

The Leading Precious Metals Royalty Company

*Merrill Lynch Global Metals & Mining Conference
May 2007*



ROYAL GOLD, INC
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Cautionary Statement Under the Private Securities Litigation Reform Act of 1995

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to, statements regarding margins, revenues, reserve estimates and production estimates made by the operators or owners of our royalty properties; the sliding-scale features of the Company's royalty structure at the Pipeline Mining Complex, Bald Mountain, Mulatos, Taparko, Gold Hill and Pascua-Lama; continued ramp-up in production at the Leeville and Troy projects; commencement of production at the Taparko project; regarding future production, construction completion, permitting approvals, mineralization and reserves, and revenue diversification and changes in the commencement of production by the operators of certain properties; the ability of operators to bring non-producing and not yet in development projects into production and operate in accordance with feasibility studies and the Company's ability to make accurate assumptions regarding the valuation and timing and amount of royalty payments. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: changes in gold and other metals prices; decisions and activities of the operators of the Company's royalty properties; unanticipated grade, geological, metallurgical, processing or other problems at the properties; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; economic and market conditions; future financial needs; the impact of future acquisitions and royalty financing transactions and risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws and enforcement and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

Why Royal Gold?

- 💡 Unique and attractive business model
- 💡 Exposure to world class assets and premier operators
- 💡 Significant growth potential
- 💡 Strong financial performance



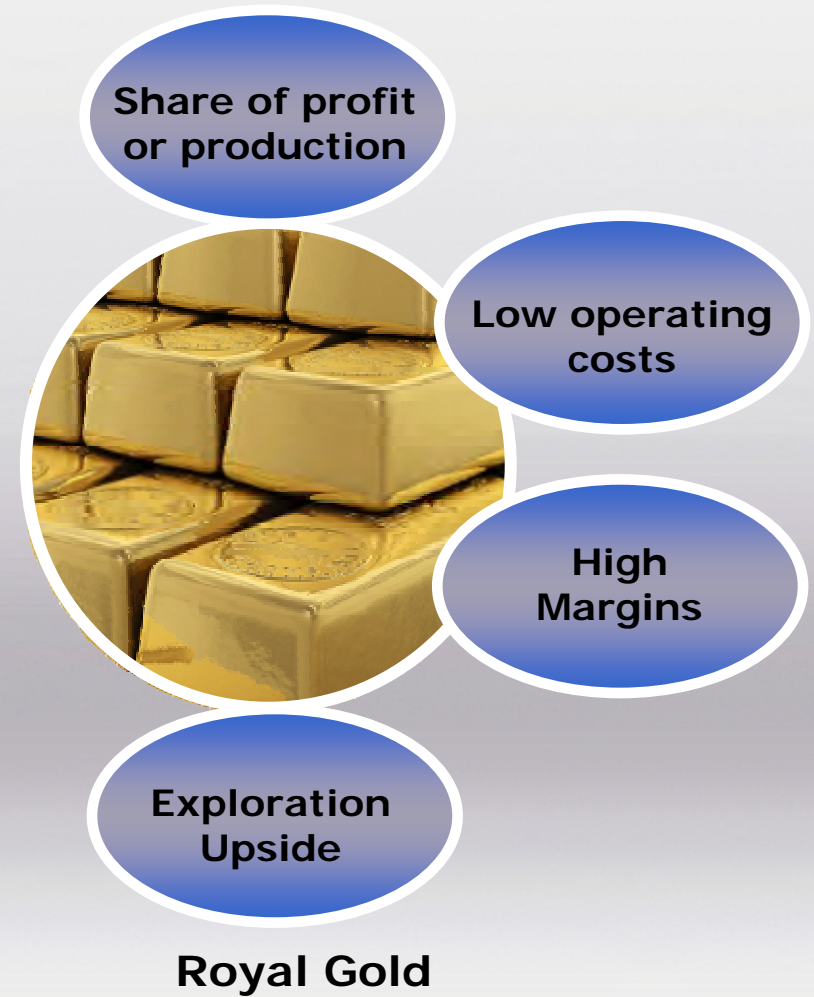


Unique and Attractive Business Model

Operating Company vs. Royal Gold

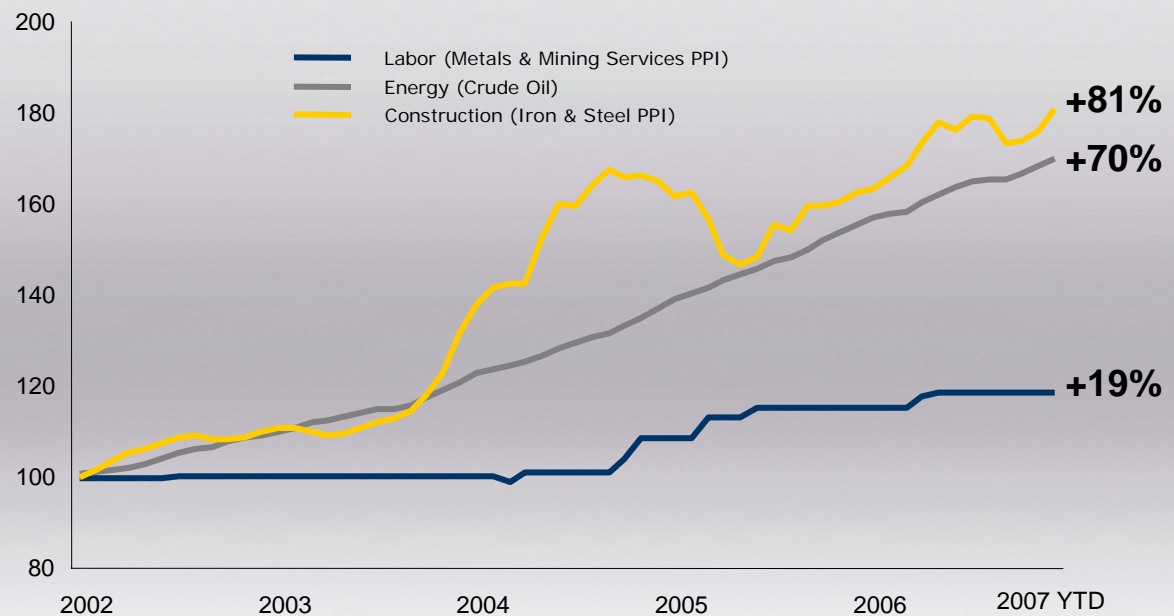


VS.



