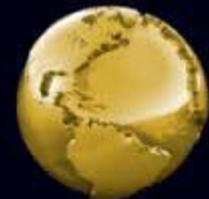




# European Gold Forum

April 2012

World Class Royalty Company



# 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, continued growth in financials, efficient business model, reserves, and shareholder value, the operator's estimates of production over the first six years and over the life of the mine, reserves, long reserve life and exploration upside; substantial estimated royalty revenue; low cost project; gold equivalent royalty reserves; near term production growth from cornerstone producing properties (Andacollo and Peñasquito); continued ramp-up at producing growth assets (Holt, Wolverine and Malartic); increased production at Mulatos and Dolores due to construction of new mills and other operational improvements; and significant longer term growth from cornerstone development properties (Pascua-Lama and Mt. Milligan). Factors that could cause actual results to differ materially from these forward-looking statements include, among others: the risks inherent in construction, development and operation of mining properties, including those specific to a new mine developed and operated by a base metals company; changes in gold and other metals prices; decisions and activities of the Company's management; unexpected operating costs; decisions and activities of the operators of the Company's royalty properties; unanticipated grade, geological, metallurgical, processing or other problems at the properties; inaccuracies in technical reports and reserve estimates, revisions by operators of reserves, mineralization or production estimates; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; discontinuance of exploration activities by operators; economic and market conditions; operations in land subject to First Nations jurisdiction in Canada, the ability of operators to bring non-producing and not yet in development projects into production and operate in accordance with feasibility studies; erroneous royalty payment calculations; title defects to royalty properties; future financial needs of the Company; the impact of future acquisitions and royalty financing transactions; adverse changes in applicable laws and regulations; litigation; and risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws, enforcement and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

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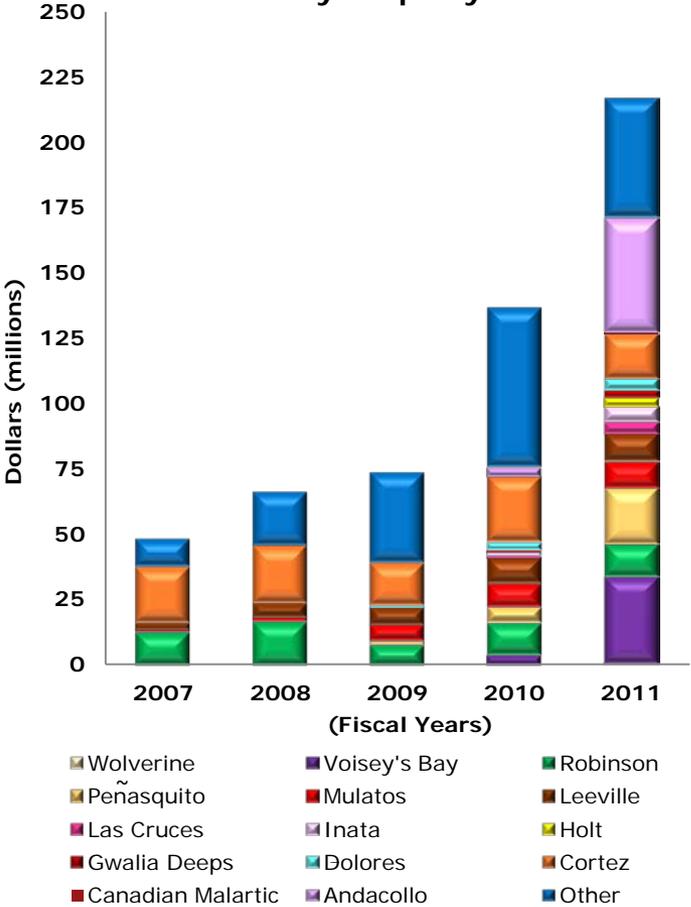
# Introduction

- Company Performance
  - Revenue profile
  - Efficient business model
  - Reserve growth
- Cornerstone Assets
- Positioned for Growth



