7.1 million for the six months ended June 30, 2024, from \$17.6 million for the six months ended June 30, 2023. The decrease was primarily due to lower interest expense as a result of lower average amounts outstanding under our revolving credit facility compared to the prior year period. For the six months ended June 30, 2024, amounts outstanding under our revolving credit facility averaged \$156 million at an average all-in borrowing rate

of 6.5%, compared to average amounts outstanding of \$442 million at an average all-in borrowing rate of 6.2% for the prior year period.

For the six months ended June 30, 2024, we recorded income tax expense of \$46.0 million, compared with income tax expense of \$17.9 million for the six months ended June 30, 2023. The income tax expense resulted in an effective tax rate of 26.4% in the current period, compared with 12.3% for the six months ended June 30, 2023. The six months ended June 30, 2024, included a \$13.0 million discrete U.S. GILTI income tax expense related to consideration received from the Mount Milligan Cost Support Agreement. The six months ended June 30, 2023 included a discrete tax benefit of \$8.5 million attributable to the release of a valuation allowance on certain foreign deferred tax assets.

Liquidity and Capital Resources

Overview

At June 30, 2024, we had current assets of \$133.5 million compared to current liabilities of \$122.4 million, which resulted in working capital of \$11.1 million. This compares to current assets of \$167.4 million and current liabilities of \$72.4 million at December 31, 2023, resulting in working capital of \$95 million. The decrease in working capital was primarily due to a decrease in our available cash, which primarily resulted from increased debt repayments and the \$51 million Back River royalties acquisition during the current period and our expected repayment of the outstanding balance under our revolving credit facility which resulted in the classification of the liability as current.

During the six months ended June 30, 2024, liquidity needs were met from \$251.8 million in net cash provided by operating activities and our available cash resources. Working capital, combined with available capacity under our revolving credit facility, resulted in approximately \$961 million of total liquidity at June 30, 2024. As of June 30, 2024, we had \$950 million available and \$50 million outstanding under our revolving credit facility. We were in compliance with each financial covenant under the revolving credit facility as of June 30, 2024. Refer to Note 4 of our notes to consolidated financial statements and below under Recent Liquidity Developments for further discussion on our debt.

We believe that our current financial resources and funds generated from operations will be adequate to cover anticipated expenditures for debt service and general and administrative expense costs for the foreseeable future. Our current financial resources are also available to fund dividends and for acquisitions of stream and royalty interests, including any conditional funding schedules. Our long-term capital requirements are primarily affected by our ongoing acquisition activities. We currently, and generally at any time, have acquisition opportunities in various stages of active review. In the event of one or more substantial stream or royalty interest or other acquisitions, we may seek additional debt or equity financing as necessary. We occasionally borrow and repay amounts under our revolving credit facility and may do so in the future.

Please refer to our risk factors included in Part 1, Item 1A of our 2023 10-K for a discussion of certain risks that may impact our liquidity and capital resources.

Recent Liquidity Developments

Revolving Credit Facility Repayment

During the six months ended June 30, 2024, we made payments totaling \$200 million towards the outstanding balance on the revolving credit facility leaving \$950 million available as of June 30, 2024.

On July 10, 2024, we repaid \$25 million of the outstanding balance of our revolving credit facility, leaving \$975 million available as of the date of this report. On August 12, 2024, we plan to pay the remaining outstanding balance of our revolving credit facility.

Cash Flows

Operating Activities

Net cash provided by operating activities totaled \$251.8 million for the six months ended June 30, 2024, compared to \$216.6 million for the six months ended June 30, 2023. The increase, when compared to the prior year period, was primarily due to cash proceeds of \$24.5 million received for the Mount Milligan Cost Support Agreement and \$12.0 million of interest from the repayment of the Khoemacau debt facility. This increase was partially offset by lower cash receipts from the royalty segment when compared to the prior year period.

Investing Activities

Net cash used in investing activities totaled \$27.3 million for the six months ended June 30, 2024, compared to net cash used in investing activities of \$2.8 million for the six months ended June 30, 2023. The increase was primarily due to the \$51 million in aggregate consideration paid for the acquisition of two royalties at Back River. The increase was partially offset by the \$25 million principal repayment on the Khoemacau debt facility during the current period.

Financing Activities

Net cash used in financing activities totaled \$254.4 million for the six months ended June 30, 2024, compared to \$226.2 million for the six months ended June 30, 2023. The increase was primarily due to an increase in payments made on our revolving credit facility when compared to the prior year.

Recently Adopted Accounting Standards and Critical Accounting Policies

Refer to Note 1 of our notes to consolidated financial statements for further discussion on any recently adopted accounting standards. Refer to *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2023 10-K for discussion on our critical accounting policies.