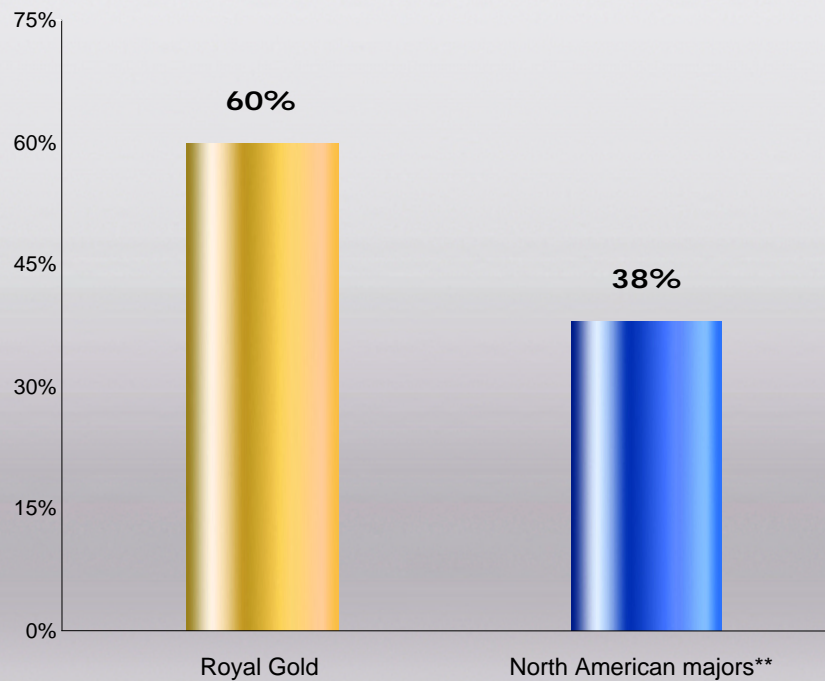
- 💡 Insulated from increased operating costs
- 💡 No capital cost contributions required
- 💡 No environmental or closure costs incurred

Five-year change in operating cost drivers

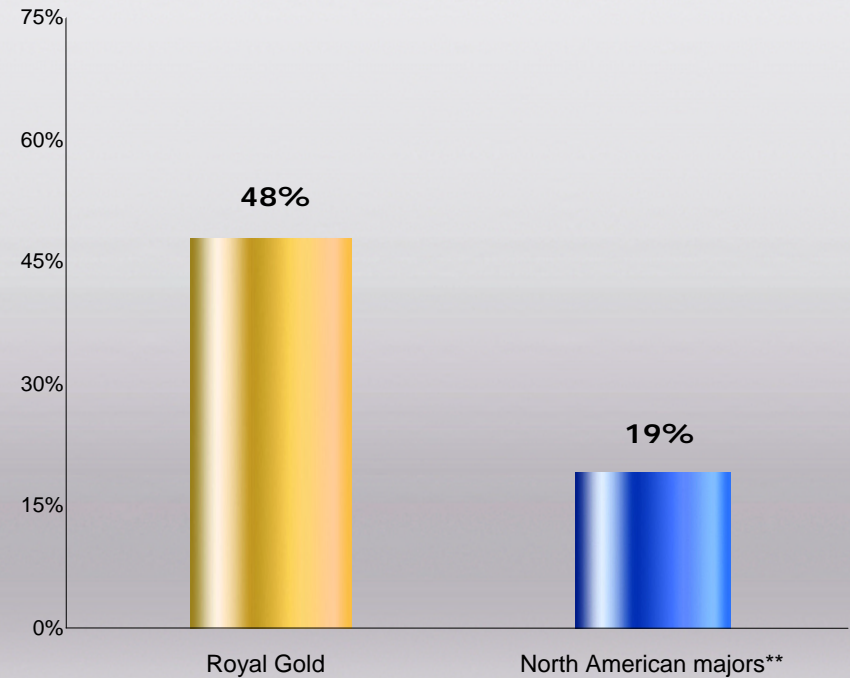


Source: Bloomberg

Operating cash flow margins*
July 2006 to December 2006



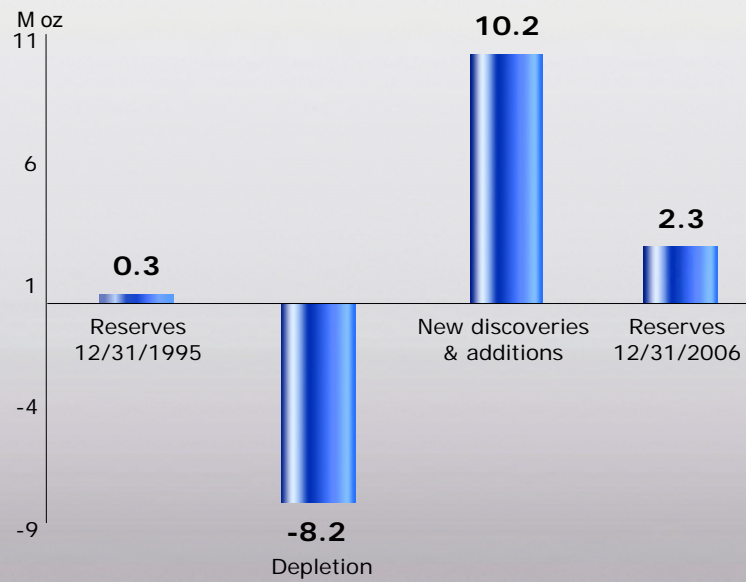
Net profit margins*
July 2006 to December 2006



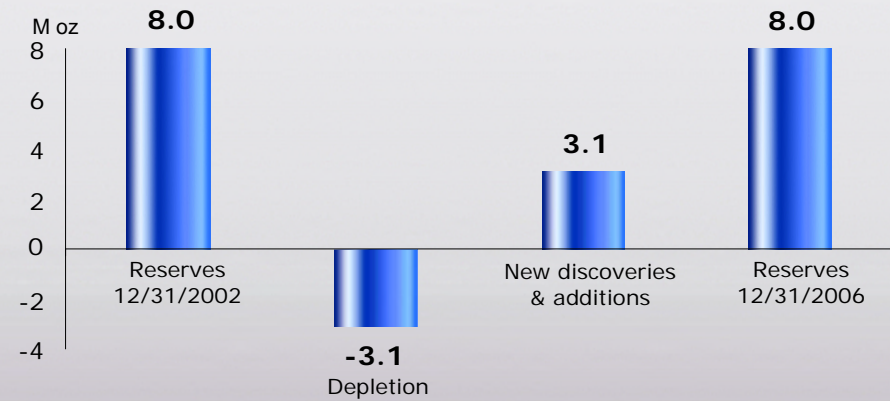
* Operating cash flow margin = operating cash flow divided by revenue
Net profit margin = net earnings divided by revenue

