



# 2014 Denver Gold Forum

Tony Jensen  
President and CEO



# Cautionary Statement

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This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to: the production estimates from the operators of the Company's properties; the ramp-up and estimated metal recoveries of the Mt. Milligan mine; anticipated growth in the volume of metals subject to the Company's royalty interests; and statements regarding projected steady or increasing production and estimates of timing of commencement of production from operators of properties where we have royalty interests, including operator estimates. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: the risks inherent in construction, development and operation of mining properties, including those specific to a new mine being developed and operated by a base metals company; changes in gold and other metals prices; decisions and activities of the Company's management; unexpected operating costs; decisions and activities of the operators of the Company's royalty and stream properties; changes in operators' mining and processing techniques; unanticipated grade, geological, metallurgical, environmental, processing or other problems at the properties; inaccuracies in technical reports and reserve estimates; revisions by operators of reserves, mineralization or production estimates; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; discontinuance of exploration activities by operators; economic and market conditions; operations on lands subject to First Nations jurisdiction in Canada; the ability of operators to bring non-producing and not-yet-in development projects into production and operate in accordance with feasibility studies; erroneous royalty payment calculations; title defects to royalty properties; future financial needs of the Company; the impact of future acquisitions and royalty and streaming financing transactions; adverse changes in applicable laws and regulations; litigation; and risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws, enforcement and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

The Company and its affiliates, agents, directors and employees accept no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this material.

*Endnotes located on page 15-16.*



# What Makes Royal Gold Unique

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## Growth

- Near-term growth driven by Mt. Milligan
- Long mine lives amongst largest investments

## Quality

- Focused investment criteria
- World class portfolio

## Opportunity

- \$1B uncommitted capital to invest
- >\$100M deals are material

## Value

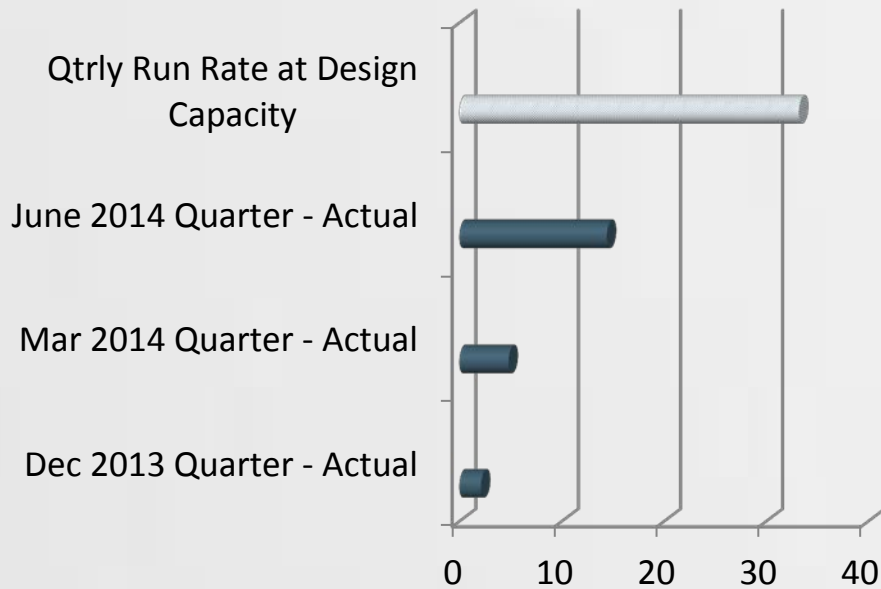
- Strong per share metrics
- Low relative valuation



