

ROYAL GOLD, INC

NASDAQ: RGLD

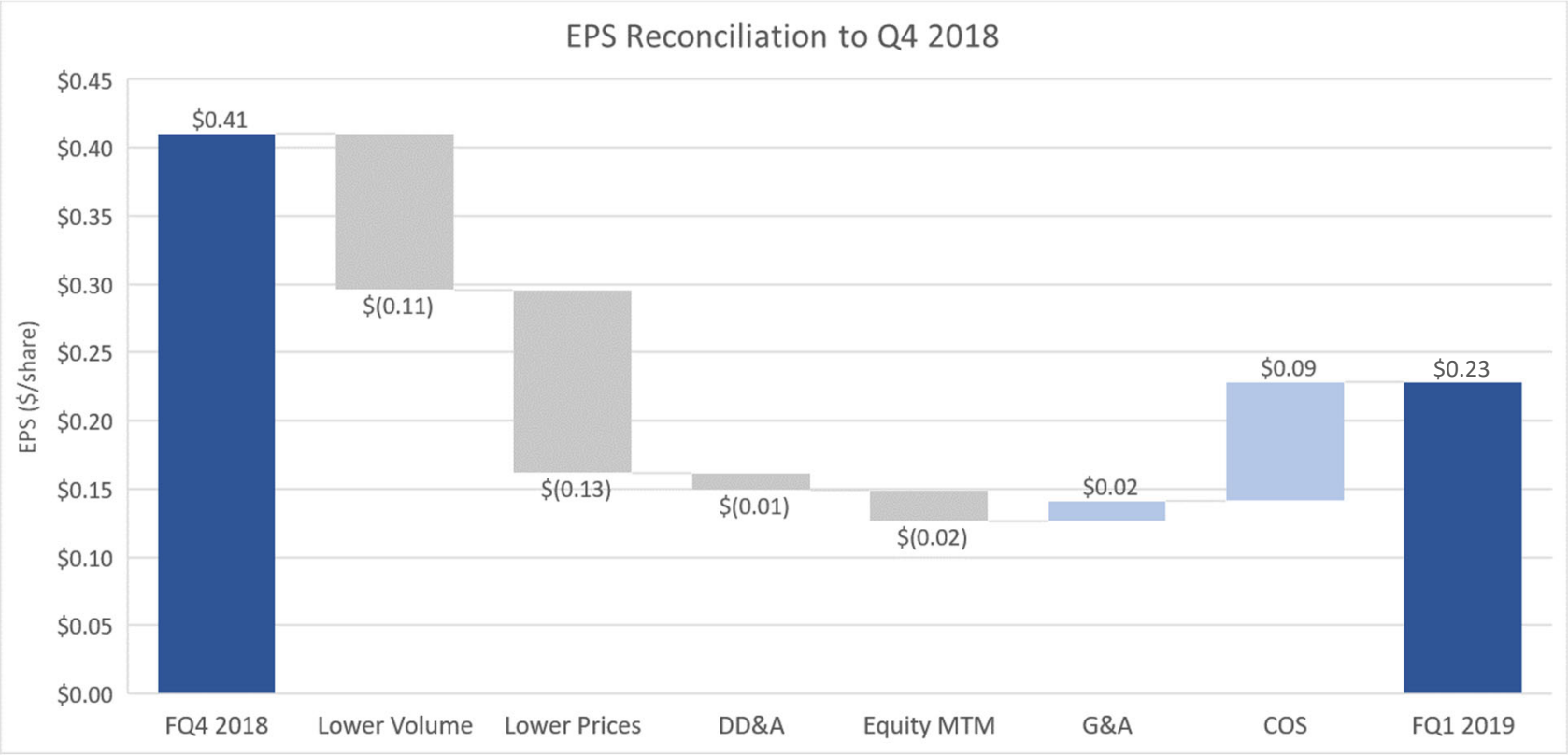
Bill Heissenbuttel
CFO and VP Strategy
TD Securities Mining Conference
January 17, 2019

Cautionary Statement

- **Cautionary "Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995:** This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors that could cause actual results to differ materially from the projections and estimates contained herein and include, but are not limited to statements with regard to: solid, steady and successful performance; expectations to repay June 2019 bonds with cash from revolver; gold focus; reinvesting cash flow; disciplined capital allocation; timing of transactions; business opportunities from financial restructurings and M&A activity; growing and sustainable dividend and annual dividend increases; shareholder return; portfolio optionality; investment in the Peak Gold Joint Venture; results of 2017 IMC resource estimate for the Peak Gold Joint Venture and September 2018 updates thereto; results of 2018 Preliminary Economic Analysis for the Peak Gold Joint Venture, including estimates of gold production, mine life, throughput, gold and silver recovery, strip ratio, initial capital, total cash costs, and internal rate of return; expected expansion and target throughput and production at Pueblo Viejo; expected first gold and commercial production, processing of previously uneconomic material and expected additional recovery at Peñasquito; underground expansion, extended mine life, and maintenance and ramp up of nickel production from Voisey's Bay; continued stripping and expected production at Cortez Crossroads; financing of work, mining rate, continuing work on underground, inferred mineral resource, step out drilling and PEA to be completed at Wassa; continuing work on long-term water solution, and 2018 production guidance at Mount Milligan; operational plan to drive efficiency, updated NI 43-101 report, and revised 2018 gold guidance at Rainy River; cash flow and growth from broad portfolio, disciplined capital deployment, strong financial position, record financial performance and leading shareholder return. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: the risks inherent in the operation of mining properties; a decreased price environment for gold and other metals on which our stream and royalty interests are determined; performance of and production at properties, and variation of actual production from the production estimates and forecasts made by the operators of those stream and royalty properties; decisions and activities of the Company's management affecting margins, use of capital and changes in strategy; unexpected operating costs, decisions and activities of the operators of the Company's stream and royalty properties; changes in operators' mining and processing techniques or stream or royalty calculation methodologies; resolution of regulatory and legal proceedings; unanticipated grade, geological, metallurgical, environmental, processing or other problems at the properties; operators' inability to access sufficient raw materials, water or power; inability of operators to bring projects into production as expected, including development stage mining properties, mine and mill expansion projects and other development and construction projects; revisions or inaccuracies in technical reports, reserve, resources and economic and production estimates; changes in project parameters as plans of the operators are refined; the results of current or planned exploration activities; errors or disputes in calculating stream deliveries and royalty payments, or deliveries or payments under stream or royalty agreements; the liquidity and future financial needs of the Company; economic and market conditions; the impact of future acquisitions and stream and royalty financing transactions; the impact of issuances of additional common stock; and risks associated with conducting business in foreign countries, including application of foreign laws to contract and other disputes, environmental laws, enforcement and uncertain political and economic environments. These risks and other factors are discussed in more detail in the Company's public filings with the Securities and Exchange Commission. Statements made herein are as of the date hereof or as of the date indicated and should not be relied upon as of any subsequent date. The Company's past performance is not necessarily indicative of its future performance. The Company disclaims any obligation to update any forward-looking statements.
- **Third-party information:** Certain information provided in this presentation has been provided to the Company by the operators of properties subject to our stream and royalty interests, or is publicly available information filed by these operators with applicable securities regulatory bodies, including the Securities and Exchange Commission. The Company 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 readers to the public reports filed by the operators for information regarding those properties.

