

Royal Gold, Inc

Investor Presentation

September 2021

Cautionary Statement

Forward-Looking Statements: This presentation includes "forward-looking statements" within the meaning of U.S. federal securities laws. Forward-looking statements are any statements other than statements of historical fact. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from these statements. Forward-looking statements are often identified by words like "will," "may," "could," "should," "would," "believe," "estimate," "expect," "anticipate," "plan," "forecast," "potential," "intend," "continue," "project," or negatives of these words or similar expressions. Forward-looking statements include, among others, the following: statements about our expected financial performance and outlook, including sales volume, revenue, expenses, tax rates, earnings or cash flow; operators' expected operating and financial performance, including production, deliveries, mine plans and reserves, development, cash flows and capital expenditures; planned and potential acquisitions or dispositions, including funding schedules and conditions; liquidity, financing and stockholder returns; our overall investment portfolio; macroeconomic and market conditions including the impacts of COVID-19; prices for gold, silver, copper, nickel and other metals; potential impairments; or tax changes.

Factors that could cause actual results to differ materially from these forward-looking statements include, among others, the following: a lower-price environment for gold, silver, copper, nickel or other metals; operating activities or financial performance of properties on which we hold stream or royalty interests, including variations between actual and forecasted performance, operators' ability to complete projects on schedule and as planned, changes to mine plans and reserves, liquidity needs, mining and environmental hazards, labor disputes, distribution and supply chain disruptions, permitting and licensing issues, contractual issues involving our stream or royalty agreements, or operational disruptions due to COVID-19, including due to variant strains of the virus; risks associated with doing business in foreign countries; increased competition for stream and royalty interests; environmental risks, included those caused by climate change; potential cyber-attacks, including ransomware; our ability to identify, finance, value and complete acquisitions; adverse economic and market conditions; changes in laws or regulations governing us, operators or operating properties; changes in management and key employees; and other factors described in our reports filed with the Securities and Exchange Commission, including our Form 10-K for the fiscal year ended June 30, 2021. Most of these factors are beyond our ability to predict or control.

Forward-looking statements speak only as of the date on which they are made. We disclaim any obligation to update any forward-looking statements, except as required by law. Readers are cautioned not to put undue reliance on forward-looking statements.

Statement Regarding Third-party Information: Certain information provided in this presentation, including production estimates, has been provided to us by the operators of the relevant 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 any such third-party information and refers the reader to the public reports filed by the operators for information regarding those properties.

Information in this presentation concerning the Khoemacau Copper Project was provided to the Company by Cupric Canyon Capital L.P., the privately held owner and developer of Khoemacau. Such information may not have been prepared in accordance with applicable laws, stock exchange rules or international standards governing preparation and public disclosure of technical data and information relating to mineral properties. 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 this third-party information, and investors are cautioned not to rely upon this information.



Company Overview

Opportunity to capture value in the precious metals sector without incurring many of the costs and risks associated with mining operations

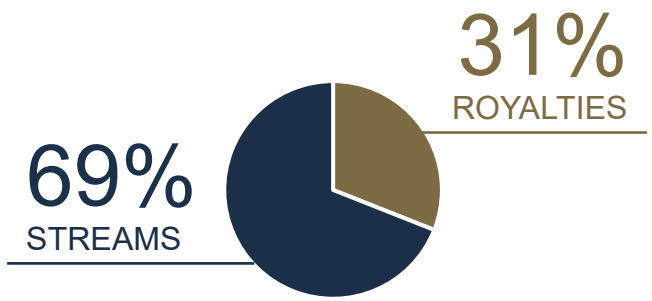
ROYAL GOLD, INC

Dual Business Segments…

Royalty Interests:
An interest in real property (generally) that provides a right to a percentage of revenue or metals produced from a mining project after, deducting specified costs

Stream Interests:
A contractual arrangement to purchase metal production from a mining project at a predetermined price

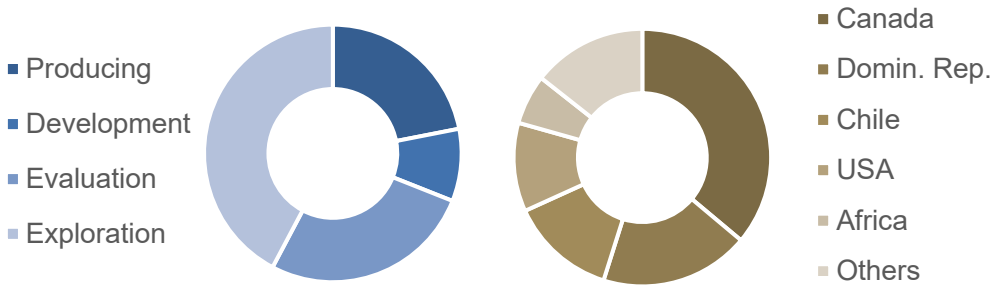
FY 2021 Revenue Split:



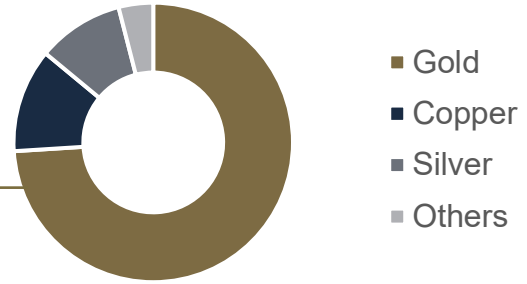
…Across A Diverse, Gold-Focused Portfolio…

187
PROPERTIES[2]

12
COUNTRIES[2]



74%
GOLD-FOCUS[1]



…With Standout Performance

$616M
REVENUE[3]

333,100
GOLD EQUIVALENT OZ[3]

~$1.2B
TOTAL LIQUIDITY[2]

(0.45)x
NET DEBT/ADJ. EBITDA[2]

$7.3B
MARKET CAP.[4]

28/4
EMPLOYEES/OFFICES[2]

RGLD
Nasdaq
LISTED

1 – FY2021 Revenue. 2 – As of June 30, 2021. 3 – FY2021. 4 – September 1, 2021 closing price of $110.68/sh.



Royal Gold: Core Attributes

Differentiated model with disciplined capital management and a focus on shareholder returns

UNIQUE MODEL

- Business model provides **optionality to gold price and production and reserve growth**
- **Efficient model** with high operating margin and revenue generation per employee

DIVERSE PORTFOLIO

- **FY2021 revenue 74% from gold**, derived mostly from primary precious metals assets
- **Global diversification** with revenue from 41 producing properties (at June 30, 2021)

CAPITAL DISCIPLINE

- **Highly experienced technical and commercial team** with strong record of adding growth
- Growth funded through cash flow and strategic use of debt, **enhancing per share metrics**

FINANCIAL STRENGTH

- Well capitalized with **~$1.2B of liquidity** (at June 30, 2021) and **strong operating cash flow**
- **$1B credit facility** provides low cost and flexible access to liquidity

RETURNS FOCUS

- Consistent commitment to pay a **growing and sustainable dividend**
- Dividend CAGR of 17% 2001-2021, with **attractive historical TSR**



Royal Gold: Leverage to Gold with Market-Leading Return

A stable, sustainable investment…

1.77
β Gold

Beta vs. Gold Price
Providing higher leverage to gold…

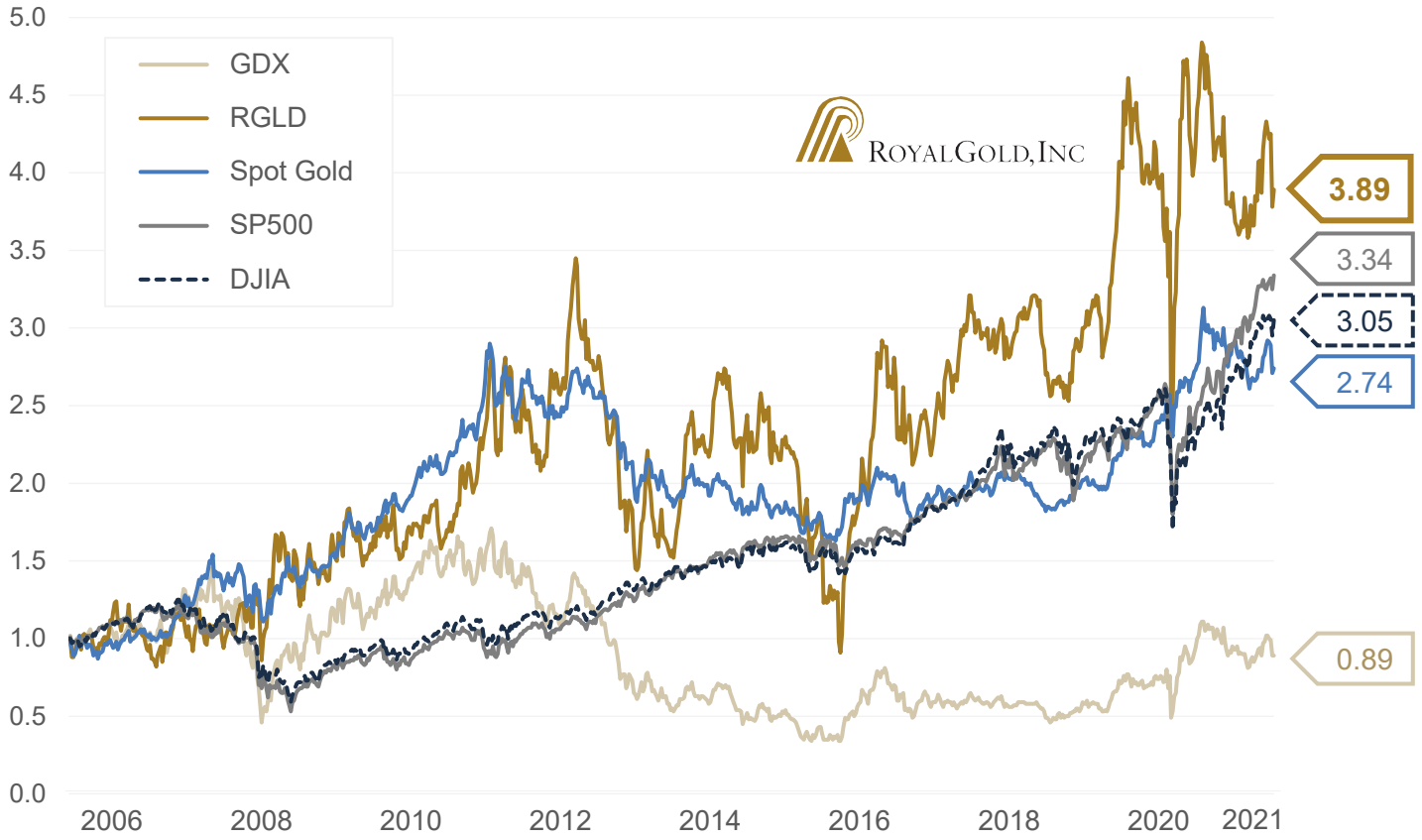
0.41
β S&P

Beta vs. S&P 500
…with lower exposure to general market risk

…with a heritage of market outperformance

(5/22/06 – 6/30/21)

Indexed since the formation of the GDX



Beta calculation for the period 7/1/11 – 6/30/21. Source: Bloomberg, FactSet

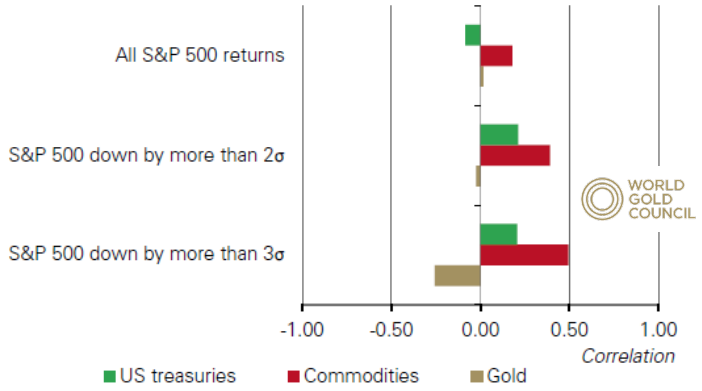


Gold is a Unique Strategic Asset

Gold is uncorrelated, and is a diversifier that provides a hedge against systemic risk, currency depreciation and inflation