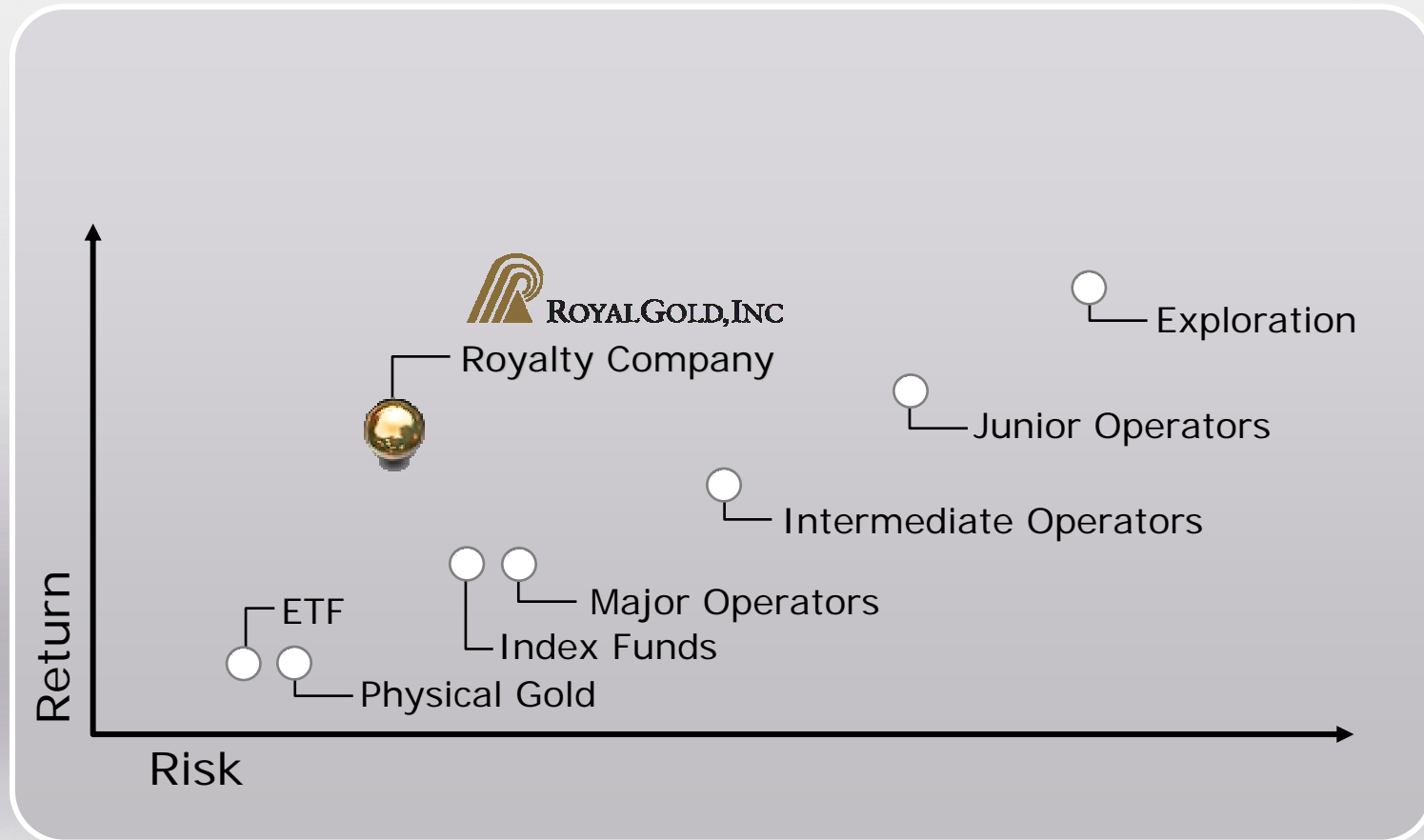
** Barrick, Newmont, Goldcorp. Calendar year data converted to fiscal year data

Cortez - Pipeline Mining Complex



Goldstrike Mine – SJ Claims

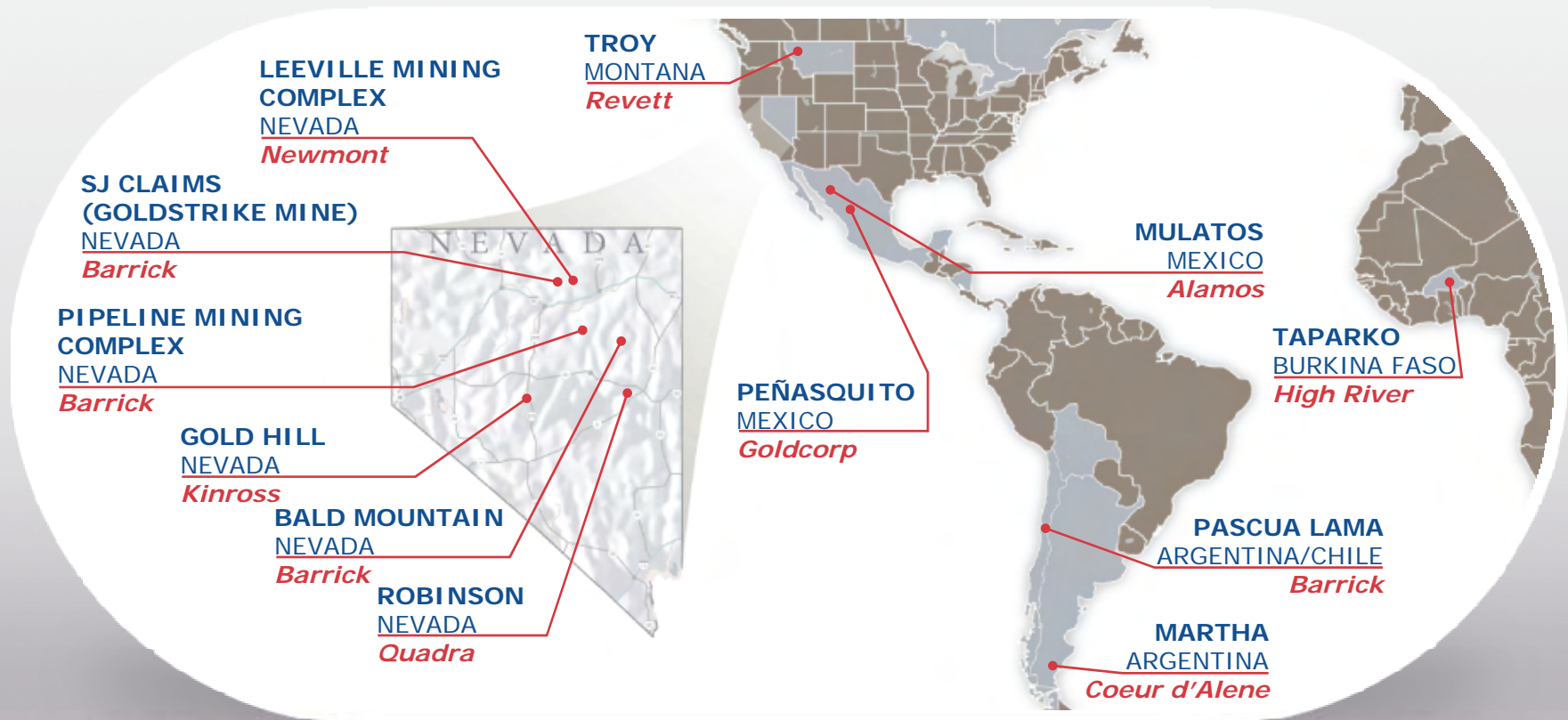




Note: This chart represents the views of Royal Gold



Exposure to World Class Assets and Premier Operators





Pipeline Mining Complex (Nevada)

- 🔦 Operated by Barrick
- 🔦 Reserves*: 2.3M oz Au
- 🔦 Production (CY07e): 491,000 oz Au
- 🔦 9-month FY07 Revenue: \$15.1M (FY06: \$16.8M)



Robinson (Nevada)

- 🔦 Operated by Quadra
- 🔦 Reserves*: 1.0M oz Au; 1.9B lbs Cu
- 🔦 Production (CY07e): 68,000 oz Au; 136.3M lbs Cu
- 🔦 9-month FY07 Revenue: \$8.6M (FY06 partial year: \$2.2M)



SJ Claims - Goldstrike Mine (Nevada)

- 🔦 Operated by Barrick
- 🔦 Reserves*: 8.0M oz Au
- 🔦 Production (CY07e): 799,000 oz Au
- 🔦 9-month FY07 Revenue: \$4.0M (FY06: \$4.8M)



Leeville Mining Complex (Nevada)

- 🔦 Operated by Newmont
- 🔦 Reserves*: 2.3M oz Au
- 🔦 Production (CY07e): 337,000 oz Au
- 🔦 9-month FY07 Revenue: \$2.1M (FY06: \$768,000)

* Reserves at 12/31/2006; reserve and production numbers reported are subject to our royalty interests



