BC Natural Resource Forum

Financing Mine Development and Construction

Tony Jensen
President and CEO

January 22, 2014

World Class Royalty Company

ROYAL GOLD, INC

Cautionary Statement

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to, statements that forward looking EBITDA margins will be 80% to 85% of revenue (as the Company has reported approximately 90% EBITDA margins historically); that full production at Mt. Milligan, when achieved, would comprise 50% of our 2013 net gold equivalent ounces production; that the Company expects to see future production of net gold equivalent ounces due to both Mt. Milligan and Pascua-Lama; that commercial production is expected during the first quarter of calendar 2014 at Mt. Milligan; and that the Company is confident in the long term value of Pascua-Lama. 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 new mines such as Mt. Milligan and Pascua-Lama; changes in gold and other metals prices; decisions and activities of the Company's management; unexpected operating costs; decisions and activities of the operators of the Company's royalty and stream properties; 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 and stream financing transactions; adverse changes in applicable laws and regulations; litigation; and risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws, enforcement and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.

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

Endnotes located on pages 37 and 38.

Agenda

Overview	Sector	Financing	Investment Criteria	Case Studies

- Royal Gold Overview
- Royalty/Stream Sector Overview
- Royalty/Stream Financing
- Investment Criteria
- Case Studies

Royal Gold Overview

World Class Royalty Company

ROYAL GOLD, INC

Quality Portfolio of Royalty/Stream Assets

- Established in 1981
- Market cap – $3.4B
  (as of 1/15/14)
- Operating cash flow (FY2013) – $172.6M
- Over 200 properties with royalties and/or streaming interests:
  - 38 producing assets
  - 20 development stage assets
- 12 straight years of dividend growth – current yield ~2%
- Five cornerstone assets:

Andacollo

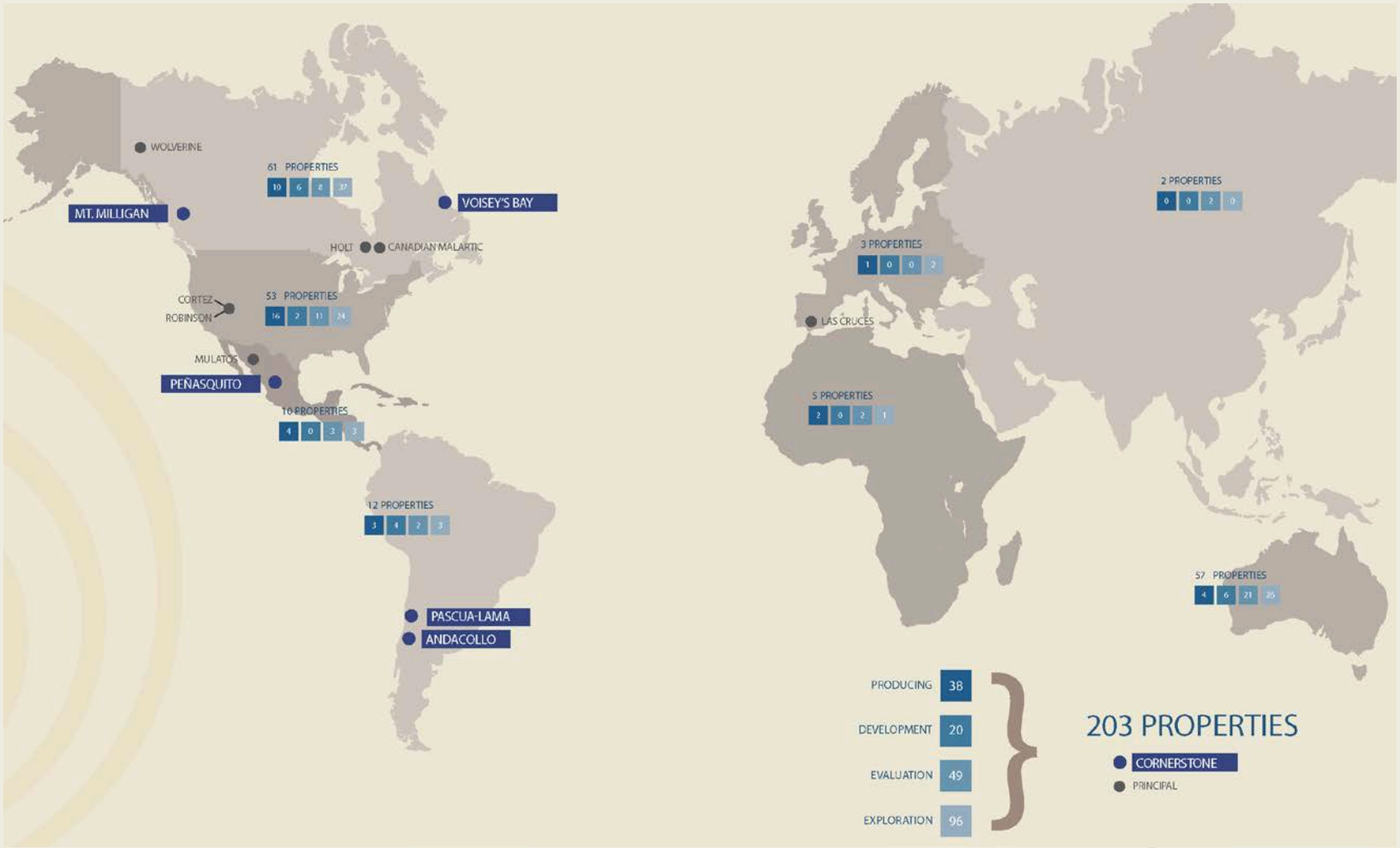
Peñasquito

Voisey's Bay

Mt. Milligan

Pascua-Lama

Portfolio of over 200 Assets



Cornerstone Producing Assets

Andacollo

Teck

Royalty: [1] 75% of Au production (NSR)

Reserves: [2] 1.8M oz (Au)

Estimated Mine Life: 20+ Years

Contribution to FY2014 Q1 revenue

30% or $17.2M

Peñasquito

GOLDCORP

Royalty: 2.0% NSR

Reserves: [3,4] 11.6M oz (Au); 605M oz (Ag)

Estimated Mine Life: 13 Years [3]

Contribution to FY2014 Q1 revenue

11% or $6.5M

Voisey's Bay

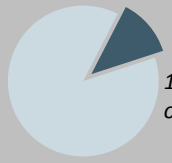
VALE

Royalty: 2.7% NSR

Reserves: [2] 1.0B lbs (Ni); 0.6B lbs (Cu)

Est. Mine Life: 20+ Years [5]

Contribution to FY2014 Q1 revenue



12.5% or $7.5M

Other Cornerstone Assets

Mt. Milligan

Photo: July 2013

Stream: [1] 52.25% of payable gold

Reserves: [2] 6.0M oz (Au) Est. Mine Life: 22 Years

Commercial Prod: Q1 CY14 Est. Production: [3] 262k oz (Au)/yr

- Production ramp-up
- First concentrate production in September 2013
- First shipment in mid-November 2013