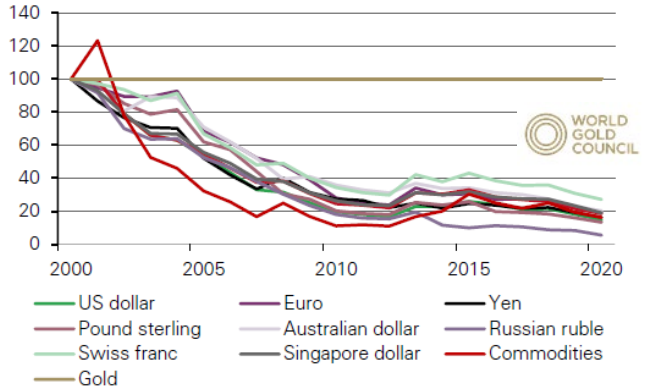
Correlation: Gold vs. US Stock Returns

Weekly returns in US$, 1973 – Dec. 31, 2020



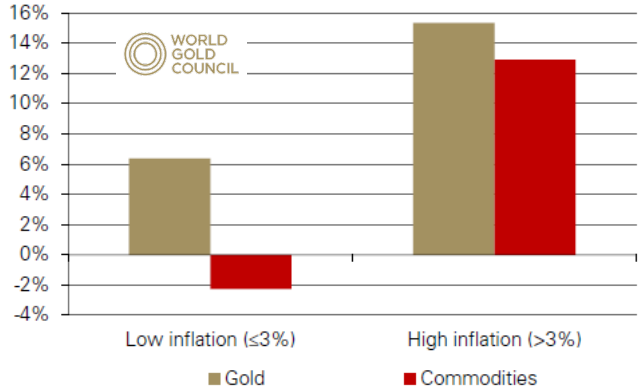
Value of Gold, Commodities and Currencies

Indexed, Jan. 2000 – Dec. 31, 2020



Average Annual Return: Gold vs. Commodities

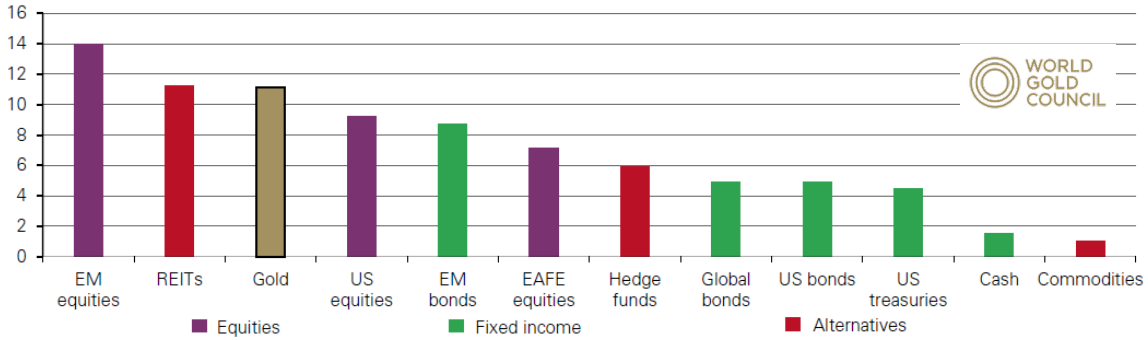
Year on year changes in US$, Jan. 1971 – Dec. 31, 2020



Gold is an investment and a consumer good, and provides a competitive return

Average Annual US$ Return (%)

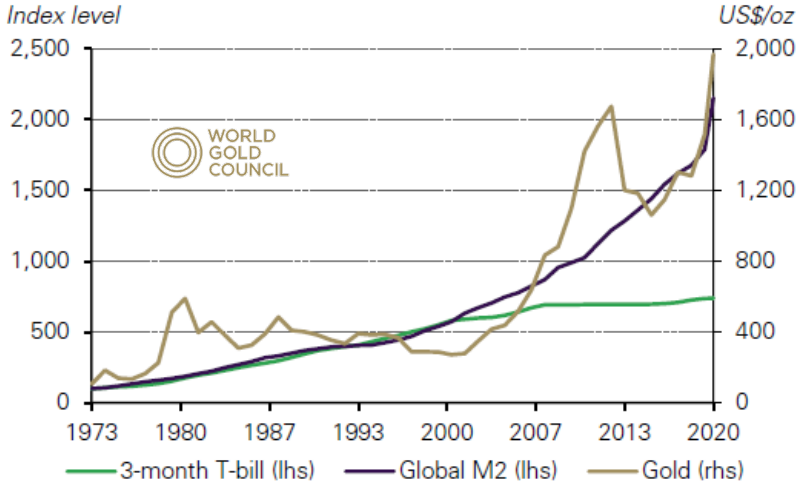
Dec. 31, 2001 – Dec. 31, 2020



Gold has performed well in an environment with low rates and increasing money supply

Global M2 Growth, 3mo. T-bill Total Return, Gold

Jan. 1973 – Dec. 31, 2020



Source: World Gold Council "The relevance of gold as a strategic asset" February 2021



Royal Gold Offers Unique Exposure to Gold

	Exposure to Gold	Exploration Upside / Optionality	Portfolio Diversification	Sustainable Dividend	No Direct Exposure to Operating Costs	No Direct Exposure to Capital Costs
Royal Gold, Inc	●	●	●	●	●	●
ETFs, Bars and Coins	●	—	—	—	●	●
Senior Operating Companies	●	●	◑	◑	—	—
Junior Operating Companies	●	●	—	—	—	—
Development and Exploration Companies	●	●	—	—	—	—



Optionality to Reserve and Resource Growth

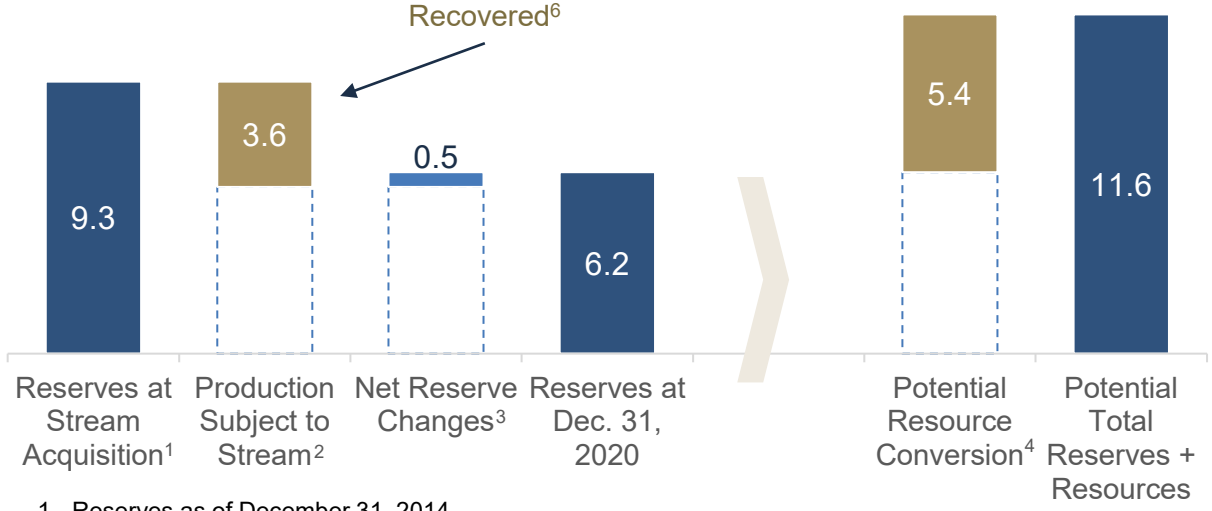
Royal Gold seeks to provide exposure to resource growth and metal price optionality. Resource growth and mine life extensions can significantly enhance returns over time.

PUEBLO VIEJO

Millions of Gold Ounces[5]

62%

of Initial Investment Recovered[6]



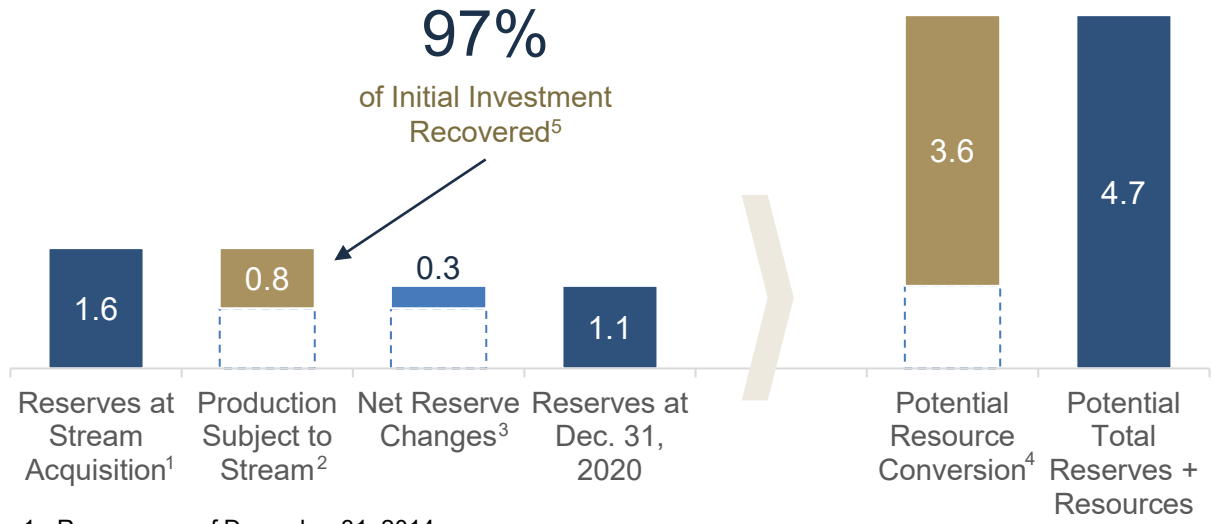
1 - Reserves as of December 31, 2014
2 - Production from 2015 to 2020
3 - Reflects adjustment related to effective date of acquisition, metal recoveries, etc.
4 - Pueblo Viejo expansion project expected to unlock just over 9 Moz (100% basis) of M&I gold resources
5 - Attributable to Barrick's 60% interest
6 - As of June 30, 2021, pre-tax

WASSA

Millions of Gold Ounces

97%

of Initial Investment Recovered[5]

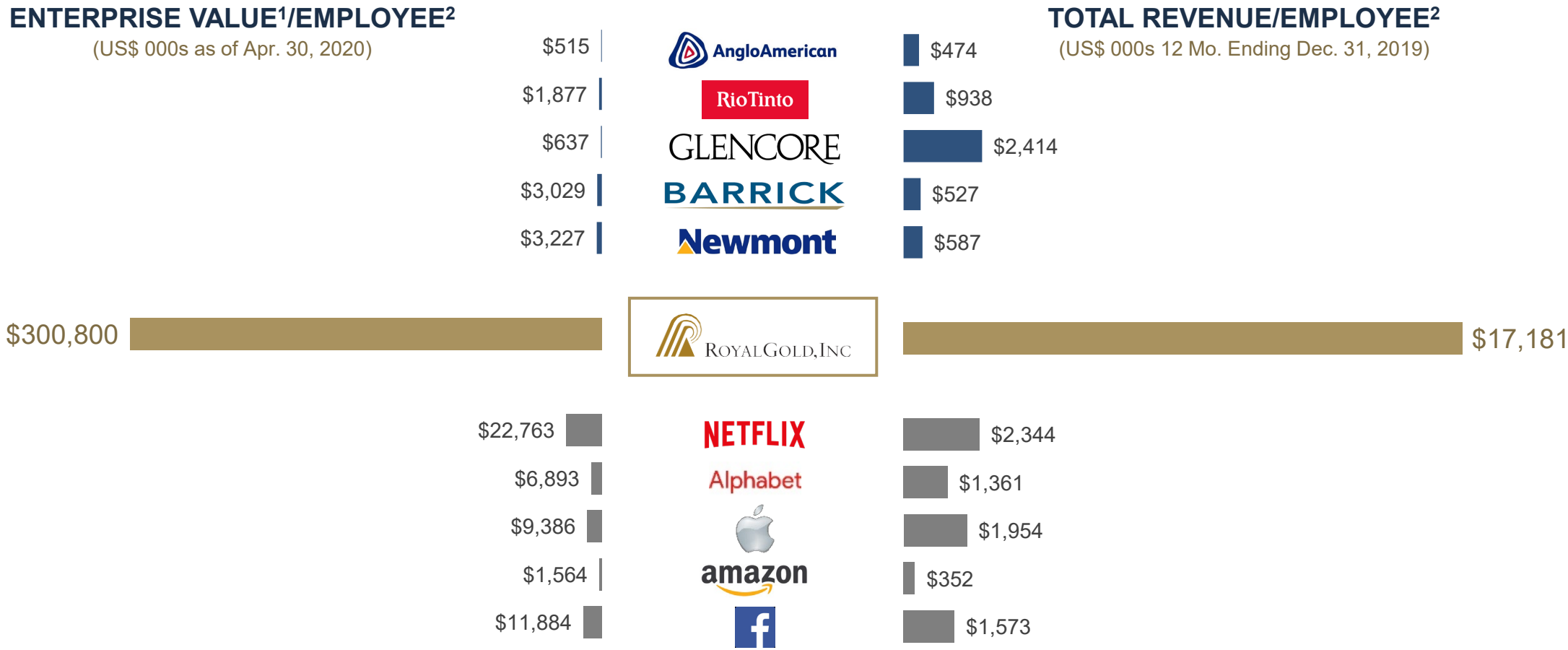


1 - Reserves as of December 31, 2014
2 - Production from 2015 to 2020
3 - Reflects adjustments related to effective date of acquisition, metal recoveries, etc.
4 - PEA production plan (effective December 31, 2020)
5 - As of June 30, 2021, pre-tax. Includes contribution from Prestea/Bogoso up to September 30, 2020



