

## **Bank of America Merrill Lynch Global Metals and Mining Conference**

May 2010



## **Cautionary Statement Under the Private Securities Litigation Reform Act**

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to, immediate production and long life of the Andacollo mine; substantial cash flow potential; growth in gold and the addition of two cornerstone assets resulting from the acquisition of International Royalty Corporation; growth from long life mines; the expectation that in the year 2013, 60% of the Company's revenues will come from mines with lives greater than 15 years; growth in precious metals exposure due to commissioning of near-term projects; the projection that 95% of our revenue in 2013 will come from favorable geopolitical areas; estimated 2013 calendar year revenue by commodity, by property and by geography; the operators' estimates of production, reserves and mine life; estimated schedules of achieving production and other related mine development; construction and production start-up timetables; estimated revenue contribution from selected producing and development projects at full production; future reserve and resource growth; 2013 royalty revenue potential of Pascua-Lama; the features of the Company's business model; and the estimated 2013 royalty gold equivalent ounces. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: changes in gold and other metals prices; decisions and activities of the Company's management; decisions and activities of the operators of the Company's royalty properties; unanticipated grade, geological, metallurgical, processing or other problems at the properties; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; economic and market conditions; the ability of operators to bring non-producing and not yet in development projects into production and operate in accordance with feasibility studies; future financial needs of the Company; the impact of future acquisitions and royalty financing transactions; changes in the Mining Law of 1872; the outcome of the court decision regarding the appeal of the Holt royalty dispute; risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws, enforcement and uncertain political and economic environments; and customary closing conditions. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

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## Agenda

- Execution of Growth Strategy
- Expanded Royalty Portfolio
- Drivers for Future Growth

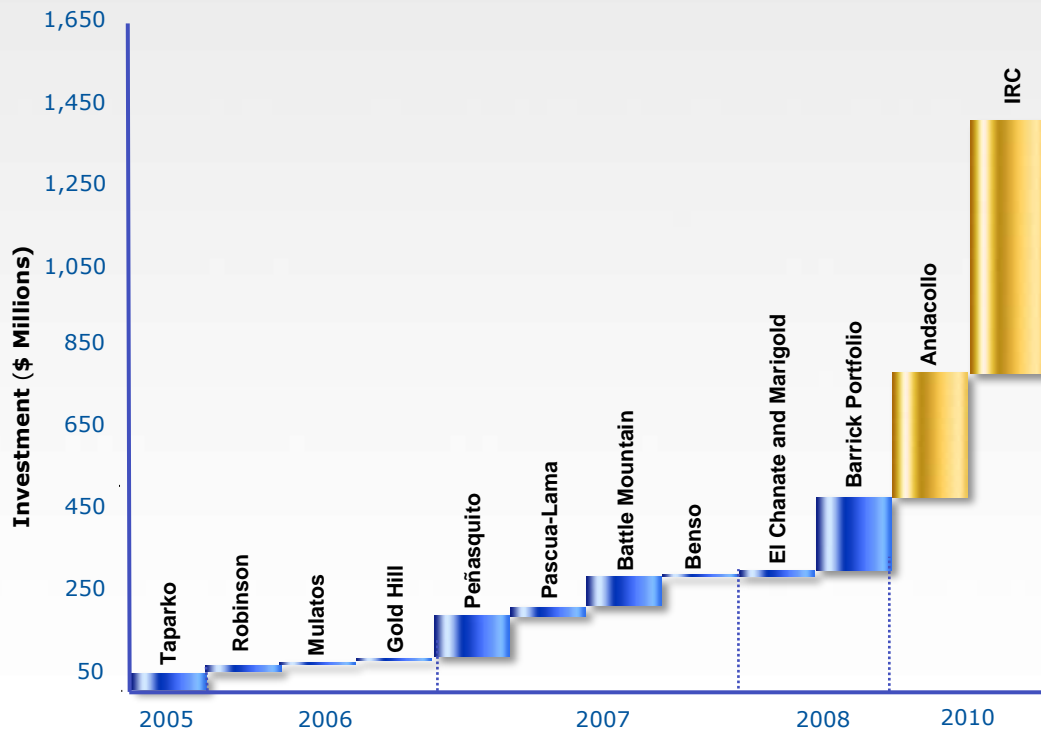


# Execution of Growth Strategy



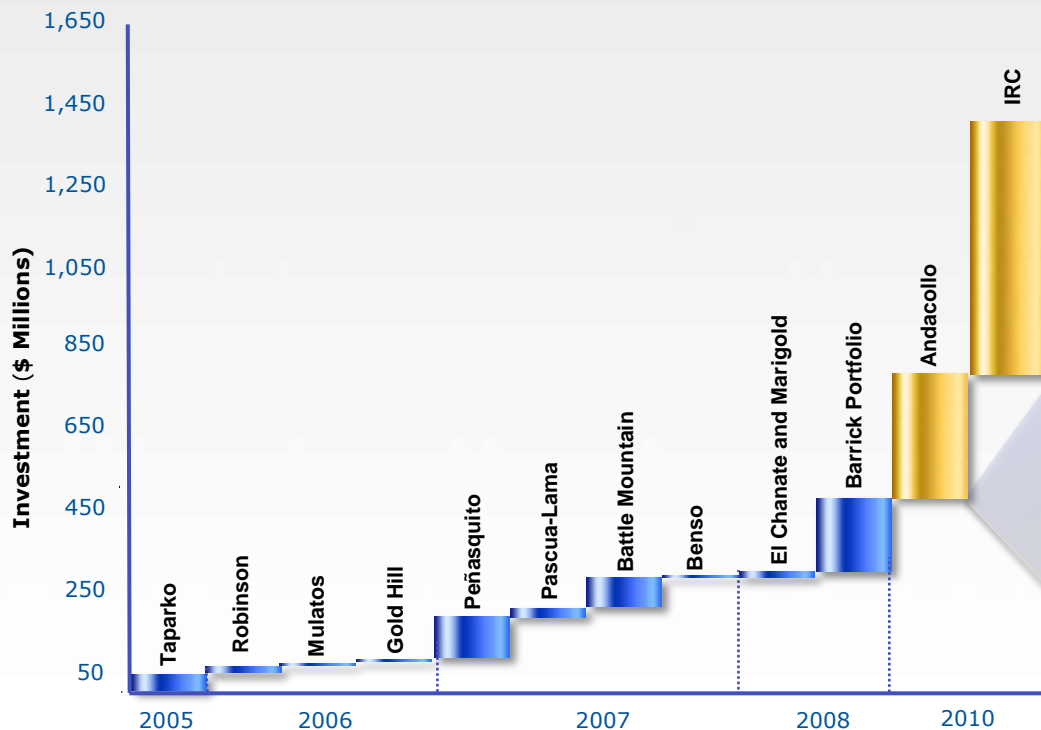
## Transformational Growth

- January – February 2010 completion of:
  - Andacollo gold royalty
  - International Royalty Corporation (IRC)
- Total investment (2005-2010): \$1.4B



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### Andacollo

#### Interest:

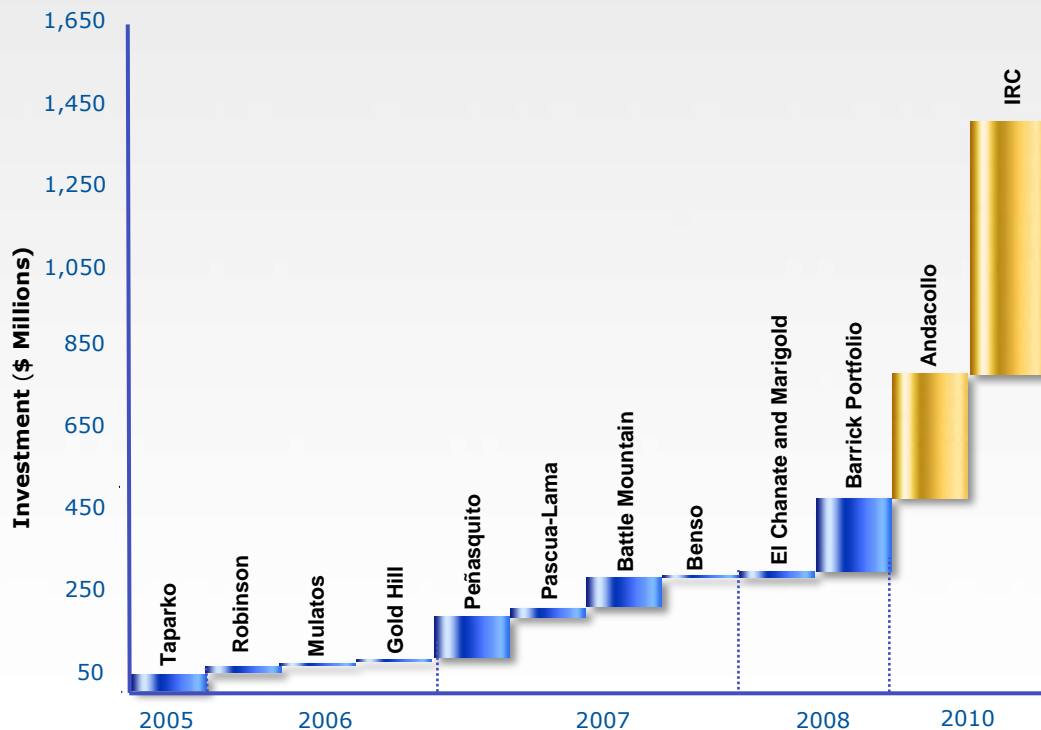
- 75% of gold production over planned 20-year mine life