Troy (Montana)

- 🏠 Operated by Revett
- 🏠 Reserves*: 13.8M oz Ag; 131.2M lbs Cu
- 🏠 Production (CY07e): 2.0M oz Ag; 16.0M lbs Cu
- 🏠 9-month FY07 Revenue: \$1.8M (FY06: \$1.7M)



Bald Mountain (Nevada)

- 🏠 Operated by Barrick
- 🏠 Reserves*: 2.0M oz Au
- 🏠 Production (CY07e): 91,000 oz Au
- 🏠 9-month FY07 Revenue: \$1.0M (FY06: \$1.5M)



Mulatos (Mexico)

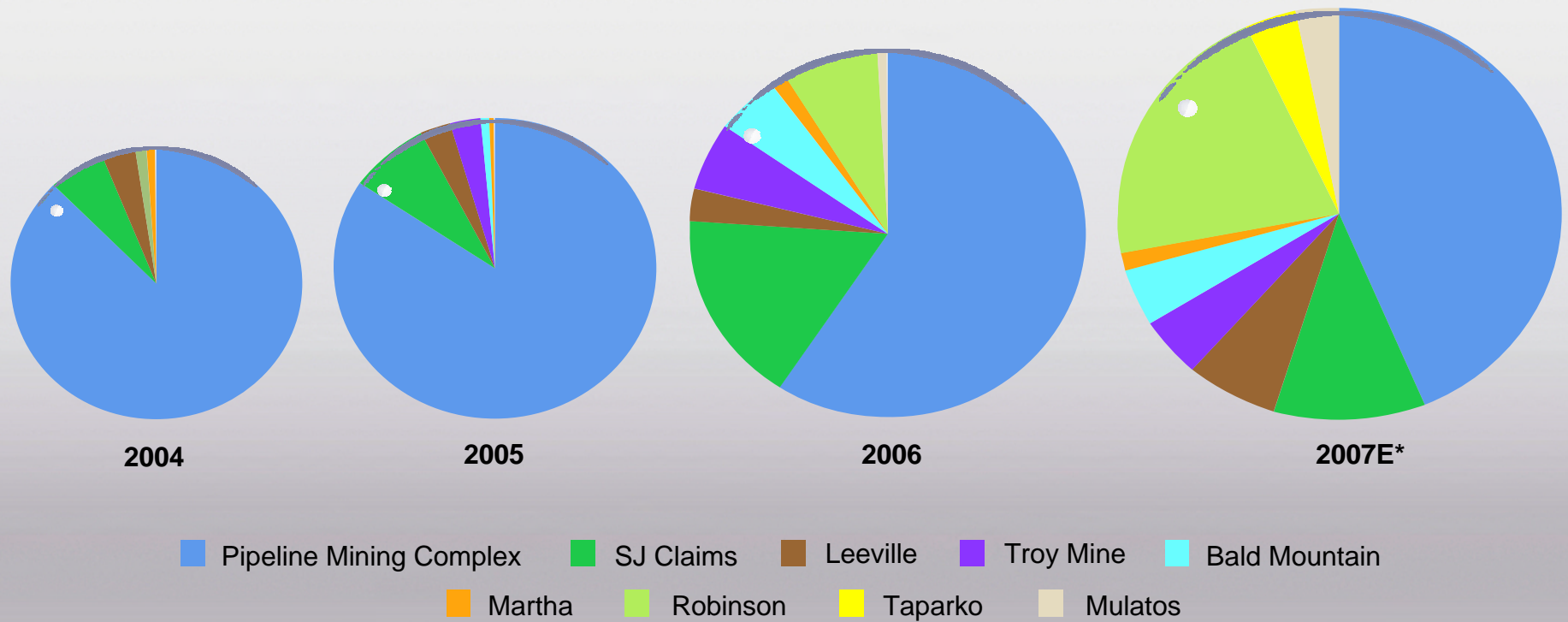
- 🏠 Operated by Alamos
- 🏠 Reserves*: 2.1M oz Au
- 🏠 Production (CY07e): 150,000 oz Au
- 🏠 9-month FY07 Revenue: \$696,000 (FY06 partial year: \$225,000)



Martha (Argentina)

- 🏠 Operated by Coeur d'Alene
- 🏠 Reserves*: 6.1M oz Ag
- 🏠 Production (CY07e): 2.7M oz Ag
- 🏠 9-month FY07 Revenue: \$584,000 (FY06: \$400,000)

*Reserves at 12/31/2006; reserve and production numbers reported are subject to our royalty interests

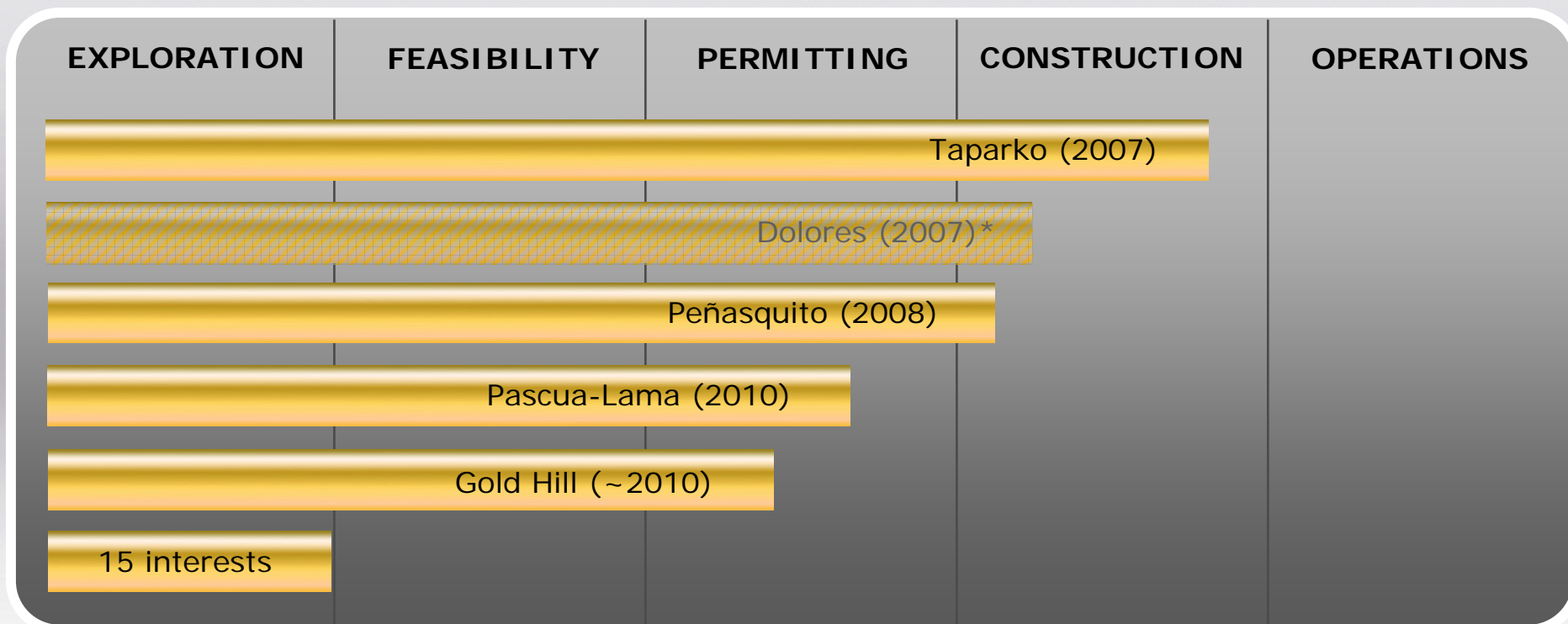


* Assuming no additional royalties added to portfolio; based on first nine months of FY2007 (July 2006 thru March 2007) results annualized
 Note: Size of pie chart is in relation to annual revenue



