Royal Gold Inc.

Fiscal 2020 First Quarter Conference Call

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CORPORATE PARTICIPANTS

Alistair Baker – *Director, Business Development*

Tony Jensen – *President and Chief Executive Officer*

William H. Heissenbuttel – *Chief Financial Officer and Vice President Strategy*

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Dan Breeze – *Vice President, Corporate Development, RG AG*

Bruce Kirchhoff – *Vice President, General Counsel & Secretary*

PRESENTATION

Operator
Good afternoon and welcome to the Royal Gold Inc. Fiscal 2020 First Quarter Conference Call. All participants will be in-listen only mode. Should you need assistance, please signal a conference specialist by pressing the star key (*) followed by zero (0). After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press star (*) then one (1) on your telephone keypad. To withdraw your question, please press star (*) then two (2). Please note this event is being recorded. I would now like to turn the conference over to Alistair Baker Director of Business Development. Please go ahead.

Alistair Baker
Thank you, Kate, good morning and welcome to our discussion of Royal Gold's First Quarter 2020 Results. This event is being webcast live and you will be able to access a replay of this call on our website. Participating on the call today are Tony Jensen President and CEO; Bill Heissenbuttel CFO and Vice President Strategy; Mark Isto Vice President Operations; Dan Breeze Vice President Corporate Development of RG AG; and Bruce Kirchoff Vice President General Counsel and Secretary. This discussion falls under the safe harbor provision of the Private Securities Litigation Reform Act. A discussion of the company's current risks and uncertainties is included in the safe harbor and cautionary statement in today's press release and slide presentation and is presented in greater detail in our filings with the SEC. Tony will give you an overview of the quarter followed by Mark with an update on our operating results. Bill will then provide a financial update and Tony will wrap up the call with some closing comments. We will then open the lines for Q&A session.

Now, I will turn the call over to Tony.

Tony A. Jensen
Good morning and thank you for joining the call. I will begin on slide four. This was another solid quarter for Royal Gold. Our revenue for the quarter was approximately $119 million, a record for Royal Gold and up 3% from the previous June quarter and 19% year-on-year. Earnings for the quarter were $1.07 per share, which included a $0.49 gain on tax and a $0.02 loss on mark-to-market of equity securities, both of which Bill will discuss in his remarks. Operating cash flow was a solid $71 million, which allowed us to pay $17 million in dividends and reduce our outstanding revolver balance by $50 million. Over the past year, we have reduced our principal of our outstanding debt by $200 million, and our only remaining debt outstanding is the $170 million drawn on a revolver, which we will continue to pay down as our cash position allows.

With the undrawn revolver capacity and working capital, our liquidity was approximately $1 billion at quarter end, which positions us well for the opportunities we see in the market today. In addition to providing these solid operating and financial results, we also concluded our CEO succession process with the appointment of Bill Heissenbuttel as the new president and CEO upon my retirement on January 2, 2020. The board completed a thorough review of both internal and external candidates, and it concluded that Bill's background experience and vision positions him best to lead the company in its next phase of growth. Bill has held roles within Royal Gold in Business Development, Operations, and Finance. So, he knows the business well. He and I have worked closely together since he joined the company in 2006, and he has been involved in every major strategic decision that has led us to where we are today, and the board is confident that he has the skills to further build on the company's strengths.

I would like to turn the call over to Bill for a few comments.

Bill Heissenbuttel
Thanks, Tony. I am looking forward to leading the company and working with the board and management team to continue to build our business. Our strategy is well established and under my leadership will continue our discipline focused on growth in our core business and measuring our success on a per share basis.

I have already made some organizational changes to make sure we are positioned to execute with success, most notably the promotion of Mark Isto to the role of Executive Vice President and Chief Operating Officer; Paul Libner to the role of Chief Financial Officer and Treasurer; and Randy Shefman to Vice President, General Counsel, all of which are effective January 2nd.