Highly Efficient Business Model

The efficiency of Royal Gold's business model exceeds that of the largest mining and technology companies



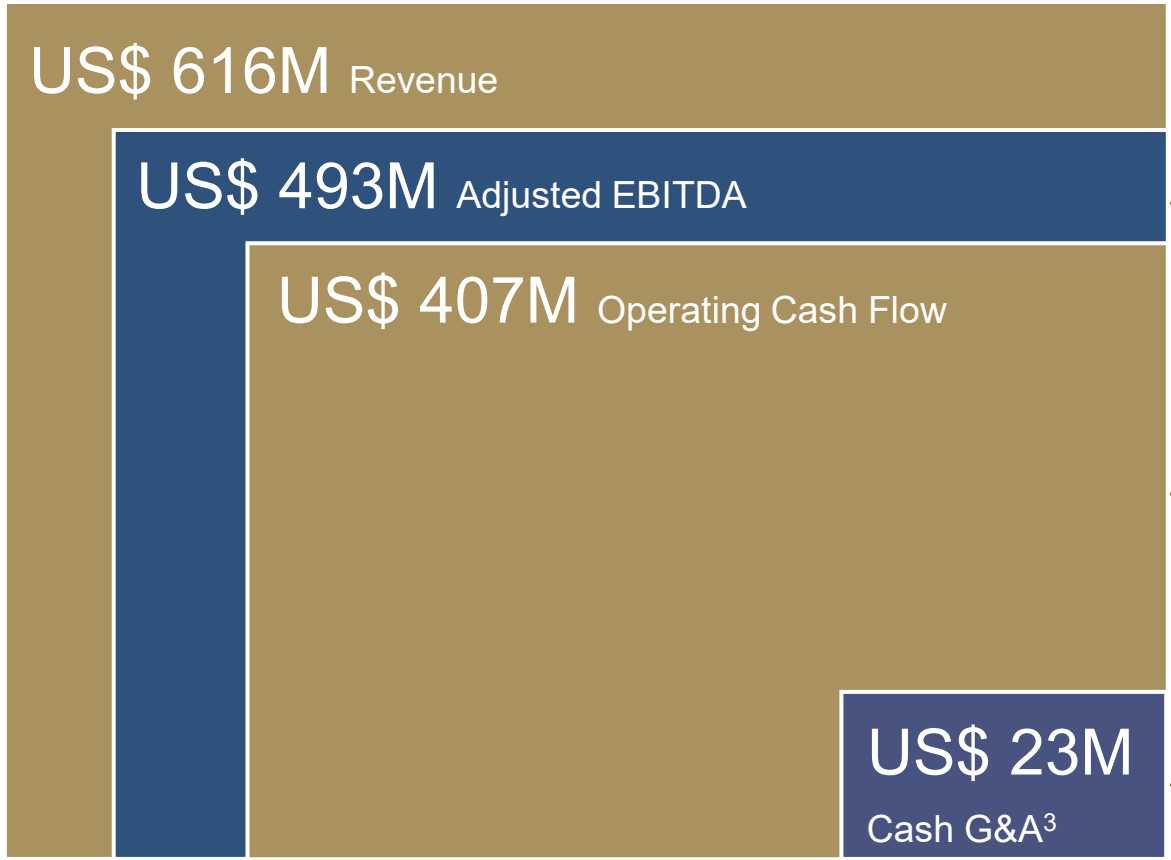
1 – Enterprise value = market cap. + debt + preferred equity + minority interest – cash & ST investments. 2 – Employee count for FY 2019, except Royal Gold as of June 2, 2020 and Barrick as reported by Forbes May 12, 2020. Source: CapitalIQ except as noted

Highly Efficient Business Model

High margin business model drives profitability…

…for peer-leading margins and metrics

CASH FLOW METRICS[1]



80%
Adjusted EBITDA Margin[2]

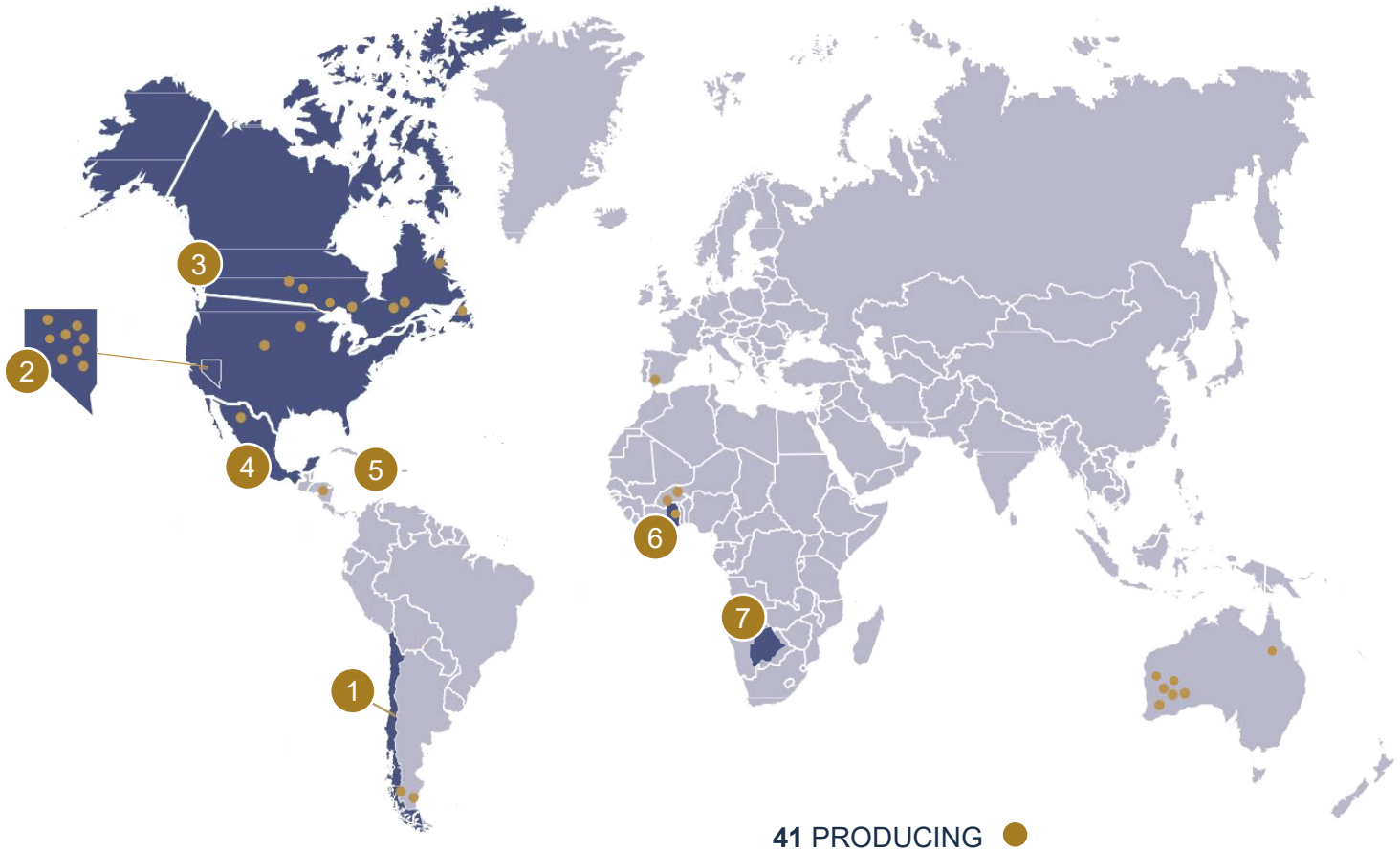
66%
Operating Cash Flow/Revenue

4%
Cash G&A[3] Expenses/Revenue

1 – FY 2021. 2 – Adjusted EBITDA of $493M divided by Revenue of $616M. 3 – G&A Expense of $28M less Non-Cash Employee Stock Compensation Expense of $6M.



Diverse Portfolio in Established Mining Jurisdictions



187
PROPERTIES[1]

41 PRODUCING
17 DEVELOPMENT
50 EVALUATION
79 EXPLORATION

PRINCIPAL PROPERTIES

1. **ANDACOLLO**
   Region IV, Chile
2. **CORTEZ**
   Nevada, USA
3. **MOUNT MILLIGAN**
   British Columbia, Canada
4. **PEÑASQUITO**
   Zacatecas, Mexico
5. **PUEBLO VIEJO**
   Sanchez Ramirez, Dominican Republic
6. **WASSA**
   Western Region, Ghana
7. **KHOEMACAU**
   Botswana

1 - As of June 30, 2021



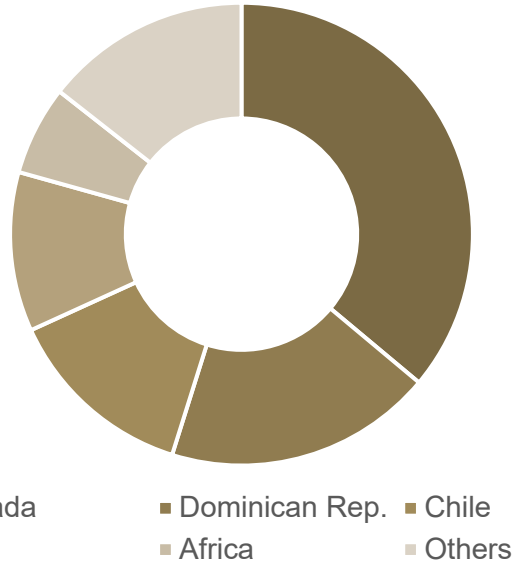
Diverse Portfolio Safeguards Stable, Predictable and Sustainable Cash Flow

Royal Gold's revenue is sourced from a geographically and operationally diverse portfolio, underpinned by primary precious metals mines

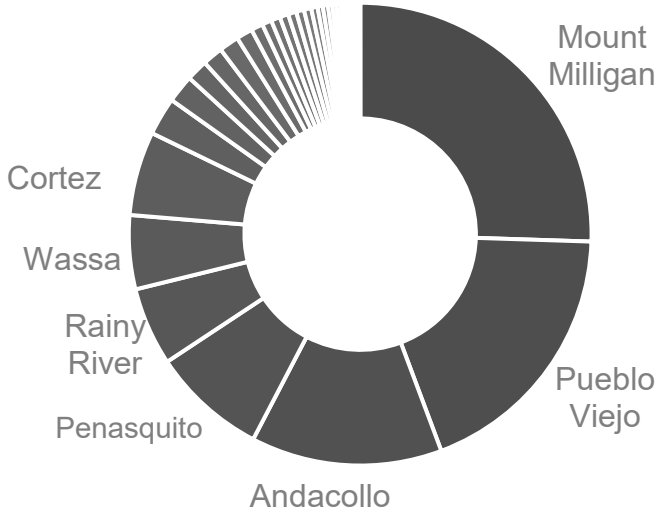
- Globally-diverse portfolio minimizes influence of geopolitical volatility on revenue
- Principal property revenues supported by broad number of underlying assets
- Revenue contribution focused ~80% from precious metals mines, ~20% exposure to base metals

