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NEWSRELEASE

ROYALGOLD, INC

FOR IMMEDIATE RELEASE:

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ROYAL GOLD ENTERS INTO A TERM SHEET FOR ROYALTY FINANCING OF THE EL CHANATE GOLD PROJECT

DENVER, COLORADO. DECEMBER 1, 2003. ROYAL GOLD, INC. (NASDAQ: RGLD; TSX: RGL) announced today that it has executed a royalty financing term sheet with Capital Gold Corporation (OTC/BB:CGLD) to provide $13.8 million as specified in the feasibility study completed in August 2003 for the construction of the El Chanate open pit gold mine in Sonora, Mexico. Consummation of the funding is subject to due diligence, execution of a definitive agreement, and approval by Royal Gold's board of directors.

Royal Gold is a precious metals 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.

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