Pascua -Lama

Photo: May 2013

Royalty: [4,5] 0.78% to 5.23% NSR sliding scale

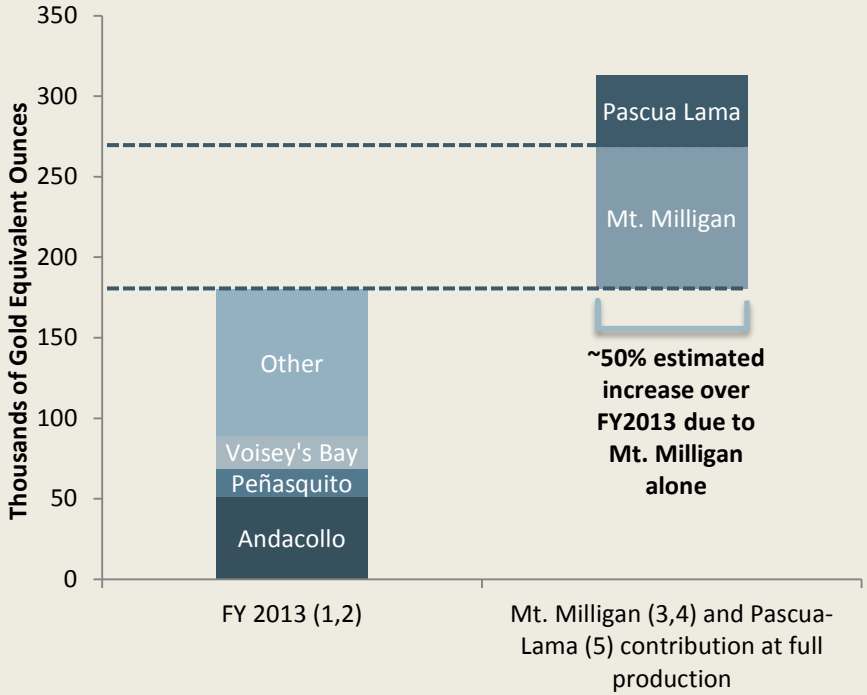
Reserves: [6] 14.6M oz (Au) Est. Mine Life: 25 Years

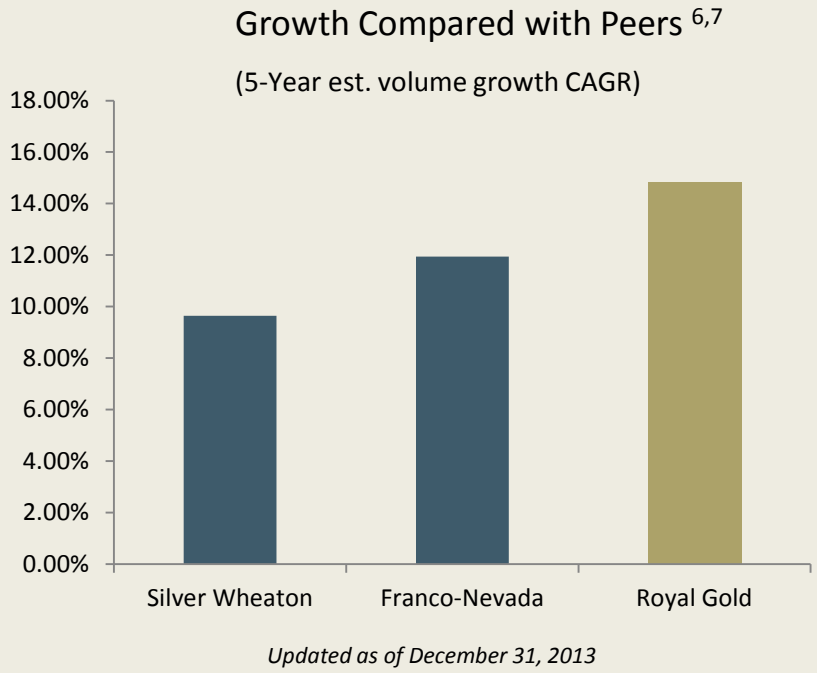
Production: TBD [7] Est. Production: [8] 800-850k oz (Au)/yr

- Temporary suspension of project construction
- Environmental protection and regulatory compliance activities ongoing

Positioned to Grow

- Embedded Growth
  - Positioned to grow volume ~50% from Mt. Milligan alone



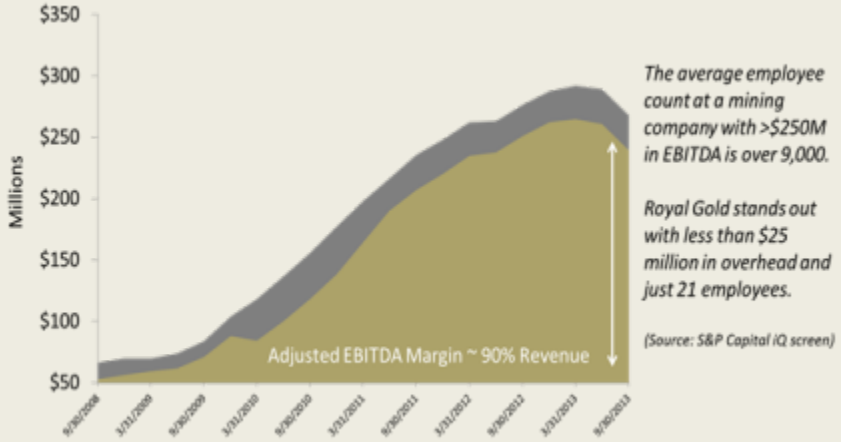


Updated as of December 31, 2013

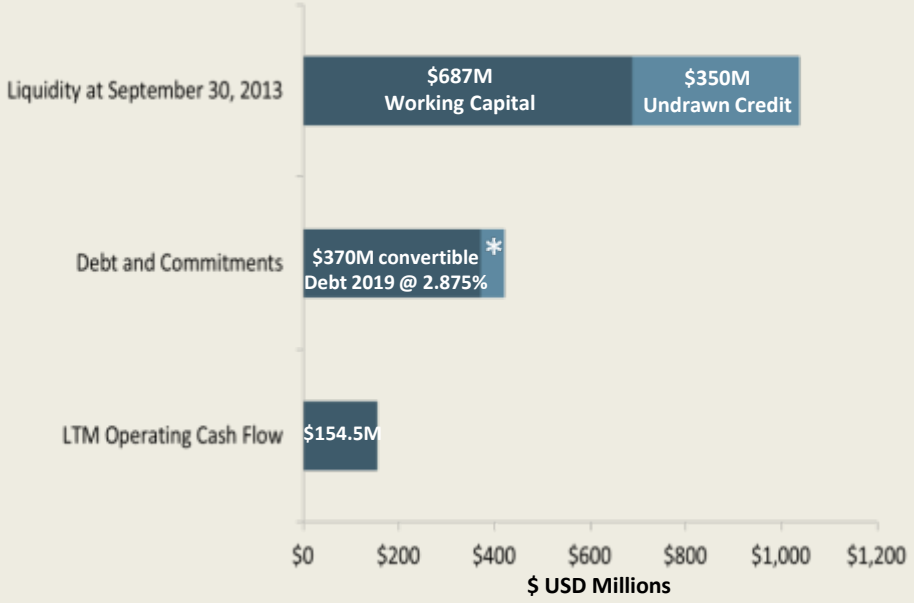
Strong Financial Position

- Financially Robust
  - Mt. Milligan investment complete
  - Low costs with Adjusted EBITDA [1] margin at ~90% of revenue
  - Liquidity of ~$1 billion

