1660 Wynkoop St., Suite 1000
Denver, Colorado 80202-1132
PHONE: 303 573-1660
FAX: 303 595-9385
EMAIL: royalgold@royalgold.com
www.royalgold.com

NEWSRELEASE

ROYALGOLD, INC

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

Stanley Dempsey, Chairman & CEO
or
Karen Gross, Vice President & Corporate Secretary
(303) 573-1660

ROYAL GOLD AGREES TO ACQUIRE INTEREST IN ROYALTY FIRM

DENVER, COLORADO. SEPTEMBER 27, 2002. ROYAL GOLD, INC. (NASDAQ: RGLD; TSX:RGL) today announced that it has entered into a letter of intent with the principal stockholder of High Desert Mineral Resources Inc. ("HDMRI") to purchase 93% of the company's common stock for approximately 1.4 million shares of Royal Gold common stock, or US$24 million in cash, or a combination of cash and stock. The transaction is subject to the negotiation and execution of final documentation, completion of legal, technical and commercial diligence, Canadian (including TSX Venture Exchange) and U.S. regulatory approval, and other conditions to closing. Subject to completion of this transaction, Royal Gold also intends to offer the minority shareholders of HDMRI consideration equivalent to what it has offered the control position.

HDMRI, a gold royalty and exploration firm, is based in Elko, Nevada, and is listed on the TSX Venture Exchange (HDR:CDNX). HDMRI owns a 2% carried working interest, equal to a 2% net smelter returns royalty in a large portion of the Leeville project, operated by

* * * MORE * * *

Newmont Mining Corporation. It also owns a 1% net smelter returns royalty on the SJ Claims, which cover a large part of the Screamer and West Betze deposits, operated by Barrick Gold Corporation.

HDMRI also has a portfolio of gold exploration properties and royalties on non-producing gold properties located in Nevada.

Royal Gold is the largest U.S.-based royalty company engaging in the acquisition and management of precious metals 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.

* * * END * * *