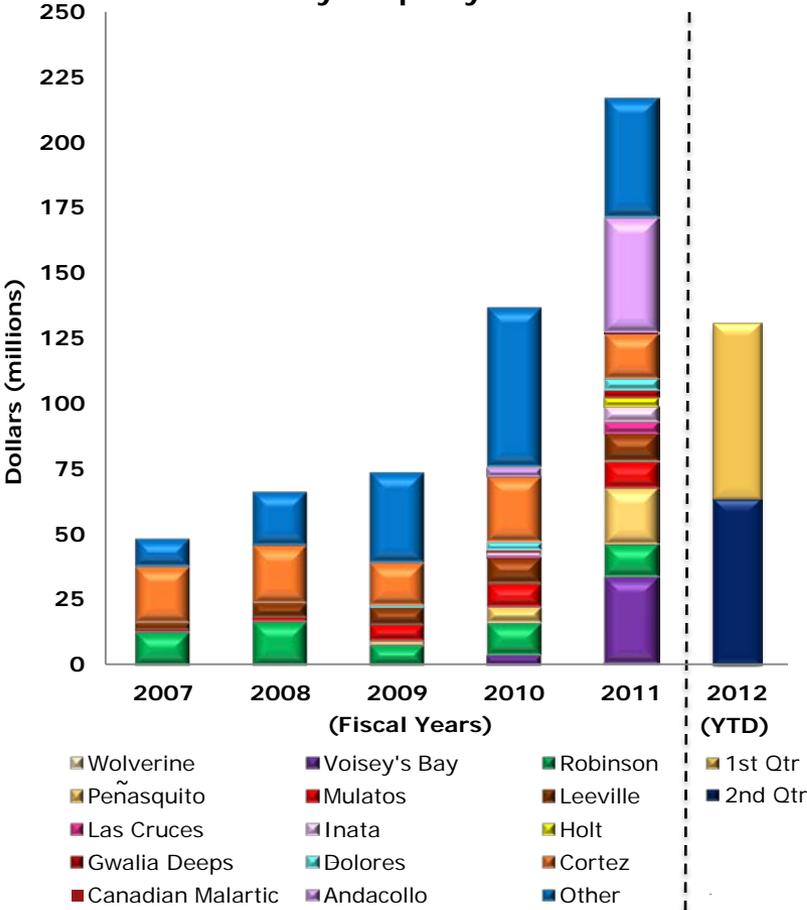
# Revenue Profile

**Historical Royalty Revenues  
By Property**



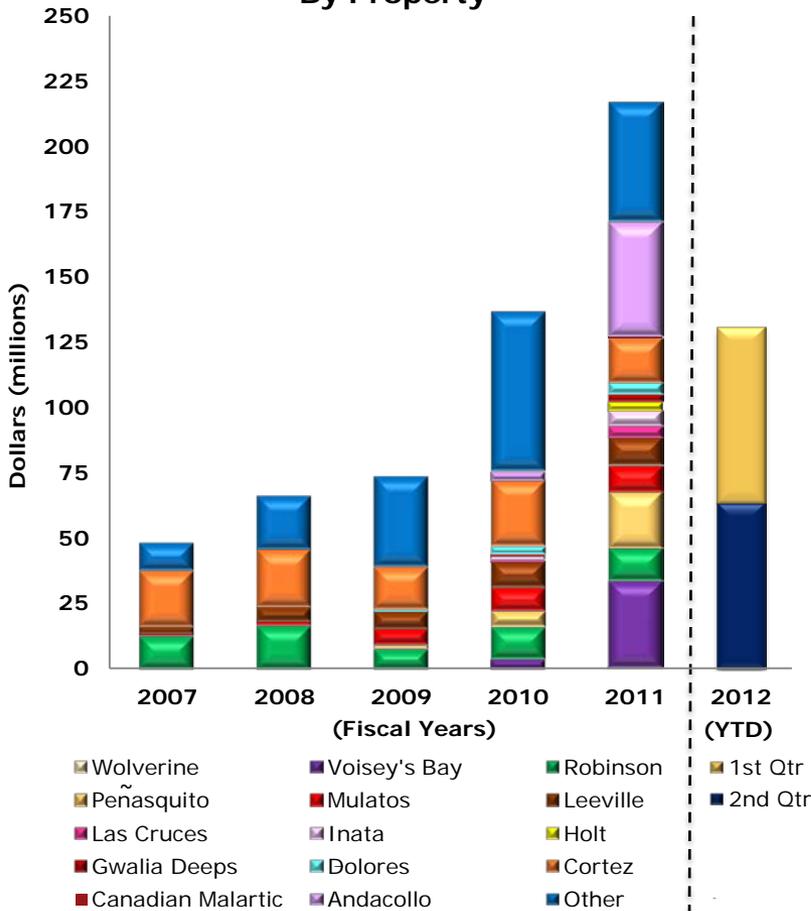
# Revenue Profile

**Historical Royalty Revenues  
By Property**

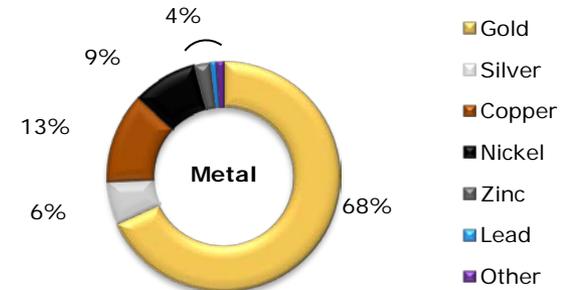


# Revenue Profile

### Historical Royalty Revenues By Property



### 74% Precious Metals

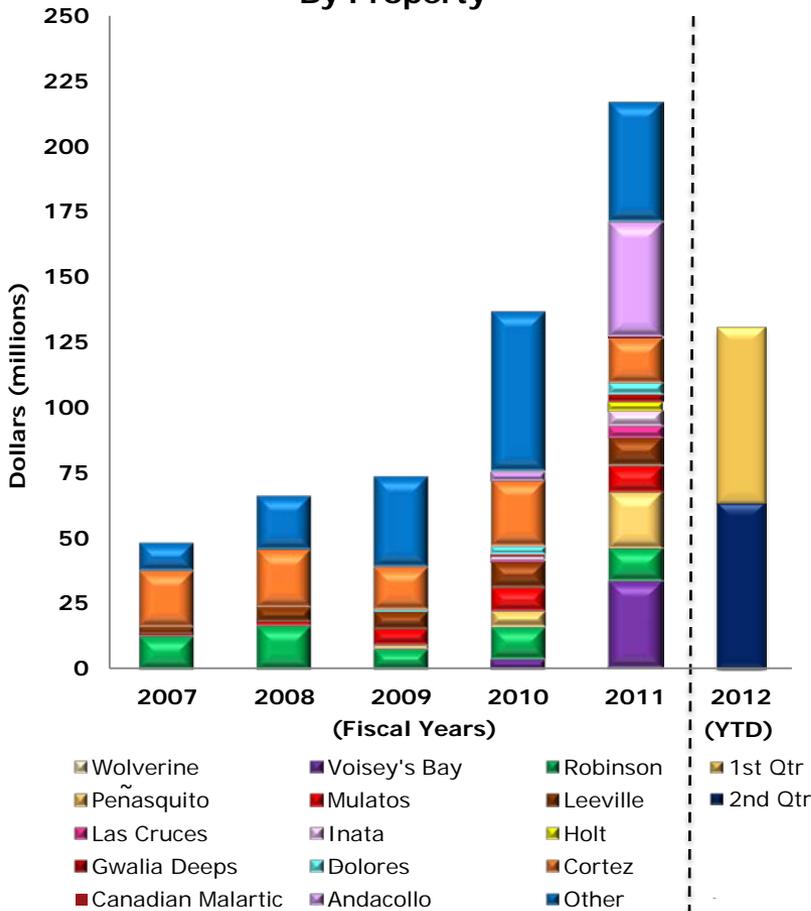