Mark is a seasoned mining engineer and has been with the company since 2015, and his promotion reflects the importance we place on technical excellence. Paul is currently our Controller and Treasurer, and he has been with the company since 2004. He has a deep understanding of the Treasury functions he will oversee as our CFO. Randy brings a strong background in commercial transactional experience and has worked closely with Bruce Kirchhoff over his eight-year career at Royal Gold. Randy's promotion reflects the desire of Bruce to retire on January 2nd of next year, after a 12-year career at Royal Gold. Bruce has helped navigate Royal Gold through the increasingly complex and demanding issues surrounding public company compliance and corporate governance and he will be missed by all in the company.

It is a testament of the depth of talent in the organization that we have been able to make these appointments internally, and I am confident that we have the right team in place. I look forward to introducing the new team to the market over the coming months. With that, I would like to turn the call over to Mark to review our operating results.

Mark Isto
Yes, thanks, Bill. On Slide 5, I would like to start with an update on the Khoemacau project in Botswana, currently under development by Cupric Canyon Capital. This is to decide in mid-October and met with the project team for a full review in advance of making our first funding contribution. I was impressed by the progress being made, the project organization and focus on safety. Construction is in full swing and at the end of September, a total of more than 800 people were working on site, Citizens of Botswana making up 95% of the construction workforce with 34% from the local region and 26% from the immediate area.

The project is about one-third into the 30-month execution phase. At the end of September, engineering was approximately 85% complete, and overall construction progress was about 11%. Project remains on budget, and the first concentrate shipment is expected in mid-2021. We funded our first contribution to the project on Tuesday of $66 million and future funding will be made on a quarterly basis alongside contributions from other sources of capital.

Slide 6 shows progress on the three boxcuts, which are the current construction priority and provide access to the Zone 5 orebody. Each excavation requires a removal of about a million cubic meters of material. As you can see in the photos, the excavations have progressed well through the soils, calcrete, and weathered rock, and the finished walls look excellent. The Central boxcut is scheduled to be completed first and turned over to Barminco, the mining contractor, which is targeted for the end of this calendar year.

Turning to Slide 7, you can see a close-up of the geocell installation, an engineering solution to protect the slopes from erosion, the shot of the access corridor between Zone 5 and the Boseto Mill and a photo of the existing Boseto Mill. Outside of the boxcuts, the three main project areas are the Zone 5 infrastructure, the access and infrastructure corridor between Zone 5 and the mill, and the Boseto Mill refurbishment. Most of the work currently underway is on the Zone 5 infrastructure to support Barminco consisting of accommodation, power, and water services. Development of the access corridor is progressing with the construction of light vehicle road first, followed by the ore whole road and the transmission line. One of the unique aspects of this project is the ownership of the existing Boseto Mill and work on refurbishing the plant is scheduled to start shortly upon award of domain structural, mechanical, and piping contract. Definition drilling to provide a basis for detailed stope design in the first three levels of the mines was completed in October, which will eliminate the need for this time-consuming step associated with the early production stopes. As the project progresses, and prior funding and funding future contributions will be completed, further reviews on the site will be completed and updates will be provided on earnings calls.

Turning to Slide 8, I would like to discuss some recent developments at several of our key operating properties starting with Mount Milligan and Andacollo. Mount Milligan had a solid operating quarter with average mill throughput of 56,000 tons per day. Copper and gold reduction were also strong at 55,000 ounces and 21 million pounds respectively, and all-in cost at $557 per ounce remains in the bottom of the second quartile of the cost curve. Progress on sourcing water was positive, and the operation has about twice the amount of water stored now compared with this time last year. They have also had success with water exploration and expect to bring in water from additional groundwater sources in December subject to receipt of applicable permits. Centerra expects that they will be able to continue operations in the first calendar quarter without slowing production to conserve water, which is positive news. Centerra also announced last week that they will be publishing an updated 43 one-on-one technical reports in the coming months. Updating the technical report was prompted by their 2020 budgeting process when they identified that recent higher operating costs will remain steady over the medium-term, and long-term gold recoveries are expected to be lower than the original plan. This triggered a financial review of Centerra's carrying value of Mount Milligan and caused them to highlight potential reduction in reserves and resources. The updated technical report will include the impact of costs and recoveries, as well as recent exploration results and other optimization work.

