



EXPANDING THE PORTFOLIO

Fiscal Second Quarter Results

Royal Gold, Inc.

February 2, 2017

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: scalable business model and strong margins relative to the senior gold operators and S&P 500; future growth from new contributions at Rainy River and Crossroads; potential for additional reserves and ounces at no incremental capital cost from our operators' exploration and development activity and innovation; increased incremental stream volume and revenue from Rainy River and estimated date of commencement of production; estimated timing and volume from the Mount Milligan gold and copper stream; calendar year 2017 production outlook for Mount Milligan; mine life and reserves estimates and production forecasts from the operators of our stream and royalty interests; and the lack of near term capital commitments. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: the risks inherent in the operation of mining properties; a decreased price environment for gold and other metals on which our stream and royalty interests are paid; performance of and production at properties, and variation of actual performance from the production estimates and forecasts made by the operators of those properties; decisions and activities of the Company's management affecting margins, use of capital and changes in strategy; unexpected operating costs, decisions and activities of the operators of the Company's royalty and stream properties; changes in operators' mining and processing techniques or royalty calculation methodologies; resolution of regulatory and legal proceedings; unanticipated grade, geological, metallurgical, environmental, processing or other problems at the properties; revisions or inaccuracies in technical reports, reserve, resources and production estimates; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; errors or disputes in calculating royalty payments or stream deliveries, or payments or deliveries not made in accordance with royalty or stream agreements; the liquidity and future financial needs of the Company; economic and market conditions; the impact of future acquisitions and royalty and stream financing transactions; the impact of issuances of additional common stock; 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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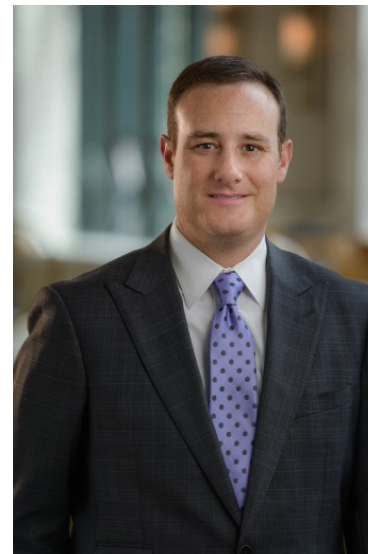
Today's Speakers



Tony Jensen
President
and CEO



Mark Isto
Vice President
Operations

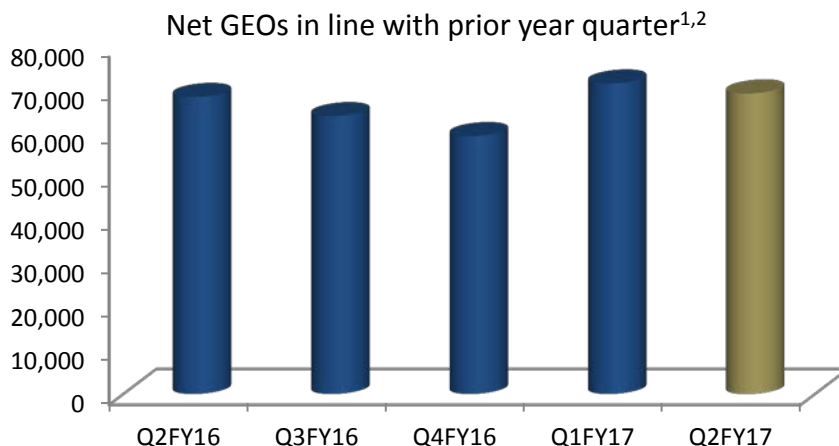
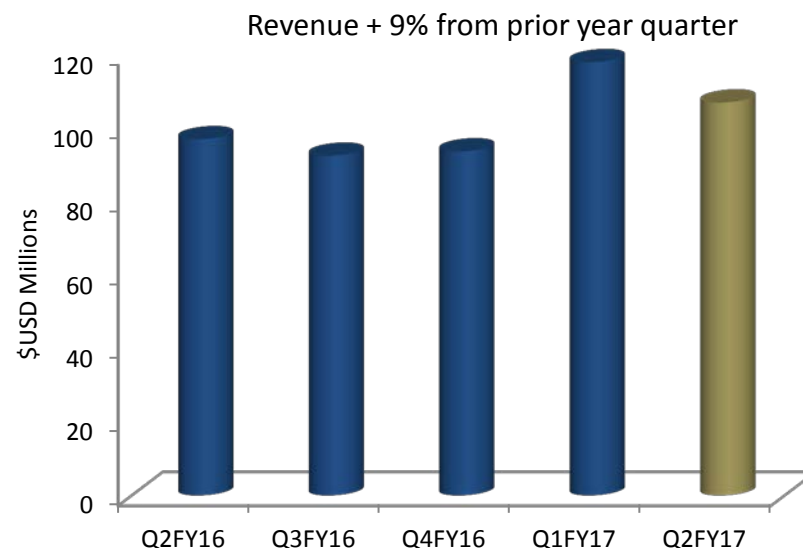
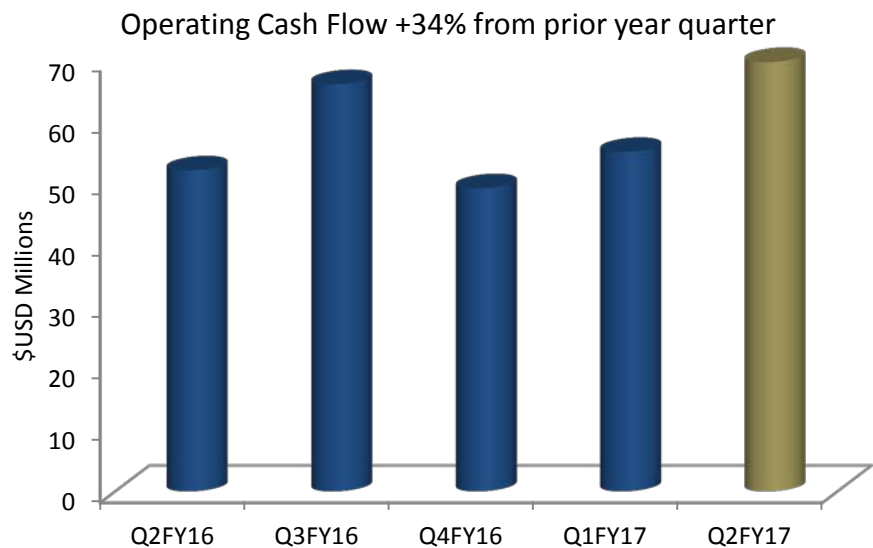