Significant Growth Potential

- Significant embedded growth potential
- Completed 6 acquisitions since December 2005
- Acquisition of Battle Mountain Gold Exploration pending*
- Both Peñasquito and Pascua-Lama are long-lived, world-class ore deposits

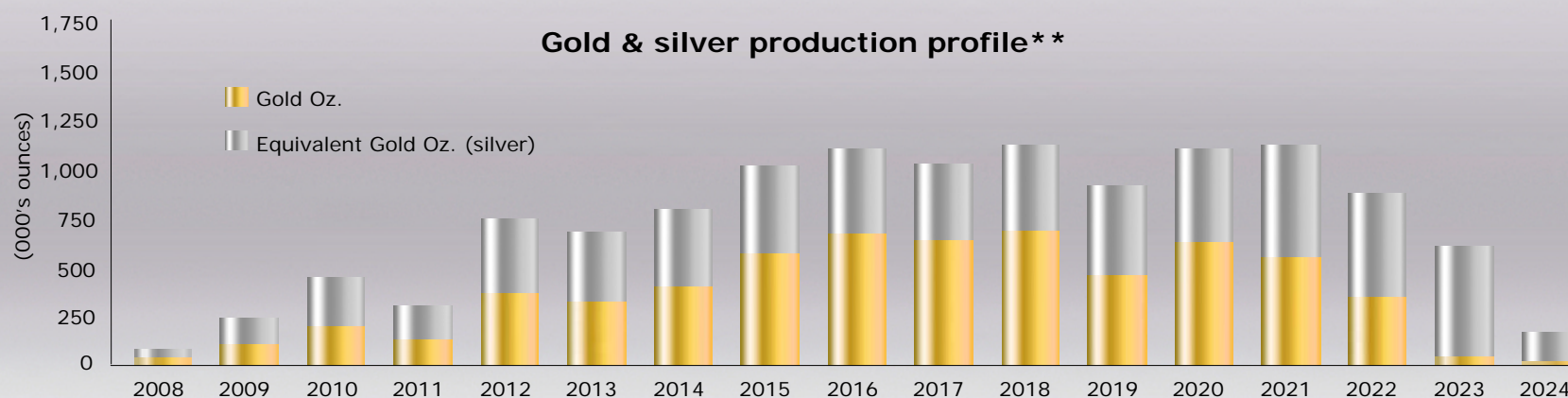


Peñasquito ~ Long-lived, World Class Deposit

- 📍 **Operator:** Goldcorp
- 📍 **Royalty:** 2.0% NSR (on all metals)
- 📍 **Reserves:** 10.0M oz Au; 575M oz Ag; 8.0B lbs Zn; 3.7B lbs Pb
- 📍 **Production*:** Est. commencement 2008
- 📍 **Mine life*:** 17 years
- 📍 **Purchase price:** \$100M
- 📍 **Key characteristics:** Low cash costs; exploration upside



(Artist's rendering of mine site)



* Per Glamis Gold's 7/31/06 feasibility study

** Gold and gold equivalent production are calculated using data from the July 31, 2006 Glamis feasibility report and the Base Case commodity price assumptions: \$532.74/oz gold and \$8.84/oz silver



Taparko (Burkina Faso)

- 🏗️ Operated by High River Gold
- 🏗️ Reserves*: 0.8M oz Au
- 🏗️ Production (Est.): 100,000 – 140,000 oz Au; Royalty payments expected in 1Q FY08
- 🏗️ Mine life: 7 years
- 🏗️ Royalty: 15% GSR and 4.3% GSR or a sliding-scale (both sunset at certain production or royalty revenue targets); 2.0% GSR (commences once other royalties sunset); 0.75% GSR milling royalty



Pascua-Lama (Chile)

- 🏗️ Operated by Barrick
- 🏗️ Reserves*: 13.6M oz Au**
- 🏗️ Production (Est.): 750,000 – 775,000 oz Au; Anticipated production in 2010
- 🏗️ Mine life: 24 years
- 🏗️ Royalty: 0.16% - 1.08% NSR (sliding-scale)



Gold Hill (Nevada)***

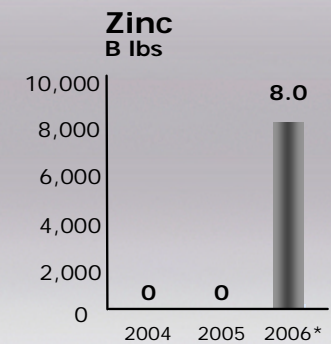
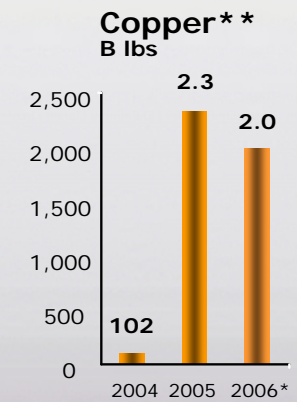
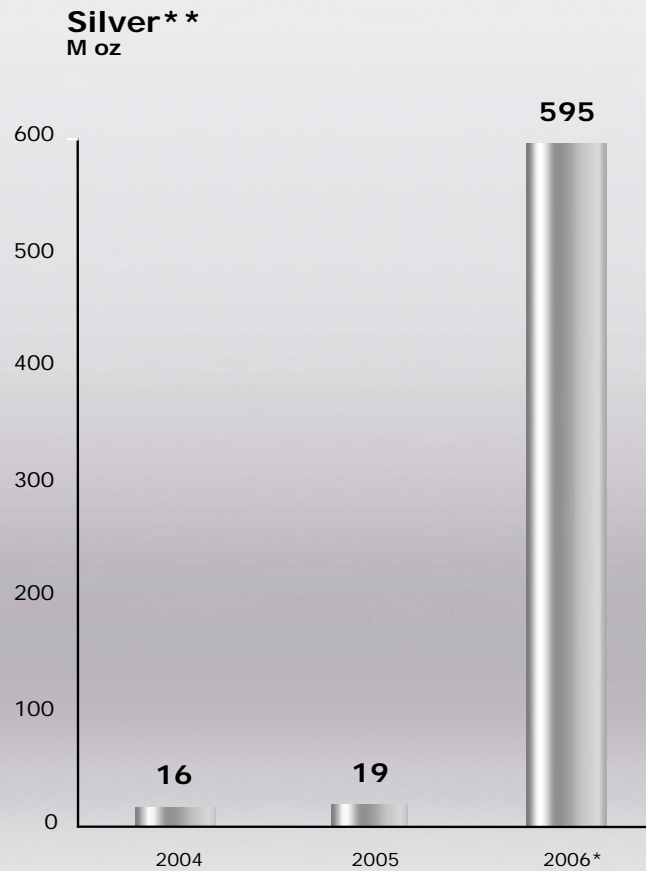
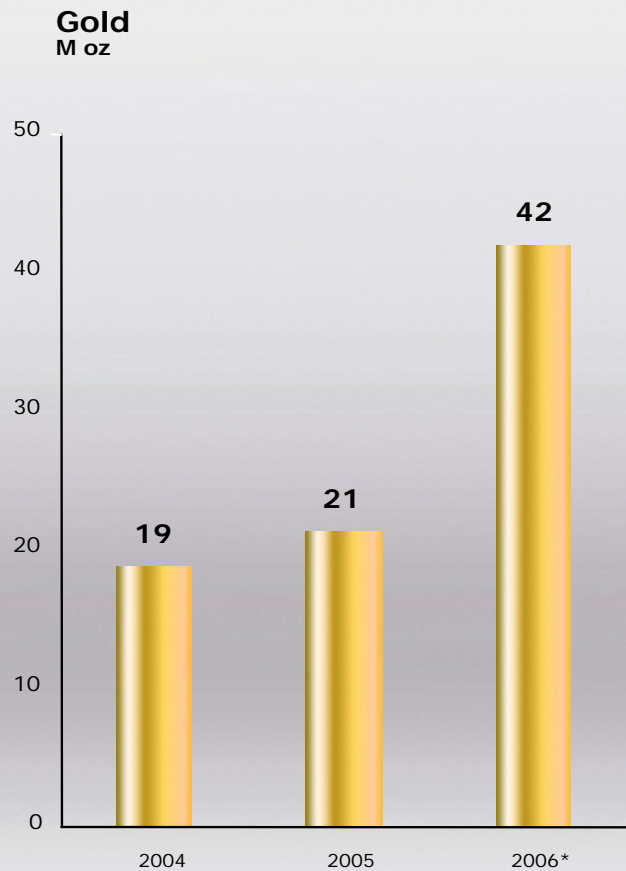
- 🏗️ Operated by Kinross (50/50 JV with Barrick)
- 🏗️ Reserves*: 0.8M oz Au
- 🏗️ Production (Est): n/a
- 🏗️ Mine life: n/a
- 🏗️ Royalty: 1.0% - 2.0% NSR (sliding-scale)