FY 2021 Revenue Contribution

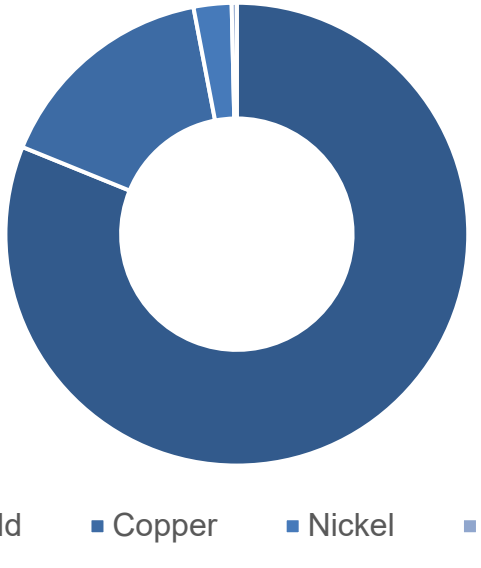
by Geography



by Mine



by Mine Type*

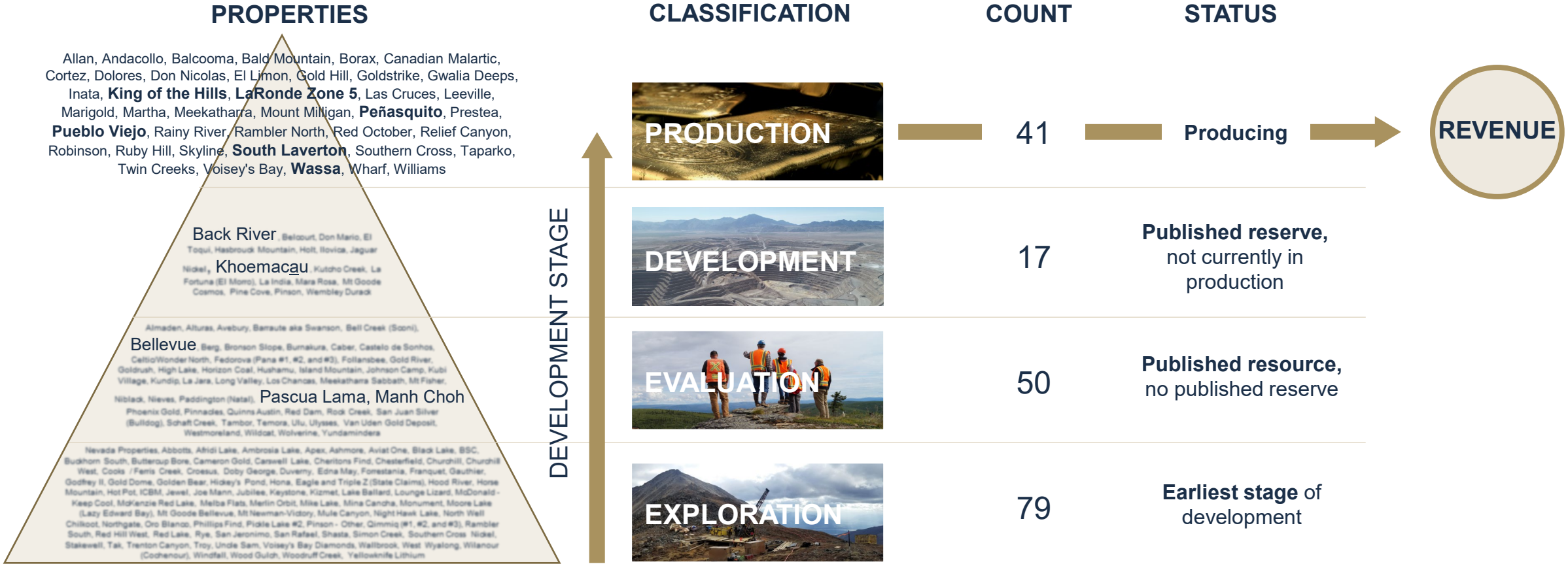


** Mine type defined by metal that provides majority revenue*



Portfolio Spans the Stages of Project Development

Broad range of properties at various stages of development provides potential for organic revenue growth and optionality



Expected Catalysts in the Portfolio

Organic growth opportunities expected to add to portfolio revenue and duration

In production
Defined startup date
Longer-dated production

WASSA – Southern Extension to add 11 years to 6-year reserve life

PEÑASQUITO – potential for exploration to extend life to 2040

PUEBLO VIEJO – plant and tailings expansions to maintain production and extend life to mid-2040's

LARONDE ZONE 5 – depth extension, production rate increase to 3,000 t/d through 2029

KHOEMACAU – first concentrate on June 30, 2021

KING OF THE HILLS – first production in calendar Q2/2022

BELLEVUE – first production in calendar Q4/2022

CÔTÉ GOLD – first production in calendar H2/2023

MANH CHOH – first production in calendar 2024

BACK RIVER – shovel ready, financing underway

2020 2022 2024+



Portfolio Updates

KHOEMACAU
BOTSWANA



- Production of first copper silver concentrate on June 30, 2021
- $212M advance payment for 80% base silver stream completed January 6, 2021
- At KCM option, contributed an additional $35.6 million
  - $10.6M stream financing – increases silver stream to 84%;
  - $25.0M in debt financing
- Full production expected to be reached in early 2022

PUEBLO VIEJO
DOMINICAN REPUBLIC



- Expansion project to maintain production at 800,000 oz/year (100% basis)
  - As of June 30, 2021, the engineering design of the process plant expansion is 87% complete, construction is 10% complete
  - Tailings capacity expansion: social, environmental and technical studies continuing
- Plant expansion completion expected by end of 2022
- Mine Life: to mid-2040s

MANH CHOH
USA



- Project (formerly Peak Gold) interests sold to Kinross for cash and incremental NSR royalties
- Development activity in progress:
  - Metallurgical/geotechnical drilling
  - Engineering and environmental studies
  - Scoping study targeted for calendar Q2 2021
  - Feasibility study targeted for end of calendar 2022
- First production expected 2024
  - 4.5-year mine life, ~1M oz Au eq. total production

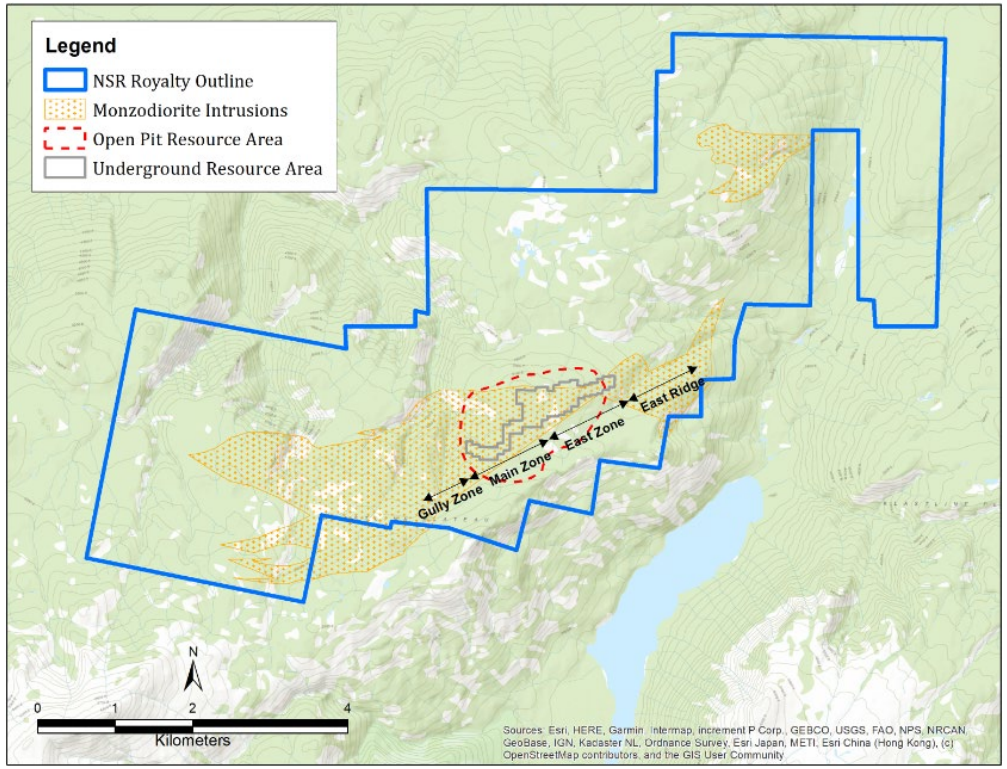
WASSA
GHANA



- Southern Extension PEA:
  - Includes Inferred Resource material 500-1,500m below surface; 50% conversion of Inferred to Indicated
  - Drilling, development and trade-off studies progressing in 2021; FS expected early 2023
  - 6 year development timeline
  - Production of 294,000 oz/year for 11 years; 3.5M oz over LOM
- PEA additive to reserve mine plan production of 1.0M oz over 6 years (average 177,000 oz/year)



Acquisition of Royalty on World-Class Red Chris Mine



RED CHRIS MINE

- Open pit mine and underground project owned by the Red Chris JV (70% Newcrest / 30% Imperial Metals); Newcrest is the Operator
- Located in the "Golden Triangle" region of NW British Columbia
- Deposit dimensions of 0.3km wide x 3.4km long x 1.3km vertical extent with three zones of mineralization: Gully Zone, Main Zone, East Zone
- Zone of higher-grade mineralization at East Ridge target recently discovered
- Initial mineral resource announced Mar. 31, 2021: M&I Resource of 980Mt (0.41 g/t Au, 0.38% Cu) and Inf. Resource of 190Mt (0.31 g/t Au, 0.30% Cu)
- Production of 45,922 oz Au and 25,145 t of Cu for 12 months ended June 30, 2021

NEWCREST MINING LIMITED

Imperial Metals

1.2B tonnes
MI&I Resources

14.9M oz
Contained gold

4.3M tonnes
Contained copper

Red Chris Mine Royalty

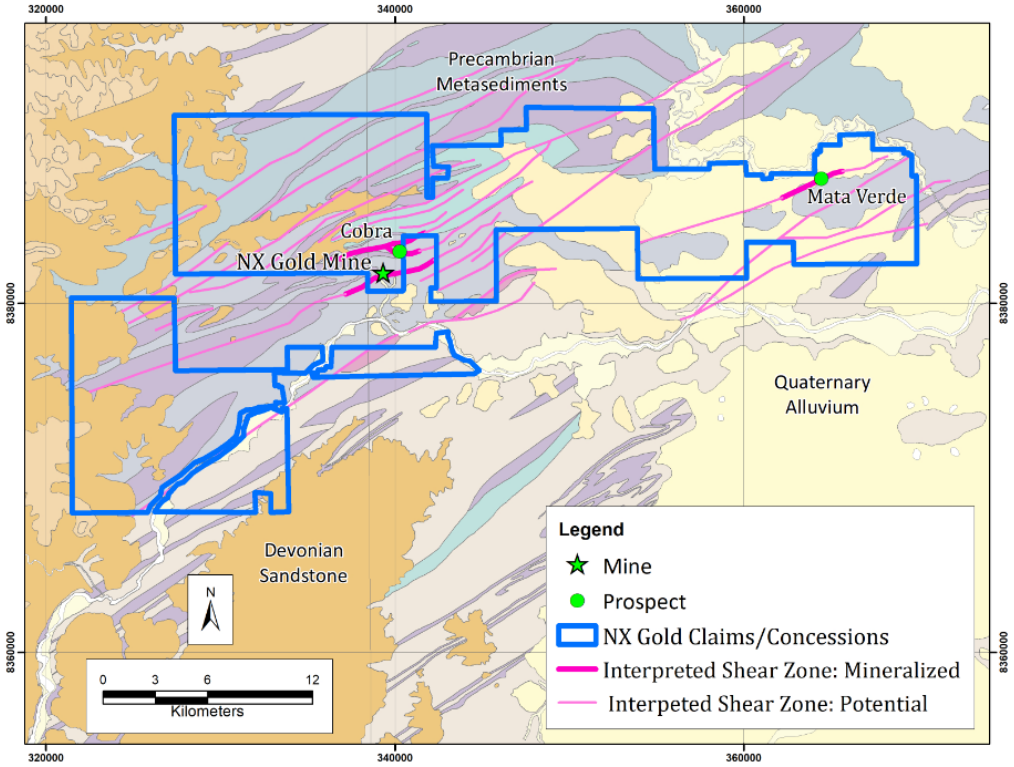
- 1.0% NSR royalty on all metals, paid annually
- Royalty area of 5,100 ha covers all currently known mineralization and prospective exploration areas
- $165M acquisition from Glencore Canada Corporation