Stefan Wenger
CFO and
Treasurer

Strong Performance in Q2 FY17



Record operating cash flow and favorable results from **38 producing interests**



NASDAQ: RGLD

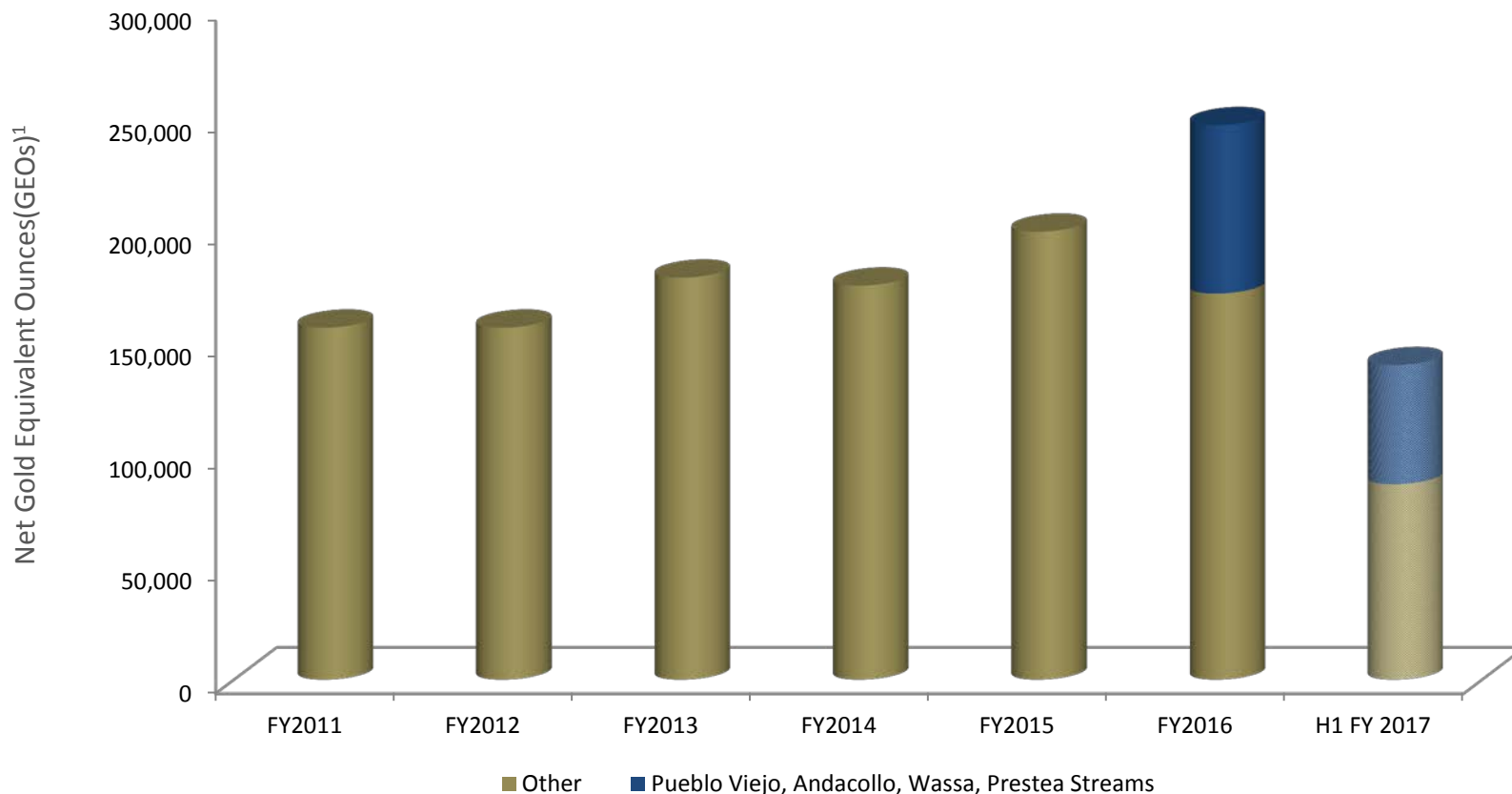
¹ Net GEOs: Net Gold Equivalent Ounces are calculated as revenue less stream payments, divided by the average gold price for the same period.