**1<sup>ST</sup> Half FY2012  
Revenue  
Profile**

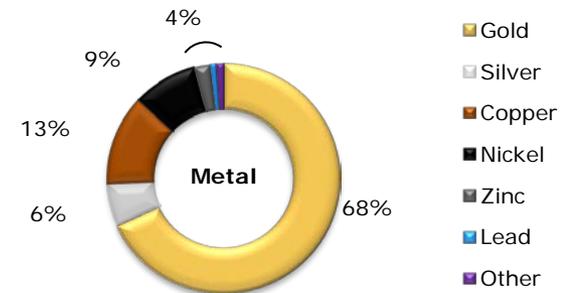


# Revenue Profile

### Historical Royalty Revenues By Property

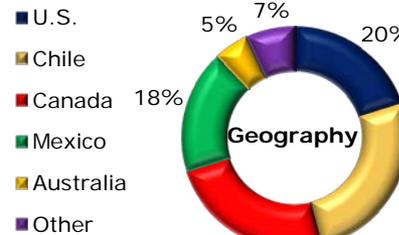


### 74% Precious Metals

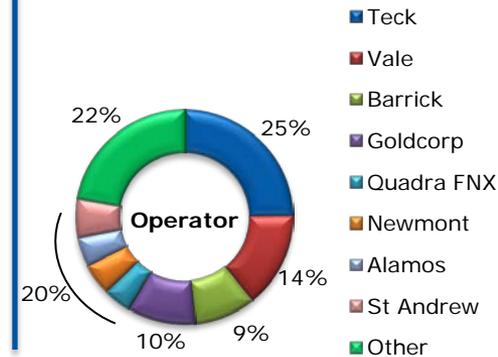


### 1st Half FY2012 Revenue Profile

### Geopolitical Stability

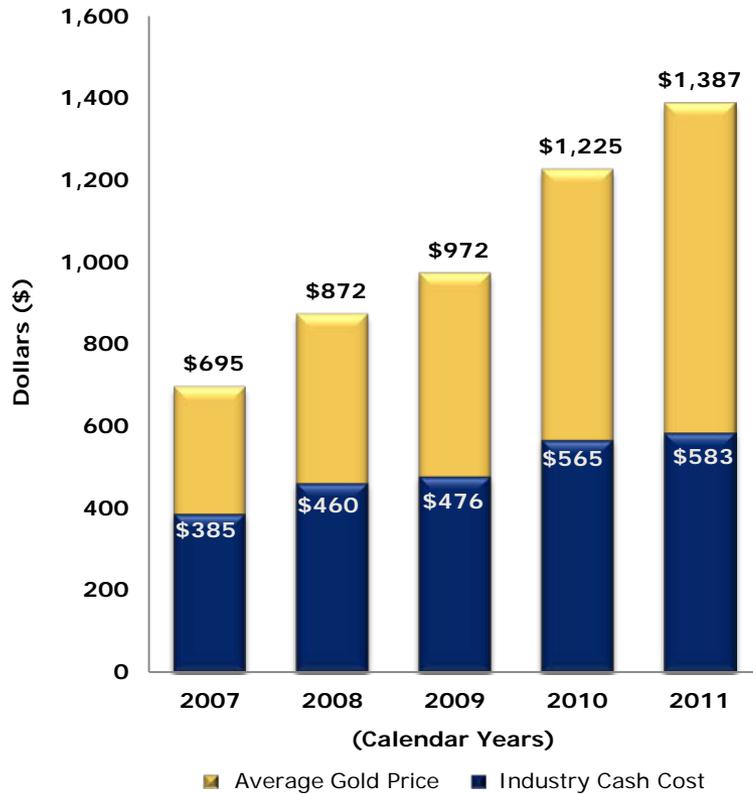