# Growth

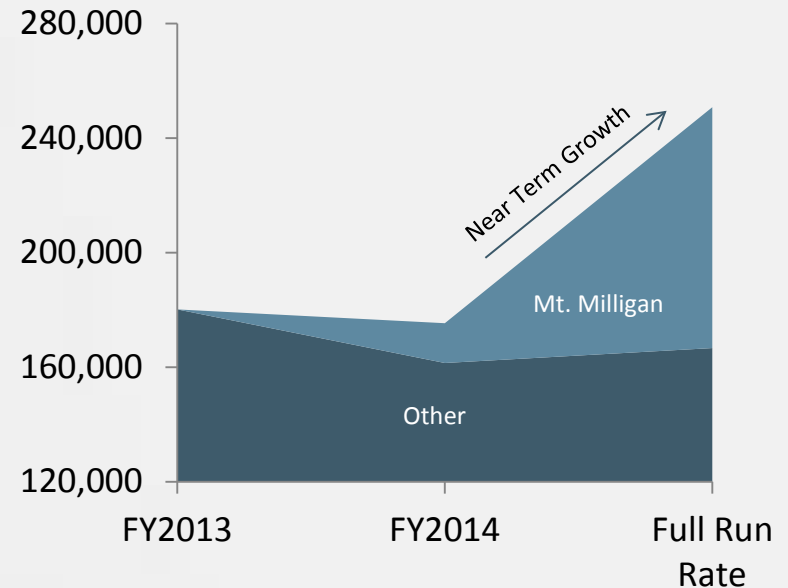
## Near-term growth driven by Mt. Milligan

What Mt. Milligan will deliver on a quarterly basis <sup>1</sup>



Estimated Mt. Milligan payable gold ounces in thousands to Royal Gold

What Mt. Milligan will contribute to our total GEO's <sup>2</sup>



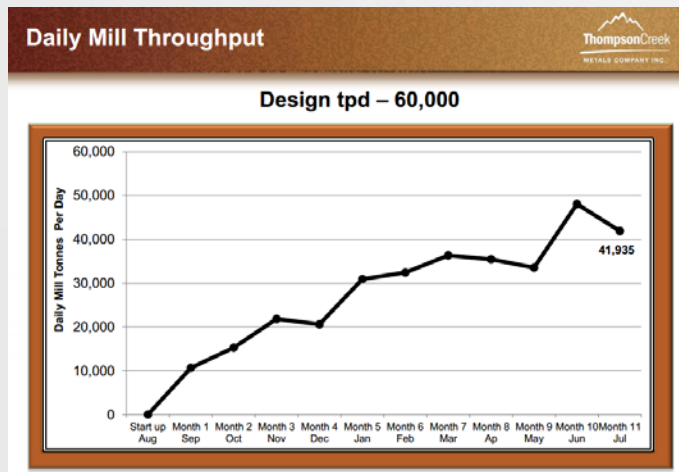
Estimated volume when Mt. Milligan is at its full projected run rate (first six years) expected approximately calendar year-end 2015



# Growth

## Mt. Milligan ramp up well underway

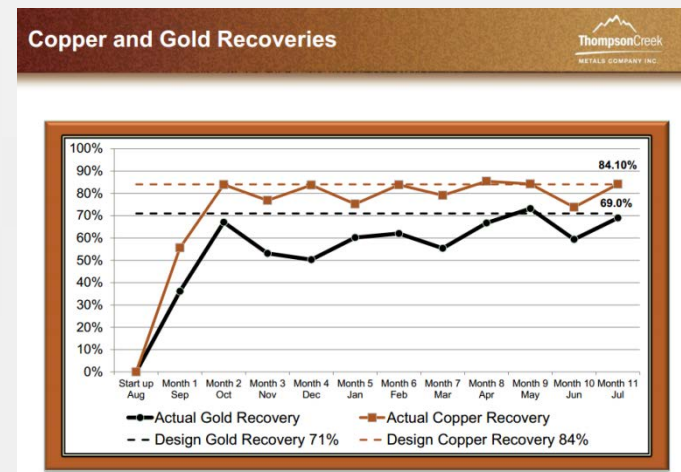
### Throughput increasing



Source: Thompson Creek Metals, August 19, 2014

- Record daily mill throughput of 63,970 tonnes achieved in June
- Thompson Creek expects fluctuations in mill throughput until they consistently achieve approximately 80% of design capacity at year-end 2014, and 100% by year-end 2015

### Recovery approaching design



Source: Thompson Creek Metals, August 19, 2014

- July gold recovery of 69% approaching 71% design level
- Upgrades to cleaner floatation circuit planned for September
- CY14 gold production guidance increased to 185,000 - 195,000 ounces



