

**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 September 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 Each 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

Non-accelerated filer

Emerging growth company

Accelerated filer

Smaller reporting 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 65,756,835 shares of Royal Gold common stock outstanding as of October 30, 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)

	September 30, 2024	December 31, 2023
ASSETS		
Cash and equivalents	\$ 127,882	\$ 104,167
Royalty receivables	50,118	48,884
Income tax receivable	10,190	2,676
Stream inventory	11,620	9,788
Prepaid expenses and other	2,295	1,911
Total current assets	202,105	167,426
Stream and royalty interests, net (Note 3)	3,021,324	3,075,574
Other assets	78,196	118,057
Total assets	\$ 3,301,625	\$ 3,361,057
LIABILITIES		
Accounts payable	\$ 13,245	\$ 11,441
Dividends payable	26,320	26,292
Income tax payable	30,386	15,557
Other current liabilities	16,372	19,132
Total current liabilities	86,323	72,422
Debt (Note 4)	—	245,967
Deferred tax liabilities	132,857	134,299
Mount Milligan deferred liability (Note 5)	25,000	—
Other liabilities	6,517	7,728
Total liabilities	250,697	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 65,689,357 and 65,631,760 shares outstanding, respectively	657	656
Additional paid-in capital	2,225,788	2,221,039
Accumulated earnings	812,192	666,522
Total Royal Gold stockholders' equity	3,038,637	2,888,217
Non-controlling interests	12,291	12,424
Total equity	3,050,928	2,900,641
Total liabilities and equity	\$ 3,301,625	\$ 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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Revenue (Note 6)	\$ 193,837	\$ 138,617	\$ 516,835	\$ 453,051
Costs and expenses				
Cost of sales (excludes depreciation, depletion and amortization)	27,192	21,351	73,116	69,738
General and administrative	10,102	9,927	32,025	30,020
Production taxes	1,520	1,671	4,550	4,934
Depreciation, depletion and amortization	36,177	40,106	110,689	124,847
Total costs and expenses	74,991	73,055	220,380	229,539
Operating income	118,846	65,562	296,455	223,512
Fair value changes in equity securities	(425)	(462)	(42)	(171)
Interest and other income	626	2,436	4,410	7,348
Interest and other expense	(1,207)	(7,285)	(8,330)	(24,867)
Income before income taxes	117,840	60,251	292,493	205,822
Income tax expense (Note 9)	(21,510)	(10,752)	(67,535)	(28,652)
Net income and comprehensive income	96,330	49,499	224,958	177,170
Net income and comprehensive income attributable to non-controlling interests	(88)	(162)	(343)	(509)
Net income and comprehensive income attributable to Royal Gold common stockholders	\$ 96,242	\$ 49,337	\$ 224,615	\$ 176,661
Net income per share attributable to Royal Gold common stockholders:				
Basic earnings per share	\$ 1.46	\$ 0.75	\$ 3.41	\$ 2.69
Basic weighted average shares outstanding	65,670,381	65,619,406	65,652,934	65,606,681
Diluted earnings per share	\$ 1.46	\$ 0.75	\$ 3.41	\$ 2.68
Diluted weighted average shares outstanding	65,795,014	65,757,076	65,767,668	65,743,114
Cash dividends declared per common share	\$ 0.40	\$ 0.375	\$ 1.20	\$ 1.125

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 September 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 June 30, 2024	65,656,625	\$ 656	\$ 2,225,942	\$ 742,270	\$ 12,325	\$ 2,981,193
Stock-based compensation and related share issuances	32,732	1	(154)	—	—	(153)
Distributions to non-controlling interests	—	—	—	—	(122)	(122)
Net income and comprehensive income	—	—	—	96,242	88	96,330
Dividends declared	—	—	—	(26,320)	—	(26,320)
Balance at September 30, 2024	65,689,357	\$ 657	\$ 2,225,788	\$ 812,192	\$ 12,291	\$ 3,050,928

Royal Gold Stockholders						
	Common Shares		Additional Paid-In Capital	Accumulated Earnings	Non-controlling Interests	Total Equity
	Shares	Amount				
Balance at June 30, 2023	65,609,736	\$ 656	\$ 2,217,559	\$ 605,347	\$ 12,331	\$ 2,835,893
Stock-based compensation and related share issuances	22,024	—	1,136	—	—	1,136
Distributions to non-controlling interests	—	—	—	—	(97)	(97)
Net income and comprehensive income	—	—	—	49,337	162	49,499
Dividends declared	—	—	—	(24,649)	—	(24,649)
Balance at September 30, 2023	65,631,760	\$ 656	\$ 2,218,695	\$ 630,035	\$ 12,396	\$ 2,861,782

ROYAL GOLD, INC.

Consolidated Statements of Changes in Stockholders' Equity
Nine months ended September 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	57,597	1	4,749	—	—	4,750
Distributions to non-controlling interests	—	—	—	—	(476)	(476)
Net income and comprehensive income	—	—	—	224,615	343	224,958
Dividends declared	—	—	—	(78,945)	—	(78,945)
Balance at September 30, 2024	65,689,357	\$ 657	\$ 2,225,788	\$ 812,192	\$ 12,291	\$ 3,050,928

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	39,163	—	5,572	—	—	5,572
Distributions to non-controlling interests	—	—	—	—	(489)	(489)
Net income and comprehensive income	—	—	—	176,661	509	177,170
Dividends declared	—	—	—	(73,940)	—	(73,940)
Balance at September 30, 2023	65,631,760	\$ 656	\$ 2,218,695	\$ 630,035	\$ 12,396	\$ 2,861,782