Fiscal Q1 Financial Results

- $100.0M revenue
- $15.0M earnings
  - Lower earnings in fiscal Q1 2019 compared to fiscal Q4 2018:
    - $16.2M lower volume and prices
    - $1.5M equity recognition charge



Note: EPS numbers do not add due to rounding

Fiscal Q1 Results and Liquidity

- DD&A of $524/GEO[1]
- 25.7% effective tax rate
- OCF of $44.6M
- $1.1B of liquidity available
  - Working capital increased to $122M
  - Expect to repay $370M June 2019 bonds with cash from revolver

September 30, 2018	Amount (US$ M)
Undrawn revolver	$1,000
Working capital	$122
Total available liquidity	$1,122
Additional near term commitments	$0

Strategy Score Card

ROYAL GOLD, INC

Gold Focus	Reinvest Cash Flow	Disciplined Capital	Grow Dividends	Shareholder Return

- Gold Focus
  - 77% of FY 2018 revenue from gold, 9% from silver, 11% from copper
  - Approximately 90% of FY 2018 revenue from North America, Dominican Republic and Chile

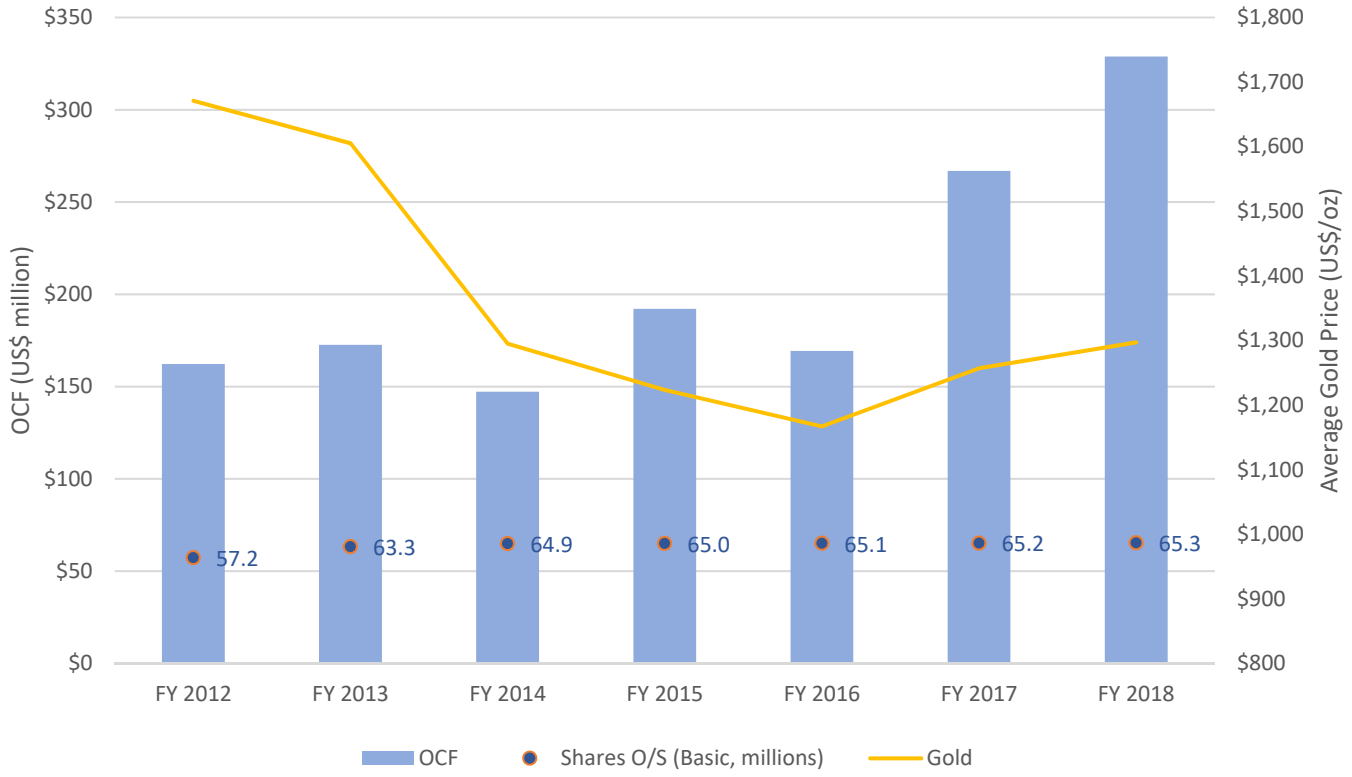


Strategy Score Card

ROYAL GOLD, INC

Gold Focus	Reinvest Cash Flow	Disciplined Capital	Grow Dividends	Shareholder Return

