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News Release

ROYAL GOLD, INC

FOR IMMEDIATE RELEASE: **FOR FURTHER INFORMATION CONTACT:**

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ROYAL GOLD REPORTS FIRST QUARTER EARNINGS

DENVER, COLORADO. NOVEMBER 8, 2001: ROYAL GOLD, INC. (NASDAQ:RGLD; TSE: RGL) today announced revenue of $2,831,633 for the first quarter (July 1 - September 30) of fiscal year 2002, as compared to revenue of $1,537,944 for the same reporting period of fiscal 2001. Net income, before a pre-tax, non-cash charge resulting from the impairment of certain publicly-traded securities, was $1,447,692, or $.08 per basic share for the quarter, compared to $629,084, or $0.04 per basic share for the same period last fiscal year. Including the non-cash charge of $1,075,393, net income for the quarter was $372,299, or $0.02 per basic share. Operating cash flow for the first quarter was $2 million.

Higher revenues reflect higher production at the Pipeline Mining Complex, in Nevada, and a step-up of Royal Gold's royalty rate, which also resulted in higher depletion, depreciation and amoritization costs.

Exploration and business development costs for the quarter were $122,321 as compared to $133,658 for the quarter ended September 30, 2001.

As required under generally accepted accounting principles, Royal Gold regularly monitors and evaluates the realizable value of its investments. If events and circumstances indicate that the decline in value of these assets is other than temporary, a charge to investment income must be recorded. This quarter, the Company determined that the decline in the value of equity investments it holds is other than temporary, which resulted in the non-cash charge against income.

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At September 30, 2001, the Company had working capital of approximately $6.5 million. Current assets were $7,440,392, compared to current liabilities of $944,298, for a current ratio of 8 to 1.

Stanley Dempsey, Chairman & CEO, stated "We are pleased to report an 84% increase in revenues from the same period last year. Because the price of gold for the quarter averaged above $270 per ounce, our GSR1 royalty rate at the Pipeline Mining Complex, in Nevada, went up to 2.25 percent. Gold prices over $270 per ounces have a dramatic impact on our revenues."

REVIEW OF OPERATIONS

Pipeline Mining Complex, Lander County, Nevada

The Company holds two sliding scale gross smelter return royalties (GSR1 and GSR2), a fixed gross royalty (GSR3), and a net value royalty (NVR1) on the Pipeline Mining Complex, in Lander County, Nevada. The GSR1 royalty covers the current mine footprint, and the GSR2 ("super") 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 a 0.71% fixed rate for the life of the mine. The 0.37% NVR1 covers production from the GAS Claims, an area of interest of approximately 4,000 acres including the South Pipeline deposit and Crossroads area, but not including the Pipeline pit. The NVR1 is calculated by deducting processing-related costs, but this royalty is not burdened by mining costs. At average gold prices between $270 and $309.99 for a quarter, Royal Gold's GSR1 royalty at the Pipeline Mining Complex is 2.25% of production. Current production from the Pipeline Mining Complex is subject to GSR1, GSR3 and NVR1.

The Pipeline Mining Complex is owned by the Cortez Joint Venture ("Cortez"), 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 the first quarter of Royal Gold's fiscal 2002, the Pipeline Mining Complex produced 295,518 ounces of gold. This compares to 188,172 ounces of gold produced for the same quarter in fiscal 2001. For the first quarter of fiscal 2002, the average gold price was between $270 and $310, and Royal Gold's GSR1 royalty was 2.25%. For Royal Gold's fiscal 2002, the Pipeline Mining Complex is expected to produce more than 1 million ounces of gold.

Bald Mountain, White Pine County, Nevada

Royal Gold holds a 1.75% net smelter returns royalty ("NSR") that burdens a portion of the Bald Mountain Mine, operated by Placer Dome U.S. Inc. During this fiscal quarter, the Bald

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Mountain mine produced approximately 18,000 ounces of gold which were attributable to Royal Gold's interest. It is anticipated that the mine will produce approximately 70,000 ounces of gold in fiscal 2002 that will be attributable to Royal Gold's 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.

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. On October 29, 2001, Yamana reported that mining at the Martha mine was temporarily suspended pending an evaluation of recent drilling results and the development of a new mining plan to exploit the remaining ore and additional resources discovered. By mid-November, all material that has been mined will be shipped. Including these shipments in November, a total of 4,266 tons (3,870 tonnes), at an average grade of 422 ounces per ton ("opt") (465 ounces per tonne), containing 1.8 million ounces of equivalent silver will have been delivered to the smelter in Canada since start-up of the Martha Mine. This compares with 5,512 tons (5,000 tonnes), at an average grade of 581 opt (640 ounces per tonne), containing approximately 3.2 million ounces of equivalent silver in the original Phase I development plan.

During September, Yamana conducted a 16-hole drilling program that confirmed existing resources and added new resources. Underground activities conducted concentrated on the development of two new zones for future mining.