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

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

	Nine Months Ended	
	September 30, 2024	September 30, 2023
Cash flows from operating activities:		
Net income and comprehensive income	\$ 224,958	\$ 177,170
Adjustments to reconcile net income and comprehensive income to net cash provided by operating activities:		
Depreciation, depletion and amortization	110,689	124,847
Non-cash employee stock compensation expense	9,313	7,342
Fair value changes in equity securities	42	171
Deferred tax benefit	4,908	(6,011)
Other	717	592
Changes in assets and liabilities:		
Royalty receivables	(1,234)	14,678
Stream inventory	(1,832)	2,805
Income tax receivable	(7,513)	(11,182)
Prepaid expenses and other assets	11,240	(3,367)
Accounts payable	1,804	1,940
Income tax payable	14,830	6,428
Mount Milligan deferred liability	25,000	—
Other liabilities	(4,472)	(709)
Net cash provided by operating activities	<u>\$ 388,450</u>	<u>\$ 314,704</u>
Cash flows from investing activities:		
Acquisition of stream and royalty interests	(55,683)	(2,678)
Proceeds from Khoemaçau debt facility	25,000	—
Other	(91)	(149)
Net cash used in investing activities	<u>\$ (30,774)</u>	<u>\$ (2,827)</u>
Cash flows from financing activities:		
Repayment of debt	(250,000)	(250,000)
Net payments from issuance of common stock	(4,564)	(1,373)
Common stock dividends	(78,917)	(73,918)
Other	(480)	(2,271)
Net cash used in financing activities	<u>\$ (333,961)</u>	<u>\$ (327,562)</u>
Net increase (decrease) in cash and equivalents	23,715	(15,685)
Cash and equivalents at beginning of period	104,167	118,586
Cash and equivalents at end of period	<u>\$ 127,882</u>	<u>\$ 102,901</u>

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 nine months ended September 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 September 30, 2024 and December 31, 2023.

As of September 30, 2024 (Amounts in thousands):	Cost	Accumulated Depletion	Net
Production stage stream interests:			
Mount Milligan	\$ 790,635	\$ (455,549)	\$ 335,086
Pueblo Viejo	610,404	(306,451)	303,953
Andacollo	388,182	(173,673)	214,509
Khoemacau	265,911	(55,365)	210,546
Rainy River	175,727	(82,771)	92,956
Other	237,059	(149,939)	87,120
Total production stage stream interests	2,467,918	(1,223,748)	1,244,170
Production stage royalty interests:			
Cortez (Legacy Zone and CC Zone)	353,850	(76,378)	277,472
Voisey's Bay	205,724	(123,350)	82,374
Red Chris	116,187	(5,966)	110,221
Peñasquito	99,172	(63,543)	35,629
Other	509,717	(416,069)	93,648
Total production stage royalty interests	1,284,650	(685,306)	599,344
Total production stage stream and royalty interests	3,752,568	(1,909,054)	1,843,514
Development stage stream interests:			
Other	12,038	—	12,038
Development stage royalty interests:			
Back River	42,948	—	42,948
La Fortuna	35,140	—	35,140
Other	30,844	—	30,844
Total development stage stream and royalty interests	120,970	—	120,970
Exploration stage stream interests:			
Xavantina	19,563	—	19,563
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	115,497	—	115,497
Total exploration stage stream and royalty interests	1,056,840	—	1,056,840
Total stream and royalty interests, net	<u>\$ 4,930,378</u>	<u>\$(1,909,054)</u>	<u>\$ 3,021,324</u>

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
Khoemaçau	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:			
Côté	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
Côté	29,610	—	29,610
Other	106,864	—	106,864
Total exploration stage stream and 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 September 30, 2024 and December 31, 2023 consists of the following (amounts in thousands):

	As of September 30, 2024			As of December 31, 2023		
	Principal	Debt Issuance Costs ⁽¹⁾	Total	Principal	Debt Issuance Costs	Total
	(Amounts in thousands)			(Amounts in thousands)		
Revolving credit facility	\$ —	\$ —	\$ —	\$ 250,000	\$ (4,033)	\$ 245,967
Total debt	\$ —	\$ —	\$ —	\$ 250,000	\$ (4,033)	\$ 245,967

⁽¹⁾ Debt issuance costs of \$3.4 million included within Other assets on our consolidated balance sheets.

Revolving credit facility

During the three months ended September 30, 2024, we repaid the remaining \$50 million of outstanding borrowings on our revolving credit facility, making the entire \$1 billion revolving credit facility available as of September 30, 2024. Interest expense, which includes interest on borrowings and amortization of debt issuance costs, was \$0.5 million and \$6.1 million for the three and nine months ended September 30, 2024, respectively, and \$6.7 million and \$23.0 million for the three and nine months ended September 30, 2023, respectively. We were in compliance with each financial covenant (leverage ratio and interest coverage ratio) under our revolving credit facility as of September 30, 2024.

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 September 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.

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.

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

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

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

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 September 30, 2024, royalty revenue that was estimated or was attributable to metal production for a period prior to September 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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Stream revenue:				
Gold	\$ 100,126	\$ 72,540	\$ 270,000	\$ 231,396
Silver	20,026	14,419	51,653	51,958
Copper	12,900	12,019	36,878	36,628
Total stream revenue	\$ 133,052	\$ 98,978	\$ 358,531	\$ 319,982
Royalty revenue:				
Gold	\$ 46,837	\$ 35,993	\$ 117,504	\$ 109,030
Silver	3,674	441	12,981	6,108
Copper	4,808	1,524	12,077	8,154
Other	5,466	1,681	15,742	9,777
Total royalty revenue	\$ 60,785	\$ 39,639	\$ 158,304	\$ 133,069
Total revenue	\$ 193,837	\$ 138,617	\$ 516,835	\$ 453,051