#### Rationale:

- Pure gold
- Experienced operator
- Chile
- Long life
- Immediate production

## Transformational Growth

- January – February 2010 completion of:
  - Andacollo gold royalty
  - International Royalty Corporation (IRC)
- Total investment (2005-2010): \$1.4B



### IRC

#### Interest:

- 80 royalty properties
- 11 producing royalties, including Voisey's Bay
- 10 development royalties, including Pascua-Lama
- 59 exploration stage properties

#### Rationale:

- Substantial cash flow potential
- Growth in gold
- Two additional cornerstone assets

### Andacollo

#### Interest:

- 75% of gold production over planned 20-year mine life

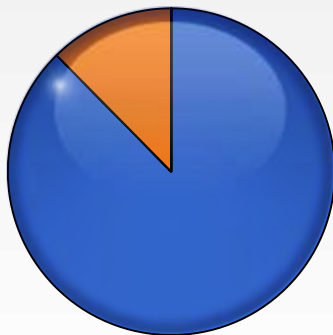
#### Rationale:

- Pure gold
- Experienced operator
- Chile
- Long life
- Immediate production

## Asset Diversification and Balance

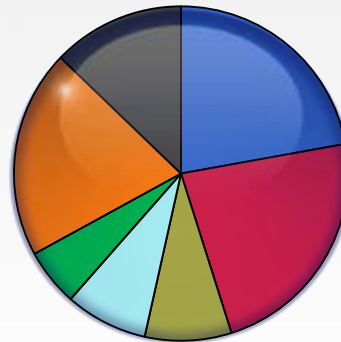
- Revenue diversification achieved
- New long life mines replace maturing assets and provide growth
- In 2013, 60% of revenues expected from mines with lives greater than 15 years

**2004 CY Revenue**



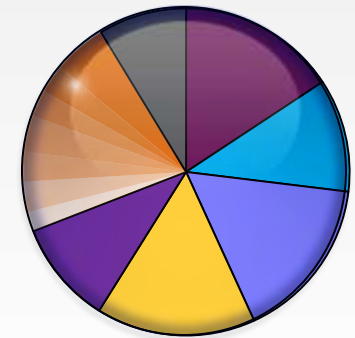
■ Cortez  
■ Other Precious Metals

**2009 CY Revenue**



■ Cortez      ■ Siguirí  
■ Taparko      ■ Other Precious Metals  
■ Mulatos      ■ Base Metals and Other  
■ Leeville

**2013E CY Revenue <sup>1</sup>**



■ Nevada      ■ Voisey's Bay  
■ Peñasquito      ■ Other Precious Metals  
■ Andacollo      ■ Base Metals and Other  
■ Pascua-Lama



## Strong Gold Focus

- Commissioning of near-term projects will grow precious metal exposure
- Precious metals dominant, long-term growth profile

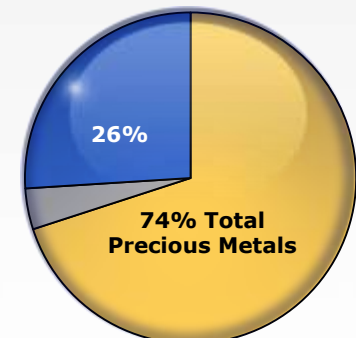
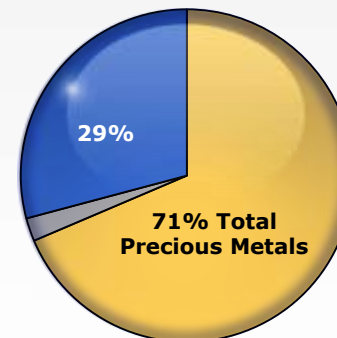
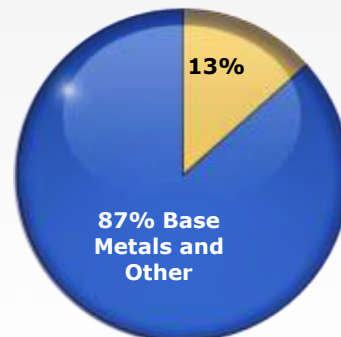
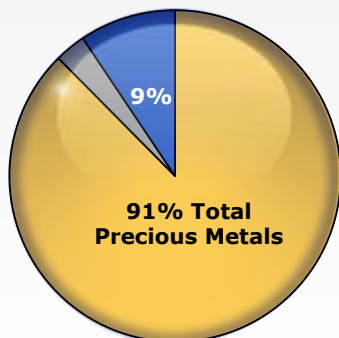
Chile	Mexico	Canada	Australia	Africa
Andacollo	Peñasquito	Canadian Malartic	Gwalia Deeps	Inata
Pascua-Lama	Dolores	Wolverine	South Laverton	
		Holt		

**Royal Gold <sup>1</sup>**

**IRC <sup>1</sup>**

**Pro Forma <sup>1</sup>**

**2013E <sup>2,3</sup>**

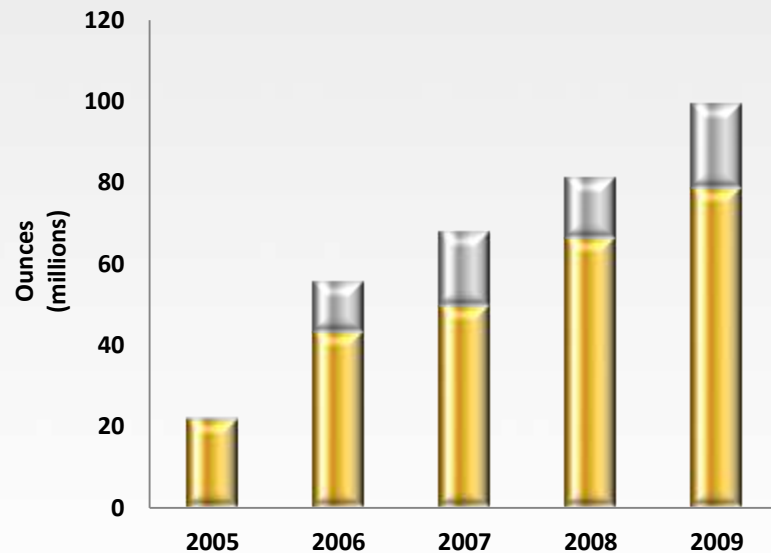


■ Gold   
 ■ Silver   
 ■ Base Metals and Other

## 2010 Acquisition Reserve Growth

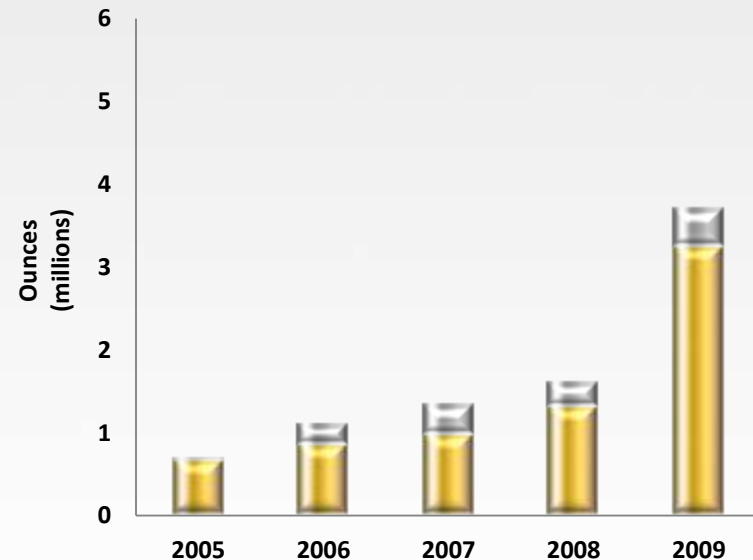
- Precious metal reserves subject to royalties increased 25% to 99.1M ounces <sup>1</sup>
- Precious metals equity reserves increased 131% to 3.7M ounces <sup>1</sup>

**Reserves Subject to Royalties**  
(calendar years ended December 31)



Gold Reserves Silver Reserves (AuEq)

**Royalty Equity Reserves**  
(calendar years ended December 31)



Gold Silver (AuEq)