Efficient Use of Resources Maximizes Margins

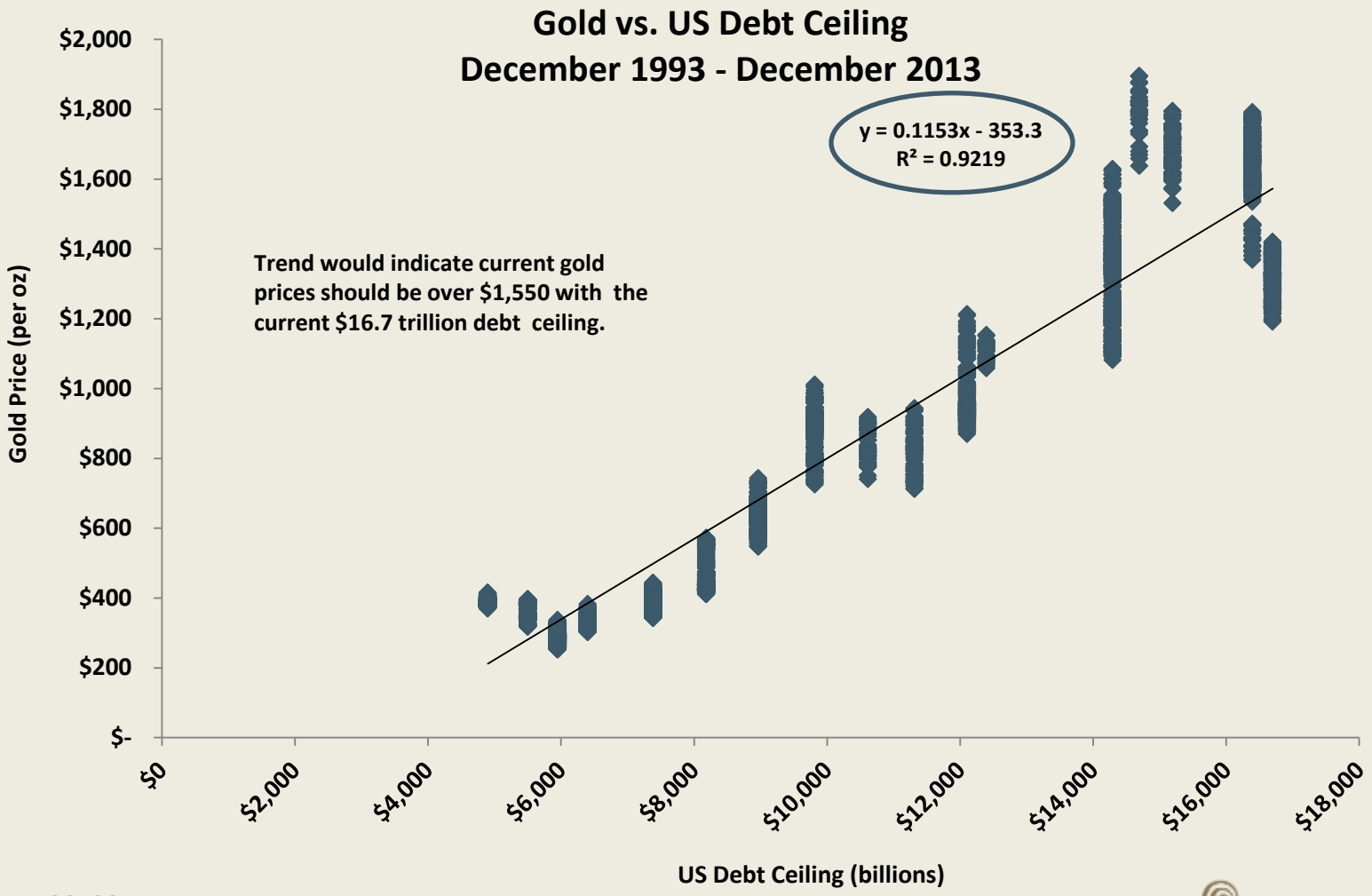


Financial Strength



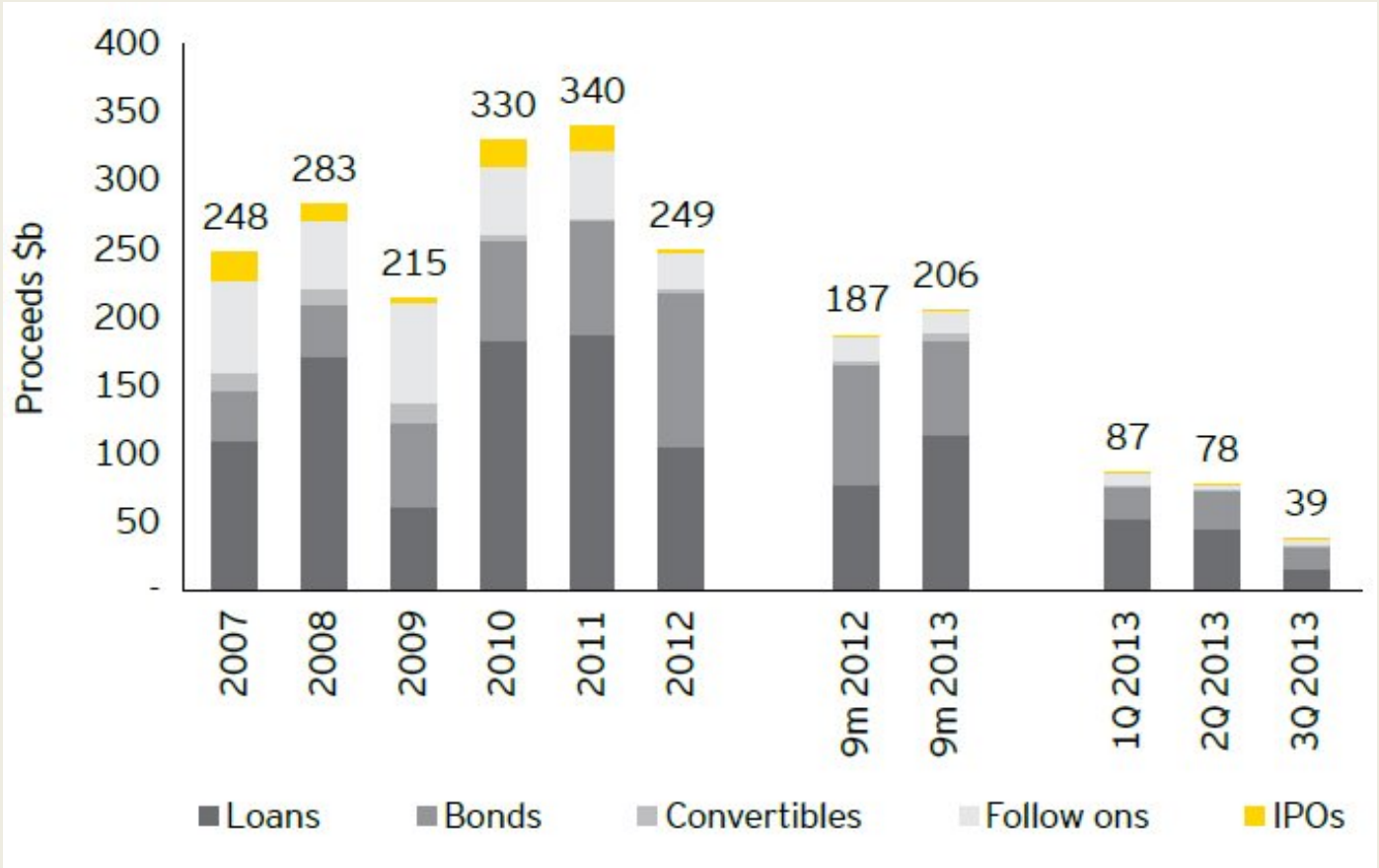
Indicates $50M commitment related to Tulsequah Chief

Gold Price Relationship to Economic Conditions



Mineral Industry Sources of Capital are Limited

Capital Raised, by asset class ($B) [1]