# Growth

## Rubicon Minerals' Phoenix Gold Project on schedule

- 💡 On schedule for startup mid-2015 <sup>1</sup>
  - Mill construction on schedule
  - Shaft sinking complete
  - 24% of underground development completed
- 💡 Estimated mine life: 13 years <sup>2</sup>
- 💡 Estimated average annual production: 165,300 oz <sup>3</sup>
- 💡 Investment Attributes:
  - High grade deposit
  - Project permitted and at an advanced stage of construction
  - Experienced management team
  - Red Lake area known for high grade deposits and long lived assets



*Phoenix Gold Project, 2014*

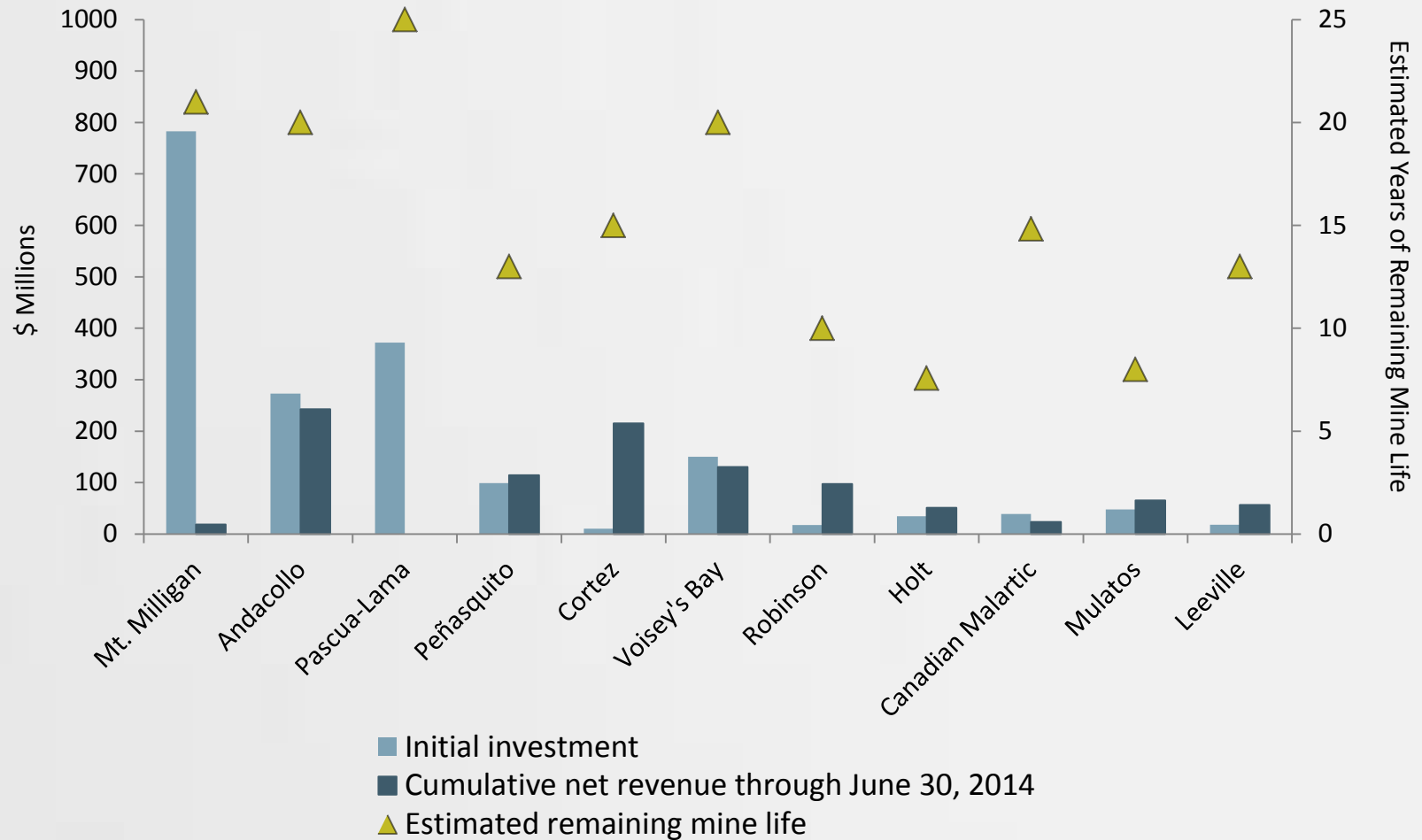


*Phoenix mill construction, August 2014*



# Growth

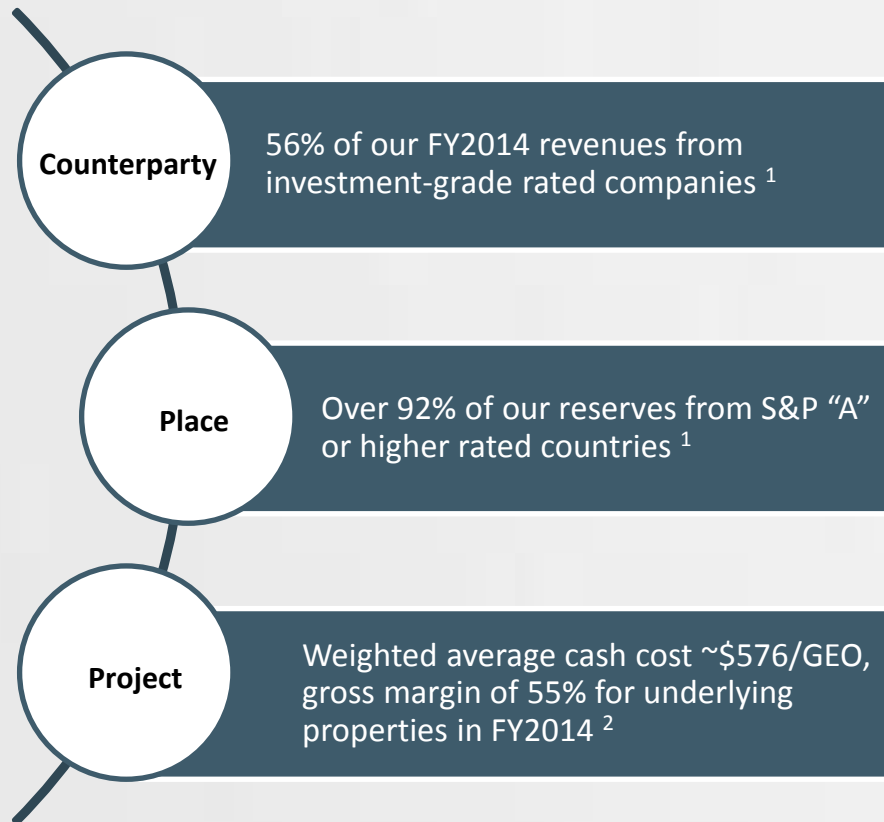
## Long mine lives amongst largest investments





# Quality

Focused investment criteria yields a world class portfolio



89% of FY2014 Production

Andacollo, Peñasquito,  