* Reserves at 12/31/2006; reserve and production numbers reported are subject to our royalty interests

** Royalty applies to Chilean reserves only which account for approximately 80% of total reserves

*** RMGC has a \$10M buy-back right on the NSR royalty; Barrick stated in a September 2006 presentation that, as of 12/31/05, there were 375,000 contained ounces in reserves attributable to its 50% interest

Strong Growth in Reserves*



* Reserves subject to our royalty interests as of 12/31/06

** A portion of the Ag and Cu reserves are subject to a \$10.5M maximum royalty payout

Acquisition Highlights

- 📍 Friendly merger
- 📍 Consideration – 1.57M shares
- 📍 Subject to due diligence



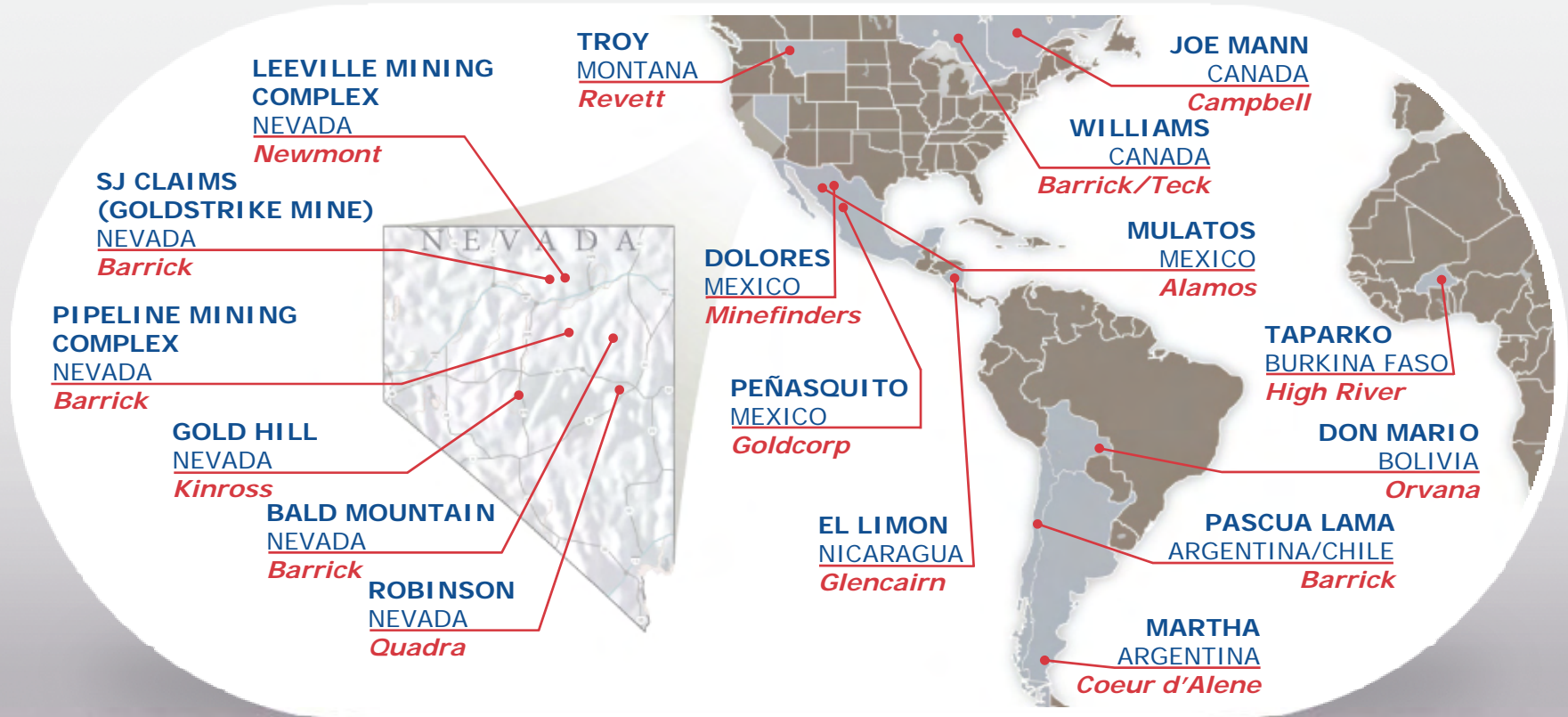
Overview of site preparation work for the Dolores Process Facilities, taken December 2006

Dolores (Mexico)

- 📍 Operator: Minefinders
- 📍 Royalty: 3.25% NSR Au; 2.0% NSR Ag
- 📍 Reserves: 2.45M oz Au; 127.8M oz Ag
- 📍 Production: Late CY07



