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News Release

Royal Gold, Inc.

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ROYAL GOLD ANNOUNCES ROBUST REVENUES AND EARNINGS FOR FISCAL 2000

DENVER, COLORADO. AUGUST 10, 2000: ROYAL GOLD, INC. (NASDAQ:RGLD; TSE:RGL) today announced results for the fiscal year ended June 30, 2000. The Company reported earnings of $3,952,979, or $0.22 per diluted share, as compared to a net loss of $8,808,173, or $0.51 per diluted share, in fiscal 1999, which included a $4.6 million property write-off. Total revenues for fiscal 2000 were $9.7 million, as compared to $1.6 million in the previous fiscal year. Royalty revenue was $9.4 million in fiscal 2000, as compared to $1.0 million in fiscal 1999. Revenue from the Pipeline Mining Complex (Lander County, Nevada) was $8,976,422 during fiscal 2000, as compared with $441,102 in fiscal 1999. At Bald Mountain (White Pine County, Nevada), royalty revenue was $429,881 in fiscal 2000, as compared with $530,848 in fiscal 1999.

For the fourth quarter, April 1 through June 30, 2000, royalty revenue was $1,984,125, as compared to $183,961 for the same period in fiscal 1999. The Company reported earnings of

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$957,483, or $0.05 per diluted share, for the fourth quarter, as compared to a loss of $5,657,194, or $0.33 per diluted share, for the fourth quarter of fiscal 1999.

Exploration and lease maintenance and holding costs were $1.9 million in fiscal 2000, as compared to $3.2 million in fiscal 1999. General and administrative expenses in fiscal 2000 were $1,768,428 as compared to $1,704,326 in fiscal 1999.

At June 30, 2000, the Company had working capital of $5.6 million. Current assets were $7,564,689, compared to current liabilities of $1,872,246, for a current ratio of 4.0 to 1.

Stanley Dempsey, Chairman and CEO, stated, AOur royalty portfolio has enabled us to achieve an 981% increase in royalty revenues as compared to fiscal 1999. We have held down costs and emphasized profitability. We had about $4.6 million in cash and no debt at fiscal year end. Because of our strong financial performance, the Company was able to declare its first annual dividend. We expect significant revenues and strong operating cash flow again in fiscal year 2001.@

REVIEW OF OPERATIONS

Pipeline Mining Complex, Lander County, Nevada

The Company holds two sliding scale gross smelter return royalties (GSR1 and GSR2) and a fixed gross royalty (GSR3) over the Pipeline Mining Complex that includes the Pipeline and South Pipeline gold deposits in Lander County, Nevada. The GSR1 royalty covers the current mine footprint, and GSR2 royalty covers any reserves that are developed on the claim block lying outside the current mine footprint. The GSR2 royalty pays out at a rate that is 80% higher than that of GSR1, at all gold prices. The GSR3 royalty is initially at a rate of 0.48%, until a further 563,288 ounces of gold are produced from the Complex, and then escalates to 0.71% for the remainder of the life of the mine. The GSR3 royalty will step up to 0.71% early in calendar 2001.

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The Pipeline Mining Complex is owned by The Cortez Joint Venture, a joint venture between Placer Cortez Inc. (60%), a subsidiary of Placer Dome Inc., and Kennecott Explorations (Australia) Ltd. (40%), a subsidiary of Rio Tinto.

For fiscal 2000, the Pipeline Mining Complex produced 1.1 million ounces of gold, providing $8,976,422 of royalty revenue to Royal Gold. At gold prices between $270 and $310, Royal Gold=s GSR1 royalty at the Pipeline Mining Complex is 2.25%. Cortez has advised that it expects the Pipeline Mining Complex to produce about 860,000 ounces in calendar 2000, and 806,000 ounces of gold in calendar 2001.

According to Cortez, as of December 31, 1999 and at a $325 gold price, proven and probable reserves for the Pipeline Mining Complex were 159,125,000 tons, at an average grade of 0.052 ounces of gold per ton (Aopt@), containing approximately 8.2 million ounces of gold. The Complex also contains additional mineralization of approximately 22.2 million tons of mineralized material, at an average grade of 0.038 opt. In 1999, drilling identified additional gold mineralization located southeast of South Pipeline. Cortez expects to spend about $3.2 million on development and exploration drilling in calendar 2000.

Cortez has also advised the Company that all permits for full scale mining and processing of the South Pipeline pit were received in late June 2000, and that work is now underway at South Pipeline. As anticipated, a Notice of Appeal and Petition for Stay Pending Appeal, contesting the South Pipeline permits, was filed in late July. Cortez is vigorously opposing the Petition.