Voisey’s Bay, Mt. Milligan,  
Cortez, Goldstrike





# Quality

World class, long lived portfolio

**Mt. Milligan**  



Royalty: 52.25% of payable gold <sup>1</sup>  
Reserves: <sup>2</sup> 6.0M oz (Au)  
Estimated Mine Life: 20+ Years <sup>5</sup>

Contribution to  
FY2014 Q4 revenue

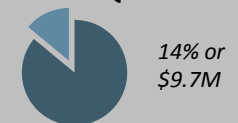


**Andacollo**  



Royalty: <sup>3</sup> 75% of Au production (NSR)  
Reserves: <sup>2</sup> 1.8M oz (Au)  
Estimated Mine Life: 20+ Years

Contribution to  
FY2014 Q4 revenue

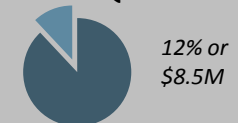


**Peñasquito**  



Royalty: 2.0% NSR  
Reserves: <sup>4,5</sup> 11.6M oz (Au), 605M oz (Ag)  
Estimated Mine Life: <sup>4</sup> 13 Years

Contribution to  
FY2014 Q4 revenue

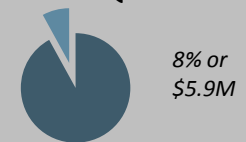


**Voisey's Bay**  



Royalty: <sup>6</sup> 2.7% NSR  
Reserves: <sup>2</sup> 0.9B lbs (Ni); 0.5B lbs (Cu)  
Estimated Mine Life: 20+ Years <sup>7</sup>