It is worth keeping all of this in perspective. While increased costs and lower recoveries will likely impact the economics of lower grade material. Assuming a new mine plan focuses on higher grade ore, it may bring metal production forward, which may mitigate the NPV impact of losing metal from the latter years to mine life. At this point, it is unclear what the impact may be at Royal Gold and we will look forward to receiving the report when it becomes available.
In the meantime, Centerra has reaffirmed their 2019 production and cost guidance for Mount Milligan.

At Andacollo, operations were suspended on October 14th due to a strike by the Workers Union. It is an important asset for us, and we currently receive 100% of the payable gold from Andacollo, which contributed approximately 17% of our gross revenue in the quarter. We understand that negotiations are ongoing between Tech and the Union and we continue to monitor the situation. It is worth noting that the strike started before some of the recent widespread protests in Chile, and that strike is unrelated to these events that are occurring.
We expect the impact of production suspension to be in the June quarter, as we typically receive deliveries within 12-months of concentrate shipment.

Moving on to Slide 9, I will provide some comments on Rainy River and Peñasquito. At Rainy River, New Gold turned in another quarter of solid operating results, mill throughput for the quarter averaged 24,500 tons a day, which is the first full quarter the mill has achieved the target 24,000 tons per day rate. Gold recovery of 91% was in line with the mine plan and efforts continue to further improve recoveries through additional circuit optimizations, as well as the commissioning of the gravity circuit. Mining operations continued to transition from Phase 1 to Phase 2 of the pit and production included planned lower grade ore from Phase 2 as well as the remaining higher-grade ore from Phase 1.

New Gold expects grades in the December quarter to decline an average between 0.8 and one gram per ton as ore from Phase 1 is now mined out. Work continues to advance a comprehensive mine optimization study that includes a review of alternative open pit and underground mining scenarios. The New Gold and New Gold expects to release this study in mid-February 2020. At Peñasquito, we were pleased to see the removal of the blockade that caused operations to be suspended on September 14. The dispute leading to this suspension was the same as the one that caused operations to be suspended from April 29 through June 17, which was an illegal blockade of the mine by a trucking contractor and some members of the Cedros community. The last blockade was lifted on October 8, concentrated shipments started immediately, and a 10-day ramp-up commenced on October 22nd, and the site is now back in full operation. The impact of Peñasquito during the quarter was lower production of approximately 51,000 gold equivalent ounces.

Newmont Goldcorp is seeking a sustainable long-term solution to the dispute and has been working with state and federal governments to ensure rule of law is upheld and government sponsored negotiations with the Cedros community started earlier this week. Newmont Goldcorp also reported the stripping of the Main Piniasco pit is near completion, and higher-grade ores are expected during the December quarter and into 2020.

I will now turn the call over to Bill to discuss our financial results.

Bill Heissenbuttel
Thanks Mark. I will turn your attention to Slide 10 and give an overview of the financial results for the quarter. Unless otherwise indicated, I will be comparing our first quarter of fiscal 2020 to the prior-year September quarter. As Tony mentioned at the beginning of the call, revenue this quarter was $119 million, a quarterly record for us, on volume of 80,700 gold equivalent ounces or GEOs. GEOs decreased approximately 2% year-on-year and the most significant reasons for the change were lower Andacollo sales due to shipment timing, the absence of revenue from Mulatos this quarter after the Royalty Cap was reached in our last fiscal year, and the receipt of only one quarter of revenue from Voisey's Bay as opposed to last year's September quarter in which the royalty litigation settlement provided us with two quarters of revenue in one reporting period. Those decreases could not be fully offset by increased Mount Milligan sales and Cortez royalty revenue.