2021+ Plans

- Exploration decline advancing; C$135M funding approved for exploration decline, associated infrastructure and permitting
- PFS expected Sept. 2021; initial ore reserve in same timeframe
- Potential for block cave to be operational by 2027



Acquisition of Gold Stream on Highly Prospective NX Gold Mine



NX GOLD STREAM

- 25% gold stream until the delivery of 93,000 oz, and 10% thereafter; cash price of 20% of spot until the delivery of 49,000 oz, and 40% thereafter
- $100M Advance Payment at closing
- Up to $5M Exploration Advance at a rate of $100/m of exploration drilling (through 2024)
- Up to $5M Resource Advance at a rate of $20/oz of M&I Resources added to the mine plan (through 2024)
- $5/oz delivered for ESG contribution to community support programs
- Stream is secured and supported by parent/subsidiary guarantees
- May 1, 2021 effective date

ERO COPPER

34.5-37.5k oz

2021 Production Guidance

52,500ha

Stream Area of Interest

NX Gold Mine, Mato Grosso State, Brazil

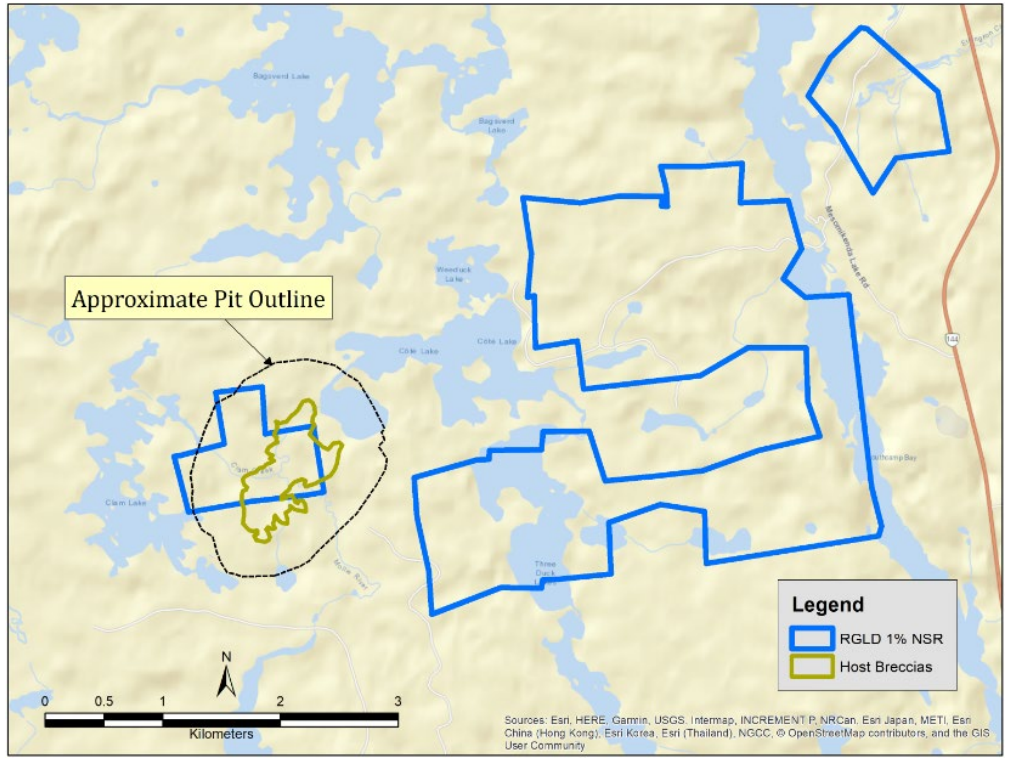
- Underground mine with significant near-mine and regional exploration potential
- 45,300ha claim area; stream AOI extends beyond claim area
- 300kt/year mill capacity

2021+ Plans

- 2021 guidance based on 167kt mined at 7.20g/t gold grade
- 10 exploration drill rigs currently operating with 2021 drilling budget of 60,000m
- Exploration targeted to utilize 130kt/year excess mill capacity



Acquisition of Royalty on Long-Life Côté Gold Project



CÔTÉ GOLD PROJECT

IAMGOLD
SUMITOMO METAL MINING

- Open pit project owned 92.5% by 70/30 IAMGOLD/ Sumitomo Metal Mining JV, and 7.5% 3rd party
- Mining friendly jurisdiction – located 125km southwest of Timmins and 175km north of Sudbury in Ontario, Canada
- Close to road, rail and power infrastructure
- LOM average 36kt/d mill capacity, 0.96g/t gold head grade, 91.8% gold recovery, $600/oz total cash cost, 2nd quartile $771/oz all-in sustaining cost (AISC)
- Project development fully funded; $276M of $1,605-1,680M total estimated cost incurred to end of Q2 2021
- 27% project complete, 82% detailed engineering complete as of end of Q2 2021

18+ yr
Mine life

7.3M oz
P&P reserves

493k oz/yr
Ave. production for 1st 5 years

Côté Gold Royalty

- 1.0% NSR royalty on the Chester 3 claims
- Royalty covers ~70% of current reserves
- $75M acquisition from private 3rd party royalty holder

2021+ Plans

- 2021 focus areas: earthwork construction, haul road construction, initial open pit pre-stripping and water management infrastructure around pit site
- Commercial production targeted for second half 2023

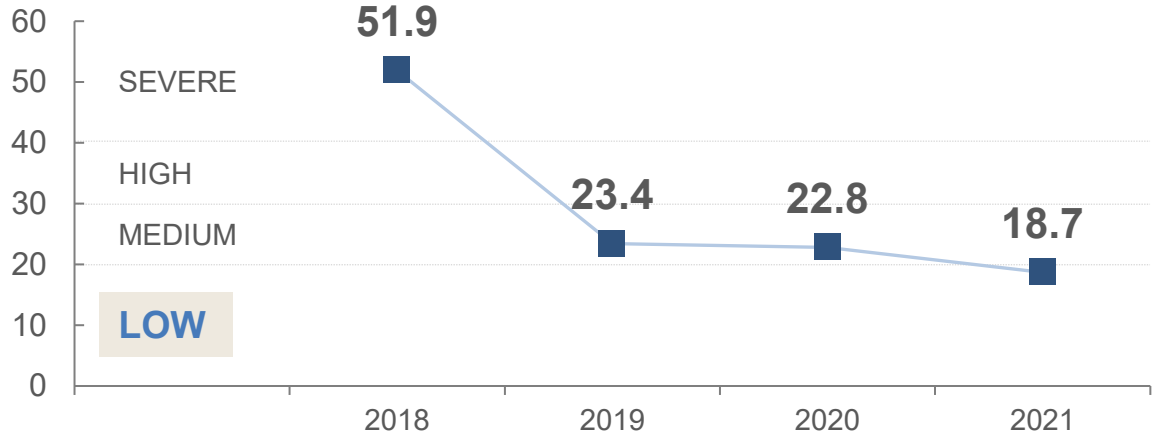


Sound ESG Practices are Fundamental to Success

Recent improved disclosure of Royal Gold's approach to sustainability has materially improved market perception and recognition of leading ESG practices

SUSTAINALYTICS

RISK RATING



Royal Gold, Inc.

Industry Group: **Precious Metals** Country: **United States** Identifier: **NAS:RGLD**

ESG Risk Rating

18.7 Low Risk

Negl.	Low	Med.	High	Severe
0-10	10-20	20-30	30-40	40+

Ranking

INDUSTRY GROUP
Precious Metals **3** out of 115

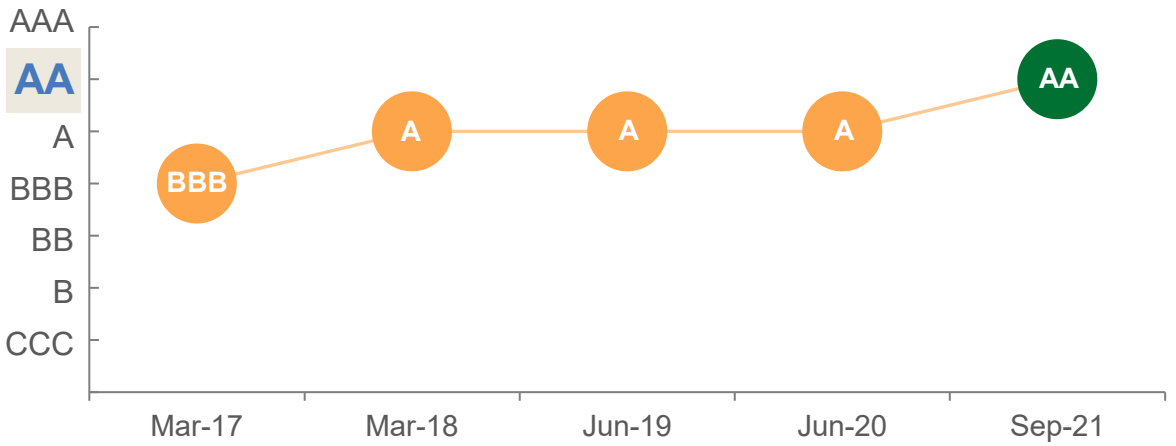
UNIVERSE
Global Universe **2157** out of 13563

Last Update: **Feb 16, 2021**

Source: Sustainalytics

MSCI

ESG RATING



MSCI ESG RATINGS **AA**

CCC	B	BB	BBB	A	AA	AAA

LAST UPDATE: September 9, 2021

Source: MSCI; see disclaimer at end of presentation for additional information



ESG Overview: Sustainability Is Our Business Model

Royal Gold is committed to sustainability at the corporate and local levels, and seeks counterparties with leading approaches to ESG practices

Environmental

Committed to analyzing and mitigating the environment around us; sponsors of innovation and best practices in mining

CCIA Colorado Cleantech Industries Association

Mining Cleantech Challenge
A Product Innovation Showcase

Endorse the Responsible Gold Mining Principles of the World Gold Council and the ICMM 10 Mining Principles

ICMM International Council on Mining & Metals



WORLD GOLD COUNCIL



Social

Committed to supporting social causes where we have investments and in our local communities

$400k
Invested with Alamos Gold for construction of medical clinic in Matarachi, Mexico

$750k
Committed over 5 years to support Golden Star Oil Palm Plantation Ltd. near Wassa mine in Ghana

2 Days
Annual paid leave for employees to volunteer with non-profit organizations of their choosing

Committed to supporting local charities and social causes

projectc.u.r.e.