Contribution to  
FY2014 Q4 revenue

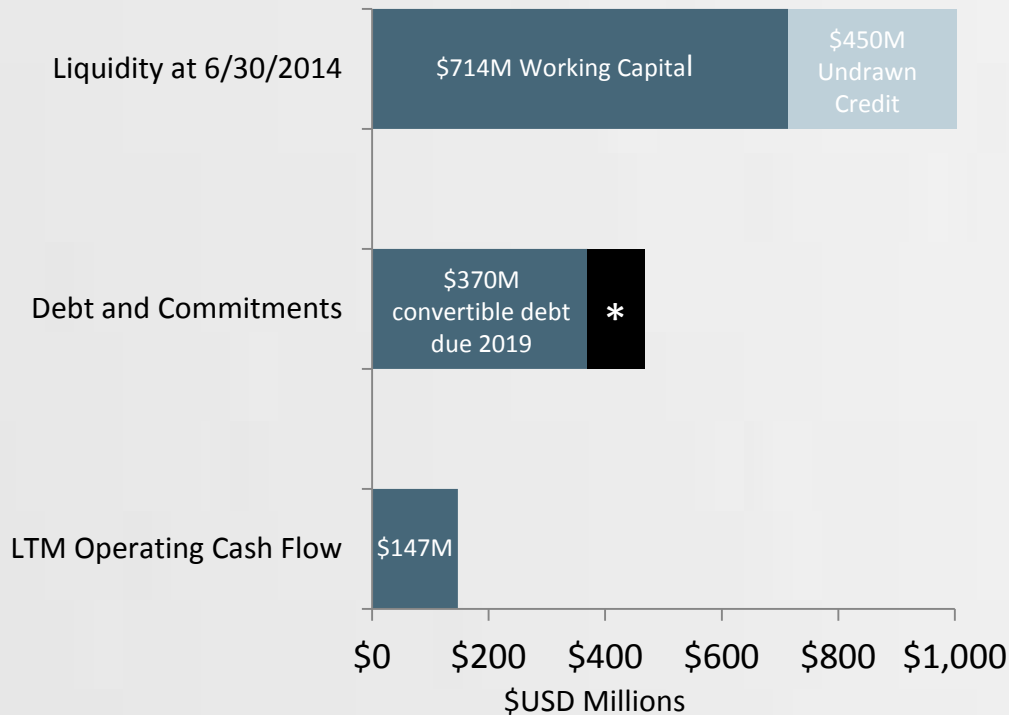




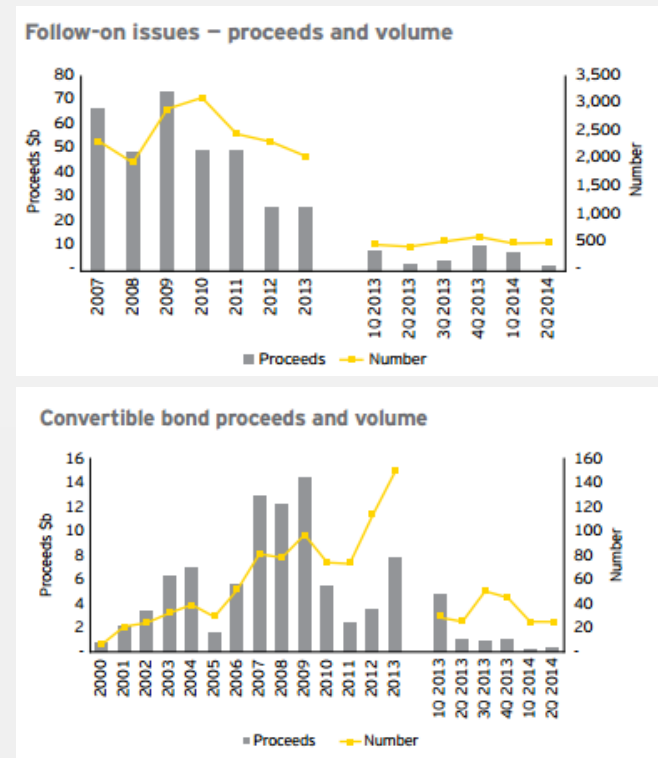
# Opportunity

\$1 billion uncommitted at a time when royalty/stream financing is needed

Capital to invest...