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

	Metal(s)	Three Months Ended		Nine Months Ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Stream revenue:					
Mount Milligan	Gold & Copper	\$ 56,570	\$ 33,876	\$ 143,704	\$ 121,739
Pueblo Viejo	Gold & Silver	26,585	16,688	64,147	62,586
Andacollo	Gold	9,652	14,644	31,949	35,401
Khoemaçau	Silver	7,996	9,047	24,148	27,082
Other	Gold & Silver	32,249	24,723	94,583	73,174
Total stream revenue		\$ 133,052	\$ 98,978	\$ 358,531	\$ 319,982
Royalty revenue:					
Cortez Legacy Zone	Gold	\$ 13,047	\$ 19,668	\$ 41,610	\$ 57,062
Cortez CC Zone	Gold	2,739	2,948	7,713	9,674
Peñasquito	Gold, Silver, Lead & Zinc	9,356	—	29,863	13,538
Other	Various	35,643	17,023	79,118	52,795
Total royalty revenue		\$ 60,785	\$ 39,639	\$ 158,304	\$ 133,069
Total revenue		\$ 193,837	\$ 138,617	\$ 516,835	\$ 453,051

Peñasquito Revenue

During the three months ended September 30, 2023, no royalty revenue from Peñasquito was recognized due to the suspension of operations resulting from a strike action on June 7, 2023, by the National Union of Mine and Metal Workers of the Mexican Republic (the "Union"). Newmont Corporation and the Union reached a definitive agreement on October 13, 2023 and Peñasquito's operations reached full operating capacity by the end of the fourth quarter of 2023.

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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Restricted stock	\$ 1,667	\$ 1,538	\$ 5,562	\$ 4,692
Performance stock	1,310	1,105	3,751	2,098
Stock appreciation rights	—	116	—	533
Stock options	—	4	—	19
Total stock-based compensation expense	\$ 2,977	\$ 2,763	\$ 9,313	\$ 7,342

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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Number of shares)		(Number of shares)	
Performance stock (at maximum 200% attainment)	—	380	93,840	82,740
Restricted Stock	—	180	65,850	56,710
Total equity awards granted	—	560	159,690	139,450

As of September 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	\$ 7,930	1.9
Performance stock	6,125	1.9

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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net income attributable to Royal Gold common stockholders	\$ 96,242	\$ 49,337	\$ 224,615	\$ 176,661
Weighted-average shares for basic EPS	65,670,381	65,619,406	65,652,934	65,606,681
Effect of other dilutive securities	124,633	137,670	114,734	136,433
Weighted-average shares for diluted EPS	65,795,014	65,757,076	65,767,668	65,743,114
Basic EPS	\$ 1.46	\$ 0.75	\$ 3.41	\$ 2.69
Diluted EPS	\$ 1.46	\$ 0.75	\$ 3.41	\$ 2.68

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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Income tax expense	\$ 21,510	\$ 10,752	\$ 67,535	\$ 28,652
Effective tax rate	18.3 %	17.8 %	23.1 %	13.9 %

The effective tax rate for the nine months ended September 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 rate for the nine months ended September 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 September 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	\$ 428,042	\$ 660,950	\$ 1,088,992	\$ 461,398	\$ 614,900	\$ 1,076,298
Dominican Republic	303,954	—	303,954	311,050	—	311,050
Africa	242,378	321	242,699	264,529	321	264,850
Chile	214,509	224,116	438,625	222,629	224,116	446,745
United States	—	778,496	778,496	—	794,891	794,891
Mexico	—	35,629	35,629	—	41,803	41,803
Australia	—	19,908	19,908	—	21,288	21,288
Rest of world	86,888	26,133	113,021	92,010	26,639	118,649
Total	\$ 1,275,771	\$ 1,745,553	\$ 3,021,324	\$ 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 September 30, 2024					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 133,052	\$ 27,192	\$ —	\$ 26,674	\$ 79,186
Royalty interests	60,785	—	1,520	9,417	49,848
Total	\$ 193,837	\$ 27,192	\$ 1,520	\$ 36,091	\$ 129,034

Three Months Ended September 30, 2023					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 98,978	\$ 21,351	\$ —	\$ 30,433	\$ 47,194
Royalty interests	39,639	—	1,671	9,556	28,412
Total	\$ 138,617	\$ 21,351	\$ 1,671	\$ 39,989	\$ 75,606

Nine Months Ended September 30, 2024					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 358,531	\$ 73,116	\$ —	\$ 80,199	\$ 205,216
Royalty interests	158,304	—	4,550	30,234	123,520
Total	\$ 516,835	\$ 73,116	\$ 4,550	\$ 110,433	\$ 328,736

Nine Months Ended September 30, 2023					
	Revenue	Cost of sales ⁽¹⁾	Production taxes	Depletion ⁽²⁾	Segment gross profit
Stream interests	\$ 319,982	\$ 69,738	\$ —	\$ 93,537	\$ 156,707
Royalty interests	133,069	—	4,934	30,964	97,171
Total	\$ 453,051	\$ 69,738	\$ 4,934	\$ 124,501	\$ 253,878

⁽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		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Total segment gross profit	\$ 129,034	\$ 75,606	\$ 328,736	\$ 253,878
Costs and expenses				
General and administrative expenses	10,102	9,927	32,025	30,020
Depreciation and amortization	86	117	256	346
Operating income	118,846	65,562	296,455	223,512
Fair value changes in equity securities	(425)	(462)	(42)	(171)
Interest and other income	626	2,436	4,410	7,348
Interest and other expense	(1,207)	(7,285)	(8,330)	(24,867)
Income before income taxes	<u>\$ 117,840</u>	<u>\$ 60,251</u>	<u>\$ 292,493</u>	<u>\$ 205,822</u>