- Reinvest Cash Flow
  - Last secondary share offering in 2012
  - Cash flow increased 103% since 2012



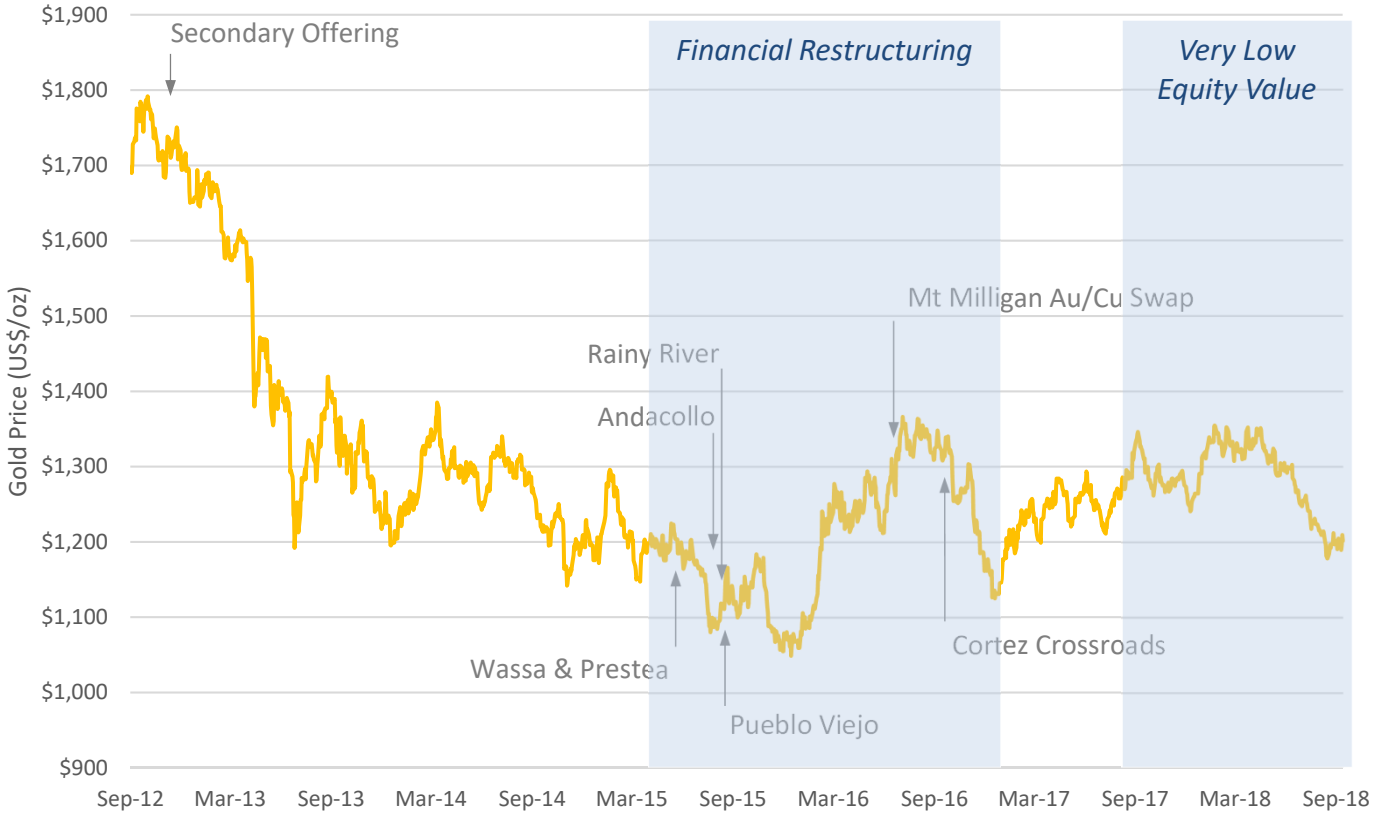
Source: Company reports, YCharts

Strategy Score Card

ROYAL GOLD, INC

Gold Focus	Reinvest Cash Flow	Disciplined Capital	Grow Dividends	Shareholder Return

- Disciplined Capital Allocation
  - Transacting at the right times, not at all times
  - Last wave of large financial restructuring streams seems to be gone…for now
  - Next opportunity set could be M&A driven by low equity values



