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NEWSRELEASE

ROYALGOLD,INC

FOR IMMEDIATE RELEASE:

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ROYAL GOLD ANNOUNCES RECORD YEAR FOR FISCAL 2002

DENVER, COLORADO. AUGUST 15, 2002: ROYAL GOLD, INC. (NASDAQ:RGLD; TSX:RGL) today announced a record year for fiscal 2002, which ended June 30, 2002.

The Company reported earnings of $10,698,723, or $0.60 per diluted share for fiscal 2002, as compared to earnings of $1,138,297, or $0.06 per diluted share, in fiscal 2001. Included in the fiscal year-end earnings was the recognition of a deferred tax asset of $6,849,687, which increased earnings by $0.38 per share. This recognition of a deferred tax asset is a non-cash event, and as we go forward this asset will be a future non-cash tax expense. We have a $19.6 million tax loss carryforward to offset our future tax liabilities. Also included in earnings was a non-cash employee stock option compensation expense of about $1.5 million.

Royalty revenue was $12,323,071 in fiscal 2002, as compared to $5,963,153 in fiscal 2001. Royalty revenue from the Pipeline Mining Complex (Lander County, Nevada) was $11,658,527 during fiscal 2002, as compared with $5,658,996 in fiscal 2001. At Bald Mountain (White Pine County, Nevada), royalty revenue was $511,473 in fiscal 2002 as compared with $304,157 in fiscal 2001. Free cash flow for the fiscal year was approximately $8.9 million. Free cash flow is defined by cash from operating activity, which is operating income plus

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depreciation, depletion and amortization, non-cash charges, and any impairment of mining assets.

For the fourth quarter, April 1 through June 30, 2002, royalty revenue was $3,461,299, as compared to $1,574,092 for the same period in fiscal 2001. The Company reported earnings of $7,352,856, or $0.41 per diluted share, for the fourth quarter, as compared to earnings of $307,819, or $0.02 per diluted share, for the fourth quarter of fiscal 2001. The current quarter included the recognition of a $6,849,687 deferred tax asset, which increased earnings by $0.38 per share, and non-cash employee stock option compensation expense of approximately $1.5 million resulting from employees surrendering shares at fair market value as payment for the exercise price of options.

At June 30, 2002, the Company had working capital of $12.0 million. Current assets were $14,291,592, compared to current liabilities of $2,301,825, for a current ratio of 6 to 1. General and administrative expenses, exclusive of non-cash employee stock option compensation expense, in fiscal 2002 were $1,874,952 as compared to $1,715,512 in fiscal 2001.

Stanley Dempsey, Chairman, CEO and President stated, "This was our best year ever. Our GSR1 royalty rate for the quarter was 2.60%, providing us with significant cash flow. During the year, we increased our third annual dividend by 50% to $0.075 per share, and options in our common stock are listed for trading on the American Stock Exchange and the Chicago Board of Options Exchange. Subsequent to our fiscal year-end, Royal Gold was added to the Russell 2000, and we raised $6.875 million in a common stock transaction. Our free cash flow position remains strong, at $8.9 million for the fiscal year."

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 developed on the claim block lying outside the current

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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.

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 the fourth quarter of fiscal 2002, the Pipeline Mining Complex produced 295,668 ounces of gold, providing $3,461,299 of royalty revenue to Royal Gold. This compares to 302,140 ounces of gold produced, providing $1,574,091 of royalty revenue to Royal Gold, for the same quarter in fiscal 2001. For fiscal 2002, the Pipeline Mining Complex produced 1,164,443 ounces of gold, providing $11,658,527 of royalty revenue to Royal Gold, as compared to 1,080,855 ounces of gold and royalty revenues of $5,658,996 in fiscal 2001.

For the fourth quarter of fiscal 2002, the average gold price was $312 per ounce and Royal Gold's GSR1 royalty rate was 2.60% of production. Current production from the Pipeline Mining Complex is subject to GSR1, GSR3, and NVR1.