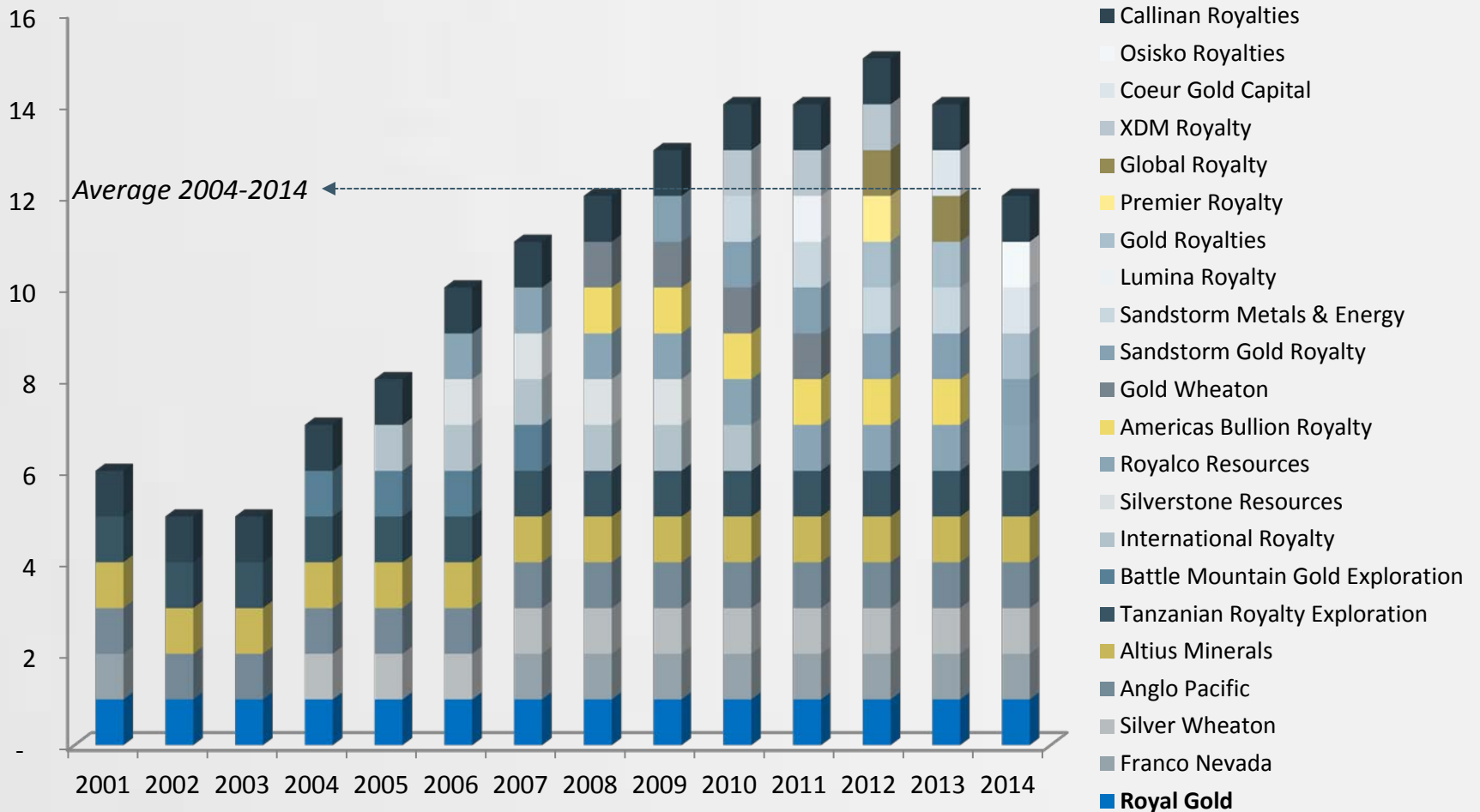
...as debt/equity markets remain challenging <sup>1</sup>





