

NEWS RELEASE



World Class Royalty Company



Royal Gold Welcomes Thompson Creek Shareholders' Approval of Centerra Acquisition

Amended Streaming Agreement Maintains Royal Gold's Economic Interest at Mount Milligan

DENVER, COLORADO. OCTOBER 18, 2016: ROYAL GOLD, INC. (NASDAQ: RGLD) (together with its subsidiaries, "Royal Gold" or the "Company," "we" or "our") welcomes today's approval by the shareholders of Thompson Creek Metals Company Inc. ("Thompson Creek") of a special resolution authorizing the acquisition of all outstanding Thompson Creek common shares by Centerra Gold Inc. ("Centerra") by plan of arrangement under the Business Corporations Act (British Columbia). The acquisition is expected to close on or about October 20 following court approval of the plan of arrangement.

As previously announced, Royal Gold's streaming interest at Mount Milligan will be amended upon closing of the acquisition.

Amended Mount Milligan Streaming Agreement Highlights:

- Stream will transition from 52.25% of gold produced to 35% of gold produced and 18.75% of copper produced
- Royal Gold will continue to pay \$435 per ounce of gold delivered
- Royal Gold will pay 15% of the spot price per metric tonne of copper delivered
- Amendment is effective for all concentrate shipped after the closing date
- Concentrate shipped before the closing date but not settled as of the closing date will still be subject to the original 52.25% gold stream
- Amendment is estimated to be value-neutral on a discounted cash flow basis

"We believe the acquisition and amended stream represent an excellent outcome for Royal Gold," commented Tony Jensen, President and CEO. "Centerra's stronger balance sheet and gold-focused skill set will further benefit our investment at Mount Milligan and we welcome them as our partner in this high quality project."

Under the terms of the amendment, Royal Gold's 52.25% gold stream at Mount Milligan will be converted to a 35% gold stream and 18.75% copper stream. Royal Gold will continue to pay \$435 per ounce of gold delivered and will pay 15% of the spot price per metric tonne of copper delivered. Royal Gold estimates this amendment to be value-neutral on a discounted cash flow basis, and expects about two-thirds of its future net revenue from Mount Milligan will be gold related and one-third copper related over the next ten years. Royal Gold's existing first ranking security over 52.25% of gold produced from Mount Milligan will be amended to provide

for first ranking security over 35% of produced gold and 18.75% of produced copper. Royal Gold's other existing security over the Mount Milligan assets will remain unaffected.

After transition to the amended stream, Royal Gold expects that, on the basis of its current stream and royalty portfolio, approximately 85% of total future net revenue will come from precious metals and 15% from base metals.

Mount Milligan gold in concentrate that is currently in transit will be delivered to Royal Gold under the current 52.25% stream. Under the terms of both the original and amended agreements, there is a maximum of five months between concentrate shipment and final settlement, and Royal Gold expects to begin receiving gold and copper deliveries reflecting the amended stream agreement in approximately March 2017.

On October 18, Thompson Creek announced that commissioning of major equipment and components of the Mount Milligan permanent secondary crushing circuit had begun. Routine testing and commissioning of all equipment and process circuits will continue over the next several weeks, with first feed through the secondary crusher expected by the end of October. Thompson Creek noted that capital expenditures for the project are expected to be \$50 - \$55 million, approximately \$10 million below their prior guidance.

CORPORATE PROFILE

Royal Gold is a precious metals stream and royalty company engaged in the acquisition and management of precious metal streams, royalties and similar production based interests. The Company owns interests on 193 properties on six continents, including interests on 38 producing mines and 24 development stage projects. Royal Gold is publicly traded on the NASDAQ Global Select Market under the symbol "RGLD." The Company's website is located at www.royalgold.com.

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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 operators' expectations about Centerra's acquisition of Thompson Creek Metals Company, the approvals required to conclude the transaction and the timing thereof, Centerra's financial strength and experience as a gold miner as owner of Mount Milligan, Royal Gold's amended stream agreement, statements about the estimated economic value of the amended stream agreement, estimated percentages of precious and base metals expected from Mount Milligan and from the Company's stream and royalty portfolio in the aggregate after the amended Mount Milligan stream agreement becomes effective, and Royal Gold's security position related to Mount Milligan. Factors that could cause actual results to

differ materially from the projections include, among others, precious metals and copper prices; performance of and production at the Company's stream and royalty properties, including gold and copper production at Mount Milligan; the failure of Centerra's acquisition of Thompson Creek to close as anticipated; Centerra's operation of Mount Milligan as anticipated; events that could cause our discounted cash flow analysis of the amended stream to be inaccurate; the ability of operators of development properties to finance project construction to completion and bring projects into production as expected; operators' delays in securing or inability to secure necessary governmental permits; decisions and activities of the operators of the Company's stream and royalty properties; unanticipated grade, environmental, geological, seismic, metallurgical, processing, liquidity or other problems the operators of the mining properties may encounter; changes in operators' project parameters as plans continue to be refined; changes in estimates of reserves and mineralization by the operators of the Company's stream and royalty properties; contests to the Company's stream and royalty interests and title and other defects to the Company's stream and royalty properties; errors or disputes in calculating stream and royalty payments, or payments not made in accordance with stream and royalty agreements; economic and market conditions; risks associated with conducting business in foreign countries; changes in laws governing the Company and its stream and royalty properties or the operators of such properties, 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.

Statement Regarding Third Party Information: Royal Gold does not own, develop or mine the properties on which it holds stream or royalty interests. Certain information has been provided to us by the operators of those properties or is publicly available information filed by these operators with applicable securities regulatory bodies, including the Securities and Exchange Commission. Royal Gold has not verified, and is not in a position to verify, and expressly disclaims any responsibility for, the accuracy, completeness or fairness of such third-party information and refers the reader to the public reports filed by the operators for information regarding those properties.