### Experienced Operators

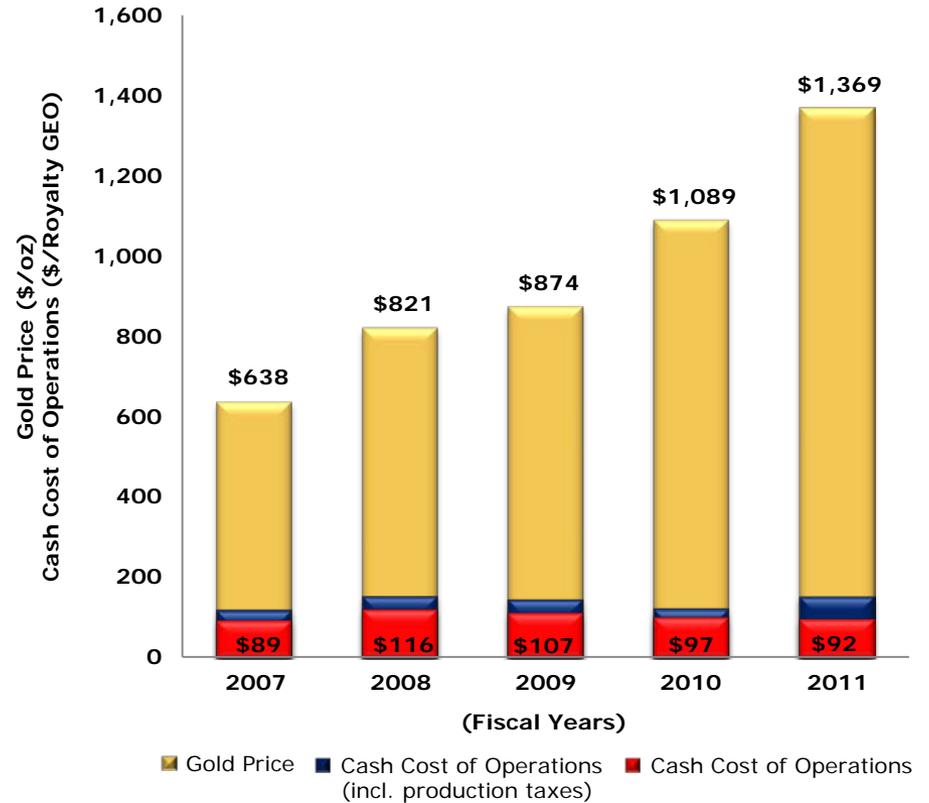


# Efficient Business Model

## Industry Cash Cost History <sup>1</sup>



## Royal Gold Cash Margin Analysis

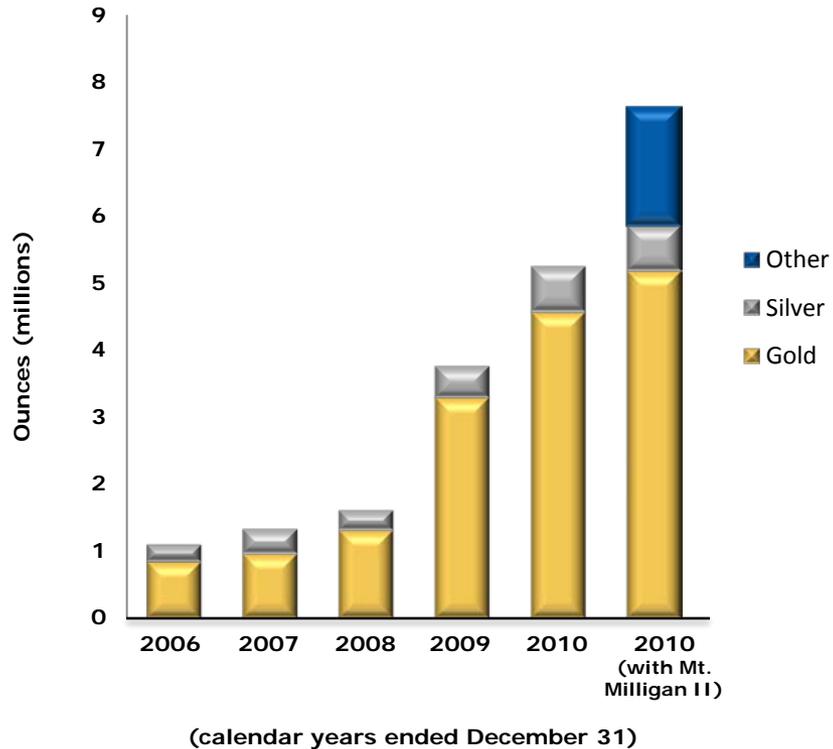


See footnote on page 24

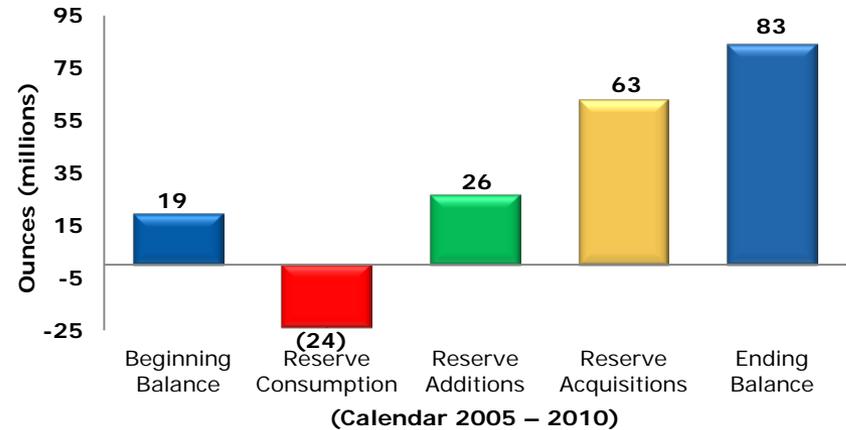


# Reserve Growth

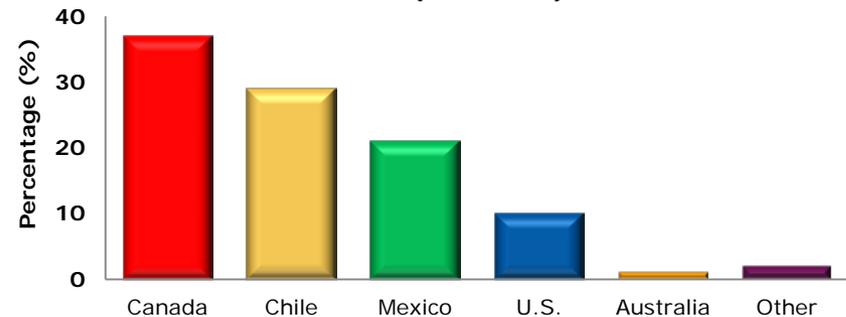
**Gold Equivalent Royalty Reserves <sup>1</sup>**  
(Royalty Rate x Reserves)