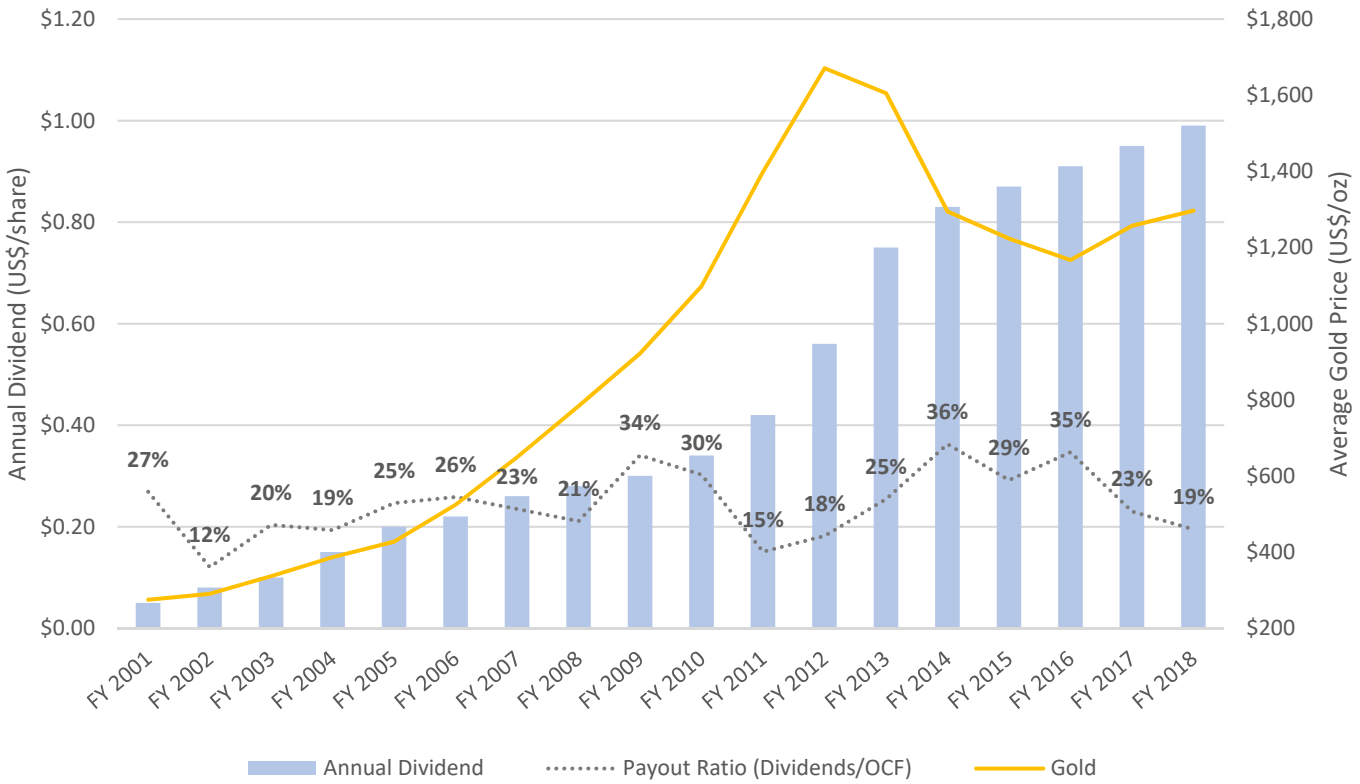
Source: Company reports, YCharts

Strategy Score Card

ROYAL GOLD, INC

Gold Focus	Reinvest Cash Flow	Disciplined Capital	Grow Dividends	Shareholder Return

- Growing and Sustainable Dividend
  - Dividend increased to $1.06/share for CY 2019 from $1.00/share for CY 2018
  - 19% CAGR in dividends per share 2001-2018



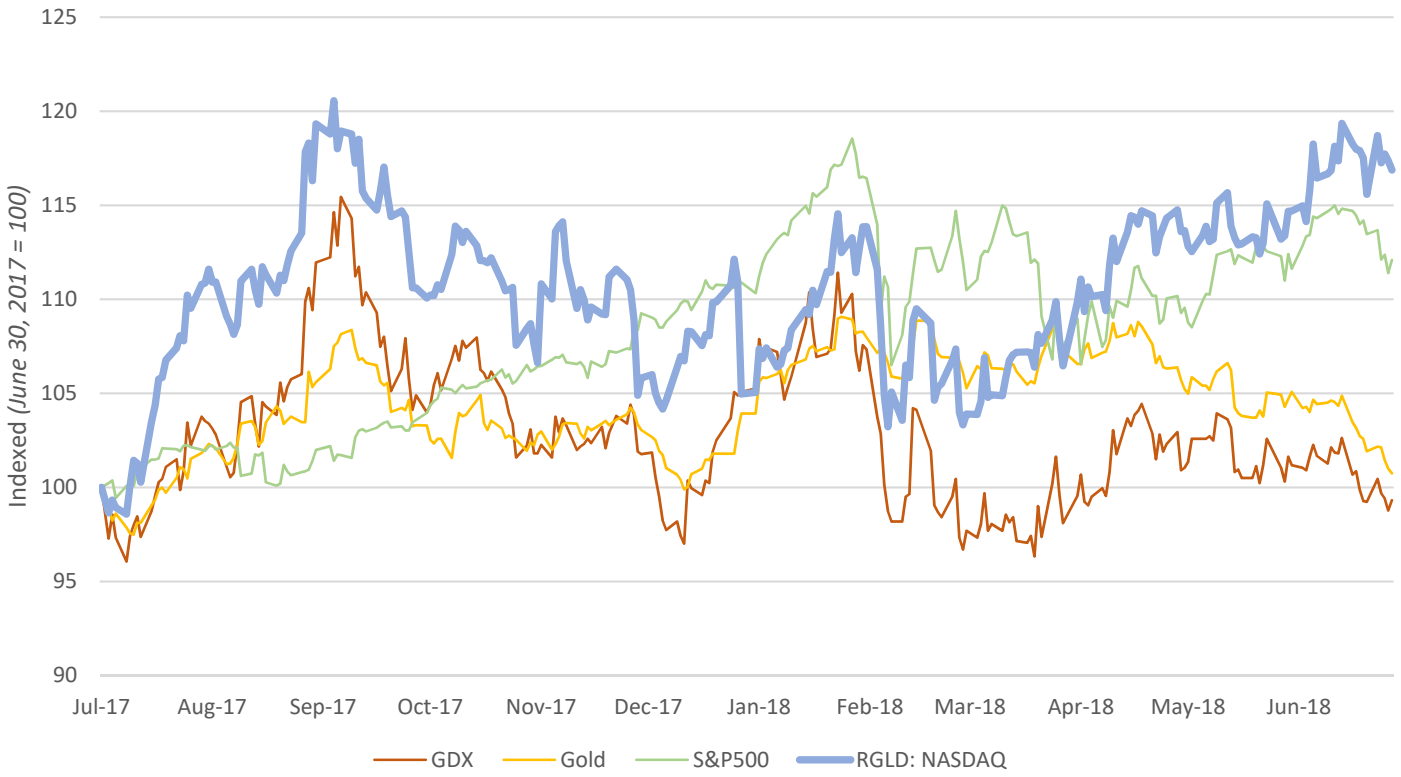
Source: Company reports, YCharts, KITCO

Strategy Score Card

ROYAL GOLD, INC

Gold Focus	Reinvest Cash Flow	Disciplined Capital	Grow Dividends	Shareholder Return