Placer Dome has also announced that Cortez has entered into an agreement with AngloGold-Meridian=s Jerritt Canyon Joint Venture under which Jerritt Canyon has agreed to purchase from Cortez and process up to 500,000 tons of stockpiled, refractory ore grading greater than 0.3 opt with

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the option to purchase an additional 500,000 tons. Use of the Jerritt Canyon facility will provide an additional 300,000 ounces of gold in total to Cortez over the next 30 months, at cash and total costs comparable with the mine's current cost structure, without the capital expenditure required to restart the Cortez roaster. The agreement is slated to go into effect in the third quarter of calendar 2000. Assuming processing of such ore commences as planned, Royal Gold may realize approximately $500,000 in additional royalty revenue in fiscal 2001.

Bald Mountain, White Pine County, Nevada

Royal Gold holds a 1.75% net smelter returns royalty interest that burdens a portion of the Bald Mountain mine, operated by Placer Dome U.S. Inc. For fiscal year 2000, Royal Gold received royalty revenue of $429,881, and during the fourth quarter of fiscal 2000, royalty revenue was $100,306.

As of December 31, 1999, at a $325 gold price, the operator reports that proven and probable reserves related to Royal Gold's royalty include 10,226,000 tons of ore, with an average grade of 0.069 opt, containing approximately 704,000 ounces of gold. In addition, the property contains additional mineralization of approximately 8.6 million tons of mineralized material, at an average grade of 0.04 opt of gold, related to Royal Gold's royalty interest.

Yamana Resources, Argentina

The Company holds a 2% net smelter returns royalty on all mineral production from any of Yamana Resources' current 21 exploration and 19 development properties in Santa Cruz Province, Argentina. Yamana's properties include the high-grade silver property known as the Martha mine at the Bacon prospect, and the high-grade gold property known as Coyote at the Martinetas prospect.

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Yamana=s mineral holdings in the Santa Cruz Province encompass about 365,000 acres (148,000 hectares). The most advanced of these properties is the Martha silver mine. Yamana has informed the Company that permits for the Martha mine were received in June 2000, and that construction of a 525 foot (160 meter) decline should begin early in September 2000. The Martha mine will be a direct shipping ore (ADSO@) mining operation, where high-grade ore is shipped directly to a smelter, and no on-site processing is required. Yamana expects to produce 3.25 million ounces of equivalent silver from 5,510 tons (5,000 tonnes) of ore during this first phase of a planned four-phase mining program. Yamana has advised that it expects the Martha mine to be in production by the first quarter of calender 2001.

<u>Mule Canyon, Lander County Nevada</u>

Royal Gold holds a 5% net smelter return royalty interest on a portion of the Mule Canyon mine, operated by Newmont Gold Company. Newmont has advised that the portion of the mine that is subject to this royalty interest is expected to produce about 24,000 ounces of gold, with production expected to commence in calendar 2001.

EXPLORATION ACTIVITY

<u>Milos Gold Project, Greece</u>

The Milos Gold Project encompasses a gold exploration license covering Milos and three neighboring islands in the Aegean Sea. Reverse circulation drilling commenced in August 1998, and 100,935 feet (30,765 meters) having been drilled to the end of 1999. A fully diluted inferred mineral resource for the project was prepared and reported in 1999. At a cut-off grade of 0.029 opt, the resource totals 9,500,000 tons (8,600,000 tonnes), at an average grade of 0.071 opt (2.43gpt). Additional work is required before this mineralization can be reclassified to a resource status. A

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scoping study, including metallurgical test work, a new resource estimate and conceptual mine viability studies is currently in progress.

Royal Gold and Aegean International Gold Inc. (CDNX:ANY) have each earned a 25% interest in the project through expenditures of US$2.5 million each for exploration drilling and various scoping studies.

In July 2000, Royal Gold was advised by Silver & Baryte Ores Mining Co. S.A. that its affiliate, Midas S.A., received a letter from the Greek Ministry of Environment, Regional Planning and Public Works stating that the Ministry was returning the environmental impact study which had been submitted by Midas S.A. for the purpose of performing further exploration work on the island of Milos, Greece. The Ministry=s letter stated the reason for such action was that A. . . approval of the study in this phase would create unfavorable consequences for the environment in the area.@ This slows the project being pursued under an agreement with Silver & Baryte Ores Mining Co. S.A. and which is a subject of a license agreement between Midas S.A. and the Greek government.

