

## NEWS RELEASE



World Class Royalty Company

### **Royal Gold Provides Update on Two Principal Properties**

**DENVER, COLORADO. JANUARY 20, 2015: ROYAL GOLD, INC.** (NASDAQ:RGLD; TSX:RGL) (together with its subsidiaries, “Royal Gold” or the “Company”) announces that the operators of the Mount Milligan and Peñasquito properties have released preliminary calendar 2014 operating results and calendar 2015 production forecasts.

#### *Mount Milligan*

Royal Gold announces that its wholly owned subsidiary, RGLD Gold AG, purchased approximately 13,000 ounces of gold for the quarter ended December 31, 2014 from the Mount Milligan mine as part of its purchase and sale agreement with Thompson Creek Metals Company, Inc. (“Thompson Creek”), consisting of approximately 6,300 ounces upon final settlement of Thompson Creek’s sixth and seventh shipments from the Mount Milligan mine and approximately 6,700 ounces upon provisional payment relating to Thompson Creek’s tenth, eleventh and twelfth shipments.

For the quarter ended December 31, 2014, Royal Gold sold approximately 14,300 ounces of gold from Thompson Creek, and had approximately 4,800 ounces remaining in inventory as of December 31, 2014.

The Company notes that Thompson Creek reported production for Mount Milligan of approximately 41,000 ounces of payable gold and sales of approximately 38,900 ounces of payable gold in the quarter ended December 31, 2014. For calendar year 2015, Thompson Creek is forecasting annual payable gold production of 220,000 to 240,000 ounces, an increase of approximately 25% to 35% over calendar year 2014 production of approximately 178,000 ounces.

Thompson Creek also announced that it expects to file an updated technical report for the Mount Milligan mine that will reflect 6.2 million ounces of estimated proven and probable gold reserves at \$1,250/ounce gold, up from 6.0 million ounces in the previous technical report. The updated mineral reserve estimates include forecasted average annual gold production of approximately 285,800 ounces in years 2015 through 2019, which is a 9% increase over the previous technical report annual estimates for the first six years of gold production. Life of mine average annual gold production is estimated to be 186,700 ounces.

Royal Gold currently sells most of the delivered gold within three weeks of receipt, and recognizes revenue on its streaming transactions when the metal received is sold.

Deliveries of gold to Royal Gold are based on gold ounces shipped in concentrates from Mount Milligan multiplied by a 97% payable factor. Under the purchase and sale agreement, the first 12 concentrate shipments from Mount Milligan are subject to gold deliveries based on the receipt of provisional payments under each smelter contract. For shipments 5-8, 50% of the gold ounces delivered to Royal Gold were delivered based on receipt of the provisional payment under each smelter contract, and 50% of the gold ounces will be delivered upon final settlement under each contract. For shipments 9-12, the percentages are 25% and 75%, respectively. Thereafter, all deliveries will be based solely on final settlement timing and volumes, subject to Thompson Creek's smelter contracts.

### *Peñasquito*

The Company notes that Goldcorp reported approximately 567,800 ounces of gold production at Peñasquito for the year ended December 31, 2014. Goldcorp is forecasting gold production of 700,000 to 750,000 ounces at Peñasquito for the calendar year 2015, which is an increase of approximately 20% to 30% over calendar 2014 gold production. On a gold equivalent basis, Goldcorp forecasts production to total 1.5 million to 1.6 million ounces. Royal Gold has a 2% royalty on gold, silver, lead and zinc at Peñasquito.

Goldcorp reports that Pre-Feasibility Studies for the Concentrate Enrichment Process (CEP) and Pyrite Leach Process at Peñasquito were essentially complete at the end of 2014 and are undergoing internal review. Goldcorp highlighted that preliminary economic results continue to demonstrate the robust economics of these projects and their potential to significantly increase the mine life at Peñasquito. The two projects are being integrated as they enter the feasibility study phase, which Goldcorp expects to commence by the end of the first calendar quarter 2015 and be completed in early 2016.

## **CORPORATE PROFILE**

Royal Gold is a precious metals royalty and stream company engaged in the acquisition and management of precious metal royalties, streams and similar production based interests. The Company owns interests on 198 properties on six continents, including interests on 37 producing mines and 24 development stage projects. Royal Gold is publicly traded on the NASDAQ Global Select Market under the symbol "RGLD," and on the Toronto Stock Exchange under the symbol "RGL." The Company's website is located at [www.royalgold.com](http://www.royalgold.com).

## **QUALIFIED PERSON**

The mineral reserve estimates reported by Thompson Creek were prepared in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves, as incorporated by reference in National Instrument 43-101, by Robert Clifford, Director, Mine Engineering of Thompson Creek, a "qualified person" under National Instrument 43-101. Thompson Creek reported that Mr. Clifford verified the data disclosed in their news release that pertain to the mineral reserve estimates. Royal Gold has not seen or reviewed the anticipated updated technical report.

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**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 about the Company’s receipt of gold from Thompson Creek in periods after December 31, 2014, and the time between the Company’s receipt of gold and the Company’s sale of such gold; and statements about future gold production from and the status of certain projects under review by Goldcorp at its Peñasquito mine. Factors that could cause actual results to differ materially from the projections include, among others, the timing of shipments, disagreements on assays, losses in transport, performance of and production at Mount Milligan; decisions and activities of Thompson Creek; changes in project parameters and timelines as plans continue to be refined; economic and market conditions; unanticipated grade, geological, metallurgical, processing, regulatory and legal or other problems Thompson Creek may encounter; and other subsequent events, as well as other factors described in the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, 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.