Current resource estimates at the Martha Mine, beyond material mined and shipped, now total approximately 5,504 tons (4,993 tonnes), at an average grade of 388 opt (428 ounces per tonne) of equivalent silver. About 600,000 ounces of this material may not be mineable due to access problems. Yamana is currently conducting a drilling program designed to extend further to the east the new resources already identified during September.

During the quarter, Royal Gold took a non-cash charge related to its investment in the common stock of Yamana Resources. The Company's royalty interest on Yamana's mineral holdings attaches to the properties, and is not tied to its equity investment.

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 Market System under the symbol "RGLD," and on the Toronto Stock Exchange under the symbol "RGL." The Company's web page is located at www.royalgold.com.

NOTE: Management's conference call reviewing its first quarter of fiscal 2002 will be held today at 12:00 noon Eastern, 10:00 a.m. Mountain, 9:00 a.m. Pacific time. The call will be simultaneously carried on the Company's web site at **www.royalgold.com** under the Presentations section, Conference Call heading. A replay on the web site will be available approximately two hours after the call ends. The conference call is also available by calling 800-603-2779 or 706-634-7230. Replays will be available until November 12 by dialing 800-642-1687 or 706-645-9291, access number 2174713.

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 production at the Pipeline Mining Complex, reserves and mineralization, 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 the operators of the mining properties may encounter, changes in project parameters as plans continue to be refined, the timing of receipts of governmental permits, results of current or planned exploration activities, the availability of acquisitions, 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
ROYAL GOLD, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

ASSETS

	September 30, 2001	June 30, 2001
Current assets		
Cash and equivalents	$ 4,918,975	$ 4,578,278
Royalty receivables	2,335,329	1,219,147
Prepaid expenses and other	186,088	206,751
Total current assets	7,440,392	6,004,176
Property and equipment, at cost, net	9,184,509	9,772,364
Available for sale securities	495,095	1,017,016
Other assets	437,326	468,649
Total assets	$ 17,557,322	$ 17,262,205
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LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2001	June 30, 2001
Current liabilities		
Accounts payable	$ 676,265	$ 485,785
Dividend payable	0	894,490
Accrued compensation	225,000	150,000
Other	43,033	43,034
Total current liabilities	944,298	1,573,309
Other liabilities	125,456	127,100
Commitments and contingencies (note 5)		
Stockholders' equity		
Common stock, $.01 par value, authorized 40,000,000 shares; and issued 18,122,790 and 18,101,622 shares, respectively	181,228	181,016
Additional paid-in capital	55,868,012	55,868,222
Accumulated other comprehensive income	0	(553,472)
Accumulated deficit	(38,464,800)	(38,837,098)
Less treasury stock, at cost (226,226 shares)	(1,096,872)	(1,096,872)
Total stockholders' equity	16,487,568	15,561,796
Total liabilities and stockholders' equity	$ 17,557,322	$ 17,262,205
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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

	For The Three Months Ended	
	September 30, 2001	September 30, 2000
Royalty revenues	$ 2,831,633	$ 1,537,944
Costs and expenses		
Costs of operations	218,389	209,827
General and administrative	445,617	385,835
Exploration and business development	122,321	133,658
Depreciation and depletion	596,810	228,491
Total costs and expenses	1,383,137	957,811
Operating income	1,448,496	580,133
Interest and other income	37,858	61,789
Gain (loss) on marketable securities	(1,075,393)	0
Interest and other expense	31,064	0
Income before income taxes	379,897	641,922
Income tax expense	7,598	12,838
Net earnings	$ 372,299	$ 629,084
Adjustments to comprehensive income		
Unrealized change in market value of available for sale securities	553,472	(29,687)
Comprehensive income	$ 925,771	$ 599,397
Basic earnings per share	$ 0.02	$ 0.04
Basic weighted average shares outstanding	17,889,776	17,740,422
Diluted earnings per share	$ 0.02	$ 0.04
Diluted weighted average shares outstanding	18,025,341	17,872,443

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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For The Three Months Ended	
	September 30, 2001	September 30, 2000
Cash flows from operating activities		
Net income	$ 372,299	$ 629,084
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and depletion	596,810	228,491
Loss on marketable securities	1,075,393	0
Other	0	90,550
(Increase) decrease in:		
Royalty receivables	(1,116,182)	335,821
Other current assets	20,663	(49,808)
Increase (decrease) in:		
Accounts payable and accrued liabilities	265,479	(451,126)
Other liabilities	(1,644)	533
Total adjustments	840,519	154,461
Net cash provided by operating activities	1,212,818	783,545
Cash flows from investing activities		
Capital expenditures for property and equipment	(8,956)	(37,401)
Decrease in other assets	31,323	5,020
Net cash provided by (used in) investing activities	22,367	(32,381)
Cash flows from financing activities:		
Dividends	(894,490)	(885,004)
Proceeds from issuance of common stock	2	8,750
Net cash provided by (used in) financing activities	(894,488)	(876,254)
Net increase (decrease) in cash and equivalents	340,697	(125,090)
Cash and equivalents at beginning of period	4,578,278	4,647,160
Cash and equivalents at end of period	$ 4,918,975	$ 4,522,070
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