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News Release

Royal Gold, Inc.

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MIDAS S.A. SEEKS REVERSAL OF ENVIRONMENTAL IMPACT STUDY ACTION

DENVER, COLORADO. AUGUST 3, 2000. ROYAL GOLD, INC. (NASDAQ: RGLD; TSE: RGL) today reported that it has been 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 a project being pursued under an agreement with Silver & Baryte Ores Mining Co. S.A. whereby

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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. This project is a subject of a lease agreement between Midas S.A. and the Greek government.

According to Stratis Papaefstratiou, Chairman of Midas S.A., “given 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, we will make every effort to secure a reversal of the Ministry’s action.”

Royal Gold is the largest U.S.-based gold royalty Company and engages in the acquisition and management of precious metal royalty interests. The Company paid its first dividend of $0.05 a share in July 2000. Royal Gold is traded on the Nasdaq National Market under the symbol ARGLD,@ and on The Toronto Stock Exchange under the symbol ARGL.@ The Company=s web page is at www.royalgold.com.

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