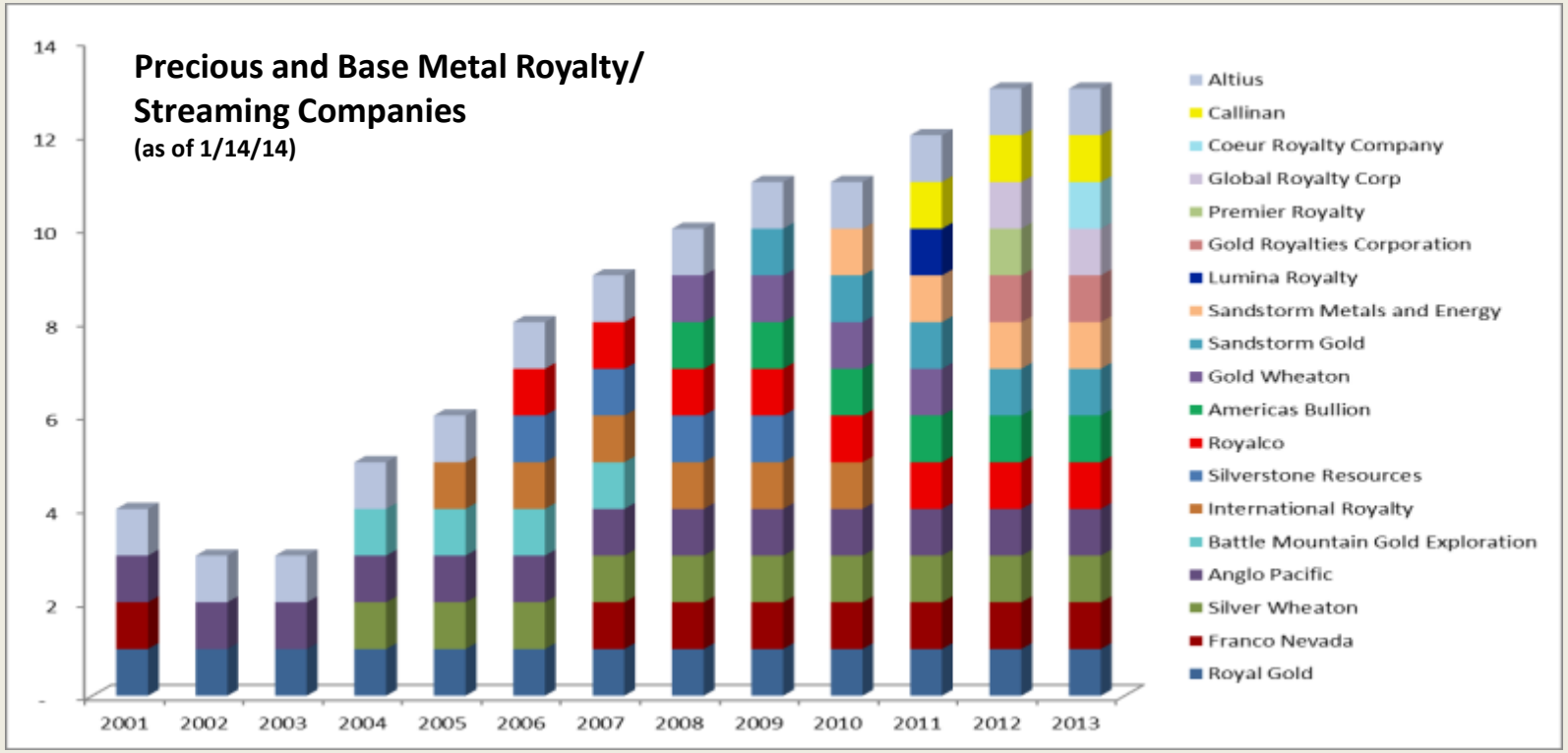
Overview of Royalty/Stream Sector

World Class Royalty Company

Royal Gold, Inc

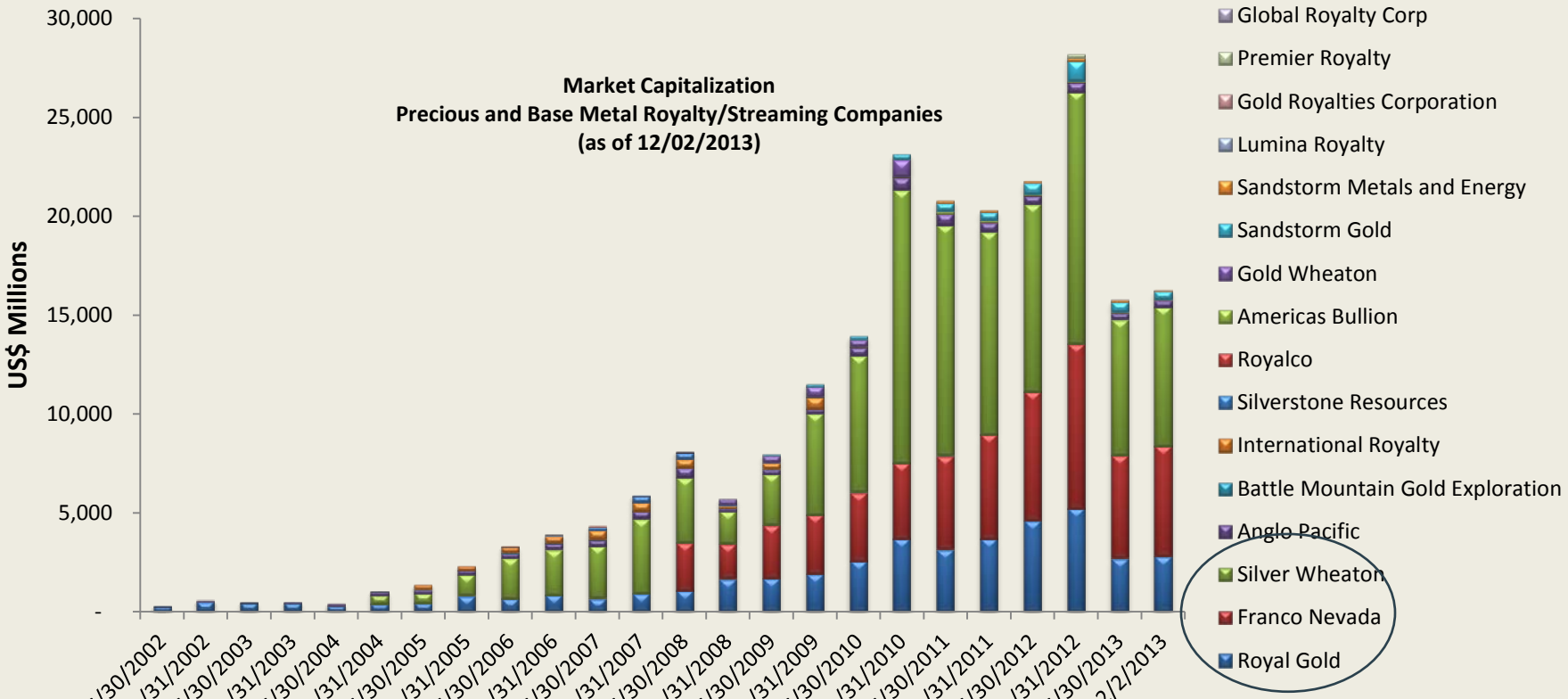
Decade of Rapid Growth

- Metal royalty model established by Franco Nevada (1985) and Royal Gold (1992)
- Silver Wheaton began metal streaming in 2004
- Business model success has attracted new companies