Stream segment volume for the quarter was in line with the expectations we discussed during our last earnings call in August and as we announced last month. Metal prices had a positive effect and gold and silver were up 21% and 13% respectively, while copper was down 5% year-on-year. Gold accounted for 79% of our revenue for the quarter. G&A expense for the quarter was $7.4 million down from $9.9 million. The prior year quarter included spending on the preparation for the valid litigation and its ultimate settlement.

Compared to the June quarter of fiscal 2019, G&A expense was approximately $1.1 million higher, primarily due to non-cash compensation expense, and a higher relative expense in this reporting period is consistent with previous years as equity compensation is typically awarded in the first quarter of fiscal year.

Our DD&A expense for the quarter was $38.7 million, or $480 per GEO. We expect full fiscal year 2020 DD&A to range between $450 and $500 per GEO, although a change to the reserves at Mount Milligan could impact our depletion rate, and we may update this range later in the fiscal year once additional information is available from Centerra. Earnings were $70.5 million or $1.07 per share up significantly compared to the first quarter of last year. Earnings in this period included a net non-cash discrete tax benefit of $32.3 million and a $1.4 million mark-to-market loss on our equity holdings. If you exclude these items earnings would have been $39.3 million or $0.60 a share.

The tax benefit was primarily due to Swiss tax reform and the passive and new tax law to be enacted on January 1, 2020. This new law requires a remeasurement this quarter of tax assets held by our Swiss subsidiary. Excluding this benefit, our tax rate for the quarter was 19.5% and we expect our full fiscal 2020 tax rate absent unusual items to be in the range of 19% to 23%.
I will also note that in October we decided to relocate our Swiss corporate office from the Canton of Zug to the Canton of Lucerne, which we anticipate will result in a further step-up in tax basis during the December quarter.

We are in the process of updating all valuation work associated with the tax reform effort and negotiating a tax ruling with Lucerne and are therefore not able to quantify any additional tax benefit at this time. Cash from operations was approximately $71.2 million, up significantly from the prior-year quarter, mostly due to higher stream sales and lower income taxes paid.

At the end of September, we held approximately 25,000 GEOs in inventory, which was within the guidance range I provided in the last quarterly call, and looking forward to the December quarter, we expect stream segment sales to be in line with the guidance we gave last quarter, which is 60,000 GEOs, and inventories at quarter-end to be in the range of 20,000 to 25,000 GEOs.

I will now turn to Slide 11 and provide a summary of our financial position. Our liquidity continued to strengthen over the quarter. We ended September with cash of $122 million and working capital of $132 million. During the quarter, we paid down $50 million on our revolver and our only outstanding debt is $170 million drawn on this facility. The $830 million remaining undrawn on this facility, combined with our working capital, provided us with almost $1 billion of total liquidity as of the end of September. With the cash and total liquidity figures outlined above being calculated prior to the Khoemacau investment we made this week. The making of the $66 million investment in Khoemacau represents the initial advance payment we will make for project development and we expect to make further contributions of approximately $125 million in calendar 2020 and from $21 million to $74 million in 2021, depending on whether Cupric exercises its options to increase the size of the advance payment from $212 million to $265 million.

Our payments are scheduled to occur on a quarterly basis as we move forward and will be in proportion to the total capital spend of the project. Before passing the call back to Tony, I would like to take this opportunity to extend thanks from all of us at Royal Gold to Tony for his long and successful career at Royal Gold. Well, there are a number of specific achievements we could point to over his career. I believe his tone at the top message of consistency, discipline and

honesty; represent values that will remain core to this company well beyond his tenure. Back to you, Tony.