# Opportunity

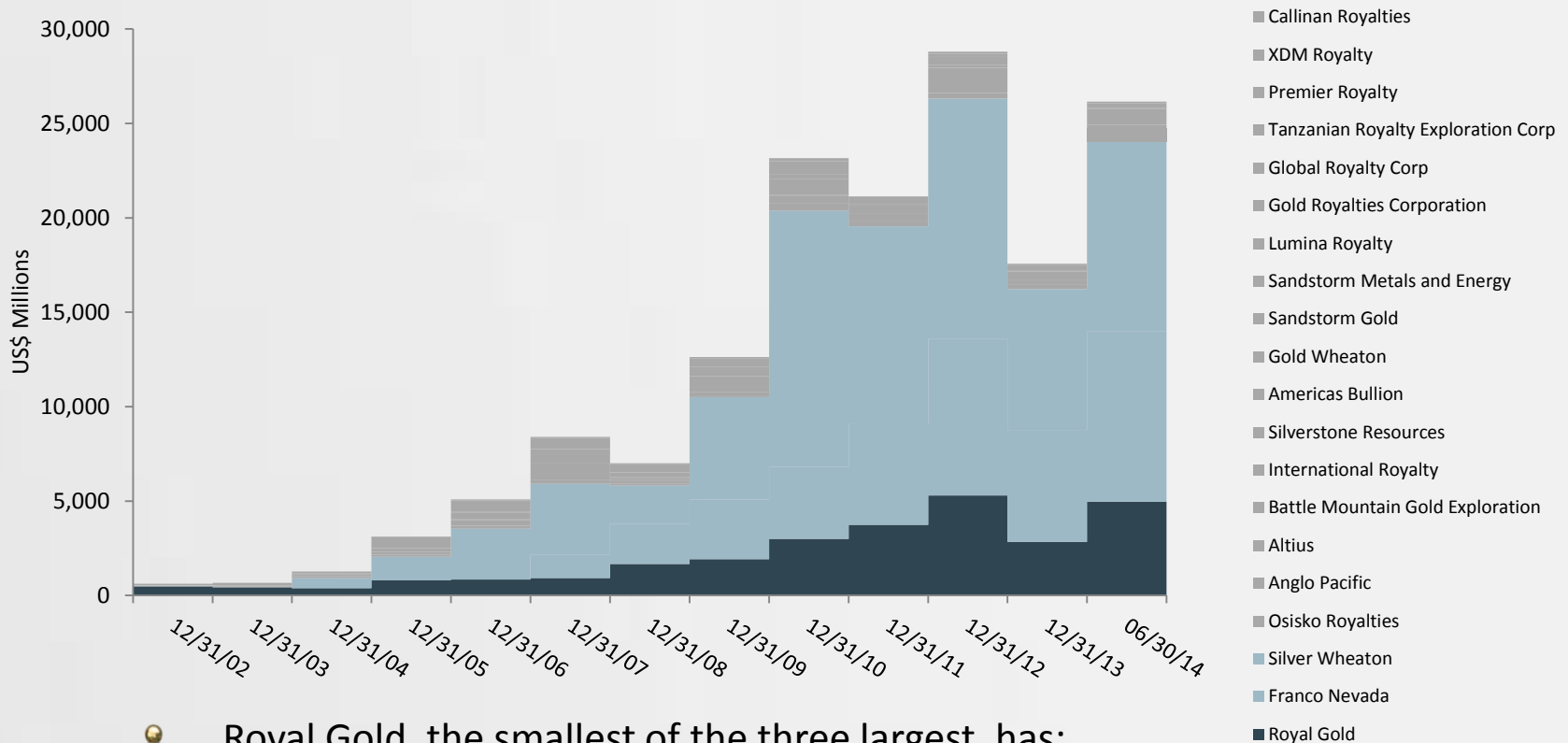
Average of 12 companies per year involved in royalty/streaming over last decade





# Opportunity

Most of the industry's market cap is highly concentrated <sup>1</sup>



**Royal Gold, the smallest of the three largest, has:**

- Substantial financial resources
- Excellent access to capital
- Proven financial and technical skills
- Ability to add material contributions with deals greater than \$100 million



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# Endnotes



# Endnotes

Many of the matters in these endnotes and the accompanying slides constitute forward looking statements and are subject to numerous risks, which could cause actual results to differ. See complete Cautionary Statement on page 2.