## Favorable Geopolitical Distribution of Revenue

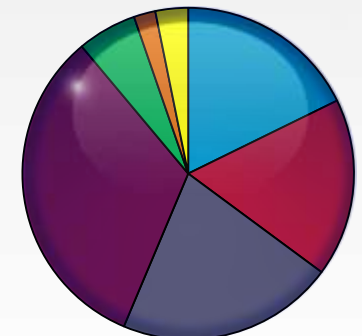
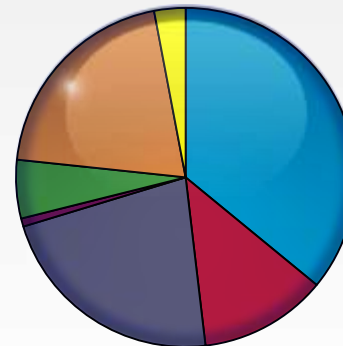
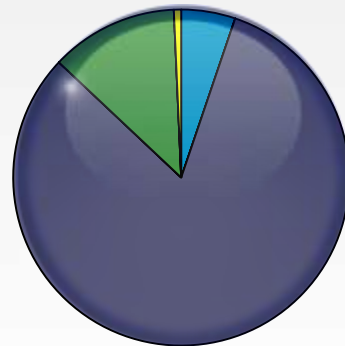
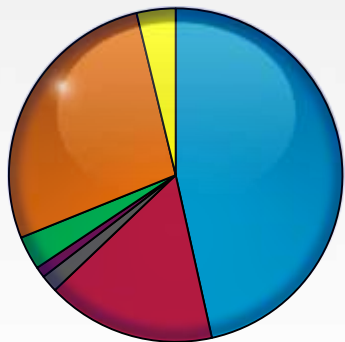
- Currently 68% of revenue from United States, Mexico, Canada, Chile and Australia
- Projected 95% of revenue from United States, Mexico, Canada, Chile and Australia in 2013

**Royal Gold <sup>1</sup>**

**IRC <sup>1</sup>**

**Pro Forma <sup>1</sup>**

**2013E <sup>2</sup>**

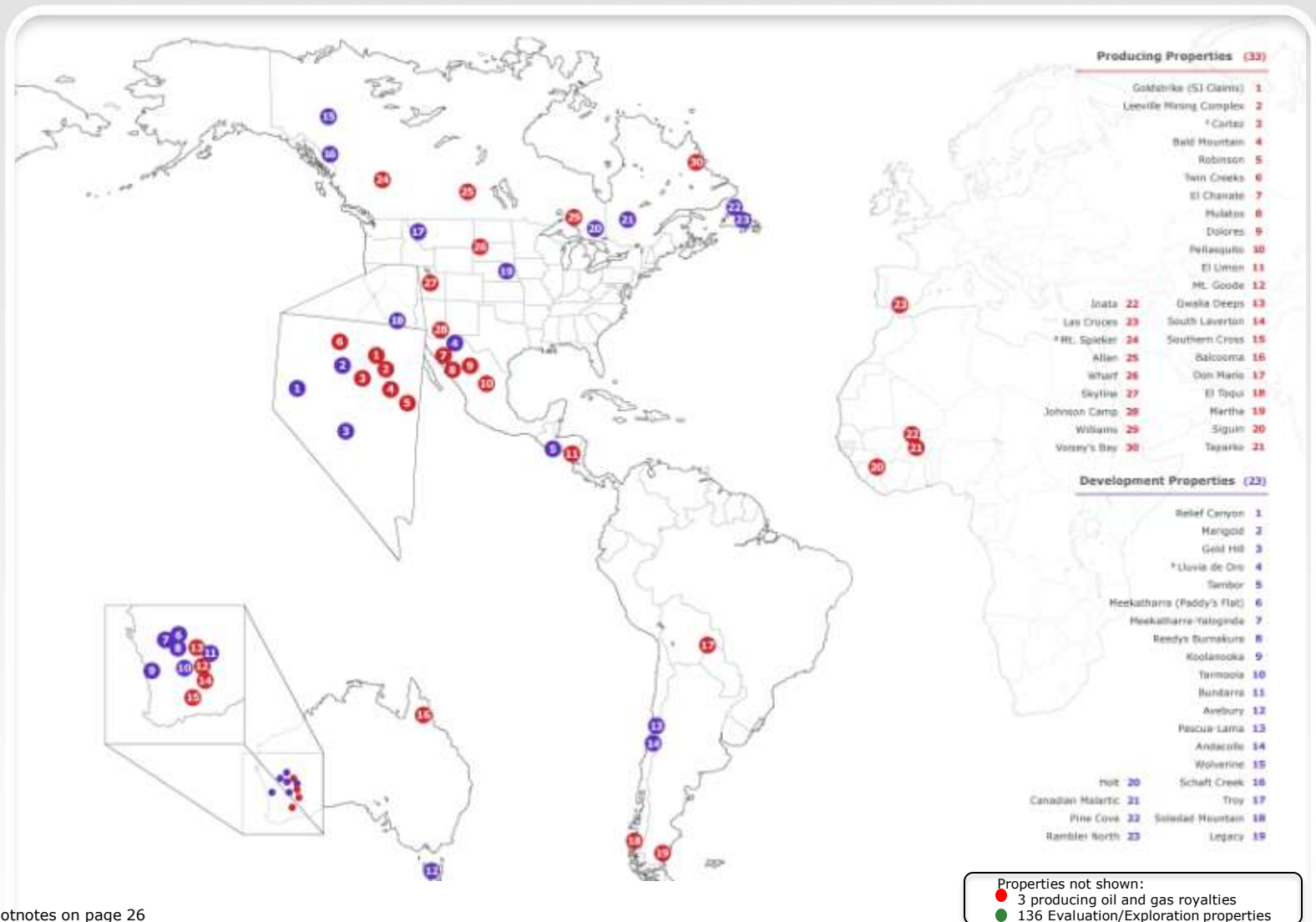


■ United States 
 ■ Mexico 
 ■ Canada 
 ■ Chile 
 ■ Australia 
 ■ Africa 
 ■ Other




# Expanded Royalty Portfolio



# 56 Producing and Development Properties



## Key Assets CY 2009

Taparko		<p><b>Taparko (Burkina Faso)</b>            Royalty: <sup>1</sup> TB-GSR1: 15%; TB-GSR2: 0.0% to 10%;            TB-GSR3: 2.0%            Reserves: <sup>2,3</sup> 0.7M oz (Au)</p>
Cortez		<p><b>Cortez - Pipeline Mining Complex (U.S.)</b>            Royalty: GSR1 and GSR2: 0.4% to 5.0%;            GSR3: 0.71%; NVR1: 0.39%            Reserves: <sup>3</sup> 5.2M oz (Au)</p>
Robinson		<p><b>Robinson (U.S.)</b>            Royalty: 3.0% NSR            Reserves: <sup>3</sup> 0.7M oz (Au)            1.2B lbs (Cu)</p>
Mulatos		<p><b>Mulatos (Mexico)</b>            Royalty: 1.0% to 5.0% NSR            Reserves: <sup>3,4</sup> 2.4M oz (Au)</p>
Leeville		<p><b>Leeville (U.S.)</b>            Royalty: 1.8% NSR            Reserves: <sup>3</sup> 1.8M oz (Au)</p>
Siguiri		<p><b>Siguiri (Guinea)</b>            Royalty: 0.0% to 1.875% NSR            Reserves: <sup>3,5</sup> 3.1M oz (Au)</p>
Goldstrike		<p><b>Goldstrike (U.S.)</b>            Royalty: 0.9% NSR            Reserves: <sup>3</sup> 5.4M oz (Au)</p>