Sector Market Capitalization of ~US$16.3B

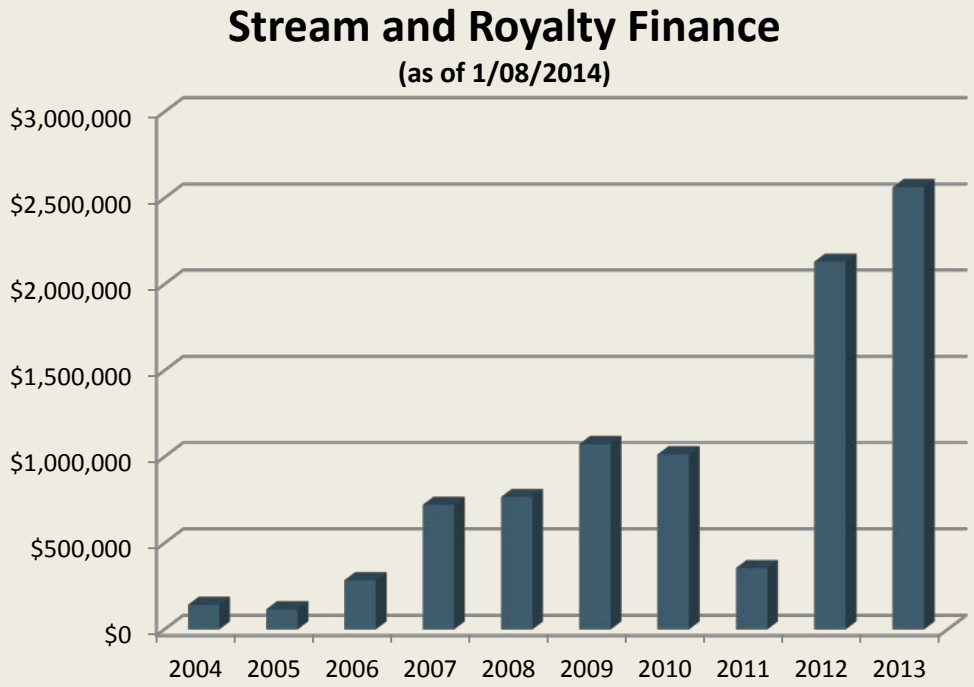
- Sector market capitalization dominated by three Companies: Silver Wheaton, Franco Nevada and Royal Gold



Royalty/Stream Companies Rank Amongst Top 20 Precious Metal Companies

Over US$9B Deployed Over Past 10 Years in Royalty and Steam Finance

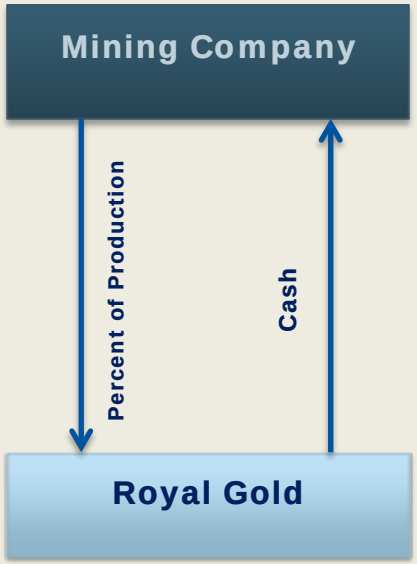
- Royal/stream finance is now a well known source of capital with nearly 70 transactions over past decade
- Streams can be used for project development, mergers and acquisitions, debt or hedge restructuring or other purposes

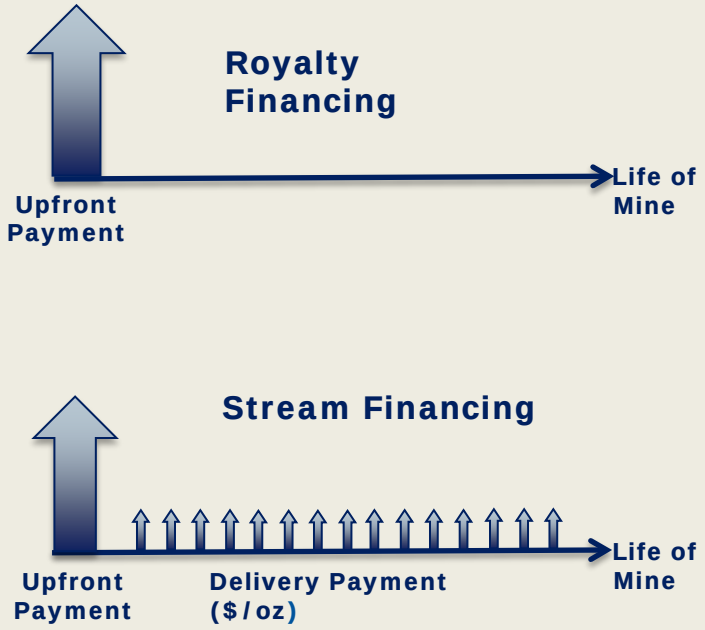


Royalty/Stream Financing

Stream and Royalty Finance Investment Structure

- Streams and royalties are financing options that involve the investment of money in return for a percentage of revenue or payable metal production