Forward-Looking Statements

This report and our other public communications include “forward-looking statements” within the meaning of U.S. federal securities laws. Forward-looking statements are any statements other than statements of historical fact. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from these statements.

Forward-looking statements are often identified by words like “will,” “may,” “could,” “should,” “would,” “believe,” “estimate,” “expect,” “anticipate,” “plan,” “forecast,” “potential,” “intend,” “continue,” “project,” or negatives of these words or similar expressions. Forward-looking statements include, among others, statements regarding the following: our expected financial performance and outlook, including sales volume, revenue, expenses, tax rates, earnings, and cash flows; operators’ expected operating and financial performance and other anticipated developments relating to their properties and operations, including production, deliveries, estimates of mineral resources and mineral reserves, environmental and feasibility studies, technical reports, mine plans, capital requirements, liquidity, and capital expenditures; benefits from acquisitions and asset assessments; receipt and timing of metal deliveries, including deferred amounts at Pueblo Viejo; the timing and amount of future benefits and obligations in connection with the Mount Milligan Cost Support Agreement; anticipated liquidity, capital resources, financing and stockholder returns; and prices for gold, silver, copper, and other metals.

Factors that could cause actual results to differ materially from these forward-looking statements include, among others, the following: a lower-price environment for gold, silver, copper, or other metals; operating activities or financial performance of properties on which we hold stream or royalty interests, including variations between actual and forecasted performance, operators’ ability to complete projects on schedule and as planned, operators’ changes to mine plans and mineral reserves and mineral resources (including updated mineral reserve and mineral resource information), liquidity needs, mining and environmental hazards, labor disputes, distribution and supply chain disruptions, permitting and licensing issues, other adverse government or court actions, or operational disruptions; contractual issues involving our stream or royalty agreements; the timing of deliveries of metals from operators and our subsequent sales of metal; risks associated with doing business in foreign countries; increased competition for stream and royalty interests; environmental risks, including those caused by climate change; potential cyber-attacks, including ransomware; our ability to identify, finance, value, and complete acquisitions; adverse economic and market conditions; impact of health epidemics and pandemics; changes in laws or regulations governing us, operators or operating properties; changes in management and key employees; and other risk factors described in this report and in our other reports filed with the Securities and Exchange Commission, including our 2023 10-K. Most of these factors are beyond our ability to predict or control. Other unpredictable or unknown factors not discussed in this report or our other reports could also have material adverse effects on forward-looking statements.

Forward-looking statements speak only as of the date on which they are made. We disclaim any obligation to update any forward-looking statements, except as required by law. Readers are cautioned not to put undue reliance on forward-looking statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our earnings and cash flows are significantly impacted by changes in the market price of gold and other metals. Gold, silver, copper, and other metal prices can fluctuate significantly and are affected by numerous factors, such as demand, production levels, economic policies of central banks, producer hedging, world political and economic events, inflation and the strength of the U.S. dollar relative to other currencies. Please see the risk factor entitled “*Our revenue is subject to volatility in metal prices, which could negatively affect our results of operations or cash flow,*” under Part I, Item 1A of our 2023 10-K, for more information about risks associated with metal price volatility.

During the six months ended June 30, 2024, we reported revenue of \$323 million, with an average gold price for the period of \$2,203 per ounce, an average silver price of \$26.07 per ounce, and an average copper price of \$4.12 per pound. The table below shows the impact that a 10% increase or decrease in the average price of the specified metal would have had on our total reported revenue for the six months ended June 30, 2024:

Metal	Percentage of Total Reported Revenue Associated with Specified Metal	Amount by Which Total Reported Revenue Would Have Increased or Decreased If Price of Specified Metal Had Averaged 10% Higher or Lower in Period
Gold	74%	\$22.9 million
Silver	13%	\$2.6 million
Copper	10%	\$5.1 million

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer (the principal executive officer) and Chief Financial Officer (the principal financial and accounting officer), we evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2024. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2024, at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended June 30, 2024, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Royal Gold have been detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors included in Part I, Item 1A of our 2023 10-K, other than as supplemented by the risk factor included in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2024, no director or officer of the Company adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit Number	Description
10.1*	Form of Amendment to Employment Agreement.
31.1*	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1‡	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2‡	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following financial statements from Royal Gold, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL: (a) Consolidated Statements of Cash Flows, (b) Consolidated Statements of Operations, (c) Consolidated Statements of Comprehensive Income, (d) Consolidated Balance Sheets, and (e) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

‡ Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ROYAL GOLD, INC.