80% of Current Revenue



# Key Assets 2013



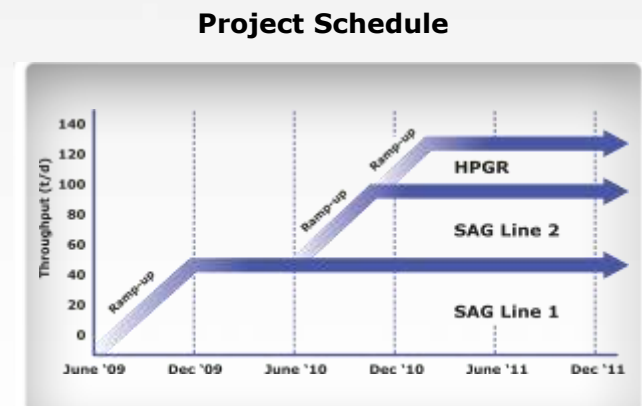
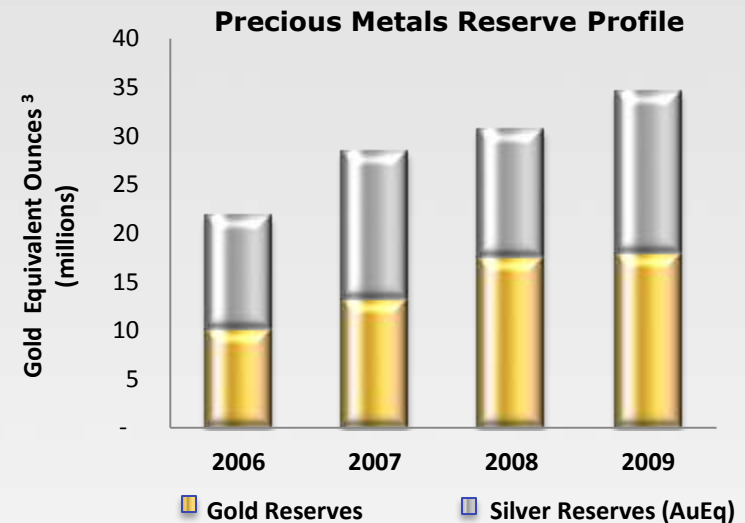
Tier One		<b>Peñasquito (Mexico)</b> Royalty: 2.0% NSR Reserves: <sup>1</sup> 17.8M oz (Au) 1.1B oz (Ag) 15.9B lbs (Zn) 7.2B lbs (Pb)
		<b>Andacollo (Chile)</b> Royalty: <sup>2</sup> 75% of gold production (NSR) Reserves: <sup>1</sup> 1.6M oz (Au)
		<b>Pascua-Lama (Chile)</b> Royalty: <sup>3</sup> 0.63% to 4.23% NSR Reserves: <sup>4,5</sup> 14.6M oz (Au)
		<b>Voisey's Bay (Canada)</b> Royalty: 2.7% NSR Reserves: <sup>6</sup> 1.6B lbs (Ni) 0.928B lbs (Cu) 78M lbs (Co)

**In addition to:**

Tier Two	Cortez	Leeville	Robinson	Canadian Malartic
	Wolverine	Holt	Mulatos	Gwalia Deeps

## Peñasquito (Goldcorp – Mexico)

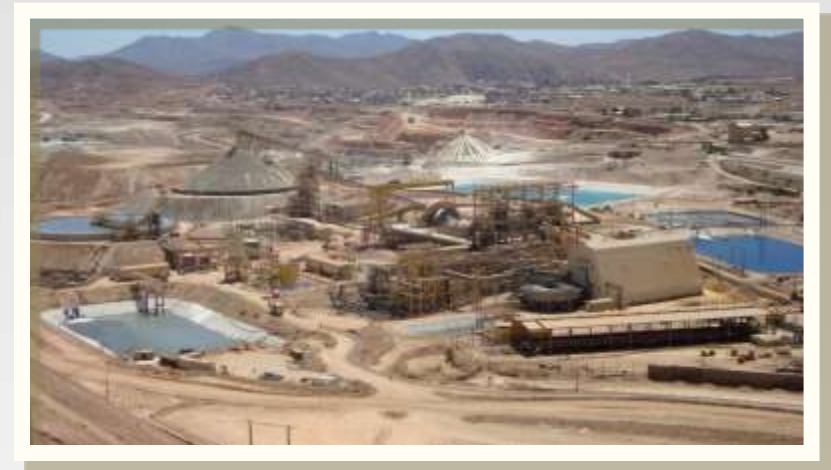
- Royalty: 2.0% NSR (all metals)
- Reserves: <sup>1</sup> 17.8M oz (Au)  
1.1B oz (Ag)  
15.9B lbs (Zn)  
7.2B lbs (Pb)
- CY'09 production (actual):
  - 89,012 oz (Au)
  - 3.4M oz (Ag)
- Estimated production start-up:
  - Sulfide processing line 2 – CYQ3 2010
  - High pressure grind rolling circuit – CYQ4 2010
- Mine life: 25 years (22 years after final ramp up)
- Annual royalty revenue potential: ~ \$29M <sup>2</sup>





## Andacollo (Teck – Chile)

- Royalty:
  - 75% of gold until 910,000 payable ounces; 50% thereafter (NSR)
- Reserves: 1.6M oz Au <sup>1</sup>
- Production:
  - Commissioning substantially complete
  - Commercial production: First-half 2010
    - 55,000 tonnes/day mill capacity
- Estimated annual production: <sup>2</sup>
  - 55,000 oz (Au) (in concentrate)
  - 80,000 tonnes (Cu) <sup>3</sup> (in concentrate)
- Estimated mine life: 20 years
- Annual royalty revenue potential: ~ \$37M <sup>4</sup>



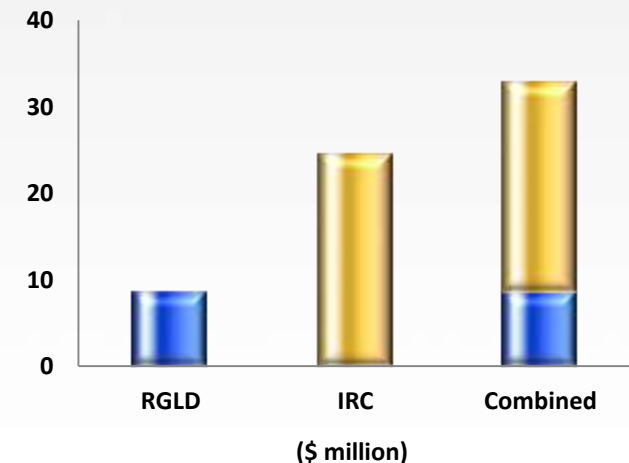
## Pascua-Lama (Barrick – Chile)

- Royalty: <sup>1,2</sup> See chart
- Reserves: <sup>3,4</sup> 14.6M oz (Au)
- Estimated production: <sup>5</sup>
  - Start-up – 2013
  - 750,000 to 800,000 ounces of gold (average during first five years)
  - 600,000 to 700,000 ounces of gold (average during life of mine)
  - \$200 to \$250 per ounce total cash cost (life of mine)
- Mine life: 25 years
- Combined annual royalty revenue potential <sup>6</sup>
  - ~ \$33M – 775,000 oz Au/yr
  - ~ \$27M – 650,000 oz Au/yr

Gold Price/ Oz (\$)	Royal Gold Royalty Rate (NSR)	IRC Royalty Rate (NSR)	Combined Royalty Rate (NSR)
<325	0.16%	0.47%	0.63%
400	0.32%	0.94%	1.26%
500	0.56%	1.63%	2.19%
600	0.73%	2.14%	2.87%
700	0.91%	2.64%	3.55%
>800	<b>1.08%</b>	<b>3.15%</b>	<b>4.23%</b>

Note: Royalty rates as represented at the time of the completed merger

**Annual Royalty Revenue Potential <sup>6,7</sup>**



## Voisey's Bay (Vale – Canada)

- Royalty: 2.7% NSR
- Reserves: <sup>1</sup> 1,581M lbs (Ni)  
928M lbs (Cu)  
78M lbs (Co)
- Production Capacity: <sup>2</sup> 84.0M lbs (Ni)  
67.2M lbs (Cu)
- Mine life: 20+ years <sup>3</sup>
- Actual royalty revenue (TTM): <sup>4</sup> \$13.9M

*“Voisey's Bay could continue producing as much as 50,000 metric tons a year through 2049 if Vale decides to build the underground mine,” said Tom Paddon, Voisey's Bay General Manager (September 2009).*



## Key Assets 2013

Cortez		<p><b>Cortez (Barrick)</b>            Location: U.S.            Royalty: GSR1 and GSR2: 0.4% to 5.0%;            GSR3: 0.71%; NVR1: 0.39%            Reserves: <sup>1</sup> 5.2M oz (Au)</p>
Leeville		<p><b>Leeville (Newmont)</b>            Location: U.S.            Royalty: 1.8% NSR            Reserves: <sup>1</sup> 1.8M oz (Au)</p>
Robinson		<p><b>Robinson (Quadra)</b>            Location: U.S.            Royalty: 3.0% NSR            Reserves: <sup>1</sup> 0.7M oz (Au)            1.2B lbs (Cu)</p>
Canadian Malartic		<p><b>Canadian Malartic (Osisko)</b>            Location: Canada            Royalty: <sup>2</sup> 2.0% to 3.0% NSR            Reserves: <sup>3</sup> 4.7M oz (Au)</p>