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

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Stream interests:				
Canada	\$ 66,372	\$ 42,577	\$173,737	\$150,405
Dominican Republic	26,585	16,688	64,147	62,586
Africa	19,973	18,092	59,470	54,394
Chile	9,652	14,644	31,949	35,401
Rest of world	10,470	6,977	29,228	17,196
Total stream interests	<u>\$133,052</u>	<u>\$ 98,978</u>	<u>\$358,531</u>	<u>\$319,982</u>
Royalty interests:				
United States	\$ 34,131	\$ 28,237	\$ 83,484	\$ 85,082
Mexico	10,853	1,964	34,509	19,413
Australia	7,476	4,696	19,498	13,874
Canada	5,269	3,090	13,435	9,585
Rest of world	3,056	1,652	7,378	5,115
Total royalty interests	<u>\$ 60,785</u>	<u>\$ 39,639</u>	<u>\$158,304</u>	<u>\$133,069</u>
Total revenue	<u>\$193,837</u>	<u>\$138,617</u>	<u>\$516,835</u>	<u>\$453,051</u>

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 September 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 September 30, 2024.

As of September 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 September 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 September 30, 2024, we owned nine stream interests, which are on seven producing properties and two development stage properties. Stream interests accounted for approximately 69% of our total revenue for the three and nine months ended September 30, 2024 and 71% for the three and nine months ended September 30, 2023. 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 September 30, 2024, we owned royalty interests on 33 producing properties, 17 development stage properties and 116 exploration stage properties, of which we consider 50 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 31% of our total revenue for the three and nine months ended September 30, 2024 and 29% for the three and nine months ended September 30, 2023.

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 nine months ended September 30, 2024 and 2023, average metal prices and percentages of revenue by metal were as follows:

Metal	Three Months Ended				Nine Months Ended			
	September 30, 2024		September 30, 2023		September 30, 2024		September 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⁾	\$ 2,474	76%	\$ 1,928	78%	\$ 2,296	75%	\$ 1,931	75%
Silver (\$/ounce) ⁽¹⁾	\$ 29.43	12%	\$ 23.57	11%	\$ 27.22	13%	\$ 23.40	13%
Copper (\$/pound) ⁽²⁾	\$ 4.18	9%	\$ 3.79	10%	\$ 4.14	9%	\$ 3.89	10%
Other	N/A	3%	N/A	1%	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 5,200 ounces for the three months ended September 30, 2024, compared to approximately 9,300 ounces for the three months ended September 30, 2023. The decrease in deliveries was primarily due to lower tonnes milled as a result of water restrictions caused by extreme drought conditions earlier in the year. Stream deliveries typically occur approximately six months after mine production and are based on a fixed payability factor of 89%.

On October 24, 2024, Teck Resources Limited reported improved mill throughput in the September 2024 quarter driven by increased water availability.

Khoemacqu

Silver stream deliveries from Khoemacqu were approximately 288,200 ounces for the three months ended September 30, 2024, compared to approximately 315,000 ounces for the three months ended September 30, 2023. The decrease in

deliveries in the current period primarily resulted from lower tonnage milled. Stream deliveries are based on a fixed payability factor of 90% and typically occur 1 to 2 months after mine production.

On October 24, 2024, MMG Limited (“MMG”) reported improved mining and milling volumes and higher ore grades at Zone 5 during the September 2024 quarter compared to the previous quarter. According to MMG, operations were enhanced due to the gradual onboarding of skilled labor and increased availability of equipment, and the mining sequence allowed access to higher-grade areas. Improved controls on dilution also supported the increase in ore mined grades. MMG also reported that underground development advance increased by 25% during the quarter, which MMG expects will lead to greater mining volumes, access to higher-grade mining areas, and will increase mining flexibility in the near and medium term.

MMG also reported that it expects production at Zone 5 to further ramp up over the next year, and that it is committed to accessing the higher-grade areas to achieve an annual production of 60,000 tonnes of copper in concentrate by 2026. This will be facilitated by ongoing mining development efforts to increase mining fronts, operational flexibility and access to higher-grade areas. These efforts will be further enhanced by constructing a paste fill plant to increase extraction rates and completion of the installation of primary vent fans.

MMG plans to expand total production capacity at Khoemaçau to 130,000 tonnes of copper in concentrate per annum by building a new 4.5 million tonne per annum process plant, increasing Zone 5 output, and developing additional deposits. MMG expects to begin the expansion feasibility study by the end of 2024, with construction to begin in 2026, production of first concentrate in 2028, and full capacity reached by 2029. Any expanded production from the Zone 5 and Mango NE deposits falls within the area of interest covered by our silver stream.

Mount Milligan

Gold stream deliveries from Mount Milligan were approximately 22,100 ounces for the three months ended September 30, 2024, compared to approximately 13,000 ounces for the three months ended September 30, 2023. Copper stream deliveries from Mount Milligan were approximately 3.9 million pounds during the three months ended September 30, 2024, compared to approximately 2.4 million pounds during the three months ended September 30, 2023. The increase in deliveries was primarily due to increased mill throughput, as well as higher gold grade earlier in 2024. Stream metal deliveries typically occur approximately six months after mine production. Gold stream deliveries are based on a fixed payability factor of 97% and copper stream deliveries are based on a minimum payability factor of 95%.

On October 31, 2024, Centerra Gold Inc. ("Centerra") reported that 2024 production guidance at the Mount Milligan mine in British Columbia remains unchanged at 180,000 to 200,000 ounces of gold and 55 to 65 million pounds of copper, with gold production trending towards the lower end of the range.

Centerra also reported that work continued on the site-wide optimization program, and notable achievements during the first nine months of 2024 include an improved safety record, increased availability and utilization of the haul fleet, and consistent ore supply which has led to increased mill throughput per operating day. In addition, Centerra is progressing work on a preliminary economic assessment (“PEA”) to evaluate the substantial mineral resources at Mount Milligan with a goal to unlock additional value beyond its current 2035 mine life. Centerra expects the PEA to be completed towards the end of the first half of 2025.