Tony Jensen
Thanks for the kind words, Bill. I have thoroughly enjoyed my time at Royal Gold, and it has been an honor to serve the shareholders over these last 16.5 years. I am very proud of the Royal Gold team and both the management and the board and the culture that we have created together. This company is endowed with talents and assets, and I leave with confidence. Confidence that the corporate principles will be maintained, including judging success, accretion, and everything we do on a per share basis, growing our company out of cash flow to the greatest extent possible while protecting our valuable shares from pollution, striving to be the most valuable precious metal company not necessarily the largest, providing the steady and growing return to our shareholders, sticking to our core business and what we do well and conducting our business with respect for others fairly dealing, integrity and responsibility. Also, confidence that the company is in a very good position.

Our cash flow is powerful and growing. Our balance sheet is strong. Our asset base is robust and, in my opinion, will continue to yield organic growth and our homegrown team is excited to take control.

Coming back to the quarter and the near-term activities, I am pleased to see that Mount Milligan and Rainy River are now showing attractive production results; that Mount Milligan has made significant progress in developing sustainable water sources and is not expected to reduce production this winter; that Crossroads is now in full production; that Penasquito is now coming into higher grade after an extensive stripping campaign over the last several years; that the Pueblo Viejo expansion studies continue to yield positive results, and that the Khoemacau construction is off to a good start advancing well.

It is great to see this level of activity in our portfolio of 41 producers. Now I can tell you that over my career, I have seen that all assets have issues at some point in time, but they tend to get sorted out over time with good management, and we have always kept our eyes on that long game.

Operator with that, our prepared remarks are concluded, and we would be happy to open the line for questions.

QUESTIONS AND ANSWERS

Operator
We will now begin the question-and-answer session. To ask a question, you may press star (*) then one (1) on your touchtone phone. If you are using a speakerphone, please pick up your handset before pressing the keys. To withdraw from the question queue, please press star (*) then two (2). At this time, we will pause momentarily to assemble our roster.

The first question comes from Shane Nagle of National Bank Financial. Please go ahead.

Shane Nagle
Yes, thanks, guys for taking my question. Just with Mount Milligan, positive to see the water situation improved, obviously Centerra highlighted that they would be potentially taking a write-down. I am just curious if that is related to in your opinion related to the escalated costs that

they are seeing and just wondering if you have kind of run your own resource internally, and do you see any risk of impairment there in terms of Royal Gold's interest?

Tony Jensen
Yes, Shane. There is a couple of different issues there I would like to peel them apart; one is the cost structure of the mine and the other is Centerra's carrying costs and the write-down that Centerra experiences very much specific to them in their carrying cost. It does not impact our carrying cost specifically. Our carrying costs would only be impacted if there was a reserve reduction that actually required us to revalue or re-estimate the carrying cost, and right now we have $402 per ounce of gold as a depletion rate and $0.81 per pound of copper. So, we think we have got quite a bit of headroom in our numbers, but ultimately, we would not see -- we would not know those final details, Paul and his financial team will have a look at that once the new resource and reserve statements come out, but we think we are in a very good position, and then let me just speak a little bit more to the cost that you alluded to, and I just want to take the opportunity to emphasize what Mark's comments were that the mine is producing a very low cash cost and all-in sustaining cost basis, I think his comments were that it was a lower quartile, second quartile type of production. So, I really do not want the carrying costs and the write-down issue that Centerra had actually carry over into the quality asset because we are still seeing a very -- a very good quarter, very good cash costs coming out of the project.

Shane Nagle
Okay, and then maybe similarly my interpretation of the Rainy River mine optimization is that we may see potential increase in production in the short-term, but potentially sacrificed by a reduction in mine life, have you guys again dug into there with a similar thinking around potential impairment or how it may potentially impact your business and cash flows going forward?

Tony Jensen
You are correct, Shane. We would have to -- once we see the results of their new 43,101 that they put out, I think they are talking about in the first quarter of next year, then we will have to take a look at our carrying cost and make sure that we have sufficient cover there. I am sitting here right now; I do not have those details of what our depletion rate is at Rainy River, but we would have to do a very similar exercise and make sure we have enough headroom there.