## Key Assets 2013 (cont.)

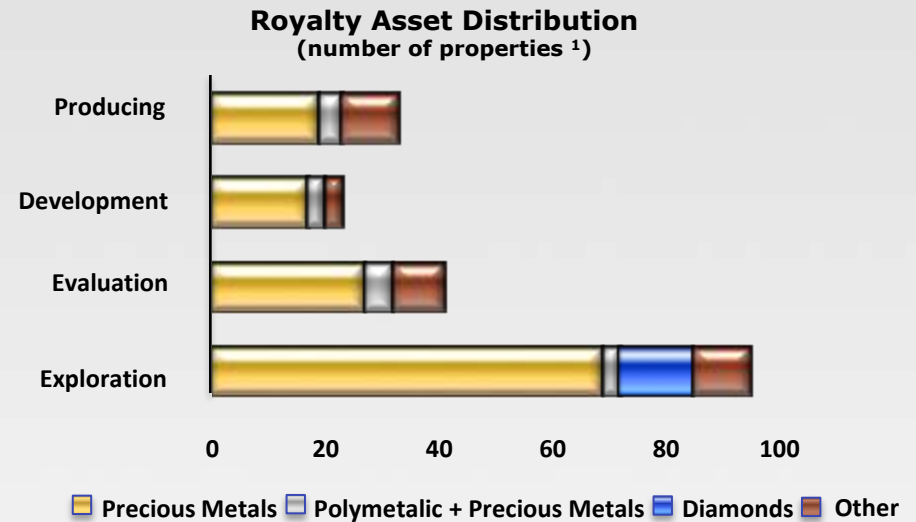
Wolverine		<p><b>Wolverine</b> (Yukon Zinc)            Location: Canada            Royalty: <sup>1</sup> 0.0% to 9.45% NSR            Reserves: <sup>2</sup> 0.2M oz (Au)                              42.8M oz (Ag)</p>
Holt		<p><b>Holt</b> (St Andrew Goldfields)            Location: Canada            Royalty: <sup>3</sup> 0.00013 X gold price NSR (equal to 13% at \$1,000/oz)            Reserves: <sup>4</sup> 0.5M oz (Au)</p>
Mulatos		<p><b>Mulatos</b> (Alamos)            Location: Mexico            Royalty: 1.0% to 5.0% NSR            Reserves: <sup>5</sup> 2.4M oz (Au)</p>
Gwalia Deeps		<p><b>Gwalia Deeps</b> (St Barbara)            Location: Western Australia            Royalty: 1.5% NSR            Reserves: <sup>6</sup> 2.0M oz (Au)</p>

# Drivers for Future Growth



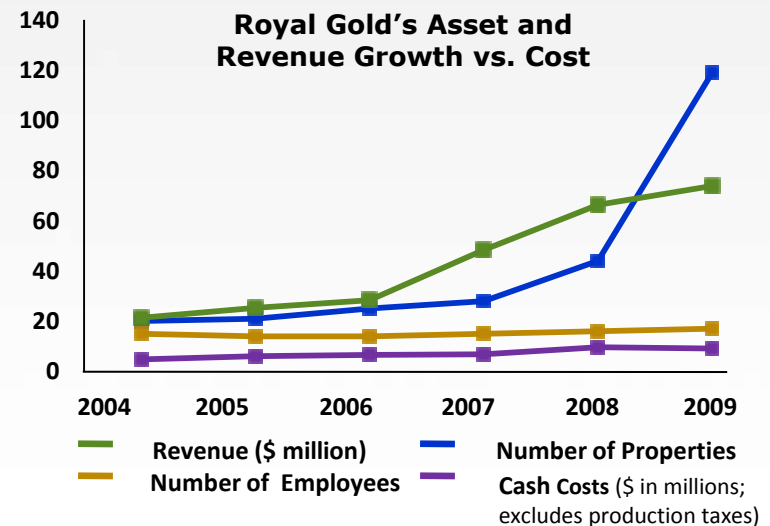
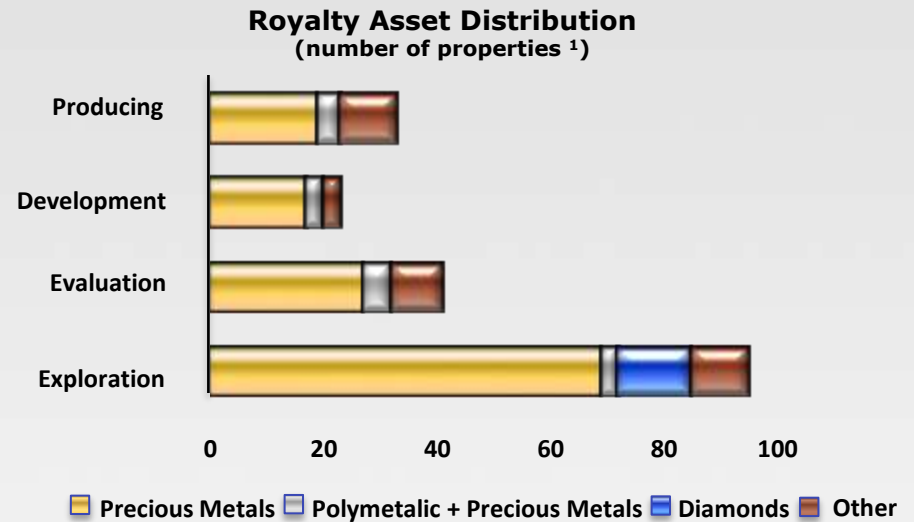
## Effective Business Model

- Focus on gold
- Option value
- Economies of scale
- Efficient



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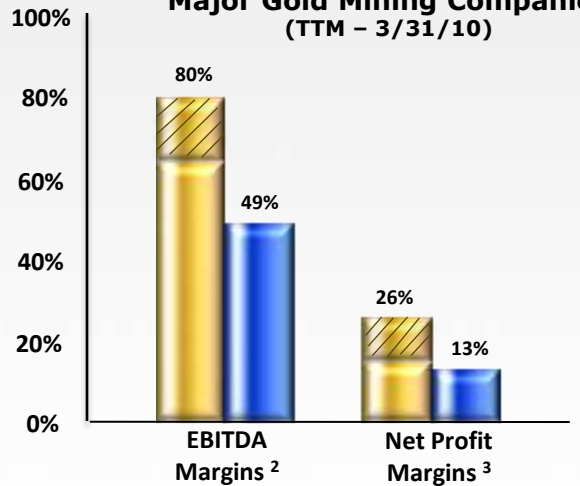




## Effective Business Model

- Focus on gold
- Option value
- Economies of scale
- Efficient

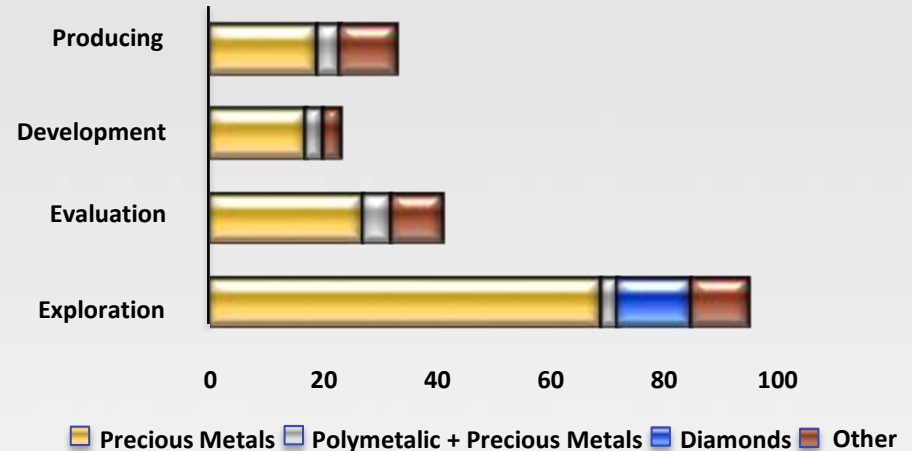
**Royal Gold vs. Major Gold Mining Companies**  
(TTM - 3/31/10)



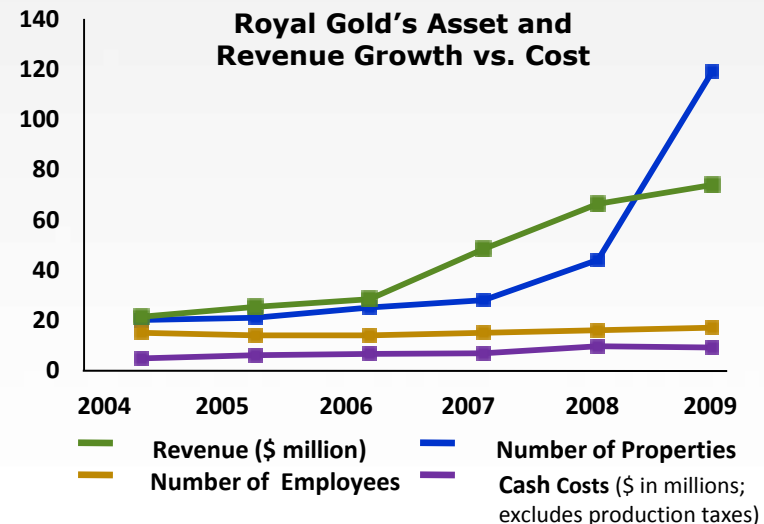
- RGLD (Royal Gold excluding IRC transaction costs depicted by hash marks)
- North American Majors<sup>4</sup>

