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News Release

Royal Gold, Inc.

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ROYAL GOLD SECURES LINE OF CREDIT FOR ACQUISITIONS FROM HSBC BANK USA

DENVER, COLORADO. DECEMBER 19, 2000. ROYAL GOLD, INC. **(NASDAQ: RGLD; TSE: RGL)** today announced that it has entered into an agreement with HSBC Bank USA for the purpose of financing the acquisition of cash-flowing royalty assets. This facility will enable the Company to have initial borrowing capacity of up to $10 million. Repayment of any loan under the line of credit will be secured by a mortgage on the Company's GSR3 royalty at the Pipeline Mining Complex, and by a security interest in the proceeds from any of the Company's royalties at the Pipeline Mining Complex. Any assets purchased with the line of credit will also serve as collateral.

The term of the facility will mature in June 2005, but the line of credit could be extended under two one-year options. The interest rate associated with the loan will be LIBOR-based, and all of the fees associated with the loan agreement are competitive.

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Stanley Dempsey, Chairman & CEO, said "this line of credit will enhance our ability to purchase additional precious metal royalties. We look forward to collaborating with HSBC Bank USA and increasing shareholder value."

Royal Gold is the largest U.S.-based gold royalty company, and engages in the acquisition and management of precious metals royalty interests. Royal Gold is traded on the Nasdaq National Market under the symbol “RGLD,” and on The Toronto Stock Exchange under the symbol “RGL.” The Company’s web page is at www.royalgold.com.

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