- Shareholder Return
  - FY 2018 second consecutive year of record volume, revenue, cash flow, dividends
  - FY 2018 TSR of 20.2% – beat the S&P 500, GDX and gold

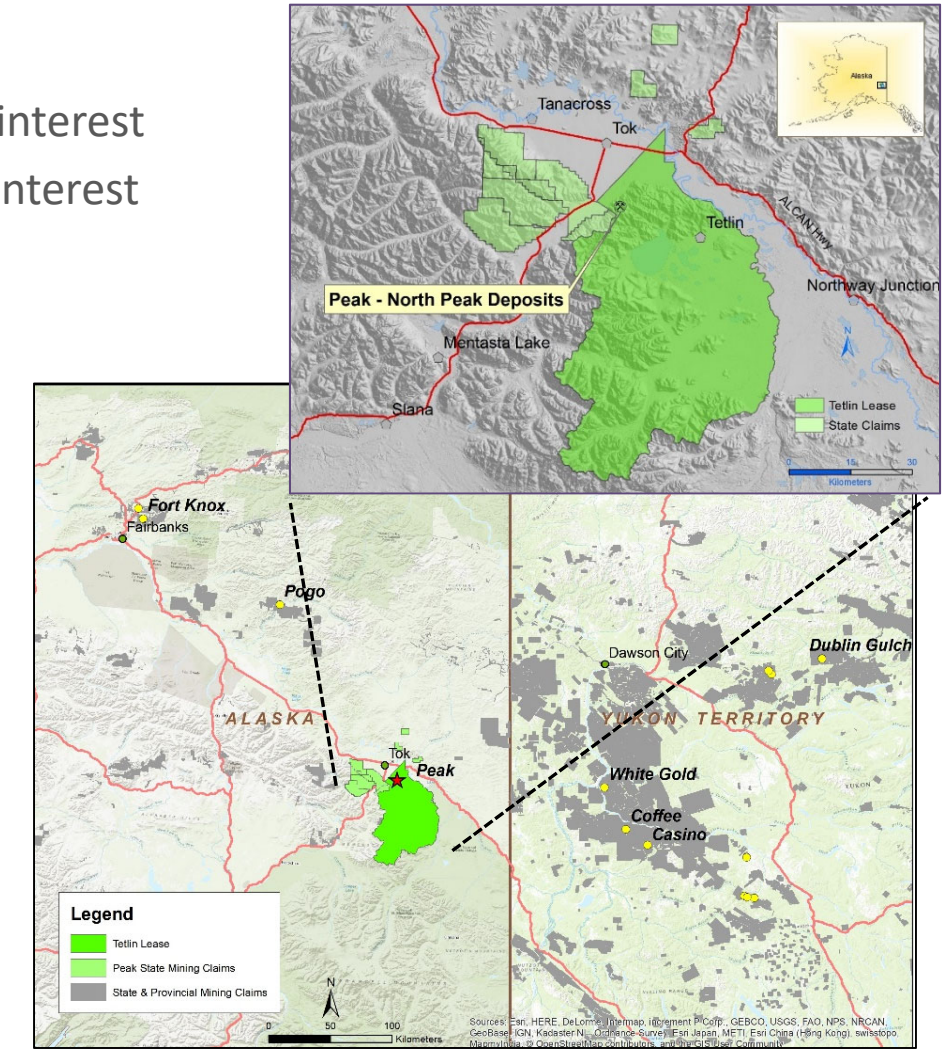


Source: Company reports, YCharts

Portfolio Optionality

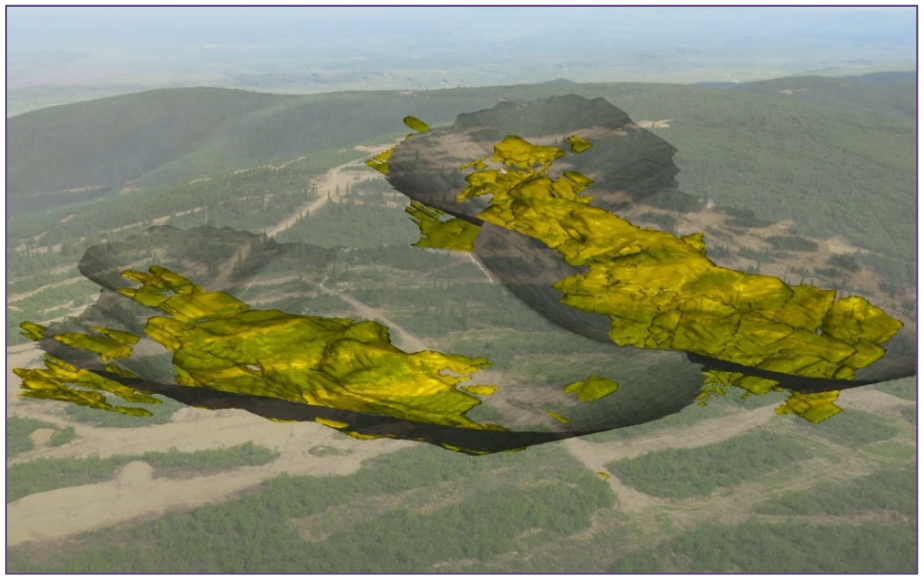
ROYAL GOLD, INC

- Peak Gold Joint Venture
  - Success based investing to earn JV interest
  - Contango Ore Inc. (CTGO): 60% JV interest
  - Royal Gold:
    - 40% in JV
    - 13.2% equity interest in CTGO
    - 2% and 3% royalty interests
    - Operator
  - Alaska
    - Close to infrastructure
  - Property
    - Lease: 2,750 km^2
    - State: 750 km^2



Portfolio Optionality

- Peak Gold Project
  - 2017 IMC resource estimate[2] with September 2018 updates
  - 2018 PEA (JDS Energy & Mining)[2,3]
    - 1.1M oz gold production
    - 8 year mine life
    - 3,500 t/d throughput
    - 92% gold recovery
    - 57% silver recovery
    - 3.9 strip ratio
    - $294M initial capital
    - $428/oz total cash cost
    - 29% post-tax IRR