Pueblo Viejo

Gold stream deliveries from Pueblo Viejo were approximately 6,000 ounces for the three months ended September 30, 2024, compared to approximately 5,000 ounces for the three months ended September 30, 2023. The increase in gold deliveries was primarily due to increased throughput in the current period. Gold stream deliveries are based on a fixed payability factor of 99.9%.

Silver stream deliveries were approximately 89,600 ounces for the three months ended September 30, 2024, compared to approximately 171,100 ounces for the three months ended September 30, 2023. The decrease in silver deliveries was primarily due to lower silver recoveries, partially offset by higher throughput. Silver stream deliveries are based on a fixed payability factor of 99.0%. Deliveries are quarterly and typically occur 1 to 3 months after mine production.

On October 16, 2024, Barrick Gold Corporation reported that Pueblo Viejo delivered a 23% improvement in gold production in the third quarter of 2024 compared to the second quarter of 2024 due to continued plant optimization.

Royalty Interests

Cortez

Production attributable to our royalty interest at the Cortez Complex was approximately 161,800 ounces of gold for the three months ended September 30, 2024, of which 45,300 ounces were attributable to the Legacy Zone, and 116,500 ounces were attributable to the CC Zone, compared to approximately 218,800 ounces of gold for the three months ended September 30, 2023, of which 98,800 ounces were attributable to the Legacy Zone, and 120,000 ounces were attributable to the CC Zone.

Peñasquito

Production attributable to our royalty interest at Peñasquito was approximately 55,700 ounces of gold, 5.7 million ounces of silver, 36.4 million pounds of lead and 133.6 million pounds of zinc for the three months ended September 30, 2024. During the three months ended September 30, 2023, no royalty production from Peñasquito was reported due to the suspension of operations resulting from a labor strike that was subsequently resolved in October 2023.

October 18, 2024, Newmont Corporation ("Newmont") reported that it had agreed on a new Collective Bargain Agreement ("CBA") for 2024-2026 with the National Union of Mining, Metallurgical, Steel, and Similar Workers of Mexico. According to Newmont, this CBA provides a solid foundation for continuing operations at Peñasquito.

On October 23, 2024, Newmont reported that it delivered steady gold, silver, lead and zinc production in the current quarter from the Chile Colorado pit and commenced mining ore in the higher gold grade Peñasco pit, ahead of plan due to efficient stripping. Newmont expects this will result in an increase in gold production in the fourth quarter of 2024 and into 2025.

Results of Operations

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

For the three months ended September 30, 2024, we recorded net income and comprehensive income attributable to Royal Gold stockholders ("net income") of \$96.2 million, or \$1.46 per basic and diluted share, as compared to net income of \$49.3 million, or \$0.75 per basic and diluted share, for the three months ended September 30, 2023. The increase in net income was primarily attributable to higher revenue and lower interest expense, each discussed below.

For the three months ended September 30, 2024, we recognized total revenue of \$193.8 million, comprised of stream revenue of \$133.1 million and royalty revenue of \$60.8 million at an average gold price of \$2,474 per ounce, an average silver price of \$29.43 per ounce and an average copper price of \$4.18 per pound. This is compared to total revenue of \$138.6 million for the three months ended September 30, 2023, comprised of stream revenue of \$99.0 million and royalty revenue of \$39.6 million, at an average gold price of \$1,928 per ounce, an average silver price of \$23.57 per ounce and an average copper price of \$3.79 per pound. Revenue and the corresponding production attributable to our stream and royalty interests for the three months ended September 30, 2024, compared to the three months ended September 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 September 30, 2024		Three Months Ended September 30, 2023	
		Revenue	Reported Production ⁽¹⁾	Revenue	Reported Production ⁽¹⁾
Stream⁽²⁾:					
Mount Milligan		\$ 56,570		\$ 33,876	
	Gold		17,600 oz.		11,300 oz.
	Copper		3.1 Mlbs.		3.2 Mlbs.
Pueblo Viejo		\$ 26,585		\$ 16,688	
	Gold		7,000 oz.		6,800 oz.
	Silver		332,700 oz.		150,700 oz.
Andacollo	Gold	\$ 9,652	4,000 oz.	\$ 14,644	7,500 oz.
Khoemacau	Silver	\$ 7,996	275,200 oz.	\$ 9,047	386,100 oz.
Other ⁽³⁾		\$ 32,249		\$ 24,723	
	Gold		12,100 oz.		11,900 oz.
	Silver		80,300 oz.		76,900 oz.
Total stream revenue		\$ 133,052		\$ 98,978	
Royalty⁽²⁾:					
Cortez Legacy Zone	Gold	\$ 13,047	45,300 oz.	\$ 19,668	98,800 oz.
Cortez CC Zone	Gold	\$ 2,739	116,500 oz.	\$ 2,948	120,000 oz.
Peñasquito		\$ 9,356		\$ —	
	Gold		55,700 oz.		— oz.
	Silver		5.7 Moz.		— Moz.
	Lead		36.4 Mlbs.		— Mlbs.
	Zinc		133.6 Mlbs.		— Mlbs.
Other ⁽³⁾	Various	\$ 35,643	N/A	\$ 17,023	N/A
Total royalty revenue		\$ 60,785		\$ 39,639	
Total Revenue		\$ 193,837		\$ 138,617	

⁽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 September 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 gold sales from Mount Milligan, higher gold and silver sales from Pueblo Viejo, higher gold, silver, zinc and lead production from Peñasquito and new revenue of \$12.6 million from non-principal royalties also contributed to the increase. These increases were partially offset by lower gold sales from Andacollo, lower production from the Cortez Legacy Zone and lower silver sales from Khoemacau when compared to the prior year period.