See footnotes on page 29

**Royalty Asset Distribution**  
(number of properties<sup>1</sup>)



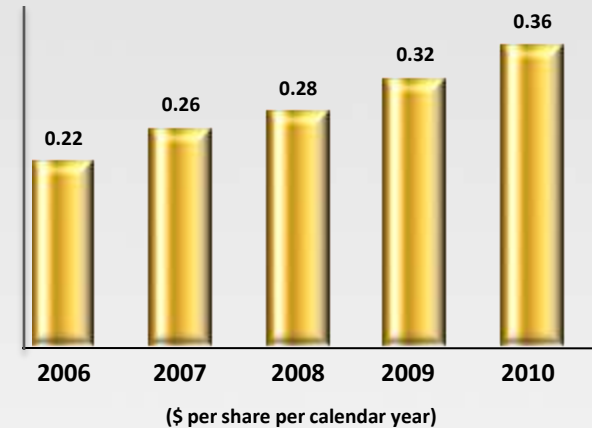
**Royal Gold's Asset and Revenue Growth vs. Cost**



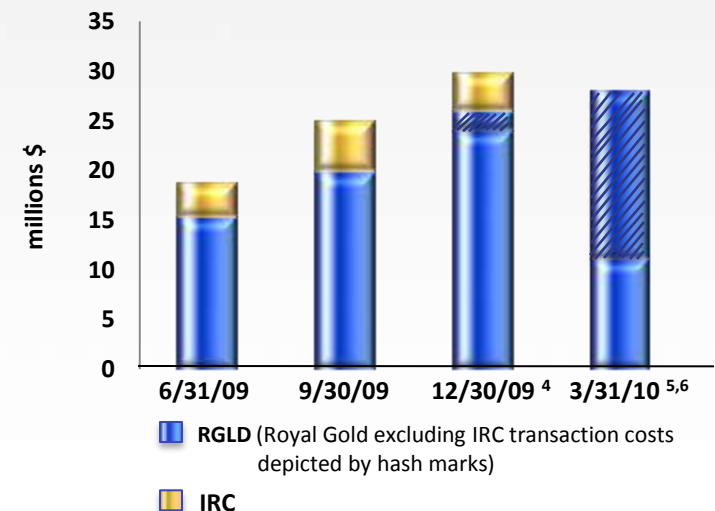
## Royal Gold Market Structure

- Market Information (as of 5/5/10)
  - NASDAQ: RGLD; TSX: RGL
  - Market cap: \$2.4B
  - Average daily volume (TTM): 743,000
- Shares Outstanding
  - Common: <sup>1</sup> 49.2M  
(includes ~ 1.6M exchangeable shares)
  - Insider ownership: 6%
- Financial
  - Cash: \$54M (3/31/10)
  - Current assets: \$93M (3/31/10)
  - Total debt: \$255M
  - CY2010 dividend: \$0.36 per share
  - Dividend payout ratio: <sup>2</sup> 37%
  - Dividend yield: <sup>3</sup> 0.74%