Resource Estimate[2]	Peak - North Peak				Contained Metal		
	Tonnes (000)	Au (g/t)	Ag (g/t)	Cu (%)	Au (k oz)	Ag (k oz)	Cu (Mlb)
Measured	473	6.39	16.71	0.148	97.1	254.0	1.5
Indicated	8,728	3.96	14.06	0.153	1,110.9	3,944.8	29.5
M & I	9,201	4.08	14.19	0.153	1,208.1	4,198.8	31.0
Inferred	1,344	2.69	16.06	0.151	116.4	694.1	4.5

Portfolio Optionality

ROYAL GOLD, INC

- Pueblo Viejo (Barrick)[4]
  - PFS for combined expansion project advancing
    - Pilot pre-oxidation leach pad in operation
    - Pilot flotation concentrator construction advanced
    - Evaluating additional tailings capacity options
  - Target throughput increase by 50%, allowing 800,000 oz/year average gold production after 2022 (100% basis)



Portfolio Optionality

ROYAL GOLD, INC

- Peñasquito (Goldcorp)[4]
  - Pyrite Leach Project construction fully complete
    - Commissioning with low grade stockpiles in calendar Q3
    - Commercial production achieved December 2018
    - Carbon pre-flotation allows processing of previously uneconomic material, including amounts already in stockpiles
  - Expected to recover additional 1M oz of gold and 44M oz of silver over the mine life



Portfolio Optionality

ROYAL GOLD, INC

- Voisey's Bay (Vale)
  - Comprehensive settlement to long-standing litigation
    - 2.7% royalty on all metals reinstated effective April 1, 2018
    - New calculation method for royalty on nickel concentrate based on ~50% of gross metal value at nickel, copper and cobalt prices prevailing at the time of settlement
    - Calculation for royalty on copper concentrate unchanged
  - Voisey's Bay underground expansion to extend mine life through to 2034[4]
  - Nickel production 38k t/year from 2018 to 2020, ramping up to 45-50k t/year nickel contained in concentrate from 2024 onwards[4]



Portfolio Optionality

ROYAL GOLD, INC

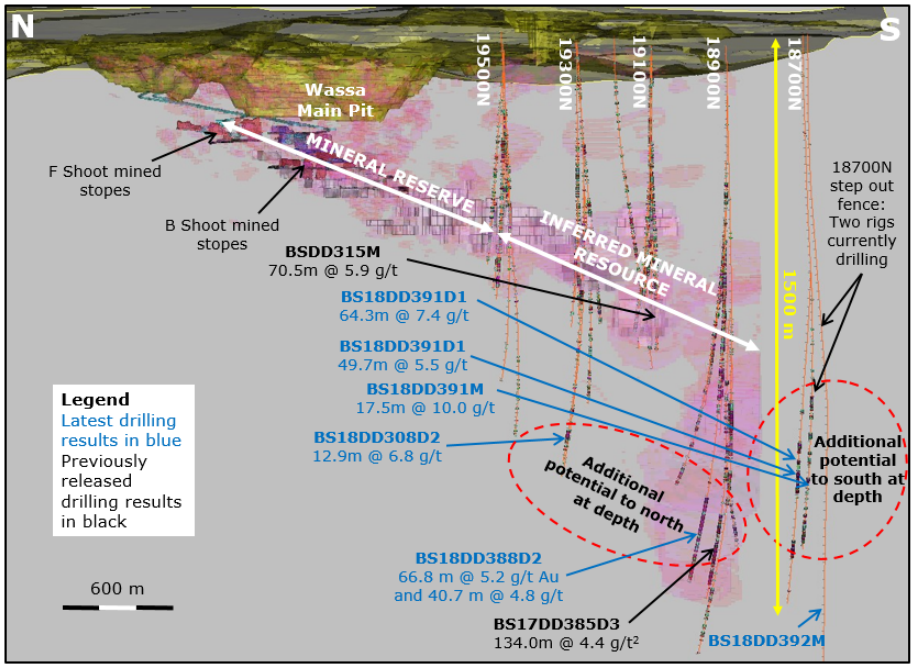
- Cortez Crossroads (Barrick)
  - Crossroads adjacent to Pipeline and South Pipeline
  - 4.5% NVR and 5% GSR royalty
  - 3.2M oz in reserves[4]
  - Stripping continuing, ore has been placed on leach pad[4]
  - Expect increasing production through calendar 2019 due to higher grade and mining rate[4]



Portfolio Optionality

ROYAL GOLD, INC

- Wassa (Golden Star)[4]
  - 20% increase in gold production comparing Q3 2017 to Q3 2018
  - Q3 2018 mining rate 3,400 t/day vs. 7,600 t/day mill capacity
  - Work on underground potential underway
    - Inferred mineral resource estimate[5] of 5.2M oz gold at 3.6 g/t
    - Wassa South extension step out drilling
    - PEA to be completed in 2018
  - La Mancha investment to finance work at Wassa

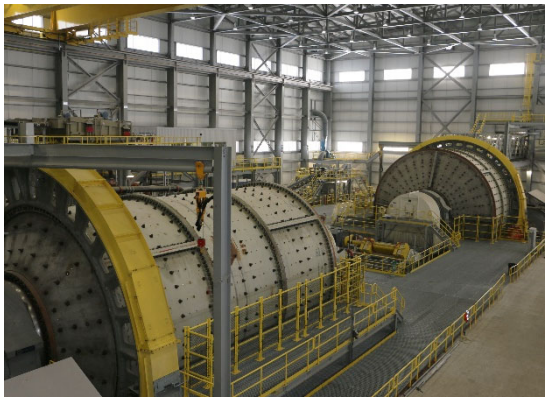


Portfolio Optionality

- Mount Milligan (Centerra)[4]
  - Milled 55k t/operating day calendar Q3 2018
  - Both ball mill circuits currently operating
  - Work continuing on long-term water solution
  - 2018 production guidance reaffirmed: 175 – 195k oz gold, 40-47M lb copper