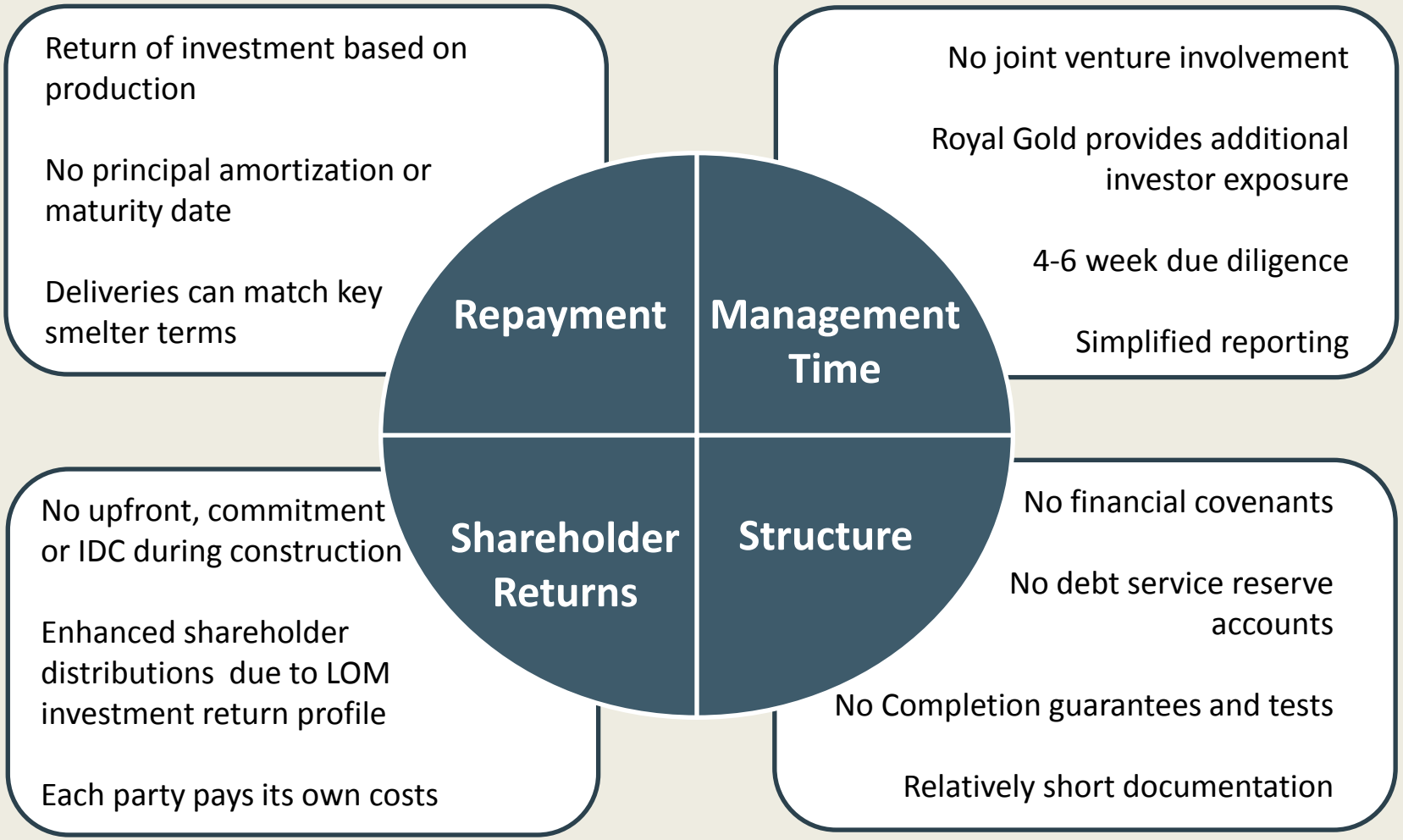




Stream and Royalty Finance Key Features

	ROYALTY	STREAM
OWNER HOLDS RIGHT TO:	Receive a percentage of the production from a mine, usually over the LOM, often after deducting offsite refining and transportation charges.	Purchase all, or percentage of the designated metal at a fixed or variable (% of spot) price over LOM or specified time period.
NATURE OF CONTRACT:	May be considered an interest in mineral property and, depending on jurisdiction, run with the land.	A contractual arrangement for the purchase and sale of refined metal.
INITIAL PAYMENT AND ON-GOING COSTS:	• One upfront payment • No additional costs	• One upfront payment and ongoing per ounce payments as metal is delivered. • No additional costs besides per ounce payment unless contractually agreed.
CONSIDERATIONS:	• Corporate structure and tax efficiency • Non-dilutive to shareholders	• Corporate structure and tax efficiency • Non-dilutive to shareholders • Often used on by-product metal production/base metal mines

Stream and Royalty Finance Advantages



Stream and Royalty Finance Comparison Summary

	PROJECT DEBT	CORPORATE DEBT	STREAMS ROYALTY	EQUITY	JOINT VENTURE
Term	Based on reserve tail; Max 10-12 years	5-30 years	Mine Life	Permanent	Mine Life
Recourse	Secured	Typically Unsecured	Typically secured but with ability to subordinate	Equity claim on assets	Partner claim on assets
Amortization	Regularly scheduled payments	Bullet maturity	Based on production; no fixed amortization	None	None
Fees	Upfront/Commitment fees	Underwriting or arranging fees	None	Fees plus issue discount	None
Hedging	Forwards or Options	None	None	None	None
Dilution	None	Yes, if convertible	Based on value received for investment	Yes	Based on value received for JV interest
Management Control	Full	Full	Full	Full	Shared with partner
Covenants/ Restrictions	Financial covenants Debt service reserve	Corporate covenants	Limited operating covenants	None	Covenants with partner through JV agreement
Tax Efficiency	Interest is deductible	Interest is deductible	Dependent on structure	None	None

Stream and Royalty Finance Frequently Asked Questions

Do streams or royalties have minimum delivery requirements?	Most streams and royalties are done without minimum delivery requirements.
Do streams or royalties have to encumber all of a mine's upside?	Royalties and streams have life of mine interests but the percentages can be reduced after production of an agreed amount of metal and some instruments can feature buydown clauses.
Will the stream causes miners to operate inefficiently?	A stream financing should never be sized to the point that the most efficient mine plan is compromised or the mine is uncompetitive on a cost curve basis.
Can a stream be done if a mine produces a concentrate and receives no refined metal?	Yes, a stream can be done synthetically and there is no requirement that metal delivered under a stream be sourced from the project.
Can a stream be structured with a secured project financing?	Yes, depending on the leverage contemplated, streams have been structured to be subordinated to project debt, corporate credit facilities and corporate bonds.

Stream and Royalty Finance Frequently Asked Questions

Do streams cause tax problems for operators?	Streams can typically be structured so taxes are paid when metal is produced.
Can streams only be done on projects with feasibility studies?	No, although we prefer more advanced projects, streams can provide financing at any stage of a project path toward development. Earlier stage projects will attract lower levels of investment than more advanced projects.
Can a stream be done on a joint ventured property?	Yes, streams can be done synthetically with reference to the production of a company's ownership interest in a JV project.
Can a stream be done on a project with existing royalties?	Streams are simply sources of capital. The metal sold under a stream and its impact on costs of production can be compared to the cash flow requirements of interest or principal on a project loan.
Isn't streaming an expensive source of capital?	Royalty /steam financing must be competitive with other sources of capital to attract interest, but certain features are very favorable to operators such as no obligation to repay and payments structured to match production. The long term perspective of a royalty/stream investment and lack of dilution are also important considerations in determining the best cost of capital. Additionally, most mines require multiple sources of capital to balance needs with risks.

Royal Gold Investment Criteria

World Class Royalty Company

ROYAL GOLD, INC

Investment Criteria

- Deposit Quality
- People
- Country/Location
  - Legal system
  - Title and social stability
  - Fair and transparent political and regulatory systems and expectations
  - Regulatory environment and stability
  - Infrastructure
  - Tax and other third party value expectations

Case Studies

Mt. Milligan Transaction Summary

- Three Transactions in exchange for 52.25% of payable gold:
  - I. 25% of gold for $311.5M – July 2010
  - II. 15% of gold for $270M – December 2011
  - III. 12.15% of gold for $200M – August 2012
- Total investment: $781.5M
- Delivery payment of $435/oz or prevailing market price for life of mine
- Proceeds used by Thompson Creek for Terrane acquisition and mine construction
- Reserves: [1] 6.0 M oz. gold
- Estimated mine life: [2] 22 years

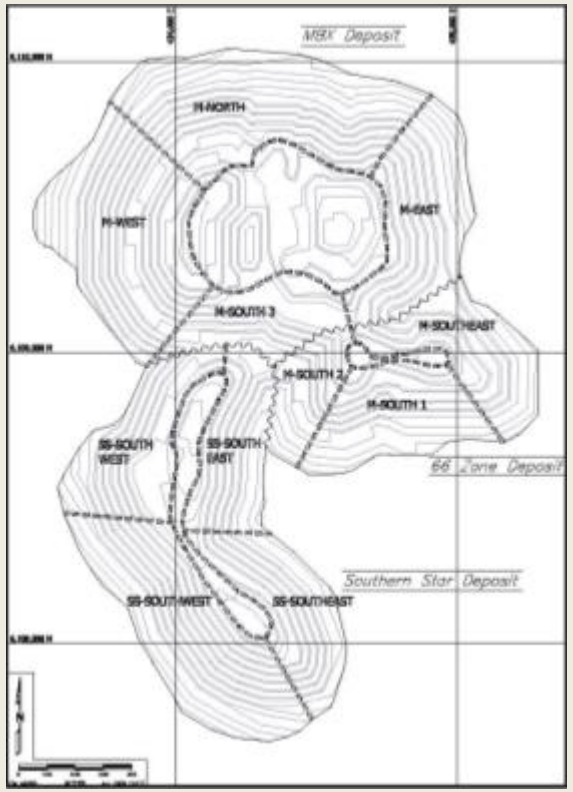
Mt. Milligan Profile – Operations

- Location: British Columbia, Canada
- Open pit copper/gold porphyry
- Estimated production (metal in concentrate): [1]
  - 262,000 ounces of gold annually during first six years
  - 195,000 ounces of gold over life of mine
- Estimated mine life: 22 years
- Reserves and resources: [2,3]

	Metric Tonnes (000s)	Cu (%) [1,2]	Au (g/t) [1,3]	Contained Cu (000s mt)	Contained Au (000s ozs)
Proven and Probable Reserves	482,400	0.20%	0.388	964.8	6,018
Measured and Indicated Resources (inclusive of proven and probable reserves)	706,700	0.182%	0.33	1,286.2	7,498

Mt. Milligan Profile – Operations (cont.)