Royalty Portfolio with Battle Mountain Properties

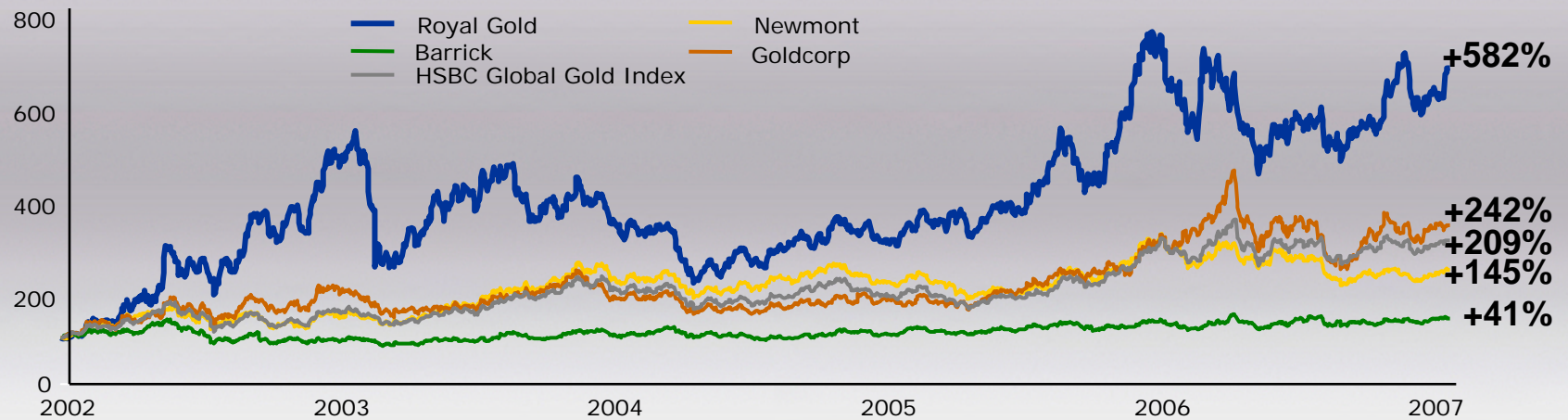
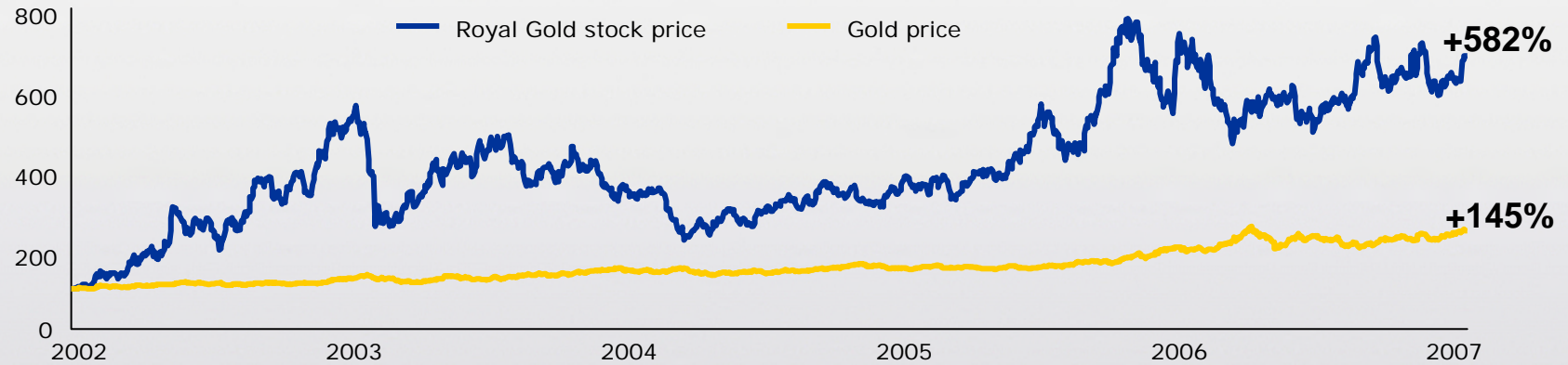




Strong Financial Performance

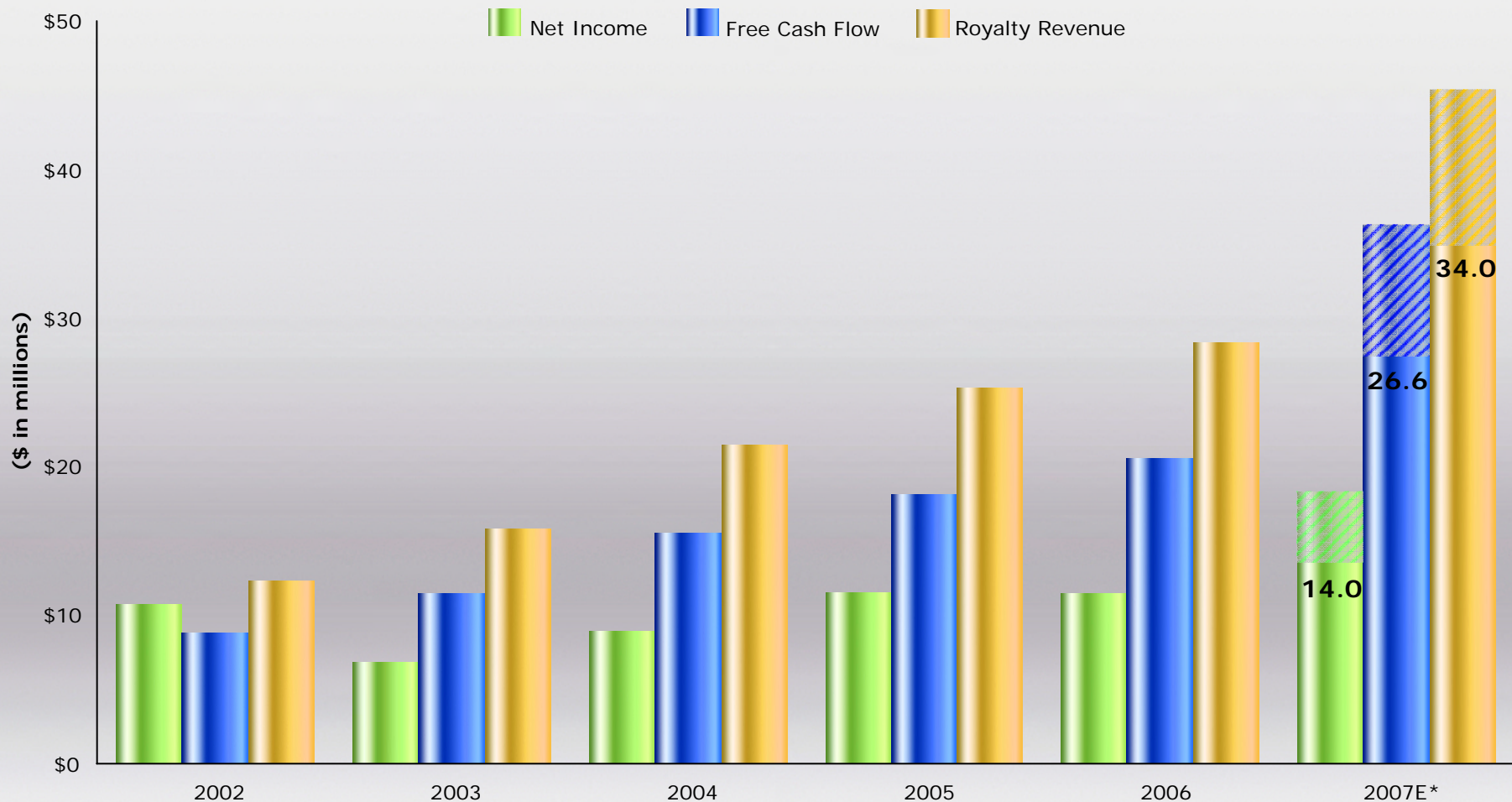


Significantly Outperforming Gold and the Major Gold Producers



Source: FactSet

Strong Track Record of Growth



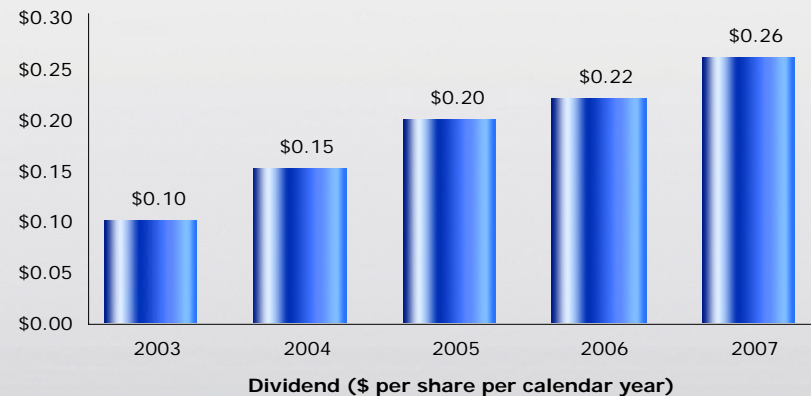
Source: Company data; fiscal years ended June 30