**Gold Reserve Replacement**  
(Gold Reserves Subject to Royalty Interests)



**Geography**  
(All Metals)



See footnote on page 24





## Cornerstone Assets



# World Class Portfolio

191 properties with royalty interests

- 38 producing
- 26 development
- 5 cornerstone assets



**Andacollo**




**Peñasquito**



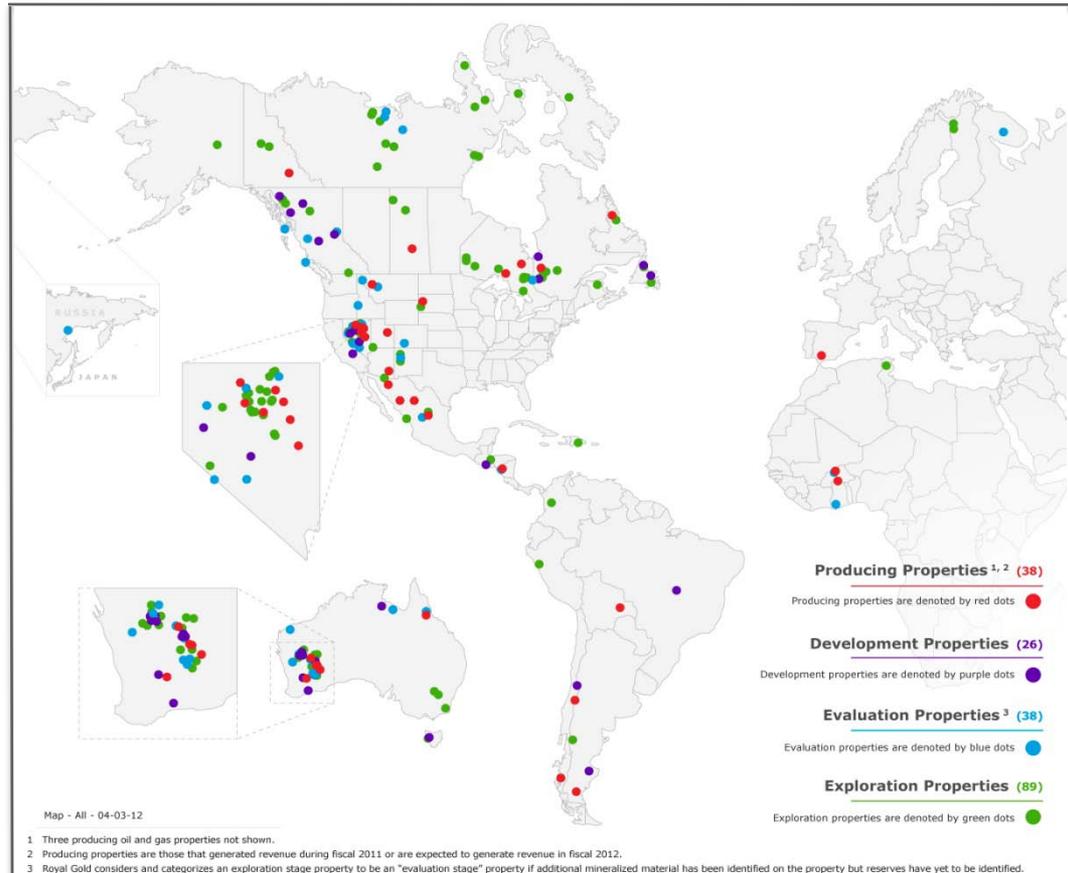

**Voisey's Bay**




**Pascua-Lama**




**Mt. Milligan**



# Andacollo



## Region IV



<b>Royalty: <sup>1</sup></b>	<b>75% NSR until 910K ounces are produced; 50% NSR thereafter</b>
<b>Reserves: <sup>2</sup></b>	<b>1.6M ozs gold</b>
<b>FY 2011 Production: (Actual)</b>	<b>42K ozs gold</b>
<b>FY 2011 Revenue: (Actual)</b>	<b>\$43.6M</b>
<b>CY 2011 Production Guidance:</b>	<b>49.7K ozs gold (in concentrate)</b>
<b>Mine Life:</b>	<b>20 years</b>

### Update:

- Mill throughput affected by ore hardness, which limited throughput to 40K tpd, or approximately 73% of design capacity
- Multiple stage plan in place to increase throughput over the next three to six months
- Study underway to increase annual copper production to 100K – 120K tonnes, or approximately 30-60% greater than original design

See footnotes on page 24



**GOLDCORP**

# Peñasquito

Zacatecas



**Royalty:** 2.0% NSR

**Reserves:** <sup>1</sup>  
18.6M ozs gold  
1.1B ozs silver  
17.6B lbs zinc  
7.3B lbs lead

**FY 2011 Production:**  
(Actual) 207K ozs gold  
17.3M ozs silver  
217M lbs zinc  
133M lbs lead

**FY 2011 Revenue:**  
(Actual) \$21.5M

**CY 2011 Production:**  
(Actual) 254K ozs gold  
19M ozs silver  
286M lbs zinc  
155M lbs lead

**Mine Life:** 22 years

## Update:

- Mill throughput at approximately 82% of design capacity; 140,000 tonnes recorded on 12/26/11
- SAG mills operating at design capacity
- HPGR supplemental ore feed system successfully commissioned, positioning the mine to achieve its design processing capacity
- Higher grades and throughput rates expected in 2012; Goldcorp estimates 2012 production of 425K ozs Au and 26M ozs Ag

See footnote on page 24





# Voisey's Bay



Labrador and Newfoundland



<b>Royalty:</b>	<b>2.7% NSR</b>
<b>Reserves: <sup>1</sup></b>	<b>1.4B lbs nickel 788M lbs copper</b>
<b>FY 2011 Production: (Actual)</b>	<b>112.5M lbs nickel 67.8M lbs copper</b>
<b>FY 2011 Revenue: (Actual)</b>	<b>\$32.7M</b>
<b>CY 2011 Production Guidance:</b>	<b>NA</b>
<b>Mine Life: <sup>2</sup></b>	<b>20+ years</b>

## Update:

- Production levels have recovered from strike which ended February 2011
- Currently at end of restricted shipping period (December 7 - January 21)
- Long Harbour project (\$3.6B) expected to be operational in 2013

See footnotes on page 24





# Pascua-Lama



Region III



<b>Royalty:</b> <sup>1,2</sup>	0.78% to 5.23% NSR (5.23% above \$800 gold)
<b>Reserves:</b> <sup>3</sup>	14.7M ozs gold (limited to gold in Chile)
<b>Capital:</b>	\$4.7 to \$5.0B
<b>Initial Production:</b>	Mid 2013
<b>Production Guidance:</b> <sup>4</sup>	800K to 850K ozs gold (on average for first five years)
<b>Mine Life:</b>	25+ years

### Update (as of 12/31/11):

- Earthworks: 95% complete in Chile; 65% complete in Argentina
- 40% of concrete poured at processing facilities and approximately 15% of steel erected
- 55% of capital committed

See footnotes on page 24





# Mt. Milligan



British Columbia



<b>Interest:</b>	<b>40% of payable gold</b>
<b>Purchase Price:</b>	<b>\$435/oz</b>
<b>Reserves: <sup>1</sup></b>	<b>6.0M ozs gold</b>
<b>Capital:</b>	<b>C\$1.3B</b>
<b>Initial Production:</b>	<b>Q4 2013</b>
<b>Production Guidance: <sup>2</sup></b>	<b>194K ozs gold on average</b>
<b>Mine Life: <sup>3</sup></b>	<b>22 years</b>