- Mine Production
  - Low strip ratio: [1] 0.84:1
  - Conventional truck, electric shovel operation
- Processing
  - Conventional and proven technology
  - Flowsheet consists of crushing, grinding and flotation to produce copper/gold concentrate
  - 60,000 tonnes per day concentrator plant
  - Projected Recovery: [1] 84% Cu; 71% Au
- Designed for closure
  - Zero discharge
  - No waste dumps; waste material used for tailings facility

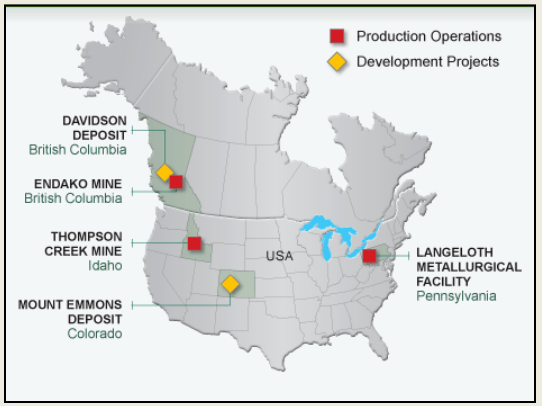


Mt. Milligan Profile – Operations (cont.)

- Infrastructure
  - Low cost hydropower provided by new 92 Km power line
  - Adequate water balance for processing
  - Road access to regional communities
  - Port access by road or rail to Vancouver or Port Rupert

Thompson Creek Profile

- Current market cap: ~$500M (1/15/14)
- Operating facilities:
  - Thompson Creek (Idaho)
  - Endako (British Columbia)
  - Langeloth Met Facility (Pennsylvania)
- Reserves: [1]
  - 6.02M oz. Au
  - 515.9M lbs Mo
  - 2.1B lbs Cu
- 2012 revenue: $401.4M
- Cash position: [2] $322.8M (as of 9/30/13)
- Significant operating experience at senior management level

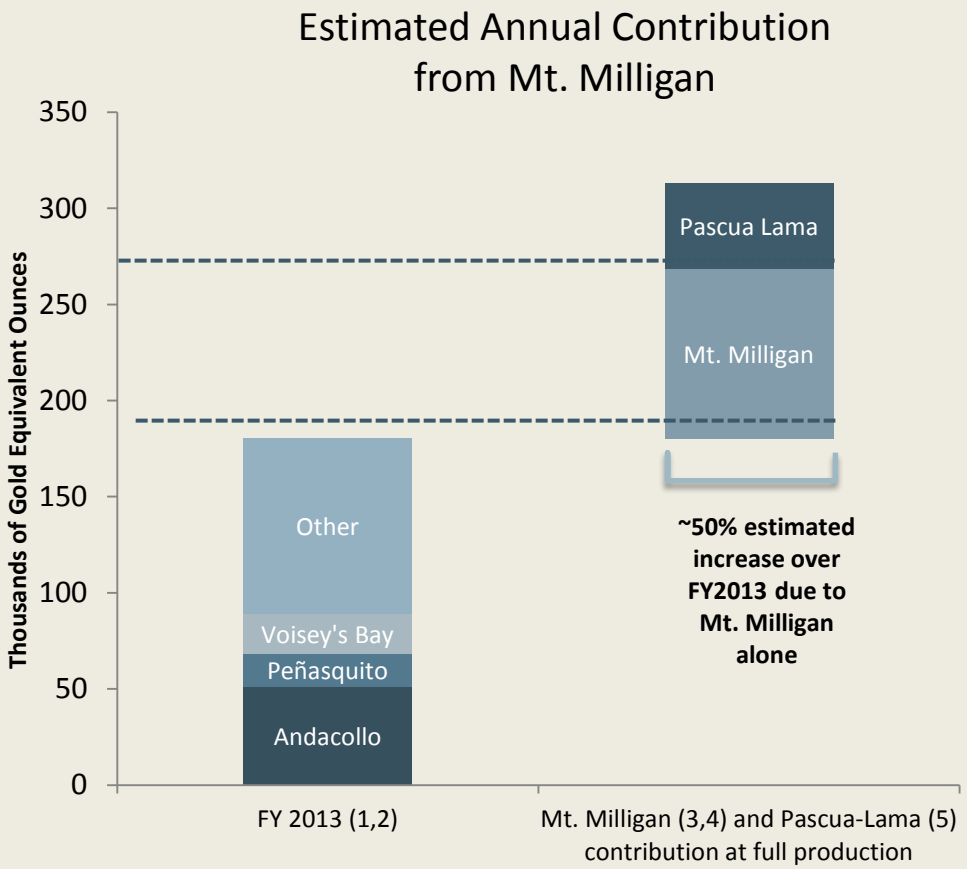


Plan of Arrangement Between Terrane Metals and Thompson Creek

- Terrane owned 100% of Mt. Milligan
- Goldcorp was a 52% shareholder on a fully diluted basis
- Thompson Creek announced acquisition of Terrane:
  - — Total consideration ~C$654M
    - 0.052 shares of Thompson Creek for each share of Terrane
    - C$0.90/share cash
  - — Subject to favorable vote of 66 $^{2}/_{3}$% of Terrane stockholders
  - — Support agreements for ~53% of current shares outstanding
  - — Break fee of C$20M

Acquisition Rationale

- Pure gold transaction
- Long reserve life
- Attractive host country
- Substantial royalty revenue
- Experienced operator
- Construction-ready project
  - Major environmental assessment approvals received
- Exploration upside