Shane Nagle
Okay. There is probably just maybe slightly less headroom then there would be under Milligan, just guessing myself.

Tony Jensen
I cannot answer that question specifically, but we are absolutely happy to provide the details of our depletion rate there if of interest.

Shane Nagle
That would be great. Maybe I will follow up with that later. That is all from me. Thanks again and Tony, all the best in retirement, if I do not speak with you before January 2nd.

Tony Jensen
Thanks very much Shane. I appreciate your support over the years.

Operator
If you have question, please press star (*) then one (1). The next question comes from Tanya Jakusconek of Scotiabank. Please go ahead.

Tanya Jakusconek
Yes, good morning, everybody, and Bill, congrats to you and the team and to Tony, good luck in your new endeavor.

Tony Jensen
Thank you.

Tanya Jakusconek
You're welcome, and on my questions, just a quick one on taxation with the movement of the Swiss office from Zug to Lucerne, can you just give us an idea of what the streams are going to be taxed at, right with the move?

Bill Heissenbuttel
Yes. So, there are really two elements to the Swiss tax reform. As you may recall, our current tax rate in Switzerland is 8.7%. If we had stayed in Zug, I think the tax rate would have gone to 11.9%, and in Lucerne it is going to be, would be 12.0%, but one of the things the Swiss have done is they basically said, we are going to give you a period of time to transition to those higher tax rates, and we are going to do that by allowing you to step-up the value of the assets to what I will call effectively market value and depreciate that excess value against taxes, and in Zug, it would have been for five years, Lucerne was going to be a 10-year period and hence the reason for the move.

From a corporate perspective, our taxes are not expected to change relative to what they would have been for that 10-year period. After 10 years, yes, they will go up to the higher tax rate, but for this transition period, we do not see that much of a movement in corporate cash taxes paid.

Tanya Jakusconek
So, are you saying from a person who does not have a financial background that the next 10 years, sort of look in that sort of 9% range? And then after the 10 years, we move up to 12%?

Bill Heissenbuttel
In Switzerland, that is correct.

Tanya Jakusconek
Were there any restrictions that go through Switzerland?

Tony Jensen
Tanya, I think the most important overall, I think you are absolutely correct in with regard to Switzerland, but the more important issue for us what is our global tax, cash tax amount, and that is what Bill is emphasizing, we do not think we are going to have very much of a change at all as a result of the Swiss tax reform over the next 10 years, and then obviously, we will have to reassess that for the longer-term, but there -- this is a very complex area, as you can well imagine, and we are trying to make sure we understand Swiss tax reform and U.S. tax reform and the interplay between the two.

Tanya Jakusconek

Yes, I appreciate that. It is just from for our perspective, just in valuing the stream alone on a standalone basis, if we were to look at it for the next 10 years at 9%, and then after that at 12%, would that be a fair way of valuing it separate from what you are doing at head office?

Bill Heissenbuttel
Yes. So, what the one thing that you are missing there is that we have the U.S. tax reform. There is another global tax that we are applicable or that is applicable to us, and believe it or not, the acronym is a GILTI tax, and it stands at 13.1%, and so anything we do not pay in Switzerland, we would have to top-up to that 13.1%. So that is probably the more accurate number for us to use in the short-term and to the extent there are more questions that are specific to that, we can surely get to our tax experts on the phone.

Tanya Jakusconek
Okay, now that is -- that is appreciated. Thank you

Operator
The next question is from Mike Jalonen of Bank of America. Please go ahead.

Mike Jalonen
Thank you, and Tony, good luck in the future, and Bill and Mark, congratulations. I do have a question, more for Mark actually. Mark, how you cover Centerra so and correct me if I am wrong, what did you say the NPV effect of a potentially shorter life at Mount Milligan could be offset by higher production in the early years? And if you did say that, I guess just did Centerra say that to you or is that your own assumption?