## Update:

- 🕒 Capital spent: C\$576M committed  
C\$450M cash basis (as of 12/31/11)
- 🕒 Estimated project total: C\$1.4B to C\$1.5B
- 🕒 Engineering 90% complete
- 🕒 Over 80% of major contracts awarded
- 🕒 Senior management team in place
- 🕒 Major concrete pours are 50% complete
- 🕒 Project completion Q3 CY2013; commercial production Q4 CY2013
- 🕒 Annual gold production: Estimated to average 262.5K ozs over first six years

See footnotes on page 25





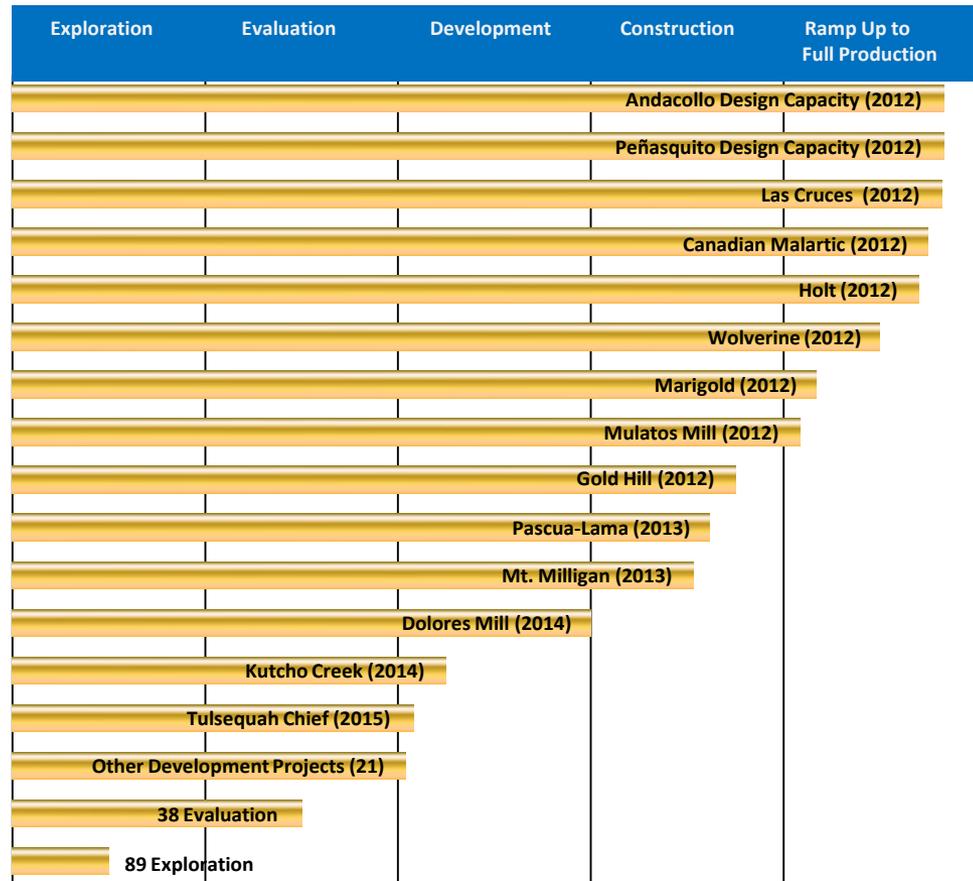
Positioned for Growth



# Growth Profile

- Near term production growth from cornerstone producing properties – Andacollo and Peñasquito
- Full year of Voisey’s Bay production
- Continued ramp-up at producing growth assets – Holt, Wolverine, Las Cruces and Malartic
- Increased production at Mulatos and Dolores due to construction of new mills and other operational improvements
- New production from Marigold and Gold Hill
- Significant longer term growth from cornerstone development properties – Pascua-Lama and Mt. Milligan

## Development Pipeline



# Company Profile

## Market information (as of 4/02/12):

Shares outstanding: 59.6M <sup>1</sup>  
 Market capitalization: \$4.0B  
 TTM average daily volume: 808,000  
 Insider ownership: 5%  
 Ticker: RGLD (Nasdaq); RGL (TSX)

## Financial status (as of 12/31/11):

Cash on hand: \$95.8M  
 Total debt outstanding: \$288.3M

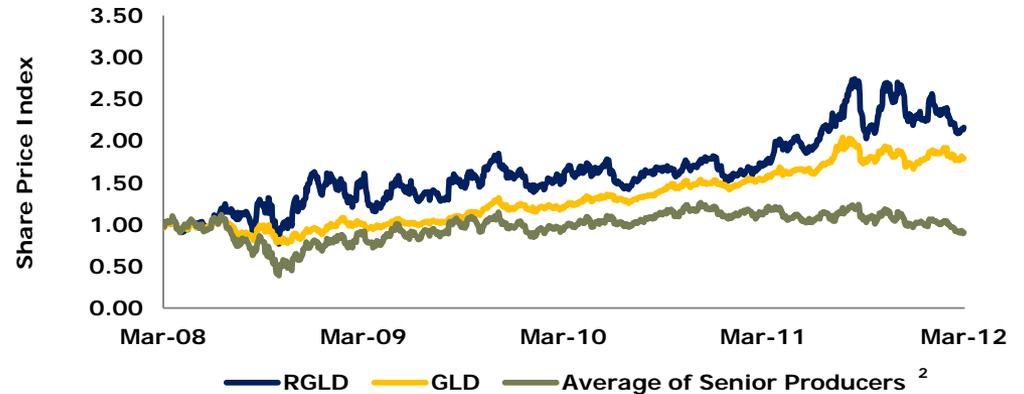
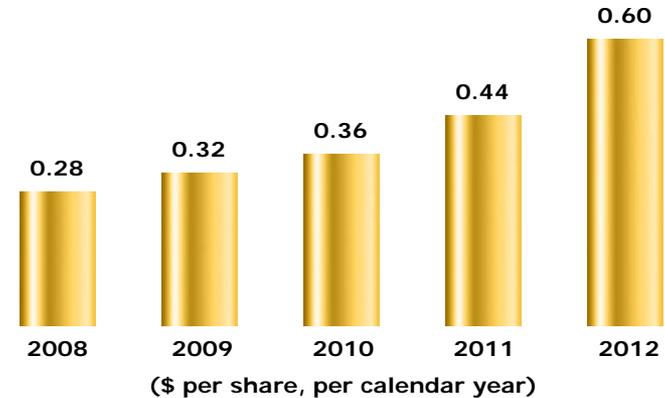
## Financial activity subsequent to 12/31/11:

- \$268.4M net proceeds from equity offering
- \$170M paid under revolver
- Full \$225M available under revolver

## 2012 commitments:

- \$45M per quarter for Mt. Milligan
- \$3.8M per quarter credit facility

## Dividend Growth



See footnotes on page 25

# Appendix





# Mulatos

# Dolores



Sonora



Chihuahua



**Royalty:** <sup>1</sup> 1.0% to 5.0% NSR  
(5.0% above \$400/oz)

**Reserves:** <sup>2</sup> 2.4M ozs gold

**FY 2011 Production:**  
(Actual) 151K ozs gold

**FY 2011 Revenue:**  
(Actual) \$10.2M

**CY 2011 Production:**  
(Actual) 153K ozs gold

**Mine Life:** <sup>3</sup> 9 years

**Update:**

 Gravity mill being commissioned to process high-grade ore from Escondida zone

 Higher crusher throughput will offset decline in average grade

 Production is expected to increase to over 200,000 ounces per year for the next three years

**Royalty:** 3.25% NSR (gold)  
2.0% NSR (silver)

**Reserves:** <sup>2</sup> 2.0M ozs gold  
114.5M ozs silver

**FY 2011 Production:**  
(Actual) 60K ozs gold  
2.6M ozs silver

**FY 2011 Revenue:**  
(Actual) \$4.6M

**CY 2011 Production:**  
(Actual) 74K ozs gold  
3.6M ozs silver

**Mine Life:** 16 years

**Update:**

 Stabilizing mine production and commencing mill optimization study

 Expected to produce 75,000 to 80,000 ounces of gold and 3.5 to 4.0 million ounces of silver in CY 2012

See footnotes on page 25





# Holt

# Wolverine



## Ontario



## Yukon



<b>Royalty: At Au Prices:</b>	<b>0.00013 x Au Price NSR (sliding-scale)</b>
\$1,000	13.0%
\$1,500	19.5%
\$2,000	26.0%

**Reserves: <sup>1</sup>** 510K ozs gold

**FY 2011  
Production:  
(Actual)** 11.8K ozs gold

**FY 2011  
Revenue:  
(Actual)** \$3.2M

**CY 2011  
Production  
Guidance:** 24K to 28K ozs Au

**Mine Life:** 7+ years

### Update:

💡 SAS expects to reach its steady state production rate of 1,000 tonnes per day by the end of Q2 CY 2012

💡 SAS estimates 2012 production in the range of 90,000 to 100,000 ozs of gold, of which approximately 50% is expected to come from the Holt mine

<b>Royalty At Ag Prices:</b>	<b>NSR (sliding-scale)</b>
< \$5.00	0.0%
\$5.00-\$7.50	3.778%
>\$7.50	9.445%

**Reserves: <sup>1</sup>** 225K ozs gold  
46.7M ozs silver

**FY 2011  
Production:  
(Actual)** 900 ozs gold  
259K ozs silver

**FY 2011  
Revenue:  
(Actual)** \$0.7M

**CY 2011  
Production  
Guidance:** NA

**Mine Life:** 9+ years

### Update:

💡 Mill design capacity of 1,700 tonnes per day

💡 Production in 2012 is increasing to design capacity

See footnote on page 25





OSISKO

INMET  
MINING

# Malartic

# Las Cruces



Quebec



Andalucia



<b>Royalty:</b>	<b>1.0% to 1.5% NSR (1.5% above \$350/oz)</b>
<b>Reserves (Est.): <sup>1</sup></b>	<b>4.7M ozs gold (subject to royalty)</b>
<b>FY 2011 Production: (Actual)</b>	<b>35K ozs gold</b>
<b>FY 2011 Revenue: (Actual)</b>	<b>\$0.8M</b>
<b>CY 2011 Production Guidance: <sup>2</sup></b>	<b>190K to 200K ozs gold (100%)</b>
<b>Mine Life:</b>	<b>16 years</b>

- Update:**
- 💡 First full calendar year of production in 2012
  - 💡 Full ramp-up to 55K tpd expected in the second half of CY 2012 with completion of two pre-crusher units
  - 💡 Calendar 2012 production will range from 610,000 to 670,000 ounces of gold (not all of these ounces attributable to our royalty)

<b>Royalty:</b>	<b>1.5% NSR</b>
<b>Reserves: <sup>3</sup></b>	<b>2.1B lbs copper</b>
<b>FY 2011 Production: (Actual)</b>	<b>74.7 lbs copper</b>
<b>FY 2011 Revenue: (Actual)</b>	<b>\$4.4M</b>
<b>CY 2011 Production Guidance:</b>	<b>111M lbs copper</b>
<b>Mine Life:</b>	<b>15 years</b>

- Update:**
- 💡 Reactor performance continues to improve
  - 💡 Inmet expects to reach 90% of design capacity production in 2012
  - 💡 Expected to produce 61,700 to 68,600 tonnes of copper cathode in CY 2012, a 55% increase over CY 2011

See footnotes on page 25

# Mt. Milligan II



British Columbia



## Transaction II

- Additional 15% of payable gold
- Consideration:
  - \$270 (\$112M paid following closing)
  - \$435 per gold ounce
- Finance construction



## Combined Transactions

- 40% of payable gold
- Current investment (\$364.6M):
  - \$252.6M (Mt. Milligan I)
  - \$112M paid following closing
- Total \$216.9M to be paid during construction:
  - \$45M per quarter in CY 2012
  - \$12M first two quarters in CY 2013
  - Remaining in Q3 CY 2013
- \$435 per gold ounce for life of mine (or the prevailing market price of gold if lower; no inflation adjustment)



# Tulsequah Chief Project



British Columbia



## Interest

- 12.5% of payable gold until 48K oz of payable gold; 7.5% thereafter
- 22.5% of payable silver until 2.78M oz of payable silver; 9.75% thereafter



## Consideration

- \$60 million (\$50 million following closing)
- \$450/oz on first 48K oz of gold; \$500/oz thereafter (or the prevailing market price of the metal if lower)
- \$5.00/oz on first 2.78M oz silver; \$7.50/oz thereafter (or the prevailing market price of the metal if lower)



## Finance development



## Production <sup>1</sup>

- Initial production 2015
- Annual average production: 45K oz gold and 1.4M oz silver
- Nine-year mine life



## Rationale

- Precious metal focused transaction
- High grade polymetallic deposit
- Expected low net cash costs of production
- Geopolitically stable jurisdiction
- Exploration upside



 Chieftain Metals Inc.