United Way Greater Toronto

Charitable giving budget for Fiscal 2021 **$1.5M**

Greater Vancouver food bank

Food Bank of the Rockies
Fighting Hunger & Feeding Hope since 1978

Daily Bread Food Bank

INVEST IN KIDS

MINING4LIFE
Supporting Mining Communities Worldwide

ACE scholarships

Downtown Eastside Women's Centre

SPITEX Stadt Luzern

Habitat for Humanity®

Governance

Committed to good corporate governance, promoting long-term shareholder interests

- Independence — *All directors other than CEO are independent*
- Tenure — *6 years average director tenure*
- Service — *Independent directors serve on an average of 1 outside public board*

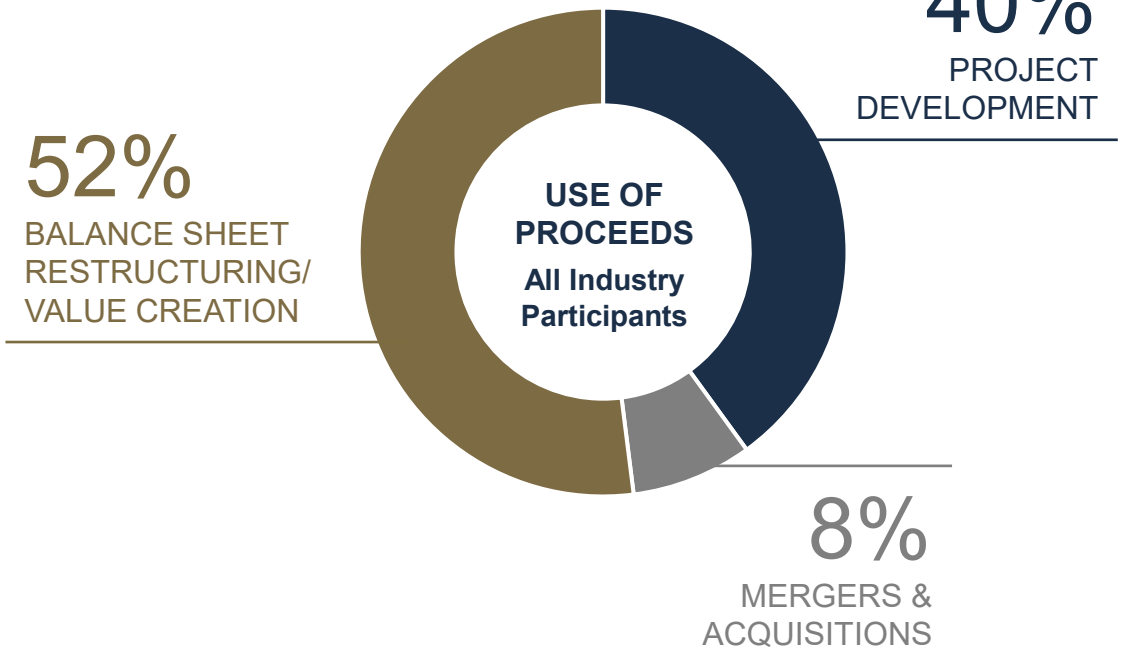
Diverse qualifications and experience of directors

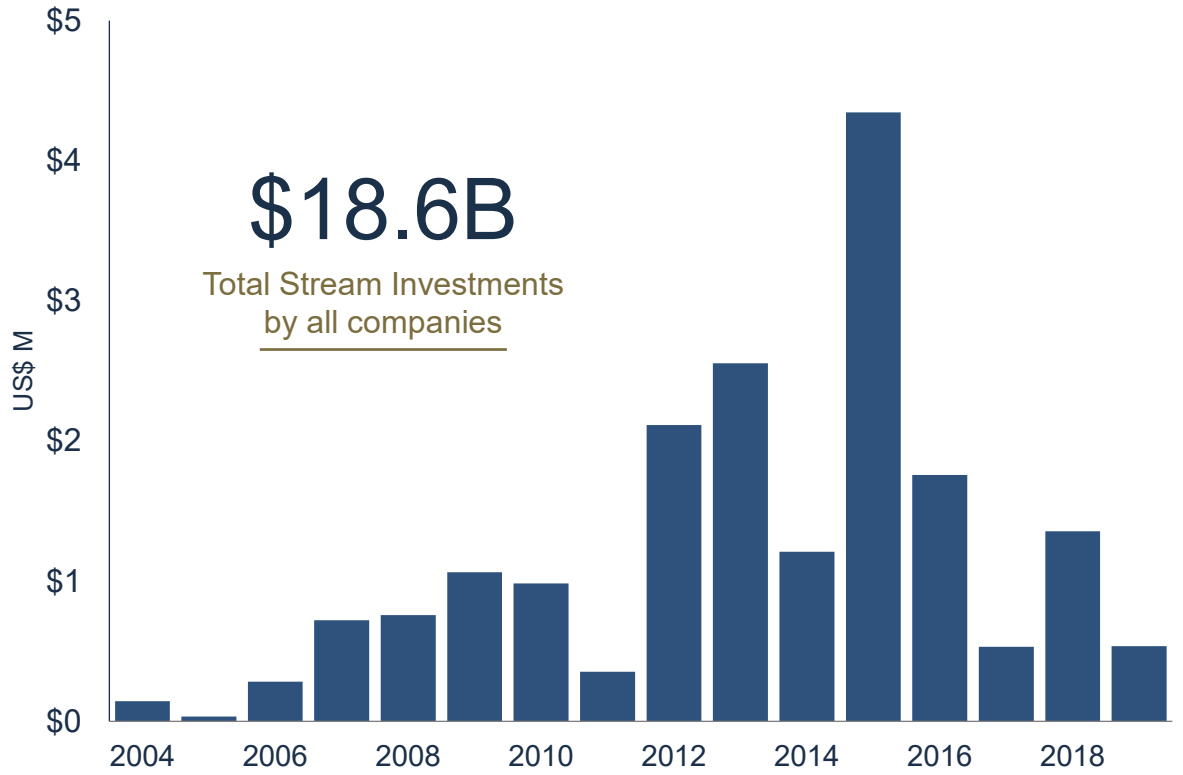




Stream and Royalty Financing is Significant

Stream and royalty financing has become a mainstream source of capital to the global mining industry





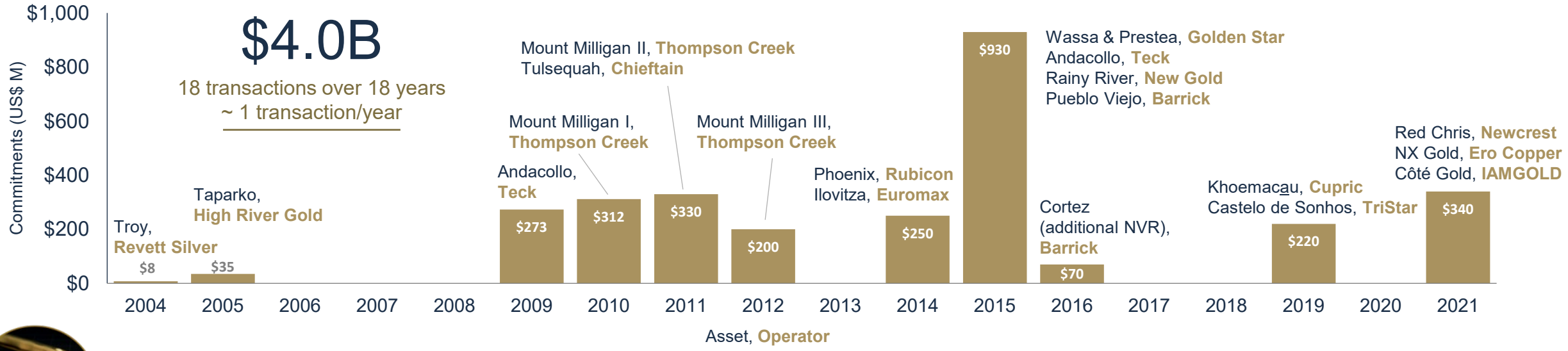


Robust Due Diligence Drives Disciplined Approach to Acquisitions

Royal Gold's due diligence process includes:

- Management references
- Financial/Credit Analysis
- Legal Due Diligence
  - Title, permitting, mining law
- ESG
  - Environmental Impact
  - Social license
  - Community impact
- Technical Due Diligence
  - Geology, reserve/resource definition
  - Mining
  - Metallurgy
  - Operating and capital costs
- Infrastructure
- Marketing (concentrates)
- Geotechnical

Royal Gold is active and has the liquidity to compete for the largest transactions:



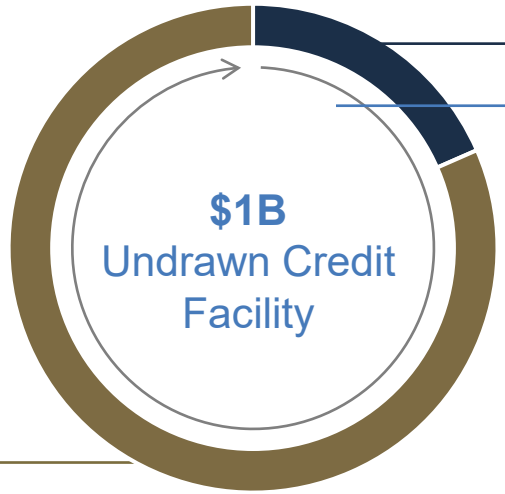
Strong Liquidity Position and Financing Strategy Drive Shareholder Returns

We anticipate financing acquisitions with non-dilutive forms of capital in the following priority:

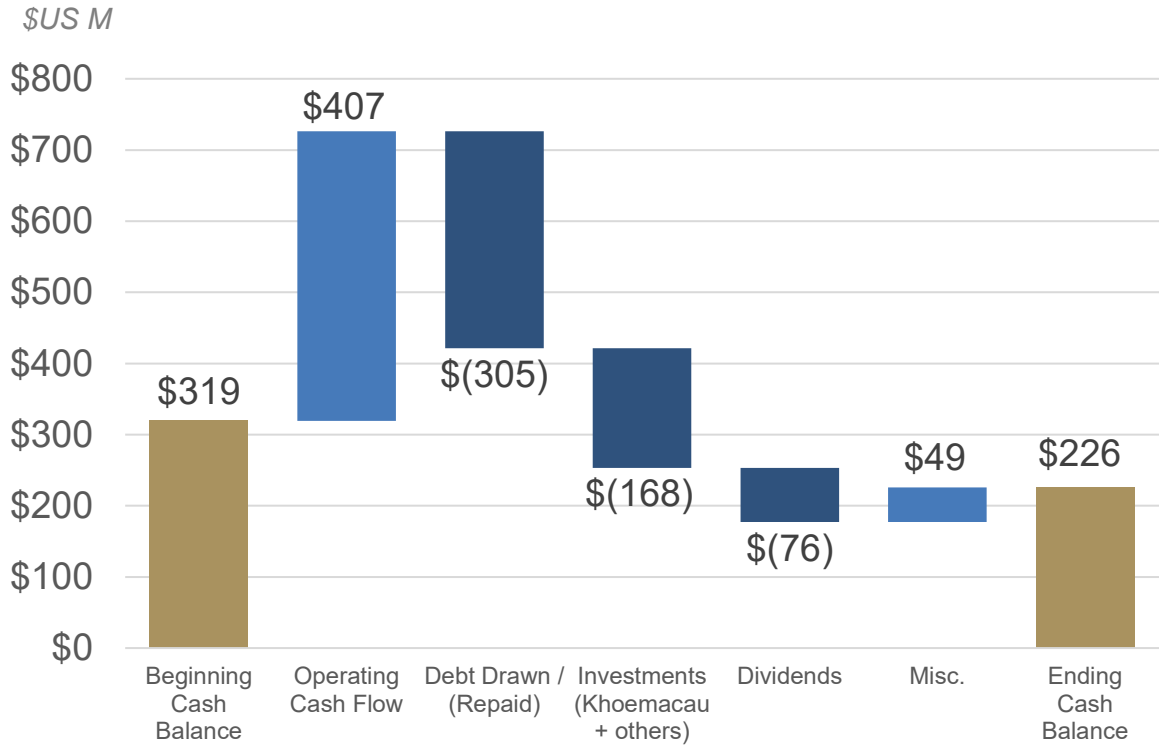
- Existing cash balances
- Cash flow from operations
- Debt under our revolving credit facility
- Equity, when accretive

Liquidity[1]

~$1.2B
TOTAL AVAILABLE LIQUIDITY



Disciplined capital allocation prioritizes balance sheet, dividends and investment[2]