Date: August 8, 2024

By: /s/ William Heissenbuttel

William Heissenbuttel

President and Chief Executive Officer

(Principal Executive Officer)

Date: August 8, 2024

By: /s/ Paul Libner

Paul Libner

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

AMENDMENT TO EMPLOYMENT AGREEMENT

This AMENDMENT TO EMPLOYMENT AGREEMENT (“Amendment”) is dated effective _____, 2024, and serves to amend the Employment Agreement entered into by and between [Royal Gold, Inc., a Delaware corporation][Royal Gold Corporation, a corporation organized under the laws of Canada] (the “Company”), and _____ (“Executive” and, together with the Company, the “Parties”), on _____, 20__, (as amended, the “Agreement”). All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

WHEREAS, the Parties have previously entered into the Agreement to set forth the terms and conditions of Executive’s employment and, among other terms, to set forth certain matters related to a change in control of the Company;

WHEREAS, the Company previously adopted the 2015 Omnibus Long-Term Incentive Plan (the “Plan”), which sets forth circumstances constituting a change in control for purposes of the Plan; and

WHEREAS, the Parties desire to amend the Agreement to conform certain elements of the definition of “Change of Control” in the Agreement with the definition of “Change in Control” as used in the Plan.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows.

1. The final paragraph of Section 5(e) of the Agreement is hereby replaced in its entirety with the following:

“For purposes of this Agreement, “Change of Control” means the occurrence of any of the following:

- (i) the consummation of any direct or indirect sale, lease, transfer, conveyance, or other disposition (other than by way of reorganization, merger, or consolidation), in one transaction or a series of related transactions, of all or substantially all of the assets of [the Company][Royal Gold, Inc.] and its subsidiaries, taken as a whole, to any person or group (other than a person that, prior to such transaction or series of related transactions, is controlled directly or indirectly by [the Company][Royal Gold, Inc.]);
- (ii) a transaction or a series of related transactions whereby any person or group (other than a person that, prior to such transaction or series of related transactions, is controlled directly or indirectly by [the Company][Royal Gold, Inc.]) becomes the beneficial owner of more than fifty percent (50%) of the total voting power of the voting stock of [the Company][Royal Gold, Inc.], on a fully diluted basis;
- (iii) [the Company][Royal Gold, Inc.] consolidates with, or merges with or into, any person, or any person consolidates with, or merges with or into, [the Company][Royal Gold, Inc.] (regardless of whether [the Company][Royal Gold, Inc.] is the surviving person), other than any such transaction in which the

stockholders of [the Company][Royal Gold, Inc.] before such transaction own directly or indirectly at least a majority of the voting power of the voting stock of the surviving person in such reorganization, merger, or consolidation transaction immediately after such transaction;

- (iv) during any period of two (2) consecutive years, members who at the beginning of such period constituted the Board shall have ceased for any reason to constitute a majority thereof, unless the election, or nomination for election, by [the Company][Royal Gold, Inc.]’s equity holders of each director shall have been approved by the vote of at least a majority of the directors (A) then still in office and (B) either who were directors at the beginning of such period or whose election or nomination for election was previously so approved (so long as such director was not nominated by a person who has expressed an intent to effect a Change of Control or engage in a proxy or other control contest); or
- (v) the stockholders of [the Company][Royal Gold, Inc.] adopt a plan or proposal for the liquidation, winding up, or dissolution of [the Company][Royal Gold, Inc].”

2. The following definitions are hereby appended to the end of Section 12(t) of the Agreement:

- “(iv) “group” shall have the meaning set forth in Sections 13(d) and 14(d)(2) of the Exchange Act; and
- (v) “person” shall have the meaning set forth in Sections 13(d) and 14(d)(2) of the Exchange Act.”

3. The Parties hereto acknowledge and agree that the Agreement, as amended by this Amendment, shall remain in full force and effect and, except as specifically stated herein, is otherwise unmodified and that this Amendment does not alter, amend, modify or affect any other agreement between the Parties. Any reference in the Agreement to “this Agreement” shall be deemed to mean “the Agreement, as amended.”

IN WITNESS WHEREOF, the Parties hereto have duly executed this Amendment to be effective as of the date written above.

[ROYAL GOLD, INC.]
[ROYAL GOLD CORPORATION]

By:___
Name:
Title:

EXECUTIVE

By:___

CERTIFICATION

I, William Heissenbittel, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Royal Gold, Inc.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report fairly present, in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 8, 2024

/s/William Heissenbittel

William Heissenbittel

President and Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION

I, Paul Libner, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Royal Gold, Inc.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present, in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
 - (a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 8, 2024

/s/Paul Libner

Paul Libner

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Royal Gold, Inc. (the “Company”), for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, William Heissenbuttel, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 8, 2024

/s/William Heissenbuttel

William Heissenbuttel

President and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Royal Gold, Inc. (the “Company”), for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Paul Libner, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 8, 2024

/s/ Paul Libner

Paul Libner

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)