The Chairman of Midas, Mr. S. Papaefstratiou, stated that Agiven that as recently as July 1999 an identical environmental impact study covering the same areas on Milos, submitted by Midas S.A., was approved by the same department of the same Ministry, it is Midas S.A.=s intention to request an urgent review of the case with the objective of securing a full explanation of the criteria used in the above action of the Ministry. While we cannot guarantee success, every effort will be made to secure a reversal of the Ministry's action."

<u>Buckhorn South, Eureka County, Nevada</u>

Royal Gold holds a 14% net profits interest in the Buckhorn South project, where exploration is being conducted by AngloGold North America.

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Other Matters

Royal Gold received notice, on March 24, 2000, that the U.S. Environmental Protection Agency (AEPA@) has identified Royal Resources, Inc. (Royal Gold=s corporate predecessor) as one of 22,000 potentially responsible parties (APRPs@), along with many other major oil companies, for clean-up of a hazardous waste landfill at Casmalia, Santa Barbara County, California, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (ASuperfund@). Royal Gold=s alleged PRP status apparently stems from oil and gas exploration activities undertaken by Royal Resources in California during 1983-84.

Royal Gold is evaluating its potential for liability in this matter and is gathering relevant information so that it can respond appropriately to the EPA=s allegations.

Fiscal 2001 Outlook

AThe Company=s current royalty portfolio will ensure that we have substantial cash flow and earnings in fiscal 2001, despite the current gold price environment. The sliding-scale features of our royalty structure at the Pipeline Mining Complex provides leverage to gold price increases while our fixed rate royalty protects us on the downside of gold price fluctuations. We believe we will again see strong revenues in fiscal 2001 and are aggressively pursuing acquisitions to expand our royalty portfolio,@ Dempsey said.

Corporate Profile

Royal Gold is the largest U.S.-based royalty company engaging in the acquisition and management of precious metal royalty interests. Royal gold is publicly traded on the Nasdaq National Market System under the symbol ARGLD,@ and on the Toronto Stock Exchange under the symbol ARGL.@ The Company=s web page is located at www.royalgold.com.

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Cautionary "Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: With the exception of historical matters, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from projections or estimates contained herein. Such forward-looking statements include statements regarding reserves, planned levels of exploration and other expenditures. Factors that could cause actual results to differ materially include, among others, unanticipated grade, geological, metallurgical, processing or other problems, changes in project parameters as plans continue to be refined, the timing of receipt of governmental permits, results of current or planned exploration activities, and changes in the gold price, as well as other factors described elsewhere in this press release. Most of these factors are beyond the Company's ability to predict or control. The Company disclaims any obligation to update any forward-looking statement made herein. Readers are cautioned not to put undue reliance on forward-looking statements.

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SUMMARY OF FINANCIAL INFORMATION

	YEAR ENDED	
	June 30, 2000	June 30, 1999
Royalty Revenues	$ 9,406,656	$ 959,014
Interest and Other Income	$ 271,347	$ 654,448
Total Revenues	$ 9,678,003	$ 1,613,462
Exploration, Lease Maintenance and Holding Costs	$ 1,867,825	$ 3,241,344
General and Administrative	$ 1,768,428	$ 1,704,326
Write-off of Mining Asset	$ -	$ 4,615,731
Net Income (Loss)	$ 3,952,979	$(8,808,173)
Basic Income (Loss) Per Share	$ 0.23	$ (0.51)
Basic Weighted Average Shares Outstanding	17,528,244	17,160,228
Diluted Income (Loss) Per Share	$ 0.22	$ (0.51)
Diluted Weighted Average Shares Outstanding	17,710,371	17,160,228

	QUARTER ENDED JUNE 30	
	2000	1999
Royalty Revenues	$ 1,984,125	$ 183,961
Interest and other income	$ 53,052	$ 116,046
Total Revenues	$ 2,037,177	$ 300,007
Exploration, Lease Maintenance and Holding costs	$ 224,713	$ 616,527
General and Administrative	$ 375,567	$ 507,191
Write-off of Mining Assets	$ -	$ 4,615,731
Net Income (Loss)	$ 957,483	$(5,657,194)
Basic Income (Loss) Per Share	$ 0.05	$ (0.33)
Basic Weighted Average Shares Outstanding	17,672,733	17,105,763
Diluted (Loss) Per Share	$ 0.05	$ (0.33)
Diluted Weighted Average Shares Outstanding	17,854,860	17,105,763

	AS OF JUNE 30,	
	2000	1999
Total Assets	$17,497,582	$11,814,812
Working Capital	$ 5,552,443	$ 8,582,249
Long-Term Liabilities:		
Post-retirement benefit & other	$ 124,697	$ 81,098
Stockholder's Equity	$15,500,639	$10,869,253

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