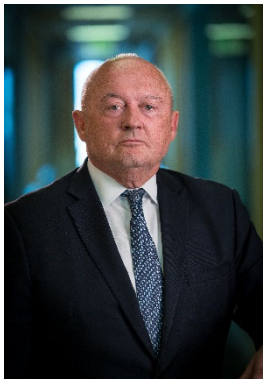
- Rainy River (New Gold)[4]
  - 20,668 t/calendar day (25,835 t/calendar day at 80% availability) in calendar Q4 2018
  - Launched operational plan to drive efficiency
  - Updated NI 43-101 report: 14 year mine life, slightly higher total gold and silver production
  - Produced 227,284 oz gold in calendar 2018



Solid, Steady, Successful Performance

- Cash flow and growth from broad portfolio
- Disciplined approach to capital deployment
- Strong financial position
- Record financial performance FY 2018
- Leading shareholder return

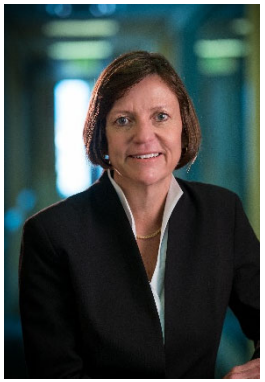
Royal Gold Board of Directors:



William Hayes
Independent Director and Chairman of the Board; Former EVP, Placer Dome Inc.



Tony Jensen
Director; President and CEO; Royal Gold, Inc.



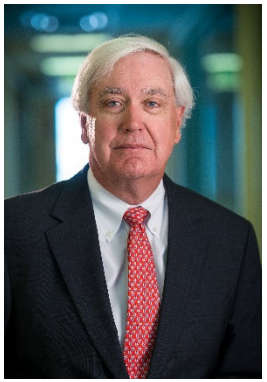
Sybil Veenman
Independent Director; Former Senior Vice President and General Counsel, Barrick Gold Corporation



Jamie Sokalsky
Independent Director; Former President and CEO, Barrick Gold Corporation



Christopher M.T. Thompson
Independent Director; Former Chairman and CEO, Gold Fields Limited



Ronald J. Vance
Independent Director; Former SVP Corporate Development, Teck Resources



Kevin McArthur
Independent Director; Executive Chair, Tahoe Resources and Former CEO and Director, Goldcorp, Inc.

Endnotes

1. Gold Equivalent Ounces ("GEOs") are calculated as revenue divided by the average gold price for the same period.
2. The Resource Estimate and Preliminary Economic Assessment (PEA) were prepared in accordance with Canadian National Instrument 43-101 (NI 43-101). The terms "measured", "indicated", "M&I" and "inferred" as used in the Resource Estimate and the PEA are Canadian mining resource classifications stated in accordance with NI 43-101; however, these terms are not defined terms under the U.S. Securities and Exchange Commission's Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. The estimation of measured resources and indicated resources involves greater uncertainty as to their existence and the legal and economic feasibility of extraction than the estimation of proven and probable reserves. Conversion of mineral resources to proven and probable mineral reserves generally requires a further economic study, such as a preliminary feasibility study. The Resource Estimate and the PEA are not preliminary feasibility studies and do not support an estimate of proven and probable mineral reserves. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Investors are also cautioned not to assume that all or any part of measured or indicated resources will ever be converted into mineral reserves. In addition, the SEC normally only permits issuers to report mineralization that does not constitute mineral reserves as in-place tonnage and grade without reference to unit amounts.
3. The results of the PEA are preliminary in nature and are based on various assumptions. These assumptions may be affected by environmental, permitting, legal, title, taxation, socio-political, market or other relevant factors, including changes in metal prices. In addition, no decision has been made by the Peak Gold Joint Venture to proceed with the mine plan described in the PEA. A decision to proceed with the mine plan would require significant further technical, economic, environmental, permitting, legal, engineering and other work, including a full-scale feasibility study. No decision has been made by the Peak Gold Joint Venture to proceed with a further economic study. Accordingly, there is no certainty that the results of the PEA would be realized should the Peak Gold Joint Venture decide to proceed with the mine plan described in the PEA at any point in the future.
4. Information on this slide has been provided to the Company by the operators of these properties or is publicly available information disclosed by the operators. Reserves information shown is as of December 31, 2017. References to portfolio reflect total property interests at August 8, 2018. Please see slide 2.
5. The terms "measured", "indicated", "M&I" and "inferred" are Canadian mining resource classifications stated in accordance with NI 43-101; however, these terms are not defined terms under the U.S. Securities and Exchange Commission's Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. The estimation of measured resources and indicated resources involves greater uncertainty as to their existence and the legal and economic feasibility of extraction than the estimation of proven and probable reserves. Conversion of mineral resources to proven and probable mineral reserves generally requires further economic study. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Investors are also cautioned not to assume that all or any part of measured or indicated resources will ever be converted into mineral reserves. In addition, the SEC normally only permits issuers to report mineralization that does not constitute mineral reserves as in-place tonnage and grade without reference to unit amounts.