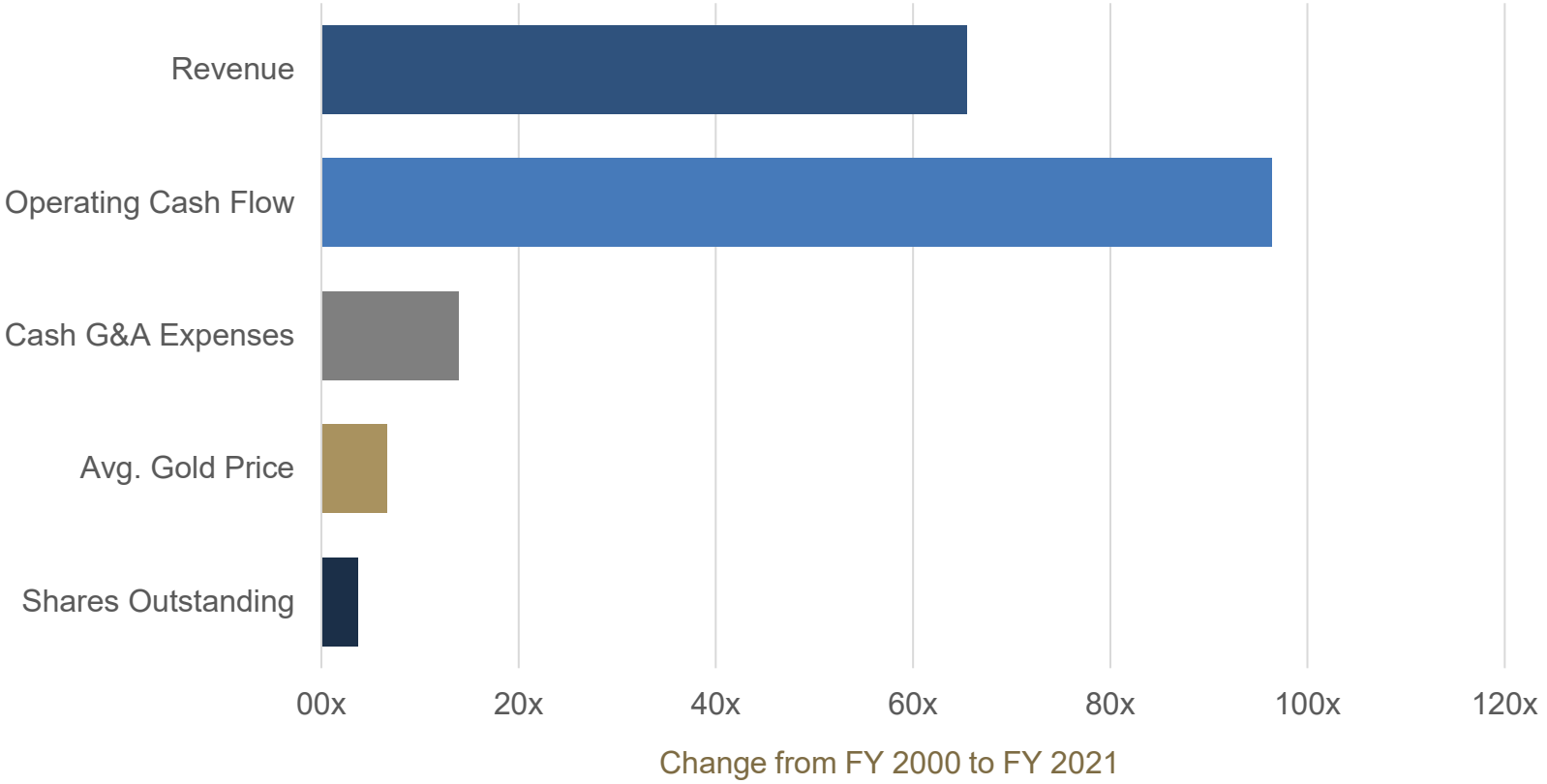


1 – Cash, facility drawn and undrawn credit facility as of June 30, 2021. 2 – Twelve Months Ended June 30, 2021 – shown to nearest $1M; amounts may not add due to rounding.



Liquidity and Financing Strategy

For over 20 years, Royal Gold's growth has been financed accretively and without significant equity dilution



$4.5B
Cumulative Revenue

$2.8B
Cumulative Operating Cash Flow

$287M
Cum. Cash G&A[1] Expenses

Up 6.6x to **$1,849** /ounce

Up 3.7x to **65.6M** shares

1 –G&A Expense less Non-Cash Employee Stock Compensation Expense. For the period FY 2000 through FY 2021 cumulative G&A Expense was $383M and Non-Cash Employee Stock Compensation Expense was $97M.



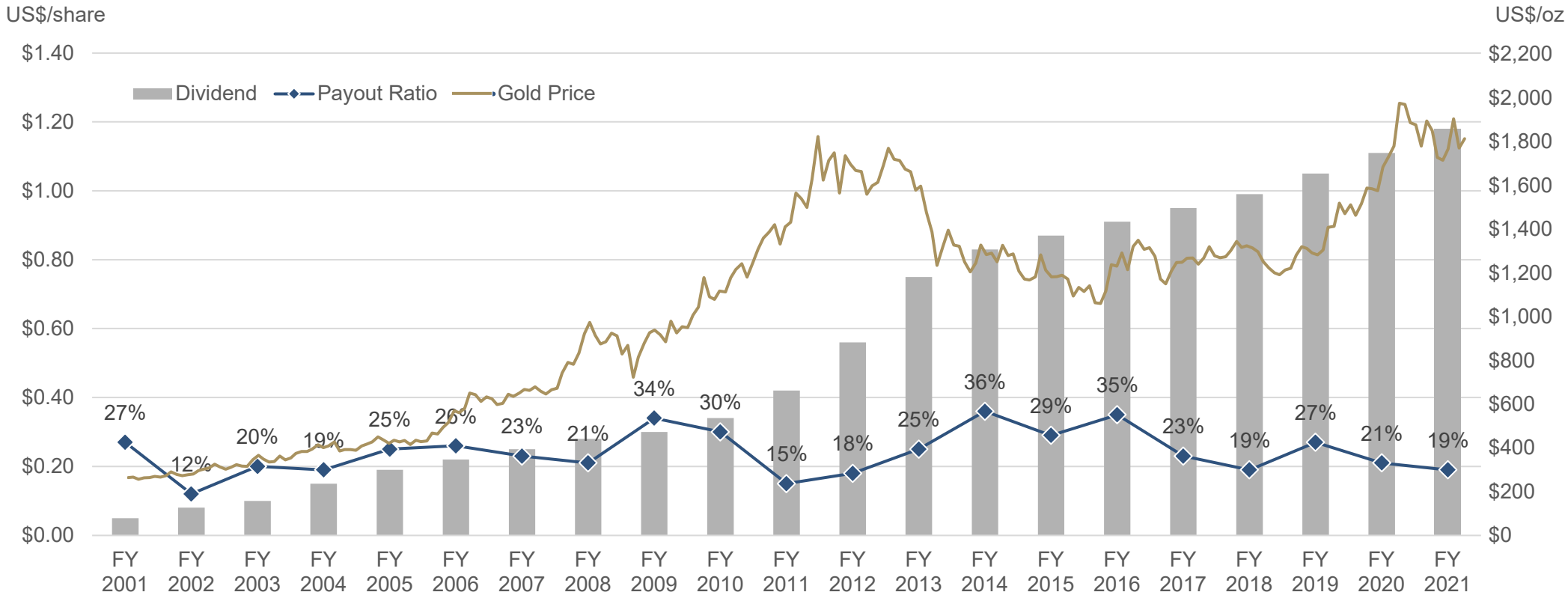
Royal Gold Offers a Consistent, Increasing and Sustainable Dividend

Since 2000, Royal Gold shareholders have received a dividend regardless of the gold price

CONSISTENT - INCREASING - SUSTAINABLE

17%
Dividend CAGR (FY 2001-2021)

$658M
Cum. Common Stock Dividends Paid[1]



Source: Company reports, FactSet. 1 – Since inception of the RGLD dividend in July 2000 through FY 2021



Appendix



Stream/Royalty Investment Process

Royal Gold's role in the mining value chain can be tailored to fit the needs of the operating partner

Phase of Project Development	EXPLORATION	DEVELOPMENT	PRODUCTION
	• Investment is typically in the form of a royalty, and may include a right to finance future project development • Investment proceeds are generally directed towards exploration or early project development activities	• Investment typically in the form of a stream, or a royalty with a right to finance further project development • Investment proceeds are generally directed towards project development activities	• Investment typically in the form of a stream • Investment proceeds are generally directed towards production expansion, development of new projects, or other corporate requirements
Royal Gold Engagement	ROYALTIES	ROYALTIES STREAMING	STREAMING

Royal Gold Payment



ROYALTY

- A right to a percentage of revenue or metals produced from the project after deducting specified costs, if any



STREAM

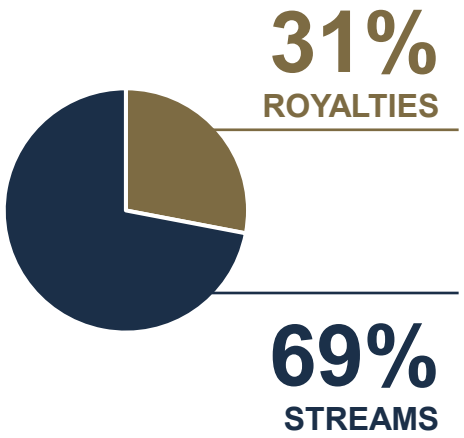
- A right to purchase metal production at a predetermined price



Stream/Royalty Detail

From a cash flow perspective, streams and royalties are comparable in that the revenue from a stream less the ongoing cash price paid roughly equals a royalty-like interest in production

Royal Gold
FY 2021 Revenue Split



ROYALTIES

- Typically structured as gross smelter return (GSR), net smelter return (NSR), net value return (NVR) or net profits interest (NPI). The difference is the amount of deductions permitted prior to calculation of the royalty, ranging from zero deductions (GSR) to all costs (NPI).
- In many jurisdictions, an interest in real property that “runs with the land” in the event of an ownership transfer of mineral rights, even if the transfer occurs through bankruptcy. Often, it is registered in government records on the title to the mineral rights.
- The sale of a royalty is often treated as a disposition of mineral interests and subject to upfront taxation, making it a poor financing tool.
- Royal Gold, as a U.S. taxpayer, is subject to US tax on royalty revenue, which is deemed to be passive income, whether it is earned outside the U.S. and without regard to the repatriation of that revenue.

STREAMS

- Typically structured as the receipt by the streaming company of a percentage of metal produced in return for an upfront cash investment and an ongoing cash price per ounce delivered.
- Structured as a contractual arrangement. An analysis of the credit profile of a counterparty is more important for streams than for royalties.
- The sale of a stream is not taxable upfront in most jurisdictions, so it is easier to use a streams as a source of finance.
- Royal Gold’s streaming business is conducted through its Swiss subsidiary, and the lower cost of capital makes streaming a more competitive economic product for operators seeking financing.

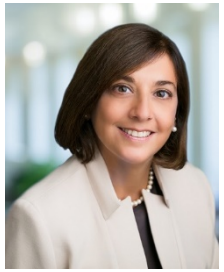


Experienced Independent Directors

Highly capable, independent board, with deep experience across the gold sector



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



Fabiana Chubbs
Independent Director; Former Chief Financial Officer, Eldorado Gold Corporation



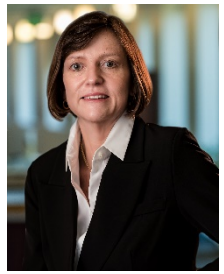
Kevin McArthur
Independent Director; Former Executive Chair, Tahoe Resources and Former CEO and Director, Goldcorp, Inc.