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

Gold Stream	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Mount Milligan	22,100	17,600	13,000	11,300	5,000	4,000
Pueblo Viejo	6,000	7,000	5,000	6,800	6,000	6,200
Andacollo	5,200	4,000	9,300	7,500	2,500	800
Other	12,400	12,100	11,700	11,900	3,500	4,200
Total	45,700	40,700	39,000	37,500	17,000	15,200

Silver Stream	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Pueblo Viejo ⁽¹⁾	89,600	332,700	171,100	150,700	89,600	223,000
Khoemaçau	288,200	275,200	315,000	386,100	101,000	135,300
Other	78,900	80,300	65,800	76,900	28,500	24,800
Total	456,700	688,200	551,900	613,700	219,100	383,100

Copper Stream	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (Mlbs.)	Sales (Mlbs.)	Purchases (Mlbs.)	Sales (Mlbs.)	Inventory (Mlbs.)	Inventory (Mlbs.)
Mount Milligan	3.9	3.1	2.4	3.2	0.8	—

⁽¹⁾ Pueblo Viejo silver purchases for the three months ended September 30, 2024 do not include 115,600 ounces of silver permitted to be deferred based on the terms of the Pueblo Viejo silver stream agreement. Total deferred silver ounces were 1.2 million ounces at September 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 \$27.2 million for the three months ended September 30, 2024, from \$21.4 million for the three months ended September 30, 2023. The increase, when compared to the prior year period, was primarily due to higher gold, silver and copper prices, higher gold sales from Mount Milligan and higher silver sales from Pueblo Viejo. The increase was partially offset by lower gold sales from Andacollo and lower silver sales from Khoemaçau compared to the prior year period. 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 and if requested by Centerra Gold Inc. ("Centerra").

General and administrative costs increased to \$10.1 million for the three months ended September 30, 2024, from \$9.9 million for the three months ended September 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 \$36.2 million for the three months ended September 30, 2024, from \$40.1 million for the three months ended September 30, 2023. The decrease was primarily due to lower stream depletion rates as a result of proven and probable mineral reserve increases by our operators when compared to the prior year period, lower silver sales from Khoemaçau, lower gold sales from Andacollo and lower gold production at Cortez compared to the prior year period. The decrease was partially offset by higher gold sales from Mount Milligan and higher gold and silver sales from Pueblo Viejo.

Interest and other expense decreased to \$1.2 million for the three months ended September 30, 2024, from \$7.3 million for the three months ended September 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 September 30, 2024, amounts outstanding under our revolving credit facility averaged \$14 million at an average all-in borrowing rate of 6.5% compared to average amounts outstanding of \$380 million at an average all-in borrowing rate of 6.7% for the prior year period.

For the three months ended September 30, 2024, we recorded income tax expense of \$21.5 million, compared to \$10.8 million for the three months ended September 30, 2023. The income tax expense resulted in an effective tax rate of 18.3% in the current period, compared with 17.8% for the three months ended September 30, 2023. The higher income tax expense for the three months ended September 30, 2024 was primarily attributable to higher income before income taxes compared to the prior year period.

Nine Months Ended September 30, 2024, Compared to Nine Months Ended September 30, 2023

For the nine months ended September 30, 2024, we recorded net income of \$224.6 million, or \$3.41 per basic and diluted share, as compared to net income of \$176.7 million, or \$2.69 per basic and \$2.68 per diluted share, for the nine months ended September 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 nine months ended September 30, 2024, we recognized total revenue of \$516.8 million, comprised of stream revenue of \$358.5 million and royalty revenue of \$158.3 million at an average gold price of \$2,296 per ounce, an average silver price of \$27.22 per ounce and an average copper price of \$4.14 per pound. This is compared to total revenue of \$453.1 million for the nine months ended September 30, 2023, comprised of stream revenue of \$320.0 million and royalty revenue of \$133.1 million, at an average gold price of \$1,931 per ounce, an average silver price of \$23.40 per ounce and an average copper price of \$3.89 per pound. Revenue and the corresponding production attributable to our stream and royalty interests for the nine months ended September 30, 2024, compared to the nine months ended September 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)	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	
		Revenue	Reported Production ⁽¹⁾	Revenue	Reported Production ⁽¹⁾
Stream^{(2):}					
Mount Milligan		\$ 143,704		\$ 121,739	
	Gold		46,200 oz.		44,000 oz.
	Copper		9.0 Mlbs.		9.4 Mlbs.
Pueblo Viejo		\$ 64,147		\$ 62,586	
	Gold		18,900 oz.		22,100 oz.
	Silver		773,900 oz.		850,800 oz.
Andacollo	Gold	\$ 31,949	14,100 oz.	\$ 35,401	18,500 oz.
Khoemacau	Silver	\$ 24,148	902,700 oz.	\$ 27,082	1.2 Moz.
Other ⁽³⁾		\$ 94,583		\$ 73,174	
	Gold		38,800 oz.		35,400 oz.
	Silver		239,800 oz.		208,800 oz.
Total stream revenue		\$ 358,531		\$ 319,982	
Royalty^{(2):}					
Cortez Legacy Zone	Gold	\$ 41,610	157,100 oz.	\$ 57,062	284,100 oz.
Cortez CC Zone	Gold	\$ 7,713	361,200 oz.	\$ 9,674	338,100 oz.
Peñasquito		\$ 29,863		\$ 13,538	
	Gold		163,800 oz.		103,700 oz.
	Silver		23.5 Moz.		12.0 Moz.
	Lead		144.2 Mlbs.		72.1 Mlbs.
	Zinc		381.7 Mlbs.		188.9 Mlbs.
Other ⁽³⁾	Various	\$ 79,118	N/A	\$ 52,795	N/A
Total royalty revenue		\$ 158,304		\$ 133,069	
Total Revenue		\$ 516,835		\$ 453,051	

⁽¹⁾ Reported production relates to the amount of stream metal sales and the metal sales attributable to our royalty interests for the nine months ended September 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 from Peñasquito, and higher gold sales from Xavantina and Wassa which are included in other stream revenue in the table above. The increase was partially offset by lower silver sales from Khoemacau, lower gold sales from Andacollo, and lower production from the Cortez Legacy Zone when compared to the prior year period.