For fiscal 2003, we have been informed that production from the Pipeline Mining Complex is expected to be about 950,000 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. For the fourth quarter of fiscal 2002, the Bald Mountain mine produced approximately 35,940 ounces of gold, which were attributable to Royal Gold's interest. Placer reported a 48% increase in production at the Bald Mountain mine during the first half of calendar 2002 due to improvements in leach pad solution chemistry leading to higher recovery. During fiscal 2002, the Bald Mountain mine produced approximately 100,000 ounces of gold which were attributable to Royal Gold's interest, as compared to 65,000 ounces of gold in fiscal 2001. We have been informed that the mine is expected to produce approximately 85,000 ounces of gold in fiscal 2003 that will be attributable to Royal Gold's interest.

South American Properties (Argentina)

The Company holds a 2% net smelter returns royalty on all mineral production on development and exploration properties in Santa Cruz Province, Southern Argentina, encompassing about 365,000 acres (148,000 hectares).

Coeur d'Alene ("Coeur"), is the operator of the precious metals properties in the western portion of the Santa Cruz Province, including the high-grade silver property known as the Martha mine at the Bacon prospect. For the fourth quarter of fiscal 2002, the Martha mine produced approximately 500,00 ounces of silver, resulting in royalty revenue to us of $61,403. Our total royalty revenue for fiscal 2002 was $104,531. Coeur estimates that the Martha mine contains fully diluted proven and probable reserves of 2.7 million ounces of silver, at an average silver equivalent grade of 140 ounces or more per ton and an additional resource of 1.0 million ounces of silver. Coeur has indicated that the Martha mine will produce approximately 1.6 million ounces of silver in the second half of calendar 2002 that will be attributable to Royal Gold's interest.

Compania de Minas Buenaventura S.A.A. and Mauricio Hochschild & Compania S.A.C. are exploring Yamana Resources gold properties in the eastern half of the Santa Cruz Province.

Fiscal 2003 Outlook

"We expect our royalty portfolio to generate continued cash flow and earnings in fiscal 2003. The sliding-scale features of our royalty structure at the Pipeline Mining Complex provides leverage to gold price increases while our fixed rate royalties provide downside

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protection of gold price fluctuations. We continue to pursue acquisitions to expand our royalty portfolio," Dempsey said.

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 "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 fiscal 2002 will be held today at noon Eastern time (10:00 a.m. Mountain; 9:00 a.m. Pacific). The call will be simultaneously carried on the Company's web site at **www.royalgold.com** under the "Presentation" section. 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. Audio replays will be available about two hours after the call and until August 22, 2002, by dialing 800-642-1687 or 706-645-9291, access number 4944896.

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, mineralization, production levels and timing, cash flow and earnings, and the sliding-scale features of our royalty structure at the Pipeline Mining Complex. Factors that could cause actual results to differ materially from projections include, among others, precious metals prices, decisions and activities of the operators of our royalty properties, unanticipated grade, geological, metallurgical, processing or other problems, changes in project parameters as plans continue to be refined, results of current or planned exploration activities, economic and market conditions, and future financial needs or opportunities, as well as other factors described elsewhere in this press release and in our Annual Report on Form 10-K, and other filings with the Securities and Exchange Commission. 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.

The Company includes, in its reporting, information on free cash flow. Free cash flow is defined by cash from operating activity, which is operating income plus depreciation, depletion and amortization, non-cash charges, and any impairment of mining assets. While we believe free cash flow is a useful measure of the Company's performance, we also want to advise that this is not a measure recognized by general accepted accounting principles.