# Footnotes



# Footnotes

## PAGE 5: EFFICIENT BUSINESS MODEL

<sup>1</sup> ABN AMRO Gold Mine Cost Report, May 2011.

## PAGE 6: RESERVE GROWTH

<sup>1</sup> Our gold equivalent royalty reserves are determined by multiplying the contained ounces of gold (and the gold equivalent of silver) in the reserves times our royalty percentage on a property by property basis. Gold equivalent ounces are determined based on converting silver reserves into gold equivalents and were calculated using the following metal prices 2006 - \$632 gold; \$12.90 silver; \$2.81 copper; \$0.78 lead; \$1.93 zinc; 2007 - \$833.75 gold; \$14.76 silver; \$3.03 copper; \$1.15 lead; \$1.04 zinc; 2008 - \$869.75 gold; \$10.79 silver; \$1.32 copper; \$0.43 lead; \$0.51 zinc; \$4.90 nickel; 2009 - \$1,087.50 gold; \$16.99 silver; \$3.33 copper; \$1.09 lead; \$1.17 zinc; \$8.38 nickel; \$22.00 cobalt; 2010 - \$1,410.25 gold; \$30.63 silver; \$4.42 copper; \$1.17 lead; \$1.10 zinc; \$11.32 nickel; \$17.58 cobalt; \$16.78 molybdenum. Mt. Milligan reserves were calculated by applying an equivalent royalty rate based on a gold price of \$1,410.25, the \$435 per ounce payment price due at delivery, and the anticipated recovery and payable rates.

## PAGE 9: ANDACOLLO

<sup>1</sup> 75% of payable gold until 910,000 payable ounces; 50% thereafter. As of December 31, 2011, there have been approximately 73,000 cumulative payable ounces produced. Gold is a by-product of copper.

<sup>2</sup> Reserves as of December 31, 2010.

## PAGE 10: PENASQUITO

<sup>1</sup> Reserves as of December 31, 2010.

## PAGE 11: VOISEY'S BAY

<sup>1</sup> Reserves as of December 31, 2010.

<sup>2</sup> Based on 2008 Vale Inco EIS.

## PAGE 12: PASCUA-LAMA

<sup>1</sup> NSR sliding-scale schedule (price of gold per ounce – royalty rate): less than or equal to \$325 – 0.78%; \$400 – 1.57%; \$500 – 2.72%; \$600 – 3.56%; \$700 – 4.39%; greater than or equal to \$800 – 5.23%.

<sup>2</sup> Approximately 20% of the royalty is limited to the first 14.0M ounces of gold produced from the project. Also, 24% of the royalty can be extended beyond 14.0 million ounces produced for \$4.4 million. In addition, a one-time payment totaling \$8.4 million will be made if gold prices exceed \$600 per ounce for any six-month period within the first 36 months of commercial production.

<sup>3</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>4</sup> Per Barrick's Q2 2011 Financial Results.



# Footnotes (cont.)

## PAGE 13: MT. MILLIGAN

- <sup>1</sup> Reserves as of October 23, 2009.
- <sup>2</sup> Estimated production of 262,500 ounces of gold annually during the first six years; 194,000 ounces of gold thereafter, per Thompson Creek's National Instrument 43-101 technical report filed on SEDAR on October 13, 2011.
- <sup>3</sup> Per Thompson Creek's National Instrument 43-101 technical report filed on SEDAR, under Thompson Creek's profile, on October 13, 2011.

## PAGE 16: COMPANY PROFILE

- <sup>1</sup> Includes approximately 800,000 exchangeable shares.
- <sup>2</sup> Barrick, Newmont, AngloGold, Gold Fields, Goldcorp, Kinross and Agnico Eagle.

## PAGE 18: MULATOS AND DOLORES

- <sup>1</sup> The Company's royalty is subject to a 2.0 million ounce cap on gold production. There have been approximately 804,000 ounces of cumulative production, as of December 31, 2011. NSR sliding-scale schedule (price of gold per ounce – royalty rate): \$0.00 to \$299.99 – 1.0%; \$300 to \$324.99 – 1.50%; \$325 to \$349.99 – 2.0%; \$350 to \$374.99 – 3.0%; \$375 to \$399.99 – 4.0%; \$400 or higher – 5.0%.
- <sup>2</sup> Reserves as of December 31, 2010.
- <sup>3</sup> Based on reserves as of the end of calendar 2010. Royal Gold's royalty is capped at 2.0 million ounces of production. There have been approximately 804,000 ounces of cumulative production, as of December 31, 2011.

## PAGE 19: HOLT and WOLVERINE

- <sup>1</sup> Reserves as of December 31, 2010.

## PAGE 20: MALARTIC AND LAS CRUCES

- <sup>1</sup> Reserves as of December 31, 2008.
- <sup>2</sup> Production guidance reflects the entire project. Operator has not provided a breakdown of production by royalty interest.
- <sup>3</sup> Reserves as of December 31, 2010.

## PAGE 22: TULSEQUAH CHIEF PROJECT

- <sup>1</sup> Per Chieftain Metals' National Instrument 43-101 Preliminary Economic Assessment Technical Report filed on SEDAR under Chieftain Metals' profile on July 29, 2011.





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World Class Royalty Company