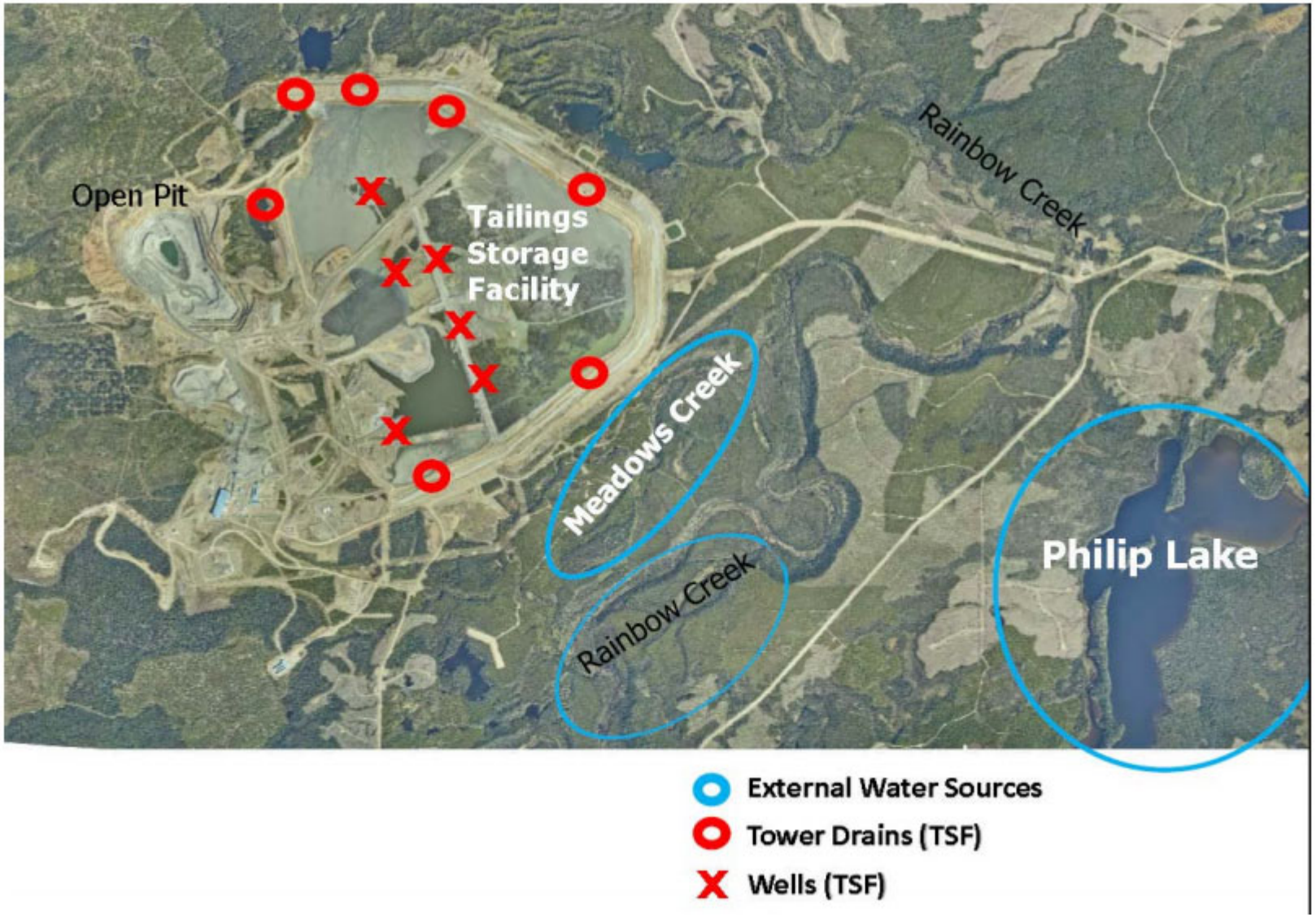
Diverse Portfolio of Long-Lived Assets

Operator	Mine	Metal	Royal Gold Interest				Ongoing Payment				Remaining Reserve Life (years)	CY 2018 Operator Production Guidance[1,2]
			Initial	Until*	Thereafter	Until*	Initial	Until*	Thereafter	Until*		
Streams (at October 31, 2018)												
Centerra	Mount Milligan	Gold	35.0%	LOM	-	-	$435/oz	LOM	-	-	20	175-195k oz
		Copper	18.75%	LOM	-	-	15% of spot	LOM	-	-	20	40-47M lb
Barrick	Pueblo Viejo (60% interest)	Gold	7.5%	990k oz	3.75%	LOM	30% of spot	550k oz	60% of spot	LOM	25+	575-590k oz
		Silver	75% (fixed 70% recovery)	50M oz	37.50%	LOM	30% of spot	23.1M oz	60% of spot	LOM	25+	n/a
New Gold	Rainy River	Gold	6.5%	230k oz	3.25%	LOM	25% of spot	-	-	-	14	210-250k oz
		Silver	60.0%	3.1M oz	30.0%	LOM	25% of spot	-	-	-	14	n/a
Teck	Andacollo	Gold	100.0%	900k oz	50.0%	LOM	15% of spot	-	-	-	17	n/a
Golden Star	Wassa/Prestea	Gold	10.5%	240k oz	5.5%	LOM	20% of spot	240k oz	30% of spot	LOM	10	225-235k oz
Key Royalties[3] (at January 1, 2018)												
Goldcorp	Peñasquito	Gold/Silver/ Lead/Zinc	2.0%	LOM	-	-	-	-	-	-	10	310k oz (gold)
Barrick	Cortez	Gold	Various	LOM	-	-	-	-	-	-	12	n/a
Vale	Voisey's Bay	Nickel/Copper/ Cobalt	2.7%	LOM	-	-	-	-	-	-	16	n/a
Agnico/ Yamana	Malartic	Gold	1-1.5%	LOM	-	-	-	-	-	-	10	650k oz
Newmont	Leeville	Gold	1.8%	LOM	-	-	-	-	-	-	11	n/a
KGHM	Robinson	Gold/Copper	3.0%	LOM	-	-	-	-	-	-	5	n/a
Kirkland Lake	Holt	Gold	.00013 x gold price	LOM	-	-	-	-	-	-	8	65-75k oz
Alamos Gold	Mulatos	Gold	1-5%	capped; likely to 2019	-	-	-	-	-	-	2	150-160k oz

**LOM = life of mine*

1. Production estimates are received from our operators and there can be no assurance that production estimates received from our operators will be achieved. Please refer to our cautionary language regarding forward-looking statements, as well as the Risk Factors identified in Part I, Item 1A of our Fiscal 2018 10-K for information regarding factors that could affect actual results.
2. 100% unless otherwise specified.
3. Includes largest royalties by revenue. An additional 28 royalties from producing mines in Royal Gold's portfolio not shown.

Mount Milligan: Short Term Water Sources



Source: Centerra Gold, November 2018



SOLID
STEADY
SUCCESSFUL

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