Mark Isto
Well that is a generic review of thinking about a cut-off grade going up, and earlier years seeing higher grades, assuming a constant mill throughput, and then the latter years of the mine life being cut-off in some fashion. So, there is a – there is the possibility of having these earlier -- having earlier production, offsetting at least some of the impact on an NPV basis. I certainly would not give you the impression that it would impact -- that it would offset all of the impact because I have no basis to know that, but certainly on a generic basis, I would expect some ounces and pounds to move forward in the schedule with the adjustments you are talking about.

Mike Jalonen
Okay. I guess I asked the question also because Mount Milligan mine gold grade 0.52 grams, the average grade is 0.33. So, I am kind of saying to myself, they are already super high grading to begin with. So, you take out some low grade, it should not really make much difference, is kind of my view, but you will be closer to the situation than I would, I guess so?

Mark Isto
Mike, what we always knew in the early years, it was more gold production, they are mining in areas that were higher grade gold and you actually saw this year versus last where we switched a little bit more to more copper production than we have the year prior, less gold production than we had the year prior. So, I think those things that is – it is probably not – it is not appropriate just to judge on the gold hedge rate, but rather the gold equivalent grade of both those metals coming together.

Mike Jalonen

That is a good point. I guess, I am thinking of the old technical study on Mount Milligan, I think gold production in the first five years was 280,000 or 290,000 ounces something like that, and correct me if I am wrong, Tony?

Tony Jensen
Yes, I think you are in that range.

Mike Jalonen
And I do not think we really got close to that. So, it is otherwise. Okay, we will see what Centerra says in a few months. Thank you and good luck.

Tony Jensen
Thanks for the question, Mike.

Operator
Okay, and if you have a question, please press star (*) then one (1). The next question comes from Greg Barnes of TD Securities. Please go ahead.

Greg Barnes
Yes, thank you. Tony, do we have a better sense on what the profile will look like at Cortez/Pipeline going forward in terms of the impact it will have on you?

Tony Jensen
Yes, Greg thanks for the question. We last, I think it was the last conference call, we -- Mark and I had just come back from the property from Cortez and with the new joint venture that was going on there, they advised that they would have something by the end of the year or close to the end of the year, and I think in the conference call, we talked about being able to have some kind of better guidance for you at Cortez in the March quarter, and we also get a -- just looking at Mark know, we also get our life of mine plan by contract in the first quarter -- first calendar quarter of every year.

So, if you can just be patient with us for another quarter, well quarter-and-a-half, I guess before we get that, we will get that information out to you, Greg, but I think it is, if you look at the last couple of quarters, you will have seen that that Cortez has done quite well and it is grown quite significantly from what it has done in the prior quarters, we have a nice chart on Page 10 of our press release that I just referenced you to, and actually last three quarters, it has done pretty well, and I think absent any other information, I would -- I would look at that history as indication of the next quarter.

Greg Barnes
That is great, and we will wait for the update later on. Thanks.

Operator
This concludes our question-and-answer session. I would like to turn the conference back over to Tony Jensen for closing remarks.

CONCLUSION

Tony Jensen

Operator, let me just go back to Shane Nagle and Shane, I hope you are still in the line and for everybody that is there, we are fortunate to get the DD&A at Rainy River during our call here and I just want to read these out. The DD&A at Rainy River is $591 per ounce of gold and $6 per ounce of silver. So, we have quite a bit of headroom at Rainy River as well. So, I am glad we are able to get that information out broadly to the market during this call.

Well, everybody, thank you very much for your support over the years and I usually conclude this call by saying, I look forward to updating you in the next conference call, but I look forward to being in your chair and asking questions of the management team in the next conference call. So, with that, let me say thank you for joining us. Bye for now.

Operator
The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.