* 9-month FY07 results annualized to June 30, 2007; figures represent the 9-month FY07 numbers through March 31, 2007; shaded regions represent annualized portion of the Y2007 bar charts; free cash flow is a non-GAAP measure and is explained in the company's SEC filings

Creating Value for Shareholders

- 💡 Pursue acquisitions that are both strategic and accretive
- 💡 Efficient business model with low overhead
- 💡 Protect margins and grow cash flow
- 💡 Maintain financial strength and flexibility
- 💡 Growing dividend
- 💡 Management and shareholder interests aligned - 15% insider ownership

Dividend Yield*: 0.86%
Dividend Payout Ratio**: 27%



Balance sheet (as of 05/03/07 as adjusted):

💡 Cash on Hand:	\$83.0M
💡 Debt:	\$0
💡 Line of credit:	\$71.0M
💡 Shares outstanding:	28.6M

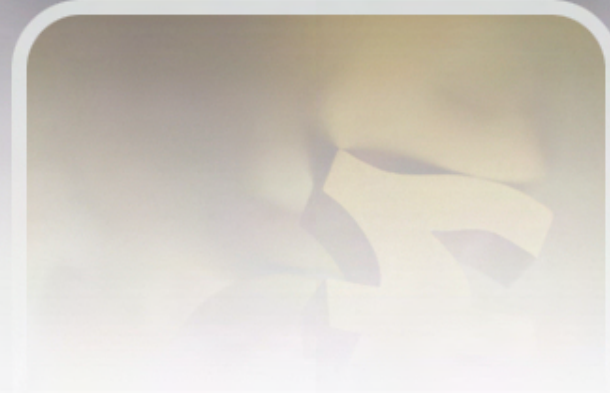
Source: Company data

* CY2007 dividend divided by closing stock price of \$30.10 per share on 03/30/07

** Calculated as dividend per share divided by trailing twelve month cash flow from operations per share as of 03/31/07

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Appendix: Summary of Royalties

Royalty Types

- Gross smelter return (GSR)
- Net smelter return (NSR)
- Net value return (NVR)
- Net profit interest (NPI)



Portfolio of Producing and Developing Properties

	Mine	Location	Operator	Royalty (Gold unless otherwise stated)	FY06 Revenue (\$M)	9-month FY07 Revenue ¹ (\$M)
Producing	Pipeline Mining Complex	Lander County, NV	Barrick	0.40-5.0% GSR1 (sliding-scale); 0.72-9.0% GSR2 (sliding-scale); 0.71% GSR3; 0.39% NVR1	16.8	15.1
	Leeville Mining Complex	Eureka County, NV	Newmont	1.8% NSR	0.8	2.1
	SJ Claims - Goldstrike	Eureka County, NV	Barrick	0.9% NSR	4.8	3.9
	Bald Mountain	White Pine County, NV	Barrick	1.75-3.5% NSR (sliding-scale)	1.5	1.0
	Martha	Santa Cruz Province, Argentina	Coeur d'Alene	2.0% NSR (silver)	0.4	0.6
	Troy	Lincoln County, MT	Revelt	7.0% GSR (silver); 7.0% GSR (copper) ²	1.7	1.8
	Mulatos	Sonora, Mexico	Alamos	0.30-1.5% NSR (sliding-scale)	0.2 ³	0.7
	Robinson	White Pine County, NV	Quadra	3.0% NSR; 3.0% GSR (copper); 3.0% GSR (molybdenum)	2.2 ³	8.6
	Williams ⁴	Ontario, Canada	Barrick / Teck Cominco	0.72% NSR	n/a ⁴	n/a ⁴
	Don Mario ⁴	Bolivia	Orvana	3.0% NSR	n/a ⁴	n/a ⁴
	El Limon & La India ⁴	Nicaragua	Glencairn Gold & Inversiones Mineras	3.0% NSR	n/a ⁴	n/a ⁴
Joe Mann ⁴	Quebec, Canada	Campbell Resources	1.0% NSR	n/a ⁴	n/a ⁴	
Development	Taparko	Burkina Faso	High River	15.0% GSR (TB-GSR1) and a 4.3% GSR (TB-GSR2) (or a sliding-scale) ⁵	0	0
	Peñasquito	Zacatecas, Mexico	Goldcorp	2% NSR	0	0
	Gold Hill	Nye County, NV	Kinross	1.0-2.0% NSR (sliding-scale)	0	0
	Pascua-Lama	Atacama, Chile	Barrick	0.16-1.08% NSR (sliding-scale)	0	0
	Dolores ⁴	Mexico	Minefinders	3.25% NSR; 2.0% NSR (silver)	n/a ⁴	n/a ⁴

NOTES:

1. 9-month FY07 revenues (July 1, 2006 thru March 31, 2007)
2. Troy has a tiered royalty structure
3. Partial year revenue
4. Pending close of the Battle Mountain acquisition
5. There are four royalties on the Taparko project

Property¹	Location	Royalty	Royalty	Operator
Santa Cruz Province	Argentina	2.00%	NSR	Hidefield
Sega	Burkina Faso	3.00%	NSR	Orezone ²
Long Valley	California	1.00%	NSR	Vista Gold
Kettukuusikko	Finland	2.00%	NSR	Taranis Resources
Rock Creek³	Montana	1.00%	NSR	Revett Minerals
Mule Canyon	Nevada	5.00%	NSR	Newmont
Buckhorn South	Nevada	16.50%	NPI	Cortez JV
Ferris/Cooks Creek	Nevada	1.50%	NVR	Cortez JV
Horse Mountain	Nevada	0.25%	NVR	Cortez JV
Simon Creek	Nevada	1.00%	NSR	Barrick
Relief Canyon	Nevada	4.0%	NSR	Firstgold ²
Rye	Nevada	0.50%	NSR	Barrick
BSC	Nevada	2.50%	NSR	Nevada Pacific
ICBM	Nevada	0.75%	NSR	BH Minerals
Long Peak	Nevada	0.75%	NSR	BH Minerals
Dixie Flats	Nevada	0.75%	NSR	BH Minerals
Svetloye	Russia	1.00%	NSR	Fortress Minerals

¹ There are no reserves on any of these properties

² Exploration properties associated with the completion of Battle Mountain Gold Exploration acquisition; Orezone has the right to buy back up to 2.0% of the royalty for \$20 million

³ Royal Gold owns 1.3 million shares of Revett Minerals which are convertible into a 1% NSR royalty



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