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

Gold Stream	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Mount Milligan	47,100	46,200	44,200	44,000	5,000	4,000
Pueblo Viejo	18,700	18,900	19,200	22,100	6,000	6,200
Andacollo	15,900	14,100	18,300	18,500	2,500	800
Other	38,100	38,800	35,900	35,400	3,500	4,200
Total	119,800	118,000	117,600	120,000	17,000	15,200

Silver Stream	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (oz.)	Sales (oz.)	Purchases (oz.)	Sales (oz.)	Inventory (oz.)	Inventory (oz.)
Khoemacau	868,400	902,700	1,141,200	1,163,100	101,000	135,300
Pueblo Viejo ⁽¹⁾	640,500	773,900	684,100	850,800	89,600	223,000
Other	243,500	239,800	205,800	208,800	28,500	24,800
Total	1,752,400	1,916,400	2,031,100	2,222,700	219,100	383,100

Copper Stream	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023		As of September 30, 2024	As of December 31, 2023
	Purchases (Mlbs.)	Sales (Mlbs.)	Purchases (Mlbs.)	Sales (Mlbs.)	Inventory (Mlbs.)	Inventory (Mlbs.)
Mount Milligan	9.8	9.0	8.4	9.4	0.8	—

⁽¹⁾ Pueblo Viejo silver purchases for the nine months ended September 30, 2024 do not include 381,700 ounces of silver permitted to be deferred based on the terms of the Pueblo Viejo silver stream agreement. Total deferred silver ounces were 1.2 million ounces at September 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 \$73.1 million for the nine months ended September 30, 2024, from \$69.7 million for the nine months ended September 30, 2023. The increase was primarily due to higher gold sales from Xavantina and Wassa, partially offset by lower silver sales from Khoemacau and lower gold sales from Andacollo compared to the prior year period. 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 \$32.0 million for the nine months ended September 30, 2024, from \$30.0 million for the nine months ended September 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 \$110.7 million for the nine months ended September 30, 2024, from \$124.8 million for the nine months ended September 30, 2023. The decrease was primarily due to lower stream depletion rates, as a result of proven and probable mineral reserve increases by our operators when compared to the prior year period, lower gold sales from Andacollo, lower silver sales from Khoemacau and lower gold production from the Cortez Legacy Zone.

Interest and other expense decreased to \$8.3 million for the nine months ended September 30, 2024, from \$24.9 million for the nine months ended September 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 nine months ended September 30, 2024, amounts outstanding under our revolving credit facility averaged \$109 million at an average all-in borrowing rate of 6.5%, compared to average amounts outstanding of \$421 million at an average all-in borrowing rate of 6.4% for the prior year period.

For the nine months ended September 30, 2024, we recorded income tax expense of \$67.5 million, compared with income tax expense of \$28.7 million for the nine months ended September 30, 2023. The income tax expense resulted in an effective tax rate of 23.1% in the current period, compared with 13.9% for the nine months ended September 30, 2023. The nine months ended September 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 nine months ended September 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 September 30, 2024, we had current assets of \$202.1 million compared to current liabilities of \$86.3 million, which resulted in working capital of \$115.8 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 increase in working capital was primarily due to an increase in our available cash, which primarily resulted from higher net cash proceeds from our stream and royalty interests and cash proceeds received for the Mount Milligan Cost Support Agreement, partially offset by the \$51 million Back River royalties acquisition during the current year.

During the nine months ended September 30, 2024, liquidity needs were met from \$388.5 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 \$1.1 billion of total liquidity at September 30, 2024. As of September 30, 2024, we had \$1.0 billion available under our revolving credit facility. We were in compliance with each financial covenant under the revolving credit facility as of September 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 three months ended September 30, 2024, we repaid the remaining \$50 million of outstanding borrowings on our revolving credit facility, making the entire \$1.0 billion revolving credit facility available as of September 30, 2024.

Operating Activities

Net cash provided by operating activities totaled \$388.5 million for the nine months ended September 30, 2024, compared to \$314.7 million for the nine months ended September 30, 2023. The increase, when compared to the prior year period, was primarily due to net cash proceeds received from our stream and royalty interests of \$34.6 million, cash proceeds of \$24.5 million received for the Mount Milligan Cost Support Agreement, lower debt cash interest payments of \$16.0 million, and \$12.0 million of interest from the repayment of the Khoemacau debt facility. This increase was partially offset by higher cash taxes of \$11.4 million when compared to the prior year period.

Investing Activities

Net cash used in investing activities totaled \$30.8 million for the nine months ended September 30, 2024, compared to net cash used in investing activities of \$2.8 million for the nine months ended September 30, 2023. The increase was primarily due to the \$51.2 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 subordinated debt facility during the current period.

Financing Activities

Net cash used in financing activities totaled \$334.0 million for the nine months ended September 30, 2024, compared to \$327.6 million for the nine months ended September 30, 2023. The increase was primarily due to an increase in dividend payments made 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; opportunities for acquisitions and other transactions; anticipated benefits from acquisitions and other transactions; receipt and timing of future 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: changes in the price of 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; changes of control of properties or operators; 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 or other transactions; 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 nine months ended September 30, 2024, we reported revenue of \$516.8 million, with an average gold price for the period of \$2,296 per ounce, an average silver price of \$27.22 per ounce, and an average copper price of \$4.14 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 nine months ended September 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	75%	\$37.8 million
Silver	13%	\$3.8 million
Copper	9%	\$8.7 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 September 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 September 30, 2024, at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

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

The following risk factor supplements, and should be read in conjunction with, the risk factors included in the section entitled “Risk Factors” of our 2023 10-K.