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ROYAL GOLD, INC.
CONSOLIDATED BALANCE SHEETS

As of June 30, 2002 and 2001

ASSETS

	2002	2001
Current assets		
Cash and equivalents	$ 11,104,140	$ 4,578,278
Royalty receivables	3,022,214	1,219,147
Prepaid expenses and other	165,238	206,751
Total current assets	14,291,592	6,004,176
Property and equipment, at cost, net	7,518,205	9,772,364
Available for sale securities	583,771	1,017,016
Deferred tax asset	6,849,687	-
Other assets	346,825	468,649
Total assets	$ 29,590,080	$ 17,262,205

LIABILITIES AND STOCKHOLDERS' EQUITY

	2002	2001
Current liabilities		
Accounts payable	$ 698,136	$ 485,785
Dividend payable	1,354,022	894,490
Accrued compensation	150,000	150,000
Other	99,667	43,034
Total current liabilities	2,301,825	1,573,309
Other liabilities	120,525	127,100
Commitments and contingencies		
Stockholders' equity		
Common stock, $.01 par value, authorized 40,000,000 shares; and issued 18,279,840 and 18,101,622 shares, respectively	182,798	181,016
Additional paid-in capital	57,389,220	55,868,222
Accumulated other comprehensive income	184,981	(553,472)
Accumulated deficit	(29,492,397)	(38,837,098)
Less treasury stock, at cost (229,226 shares)	(1,096,872)	(1,096,872)
Total stockholders' equity	27,167,730	15,561,796
Total liabilities and stockholders' equity	$ 29,590,080	$ 17,262,205

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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME

For The Years Ended June 30, 2002 and 2001

	2002	2001
Royalty revenues	$ 12,323,071	$ 5,963,153
Costs and expenses		
Costs of operations	971,068	784,993
General and administrative	1,874,952	1,715,512
Non-cash employee stock option compensation expense	1,484,371	-
Exploration costs	618,308	774,060
Impairment of mining assets	-	490,215
Depreciation and depletion	2,289,104	1,270,621
Total costs and expenses	7,237,803	5,035,401
Operating income (loss)	5,085,268	927,752
Interest and other income	138,671	258,010
Loss on marketable securities	(1,171,679)	-
Interest and other expense	124,672	24,234
Income (loss) before income taxes	3,927,588	1,161,528
Deferred tax benefit	6,849,687	-
Current tax expense	78,552	23,231
Net earnings	$ 10,698,723	$ 1,138,297
Adjustments to comprehensive income		
Unrealized gain (loss) on available for sale securities	184,981	(153,257)
Comprehensive income	$ 10,883,704	$ 985,040
Basic earnings per share	$ 0.60	$ 0.06
Basic weighted average shares outstanding	17,928,658	17,762,877
Diluted earnings per share	$ 0.59	$ 0.06
Diluted weighted average shares outstanding	18,168,411	17,767,735

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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

For The Years Ended June 30, 2002 and 2001

	2002	2001
Cash flows from operating activities		
Net income (loss)	$ 10,698,723	$ 1,138,297
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation and depletion	2,289,104	1,270,621
Loss on marketable securities	1,171,679	-
Impairment of mining assets	-	490,215
Non-cash employee stock option compensation expense	1,484,371	-
(Increase) decrease in:		
Royalty receivables	(1,803,067)	542,119
Other current assets	41,513	29,239
Deferred tax asset	(6,849,687)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	268,984	(308,424)
Other liabilities	(6,575)	2,403
Total adjustments	(3,403,678)	2,026,173
Net cash provided by (used in) operating activities	7,295,045	3,164,470
Cash flows from investing activities		
Capital expenditures for property and equipment	(34,945)	(2,195,454)
Proceeds from marketable securities	19	-
Purchase of available for sale securities	-	(250,000)
Increase in other assets	121,824	126,498
Net cash provided by (used in) investing activities	86,898	(2,318,956)
Cash flows from financing activities		
Dividends	(894,490)	(885,004)
Purchase of common stock	-	(53,242)
Proceeds from issuance of common stock	38,409	23,850
Net cash provided by (used in) financing activities	(856,081)	(914,396)
Net increase (decrease) in cash and equivalents	6,525,862	(68,882)
Cash and equivalents at beginning of period	4,578,278	4,647,160
Cash and equivalents at end of period	$ 11,104,140	$ 4,578,278

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