KSM Option

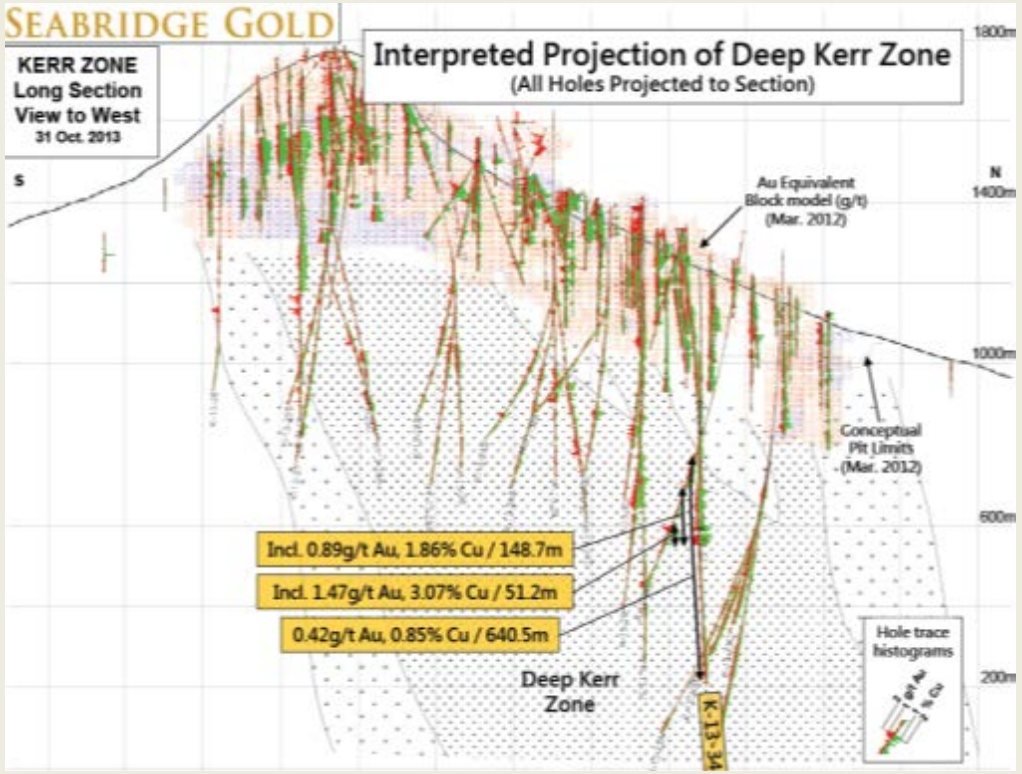
Advancement of Feasibility Study

Seabridge Gold – British Columbia, Canada

- June 2011: Initial acquisition from Seabridge Gold
  - Purchase of 1.0M shares of Seabridge common stock for C$30M
  - Earned option to buy 1.25% NSR royalty on gold and silver for C$100M
- December 2012: Second acquisition from Seabridge Gold
  - Purchase of C$18M of Seabridge common stock
  - Earned the ability to increase the 1.25% NSR royalty option to 2.0% with additional payment of C$60M
- Proceeds of equity placements used to advance project
- Proceeds from sale of royalty, if option is exercised, will be used toward capital costs of project
- Reserves: [1] 38.2M ozs gold; 191M ozs silver; 9.9B lbs copper
- Est. mine life: [1] 55 years

KSM Recent Exploration Success

- Favorable results from recent drilling at Deep Kerr notes substantial widths grading at least 0.5% copper [1]



Endnotes

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

PAGE 7 CORNERSTONE PRODUCING ASSETS

1. 75% of payable gold until 910,000 payable ounces; 50% thereafter. As of September 30, 2013, there have been approximately 184,000 cumulative payable ounces produced.
2. Reserves as of December 31, 2012, as reported by the operator.
3. Updated reserves and mine life per Goldcorp's technical report dated January 8, 2014.
4. Reserves also include 3.7 billion pounds of lead and 9.0 billion pounds of zinc.
5. Per BoAML 2008 Vale Inco EIS.

PAGE 8 OTHER CORNERSTONE ASSETS

1. This is a metal stream whereby the purchase price for gold ounces delivered is $435 per ounce, or the prevailing market price of gold, if lower; no inflation adjustment. Per Thompson Creek's National Instrument 43-101 technical report filed on SEDAR, under Thompson Creek's profile, on October 13, 2011.
2. Reserves as of October 23, 2009.
3. Estimated production of 262,000 ounces of gold annually during the first six years; 195,000 ounces of gold thereafter, per Thompson Creek's National Instrument 43-101 technical report filed on SEDAR, under Thompson Creek's profile, on October 13, 2011.
4. 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%. The royalty is interpolated between upper and lower endpoints.
5. 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.
6. Reserves as of December 31, 2011. 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.
7. On October 31, 2013, Barrick announced a temporary suspension of construction activities at Pascua-Lama, except for those required for environmental protection and regulatory compliance. It also stated that a restart decision will depend upon improved project economics such as go-forward costs, the outlook for metal prices, and reduced uncertainty associated with legal and other regulatory requirements.
8. Based on Barrick's guidance of 800,000-850,000oz of gold production during the first five years.

PAGE 9 POSITIONED TO GROW

1. Gold equivalent ounces for fiscal 2013 were calculated by dividing actual revenue by the average gold price of $1,605 for fiscal 2013.
2. Net gold equivalent ounces are calculated by applying the Company's interests in production at each individual property, and considering the per ounce delivery payment associated with metal streams as a reduction to gross ounces.
3. Gold equivalent ounces for the future period were calculated by dividing future estimated revenue by the spot price of approximately $1,300.
4. As reported by the operator, net gold equivalent ounces at Mt. Milligan are based upon operator's estimated annual production rate of 262,100 ounces of gold for the first six years using a gold price of $1,300 per ounce for conversion purposes of the delivery payment.
5. As reported by the operator, net gold equivalent ounces at Pascua-Lama are based upon operator's estimated annual production rate of 800,000 to 850,000 ounces of gold during the first five years. On October 31, 2013, Barrick announced a temporary suspension of construction activities at Pascua-Lama, except for those required for environmental protection and regulatory compliance. It also stated that a restart decision will depend upon improved project economics such as go-forward costs, the outlook for metal prices, and reduced uncertainty associated with legal and other regulatory requirements.
6. Source for Franco-Nevada's growth forecast is their Investor Day Presentation, March 2013, Slide 57 (volume based on gold equivalent ounces at $1,600/Au Eq Oz through 2017), plus the additional volume Franco-Nevada has indicated that they expect to receive from the Klondex and Teranga transactions. Silver Wheaton's growth forecast is based upon their January 2014 Investor Presentation Slide 17.
7. Pascua-Lama not included in the CAGR growth chart, since it is not expected to begin production within the 5-year timeframe.

Endnotes (cont.)

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

PAGE 10 STRONG FINANCIAL POSITION

1. Adjusted EBITDA is defined by the Company as net income plus depreciation, depletion and amortization, non-cash charges, income tax expense, interest and other expense, and any impairment of mining assets, less non-controlling interests in operating income of consolidated subsidiaries, interest and other income, and any royalty portfolio restructuring gains or losses.

PAGE 12 MINERAL INDUSTRY SOURCES OF CAPITAL ARE LIMITED

1. EY Metals/Mining Capital Review, 3Q9MO, 2013.

PAGE 28 MT. MILLIGAN TRANSACTION SUMMARY

1. Reserves as of October 23, 2009 from Terrane's Technical Report – Feasibility Study.
2. At metal prices of $1.60 per pound copper and $690 per ounce gold for proven and probable reserves, and at metal prices of $2.00 per pound copper and $800 per ounce gold for measured and indicated resources.

PAGE 29 Mt. MIlLIGAN PROFILE – OPERATIONS

1. Per Terrane Metal's *Feasibility Update Study Technical Presentation* dated December 15, 2009.
2. Reserves as of October 23, 2009 from Terrane's Technical Report – Feasibility Study.
3. At metal prices of $1.60 per pound copper and $690 per ounce gold for proven and probable reserves, and at metal prices of $2.00 per pound copper and $800 per ounce gold for measured and indicated resources.

PAGE 30 MT. MILLIGAN PROFILE - OPERATIONS

1. Per Terrane Metal's *Feasibility Update Study – Technical Presentation* dated December 15, 2009.

PAGE 32 THOMPSON CREEK PROFILE

1. Reserves as of October 23, 2009 from Terrane's Technical Report – Feasibility Study.
2. Available cash position in Thompson Creek's press release dated November 12, 2013.

PAGE 34 ACQUISITION RATIONALE

See endnotes 1 through 5 for slide number nine.

PAGE 35 KSM – Option

1. Reserves as of May 14, 2012 in Seabridge Gold's 2012 Updated Preliminary Feasibility Study.

PAGE 36 KSM – RECENT EXPLORATION SUCCESS

1. Source: Seabridge Gold, November 12th, 2013 press release.

1660 Wynkoop Street
Denver, CO 80202-1132
303.573.1660
info@royalgold.com
www.royalgold.com

World Class Royalty Company

ROYAL GOLD, INC