We have limited access to the properties in which we hold stream or royalty interests and to information concerning the properties, which makes it more difficult for us to project or assess the performance of our stream and royalty interests and confirm information provided by the operators concerning the properties including mineral resources and mineral reserves, and our ability to disclose mineral resources and mineral reserves for the properties is limited by the SEC.

Our stream and royalty agreements provide us with limited access and information rights concerning the properties in which we hold stream or royalty interests. Operators generally provide us with limited information on mine production relating to the properties that are subject to our interests. Our access to additional property information depends upon the terms of the contracts that underlay our stream and royalty interests, which terms vary significantly among properties. In circumstances where we do receive additional property information, we do not have access to drilling, metallurgical, permitting, development, production, operating, or other data in sufficient detail, nor do we have access to properties, sufficient to confirm disclosure from the operators, including verifying mineral resources and mineral reserves disclosed by the operators. As a result, we generally rely on the operators' disclosures and/or limited information provided to us by the operators for the information we use in monitoring our interests and in preparing our public disclosure.

Because we have limited information concerning the properties in which we hold stream or royalty interests, it may be difficult for us to project or assess the performance of a stream or royalty interest. Also, we generally are unable to evaluate the accuracy, completeness, or fairness of the information provided to us, or disclosed, by operators and that we use in monitoring our interests and preparing our public disclosure. Any actions we take based on inaccurate or incomplete information from operators could negatively affect our business, financial condition, or results of operations. The correction of inaccurate or incomplete information from operators could also cause the price of our common stock to decline.

In addition, because of our limited access and information rights concerning the properties in which we hold stream or royalty interests, qualified persons on behalf of the Company are not able to arrive at sufficient findings and conclusions, or prepare adequate supporting documentation, for us to disclose mineral resources or mineral reserves for the properties in which we hold interests. Previously, we disclosed mineral resources and mineral reserves as reported by the operators of the properties because such disclosure represented information that we had in our possession and that we believed was responsive to the disclosure obligations set forth in Subpart 1300 of Regulation S-K ("SK 1300"). We subsequently received a comment letter from the staff of the SEC's Division of Corporation Finance, and in the resulting correspondence and discussions with the staff, the staff informed us that we are not able to rely on disclosure of mineral resources and mineral reserves by the operators of the properties as a basis for our disclosure of mineral resources and mineral reserves under SK 1300, and the staff further interprets SK 1300 to preclude in SEC filings the supplemental disclosure of mineral resources and mineral reserves that do not satisfy the standards for disclosure established by SK 1300. As a result, we anticipate that we will amend our 2023 Form 10-K to remove some or all of the disclosure of mineral resources and mineral reserves for the properties in which we hold interests, and that we will similarly exclude such disclosure from future Form 10-K and other SEC filings. While we will continue to include fulsome disclosure of all mineral resources and mineral reserves attributable to our interests on our website and in other public disclosure outside of our SEC filings, the removal of some or all mineral resources and mineral reserves from our SEC filings may make it more difficult for investors to evaluate our business, particularly in the context of registered offerings of securities.

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 September 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, other than as described below.

On August 12, 2024, William Heissenbuttel, the Company's President and Chief Executive Officer and a director, adopted a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of

1934, as amended, providing for the potential sale of up to 6,884 shares of the Company's common stock through August 15, 2025.

ITEM 6. EXHIBITS

Exhibit Number	Description
10.1*	Letter Agreement between Royal Gold Corporation and Mark Isto effective August 28, 2024
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 September 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: November 7, 2024

By: */s/ William Heissenbuttel*

William Heissenbuttel

President and Chief Executive Officer

(Principal Executive Officer)

Date: November 7, 2024

By: */s/ Paul Libner*

Paul Libner

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

Royal Gold Corporation

500 - 220 Bay Street
Toronto, Ontario M5J 2W4
CANADA
www.royalgold.com

Exhibit 10.1

Mark Isto
[Address omitted]
Email: [omitted]

August 27, 2024

Dear Mark,

I refer to the Consulting and Confidentiality Agreement dated September 14, 2023 (the “Consulting Agreement”), between yourself and Royal Gold Corporation (“Royal Gold”).

Royal Gold would like to continue your engagement under the Consulting Agreement. Pursuant to Section 2 of the Consulting Agreement, the parties may extend the term of the Consulting Agreement by written agreement.

By your countersignature below, you confirm and agree as follows:

1. The term of the Consulting Agreement is extended to December 31, 2025.
1. Except as provided herein, the Consulting Agreement remains in full force and effect, without amendment or modification.

Additionally, you confirm and agree that the Retirement Agreement dated August 22, 2023, between yourself and Royal Gold, including the obligations incorporated by reference under Section 2 thereof (which obligations continue in accordance with their terms), remains in full force and effect, without amendment or modification.

We look forward to your continued services under the Consulting Agreement.

Sincerely,

/s/ William Heissenbuttel

William Heissenbuttel
President, Royal Gold Corporation

Agreed to as of August 28, 2024.

/s/ Mark Isto

Mark Isto

CERTIFICATION

I, William Heissenbuttel, 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.

November 7, 2024

/s/William Heissenbuttel

William Heissenbuttel

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.

November 7, 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 September 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.

November 7, 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 September 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.

November 7, 2024

/s/ Paul Libner

Paul Libner

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)