## PAGE 4 GROWTH

1. Full run rate Mt. Milligan gold deliveries considers estimated production of 262,000 ounces of gold annually during the first six years; 195,000 ounces of gold thereafter, per Thompson Creek's National Instrument 43-101 technical report filed on SEDAR, under Thompson Creek's profile, on October 13, 2011. Royal Gold's stream is 52.25% of payable gold, multiplied by a 97% payable factor. In the December 2013 quarter we received 2,149 ounces of physical gold from Mt. Milligan. In the March 2014 quarter Royal Gold received 4,780 ounces of physical gold. In the June 2014 quarter we received 21,900 ounces of gold and sold 14,400 ounces, and had 7,800 ounces in inventory at June 30, 2014 that are not shown on the chart.
2. Gold equivalent ounces for fiscal 2014 were calculated by dividing actual revenue by the average gold price of \$1,292 for fiscal 2014. Gold equivalent ounces for the future period were calculated by dividing future estimated revenue by the spot price of approximately \$1,300 on July 31, 2014. Net gold equivalent ounces at Mt. Milligan are based upon operator's estimated annual production rate of 262,000 ounces of gold for the first six years, as reported by the operator, using a gold price of \$1,300 per ounce for conversion purposes of the delivery payment. The future run rate is based on Royal Gold's current entity model (dated September 11, 2014) estimate for fiscal year 2016. This future estimate is subject to risks described in the Company's cautionary statement as well as in the Company's Annual Report on Form 10-K.

## PAGE 6 GROWTH

1. See Rubicon Minerals' press release dated September 8, 2014.
2. Phoenix Project Preliminary Economic Assessment (PEA) prepared by SRK Consulting (Canada) Inc. with metallurgical sections prepared by Soutex Inc., both of whom are independent of Rubicon Minerals as defined by NI 43-101, with an effective date of June 24, 2013.
3. Rubicon Minerals' press release dated August 29, 2014.

## PAGE 8 QUALITY

1. Source is S&P CapitalIQ September 10, 2014 for credit ratings and sovereign ratings.
2. Gross margin calculated by subtracting the operators' reported operating cost per unit of production from the relevant metals' average price per unit during our fiscal year 2014.



# Endnotes (cont.)

Many of the matters in these endnotes and the accompanying slides constitute forward looking statements and are subject to numerous risks, which could cause actual results to differ. See complete Cautionary Statement on page 2.

## PAGE 9 QUALITY

1. This is a metal stream whereby the purchase price for gold ounces delivered is \$435 per ounce, or the prevailing market price of gold, if lower; no inflation adjustment.
2. Reserves as of December 31, 2013, as reported by the operator.
3. 75% of payable gold until 910,000 payable ounces; 50% thereafter. There have been approximately 217,000 cumulative payable ounces produced as of June 30, 2014. Gold is produced as a by-product of copper.
4. Updated reserves and mine life per Goldcorp's technical report dated January 8, 2014.
5. Reserves also include 3.7 billion pounds of lead and 9.0 billion pounds of zinc.
6. Vale is commissioning its new Long Harbour Processing Plant with nickel matte from its Indonesian operations and intends to begin introducing nickel concentrates from Voisey's Bay in coming quarters. In anticipation of the transition from processing Voisey's Bay nickel concentrates at Vale's Sudbury and Thompson smelters to processing at the Long Harbour hydrometallurgical plant, Royal Gold is engaged in discussions with Vale concerning calculation of the royalty once Voisey's Bay nickel concentrates are processed at Long Harbour. Vale proposed a calculation of the royalty that Royal Gold estimates could result in the substantial reduction of royalty on Voisey's Bay nickel concentrates processed at Long Harbour. For further information, see Royal Gold's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on August 7, 2014.
7. Per BoAML 2008 Vale Inco EIS.

## PAGE 10 OPPORTUNITY

1. Source is EY, "Mergers, acquisitions and capital raising in mining and metals 1H2014."

## PAGE 12 OPPORTUNITY

1. Source is S&P Capital IQ as of September 10, 2014.





# Appendix A: Property Portfolio



# Property Portfolio



A large, faded, light-colored globe is centered in the background of the slide, showing the continents of North and South America.

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