² Volume in Q2FY16 positively influenced by true-up deliveries from Wassa and Prestea.

Volume Growth Already Bought & Paid For



- Impressive contributions from our **recent acquisitions**
- **Future growth** from new contributions from **Rainy River** and **Crossroads**



NASDAQ: RGLD

¹ GEOs: Gold Equivalent Ounces, calculated as revenue, less stream payments (COGS), divided by Royal Gold's average realized gold price for prior fiscal years.

Optionality at 38 Currently Producing Interests



- Operators' innovation, capital and exploration at **no incremental capital cost** to Royal Gold¹



Pueblo Viejo – Potential Resource Conversion



Mount Milligan Enhancements



Wassa Underground Development



Peñasquito Pyrite Leach Project

NASDAQ: RGLD

¹ Project development as reported by the mine operators.

Volume Growth Already Bought & Paid For



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- 📍 Rainy River will contribute **incremental stream volume**, with production estimated to begin in **September 2017**



New Gold's Rainy River project is located 65 km northwest of Fort Frances, Ontario. Photo from New Gold.

NASDAQ: RGLD

Mount Milligan Gold-Copper Stream



- Prior stream: 52.25% of gold
- Amended gold-copper stream:
 - 35% of gold, payment - \$435/oz of gold delivered
 - 18.75% of copper, payment – 15% of prevailing copper spot price per metric tonne delivered
- Expected transition to gold-copper stream deliveries in April 2017
- CY2017 production outlook¹:
 - 91k-101k ounces of payable gold to Royal Gold
 - 10-12Mlbs of payable copper to Royal Gold
 - Production ~35% weighted towards December quarter²
 - Compares favorably to ~105k ounces of gold production to Royal Gold in CY2016 on the gold-only stream



NASDAQ: RGLD

¹ Based on outlook from Centerra Gold (January 16, 2017).

² Due to timing between production and concentrate shipments, Royal Gold expects to receive gold and copper produced in the quarter ended December 31, 2017 in the quarter ended June 30, 2018.

FQ2 Financial Results and Liquidity



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- FQ2 Revenue of \$107 million
- Effective tax rate of ~15.7% for Q2 and 18.5% for six months ended 12/31/16
- FQ2 DD&A of ~\$451 per GEO, at low end of expected range of \$450-\$475 for FY2017
- Final scheduled payments to Rainy River and Golden Star completed
- No additional funding requirements

Date	Item	(\$USD millions)
December 31, 2016	Undrawn Revolver	\$305m
December 31, 2016	Working Capital	\$115m
December 31, 2016	Total Available Liquidity	\$420m
Advances post January 1, 2017	Golden Star Final Scheduled Payment (Paid January 3, 2017)	\$10m
Additional Near Term Commitments		\$0

NASDAQ: RGLD

A High Quality Precious Metals Investment



Margin Gross¹

With just 21 employees and a scalable business model, our margins are significantly higher than the senior gold producers and the S&P 500².



Growth Volume

Our portfolio has embedded growth with new business already bought and paid for at Rainy River and Cortez Crossroads.



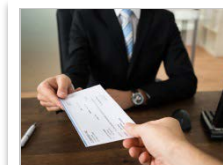
Optionality Producing/Total Interests

Exploration and development activity adds ounces at properties such as Peñasquito at no incremental capital cost to us.



Return Dividend Growth CAGR since 2001

We have increased our dividend each of the last 16 years.



NASDAQ: RGLD

¹ Gross Margin is calculated as revenue less cost of goods sold as a percentage of revenue as reported for the last 12 months. Source is S&P CapitalIQ.
² Senior producer average includes Barrick, Newmont, Goldcorp, Newcrest and Agnico-Eagle. Source for S&P 500 and Senior Producers is S&P CapitalIQ.

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Sybil Veenman

Independent Director; Former Senior Vice President and General Counsel, Barrick Gold Corporation

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