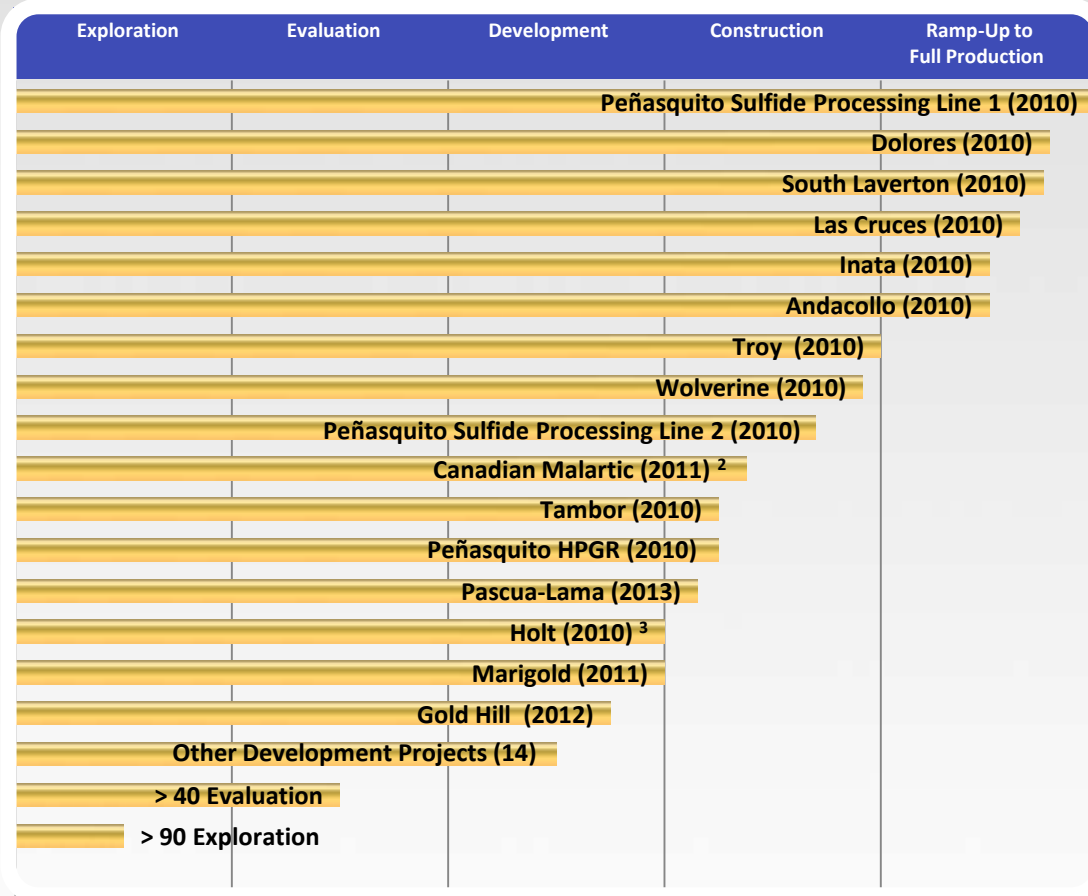
**Dividend Growth**



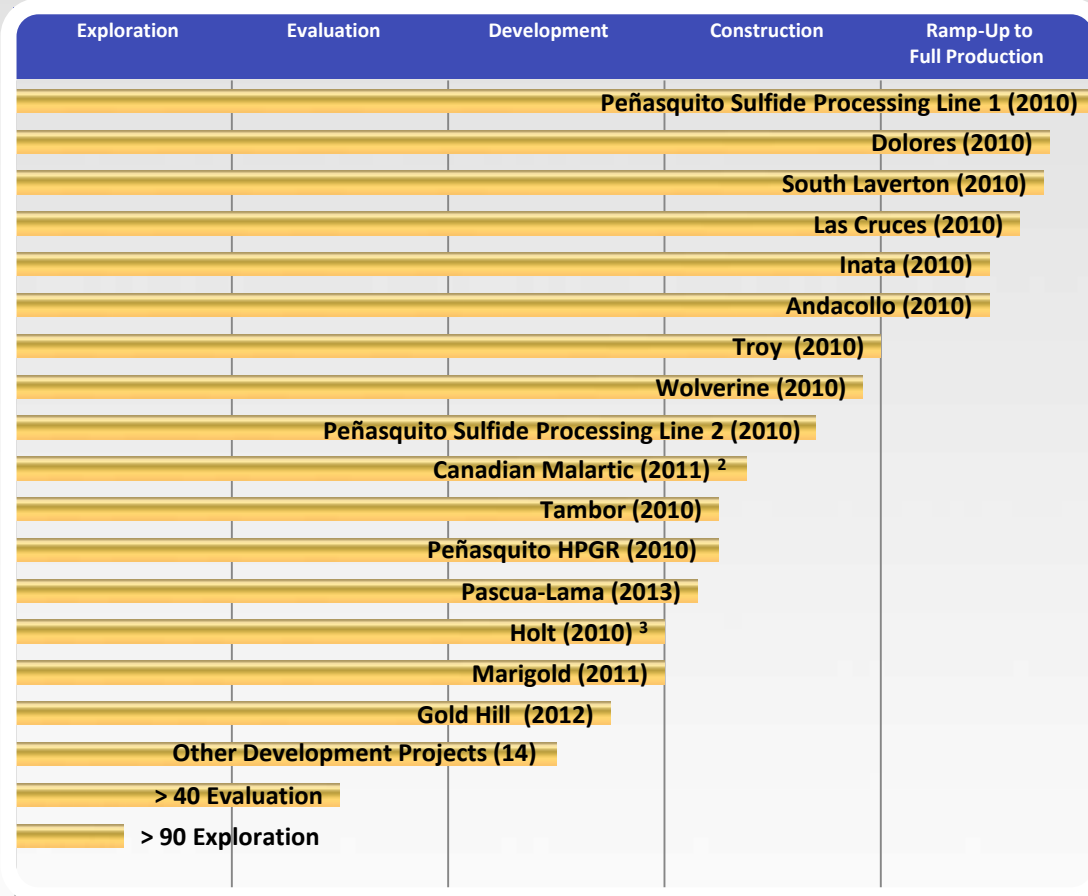
**After-Tax Cash Flow Growth**



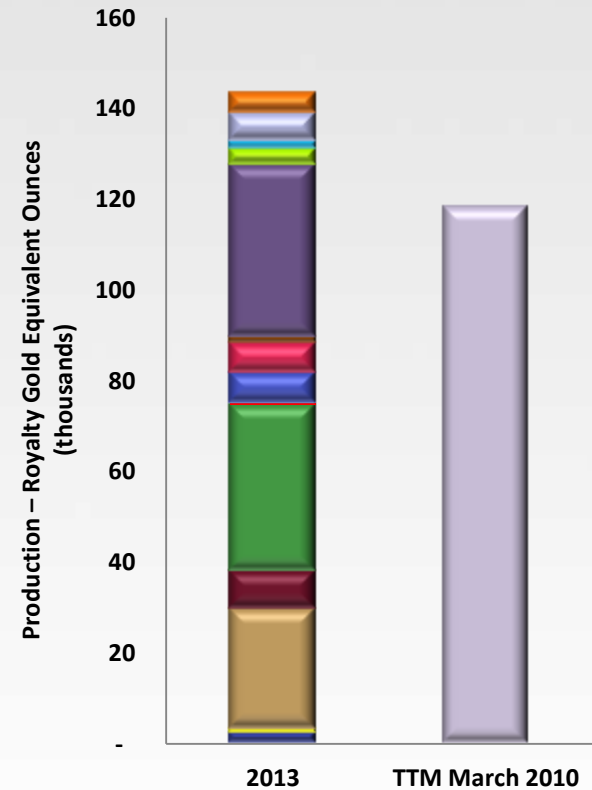
# Growth Pipeline <sup>1</sup>



# Growth Pipeline <sup>1</sup>



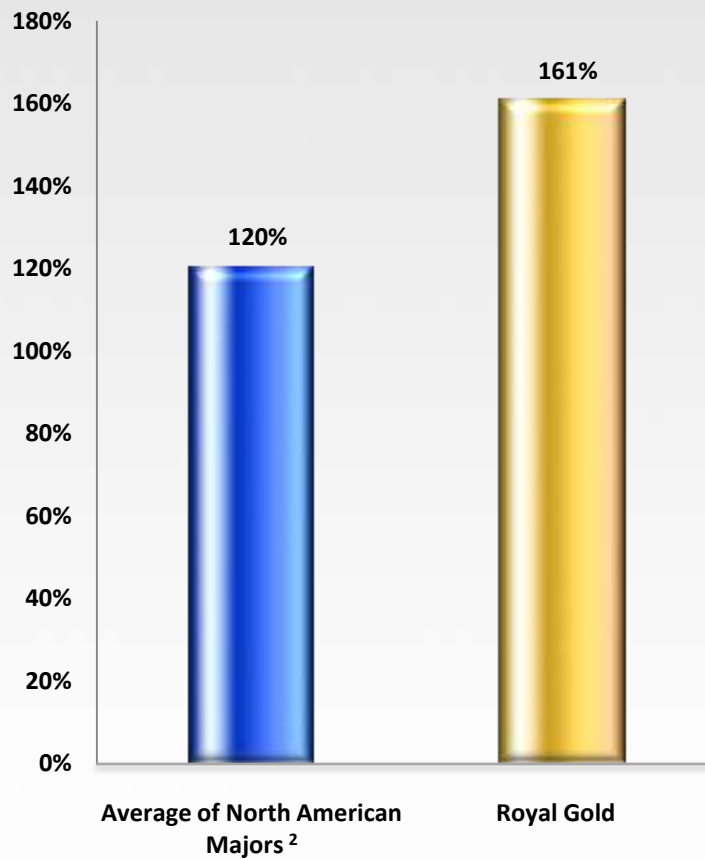
2013E Estimated Growth Pipeline <sup>4,5</sup>



- Gold Hill
- Marigold
- Peñasquito
- Holt
- Pascua-Lama
- Tambor
- Canadian Malartic
- Wolverine
- Troy
- Andacollo
- Inata
- South Laverton
- Las Cruces
- Dolores
- TTM Pro forma Revenue

## Enhanced Shareholder Return

**Five-Year Total Shareholder Return**  
(May 5, 2005 – May 5, 2010) <sup>1</sup>



# Footnotes



## Footnotes

### PAGE 6: ASSET DIVERSIFICATION AND BALANCE

- <sup>1</sup> 2013 estimates assume development properties are brought into production and reach full-scale production on schedule and also assume certain metal prices and currency exchange rates. See page 31 for additional information regarding 2013 estimates.

### PAGE 7: STRONG GOLD FOCUS

- <sup>1</sup> Based on TTM revenues as of September 30, 2009.
- <sup>2</sup> 2013 estimates assume development properties are brought into production and reach full-scale production on schedule and also assume certain metal prices and currency exchange rates. See page 31 for additional information regarding 2013 estimates.
- <sup>3</sup> Assuming no additional royalties added to portfolio.

### PAGE 8: 2010 ACQUISITION RESERVE GROWTH

- <sup>1</sup> Reserve increases from December 31, 2008 to December 31, 2009.

### PAGE 9: FAVORABLE GEOPOLITICAL DISTRIBUTION OF REVENUE

- <sup>1</sup> Based on TTM revenues as of September 30, 2009.
- <sup>2</sup> 2013 estimates assume development properties are brought into production and reach full-scale production on schedule and also assume certain metal prices and currency exchange rates. See page 31 for additional information regarding 2013 estimates.

### PAGE 11: 56 PRODUCING AND DEVELOPMENT PROPERTIES

- <sup>1</sup> Pipeline, including Crossroads deposit.
- <sup>2</sup> The purchase price for this royalty is held in escrow pending resolution of litigation seeking to limit royalty payments in excess of \$500,000. Recently, the British Columbia Court of Appeals decided that a portion of the royalty should be characterized as a loan, thus limiting payments of the royalty. The Company is evaluating completion of the acquisition in light of this decision.
- <sup>3</sup> Royal Gold acquired this property in the Battle Mountain transaction. The parties claiming interests in the mining concessions subject to this royalty have disputed any royalty obligation.

## Footnotes (cont.)

### PAGE 12: KEY ASSETS CY 2009

- <sup>1</sup> Royalty percentages: TB-GSR1 – 15.0%; TB-GSR2 – 4.3% when the average monthly gold price ranges between \$385 and \$430 per ounce. Outside of this range, the royalty rate is calculated by dividing the average monthly gold price by 100 for gold prices above \$430 per ounce, or by dividing the average monthly gold price by 90 for gold prices below \$385 per ounce (e.g., a \$900 per ounce gold price results in a rate of  $900/100 = 9.0\%$ ). Two subsequent royalties consist of a 2.0% GSR perpetual royalty (“TB-GSR3”), applicable to gold production from defined portions of the Taparko-Bouroum project area, and a 0.75% GSR milling royalty (“TB-MR1”). The TB-MR1 royalty applies to ore that is mined outside of the defined area of the Taparko-Bouroum project that is processed through the Taparko facilities up to a maximum of 1.1 million tons per year. Both the TB-GSR3 and TB-MR1 royalties commence once TB-GSR1 and TB-GSR2 have ceased. Both TB-GSR1 and TB-GSR2 continue until either production reaches 804,420 ounces of gold, or payments totaling \$35 million under TB-GSR1 are received, whichever comes first. As of March 31, 2010, Royal Gold has recognized approximately \$24.9 million in royalty revenue under TB-GSR1 that is attributable to cumulative production of approximately 171,000 ounces of gold.
- <sup>2</sup> The reserves at Taparko have been adjusted by Royal Gold based on actual 2009 depletion and on the operator’s reserve gold price assumption of \$800 per ounce, to reflect the \$35 million cap on the TB-GSR1 royalty. Upon meeting this cap, both the TB-GSR1 and TB-GSR2 royalties cease and the TB-GSR3 royalty becomes effective. After subtracting reserves associated with TB-GSR1 and TB-GSR2, the remaining TB-GSR3 reserves total 0.551 million ounces.
- <sup>3</sup> Reserves as of December 31, 2009.
- <sup>4</sup> The Company’s royalty is subject to a 2.0 million ounce cap on gold production. There have been approximately 548,000 ounces of cumulative production, as of March 31, 2010.
- <sup>5</sup> The Company’s royalty is capped once payments of approximately \$12.0 million have been received. As of March 31, 2010, approximately \$3.4 million remains unrecognized under the cap.

### PAGE 13: KEY ASSETS 2013

- <sup>1</sup> Reserves as of December 31, 2009.
- <sup>2</sup> 75% of gold until 910,000 payable ounces; 50% thereafter.
- <sup>3</sup> Royalty rate as represented at the time of the completed merger.
- <sup>4</sup> Reserves as of December 31, 2008.
- <sup>5</sup> Royalty applies to all gold production from an area of interest in Chile. Only that portion of reserves pertaining to our royalty interest in Chile is reflected here.
- <sup>6</sup> Reserves as stated in Vale’s 20F dated for 2008.



## Footnotes (cont.)

### PAGE 14: PENASQUITO (GOLDCORP – MEXICO)

- <sup>1</sup> Reserves as of December 31, 2009.
- <sup>2</sup> Based on (1) NI 43-101 Peñasquito Technical Report dated March 10, 2009; (2) the operator's stated life of mine average production of 500,000 ounces of gold, 30 million ounces of silver, 450 million pounds of zinc and 50 million pounds of lead at full production; and (3) metal prices as of September 9, 2009 of \$999.50 per gold ounce, \$16.24 per silver ounce, \$0.88 per pound zinc and \$1.07 per pound lead.
- <sup>3</sup> Gold equivalent ounces calculated at calendar year-end metal prices for each year.

### PAGE 15: ANDACOLLO (TECK – CHILE)

- <sup>1</sup> Reserves as of December 31, 2009.
- <sup>2</sup> Teck press release dated April 20, 2010; estimated average annual production during the first 10 years.
- <sup>3</sup> Andacollo transaction does not include copper production.
- <sup>4</sup> Assuming (1) operator's production estimate of 55,000 ounces/year; (2) the minimum payable gold factor of 90.6%; (3) the maximum refining charge of \$6.00 per ounce; and (4) a gold price of \$999.50 per ounce as of September 9, 2009.

### PAGE 16: PASCUA-LAMA (BARRICK – CHILE)

- <sup>1</sup> As of the acquisition of IRC on February 22, 2010; (1) approximately 74% of the royalty is limited to the first 14.0M ounces of gold produced from the project; (2) 30% of the royalty can be extended beyond 14.0 million ounces for \$6.4 million; and (3) a one-time payment totaling \$4.0M will be made if gold prices exceed \$550 per ounce for any six-month period within the first 36 months after commercial production and additional payments totaling \$6.4M if gold prices exceed \$600 per ounce for any six-month period within the first 36 months after commercial production.
- <sup>2</sup> Royalty rate is interpolated between the lower and upper end points.
- <sup>3</sup> Reserves as of December 31, 2008.
- <sup>4</sup> Royalty applies to all gold production from an area of interest in Chile. Only that portion of reserves pertaining to our royalty interest in Chile is reflected here.
- <sup>5</sup> Barrick's May 7, 2009 press release and presentation.
- <sup>6</sup> Combined Royal Gold and IRC royalty interests at the date of acquisition, using a gold price of \$1,000 per ounce.
- <sup>7</sup> Estimates assume development properties are brought into production and reach full-scale production on schedule.

### PAGE 17: VOISEY'S BAY (VALE – CANADA)

- <sup>1</sup> Reserves as stated in Vale's 20F for 2008.
- <sup>2</sup> Production capacity was not reached because of labor dispute.
- <sup>3</sup> Based on 2008 Vale Inco EIS.
- <sup>4</sup> Based on TTM revenue as of March 31, 2010.

## Footnotes (cont.)

### PAGE 18: KEY ASSETS 2013

- <sup>1</sup> Reserves as of December 31, 2009.
- <sup>2</sup> Royalty is subject to a buy-down right of \$1.0 to \$1.5 million depending on the price of gold, exercisable at any time, for one half of the royalty.
- <sup>3</sup> Reserves as of December 31, 2008.

### PAGE 19: KEY ASSETS 2013 (cont.)

- <sup>1</sup> Gold royalty rate is based on the price of silver per ounce. NSR sliding-scale schedule (price of silver per ounce – royalty rate) below \$5.00 – 0.0%; \$5.00 to \$7.50 – 3.778%; >\$7.50 – \$9.445%.
- <sup>2</sup> Reserves as of October 2007.
- <sup>3</sup> In November 2008, the operator made application to the Ontario Superior Court of Justice for a declaration that it is not obligated to pay the entire royalty defined under the royalty agreement and to dispute the royalty rate. The operator claimed that its predecessor in interest is responsible for payment of some or all of the royalty. On July 23, 2009, the Court held that Royal Gold is entitled to payment from the predecessor of the full amount of the NSR sliding-scale royalty and that the operator's obligation is to reimburse the predecessor for payment of the royalty up to a flat rate of 0.013% NSR. On August 21, 2009, the predecessor appealed the portion of the judgment holding it responsible for paying the royalty.
- <sup>4</sup> Reserves as of December 31, 2008.
- <sup>5</sup> Reserves as of December 31, 2009.
- <sup>6</sup> Reserves as of June 2009.

### PAGE 21: EFFECTIVE BUSINESS MODEL

- <sup>1</sup> Royalties not shown include three oil and gas royalties: Pederson, Wheeler and Lagerquist.
- <sup>2</sup> EBITDA margin calculated as EBITDA divided by revenue. EBITDA is defined as net income before taxes, interest, minority interest in income of consolidated subsidiary, gain on royalty restructuring, and depreciation, depletion and amortization.
- <sup>3</sup> Net profit margin calculated as net earnings from continuing operations divided by revenue.
- <sup>4</sup> Major gold mining companies consist of Barrick, Newmont, Goldcorp.

## Footnotes (cont.)

### PAGE 22: ROYAL GOLD MARKET STRUCTURE

- <sup>1</sup> Includes approximately 1.6M exchangeable shares and approximately 26,000 shares in reserve account related to IRC transaction.
- <sup>2</sup> Calculated as dividends paid divided by cash flow from operations for the twelve months ended March 31, 2009.
- <sup>3</sup> CY 2010 dividend divided by closing stock price of \$48.73 per share on May 5, 2010.
- <sup>4</sup> Hashmarks represent one-time costs of \$2.3 million associated with the IRC transaction.
- <sup>5</sup> Hashmarks represent one-time severance and acquisition costs of \$16.9 million associated with the IRC transaction.
- <sup>6</sup> IRC became a wholly-owned subsidiary of Royal Gold as of February 22, 2010.

### PAGES 23: GROWTH PIPELINE

- <sup>1</sup> The date in parentheses indicates the estimated date of production for each property, as estimated by the various operators.
- <sup>2</sup> The 2.0% to 3.0% NSR royalty rate is subject to a buy-down right which could reduce the royalty rate to a range of 1.0% to 1.5%.
- <sup>3</sup> In November 2008, the operator made application to the Ontario Superior Court of Justice for a declaration that it is not obligated to pay the entire royalty defined under the royalty agreement and to dispute the royalty rate. The operator claimed that its predecessor in interest is responsible for payment of some or all of the royalty. On July 23, 2009, the Court held that Royal Gold is entitled to payment from the predecessor of the full amount of the NSR sliding-scale royalty and that the operator's obligation is to reimburse the predecessor for payment of the royalty up to a flat rate of 0.013% NSR. On August 21, 2009, the predecessor appealed the portion of the judgment holding it responsible for paying the royalty.
- <sup>4</sup> Calculated using the following commodity prices: gold (\$1,000 per ounce); silver (\$15.00 per ounce); copper (\$2.75 per pound); zinc (\$1.00 per pound); lead (\$1.00 per pound); nickel (\$7.00 per pound).
- <sup>5</sup> See page 31 for information regarding 2013 estimates.

### PAGE 24: ENHANCED SHAREHOLDER RETURN

- <sup>1</sup> Source: Bloomberg (assumes dividend reinvestment)
- <sup>2</sup> Includes Barrick, Goldcorp and Newmont.

## Footnotes (cont.)

### 2013 ESTIMATE FOOTNOTE:

All 2013 pro forma calculations include certain properties that are currently in development stage, and we have assumed for purposes of the 2013 pro forma calculations that such development stage properties are brought into production and achieve full-scale production on schedule. Metal prices and currency exchange rates assumed in the estimate for 2013 are as follows: \$ 1,000/ounce (gold), \$15.00/ounce (silver), \$2.75/lb (copper), \$1.00/lb (zinc), \$1.00/lb (lead); \$7.00/lb nickel; \$10.00/lb (molybdenum); \$16.00/lb (cobalt); \$129/tonne (metallurgical coal); \$29.00/ton (steam coal); \$46.76/lb (uranium); US\$ 0.93/1A\$; US\$ 0.94/1C\$.

All 2013 estimates constitute forward looking statements and, therefore, involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the projections and estimates contained herein including, but not limited to, changes in gold and other metal prices from the prices outlined above; changes in the foreign exchange rates from the rates outlined above; decisions, assumptions, estimates and activities of the Company's management; decisions and activities of the operators of the royalty properties; unanticipated grade, geological, metallurgical, processing or other problems at the properties; changes in project parameters as plans of the operators are refined; the ability of operators to bring development stage properties into production and reach full-scale production or maintain properties in production; the ability of operators to obtain financing and general economic and market conditions; the outcome of the court decision regarding the appeal of the Holt royalty dispute; changes in the regulatory, tax, legal or political environment in each country in which the royalty properties are located. The Company disclaims any obligation to update these estimates and the Company and its affiliates, agents, directors and employees accept no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this material.

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