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



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



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

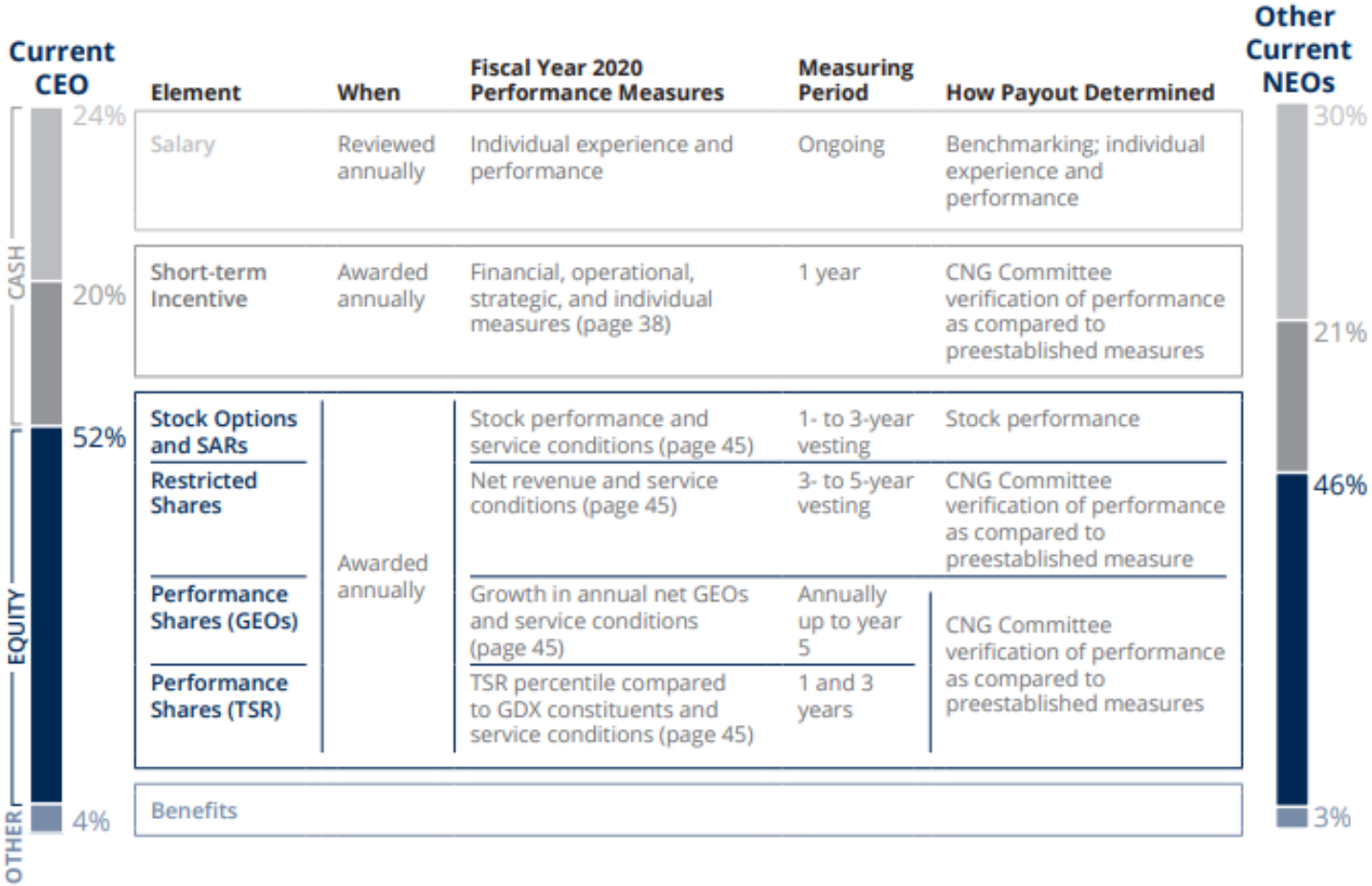




Management Compensation Structure

Short-term and long-term incentive program seeks to align compensation with the factors that drive and measure total shareholder return

- **Short Term Incentives** focused on financial, operational, strategic, and individual performance
- **Long Term Incentives** involve net GEO growth and total shareholder return over multiple periods
- All incentives that could be impacted by metal prices alone are addressed by holding prices steady throughout an award timeframe
- Guaranteed salaries or other compensation, special benefits, defined benefit pension plans, repricing of stock options without shareholder approval are NOT part of the compensation program



Element	When	Fiscal Year 2020 Performance Measures	Measuring Period	How Payout Determined
Salary	Reviewed annually	Individual experience and performance	Ongoing	Benchmarking; individual experience and performance
Short-term Incentive	Awarded annually	Financial, operational, strategic, and individual measures (page 38)	1 year	CNG Committee verification of performance as compared to preestablished measures
Stock Options and SARs	Awarded annually	Stock performance and service conditions (page 45)	1- to 3-year vesting	Stock performance
Restricted Shares		Net revenue and service conditions (page 45)	3- to 5-year vesting	CNG Committee verification of performance as compared to preestablished measure
Performance Shares (GEOs)		Growth in annual net GEOs and service conditions (page 45)	Annually up to year 5	CNG Committee verification of performance as compared to preestablished measures
Performance Shares (TSR)		TSR percentile compared to GDX constituents and service conditions (page 45)	1 and 3 years	
Benefits				

1 – Compensation breakdown for FY2020.

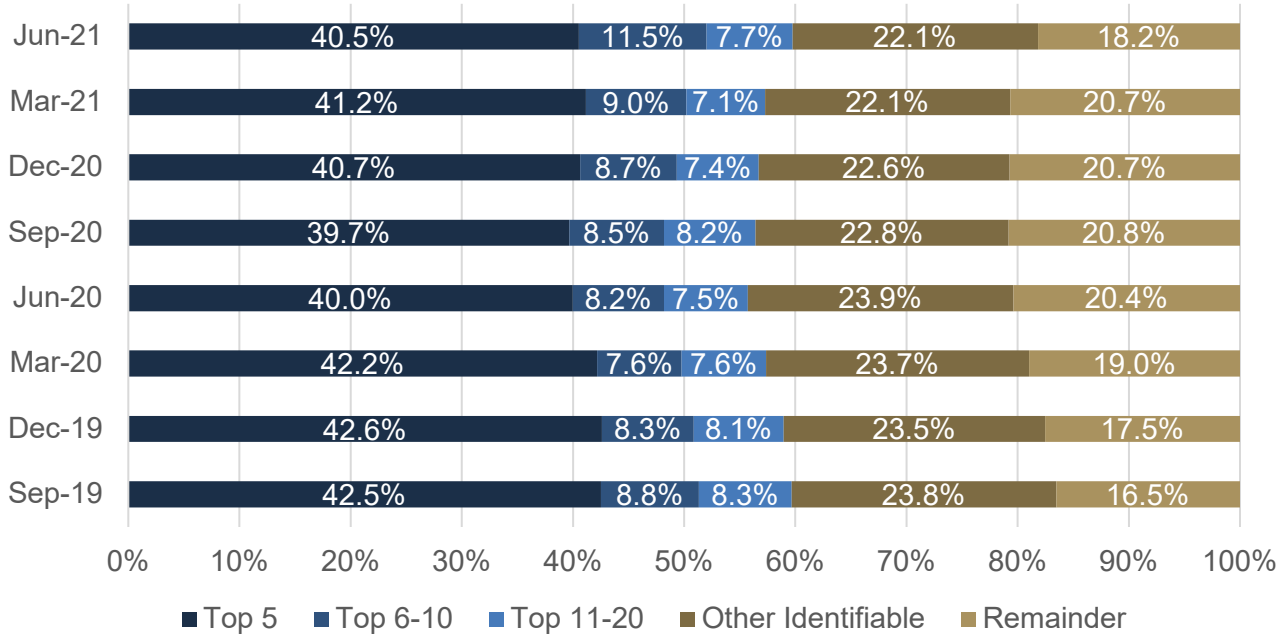


Shareholder Base Reflects Company's Unique Position

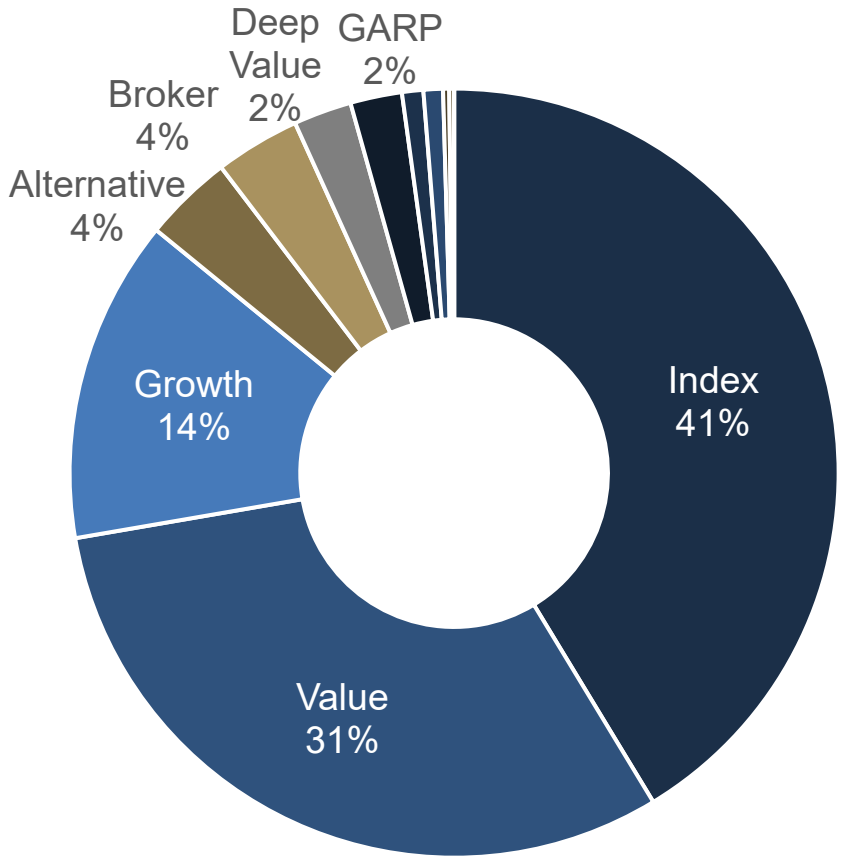
Shareholder base is institutional with some unique characteristics

- 41% of identifiable investors (34% of total) are Index investors
- High-quality shareholder register, with large and long-term institutional investors comprising the majority of the register

Ownership Trends



Identified Investor Styles



Source: IPREO, per 13-F filings; June 30, 2021 or as available



Quality Portfolio of Asset Investments

MOUNT MILLIGAN

Au Stream: 35%
Au Cash Price: $435/oz

Cu Stream: 18.75%
Cu Cash Price: 15% of Spot

$157M Revenue*
$32M Cost of Sales*

2.1 Au reserves m ounces
2028 mine life
82% % of investment returned**

Metal Sales*
54,200 Ounces
15.9M Cu pounds

PEÑASQUITO

Royalty: 2% NSR

$50M Revenue*

7.1 Au reserves m ounces
2032 mine life
312% % of investment returned**

Production subject to Royalty*
701,500 Au Ounces
30,800,000 Ag Ounces

ANDACOLLO

Au Stream: 100%
Cash Price: 15% of Spot

$82M Revenue*
$12M Cost of Sales*

1.0 Au reserves m ounces
2035 mine life
64% % of investment returned**

Metal Sales*
44,100 Au Ounces

WASSA

Au Stream: 10.5%
Au Cash Price: 20% of Spot

$32M Revenue*
$6M Cost of Sales*

1.1 Au reserves m ounces
2028 mine life
97% % of investment returned**

Metal Sales*
17,300 Au Ounces

** Revenue and Costs of Sales for FY2021, ** As of June 30, 2021*



Strong Runway of Growth Opportunities

KHOEMACAU

Ag Stream: 80-100%
Ag Cash Price: 20% of Spot

Investment
$212M
80% stream
$265M
100% stream
20%
Cash Price

50.9
Ag reserves m ounces

21 years
mine life

2021
start up

$223M
Funded to April 2021

Production (Estimated LOM Average)
1.5M (80%) **1.9M (100%)**
Ag Ounces

Sources

Red Kite	$275M
Royal Gold	$265M
Overrun Facility	$ 25M
Equity	$ 75M
Total	$ 640M

Uses

Capital Costs	$455M
Repay Red Kite	$100M
Capitalized Interest	$ 25M
Total	$580M

Excess $ 60M

CORTEZ

GSR 1/2 Royalty: 5.0%
GSR 3 Royalty: 0.78%
NVR1 Royalty: 4.91%
NVR 1C Royalty: 4.52%

$36M
Revenue*

3.5
Au reserves m ounces

350,000 - 375,000
Est CY 2021 Production

415,000
Est CY 2022-2026 Production

~8%
Est Blended GSR Royalty to 2026

Production subject to Royalty*
236,900
Au Ounces

PUEBLO VIEJO

Au Stream: 7.5%
Ag Stream: 75.0%
Cash Price: 30% of Spot

$116M
Revenue*

$33M
Cost of Sales*

6.2
Au reserves m ounces

2045
mine life

62%
% of investment returned**

Metal Sales*
42,100 Au Ounces
1,525,500 Ag Ounces

** Revenue and Costs of Sales for FY2021, ** As of June 30, 2021*



Optionality

Royal Gold seeks to provide exposure to resource growth and metal price optionality. Resource growth and mine life extensions can significantly enhance returns over time.

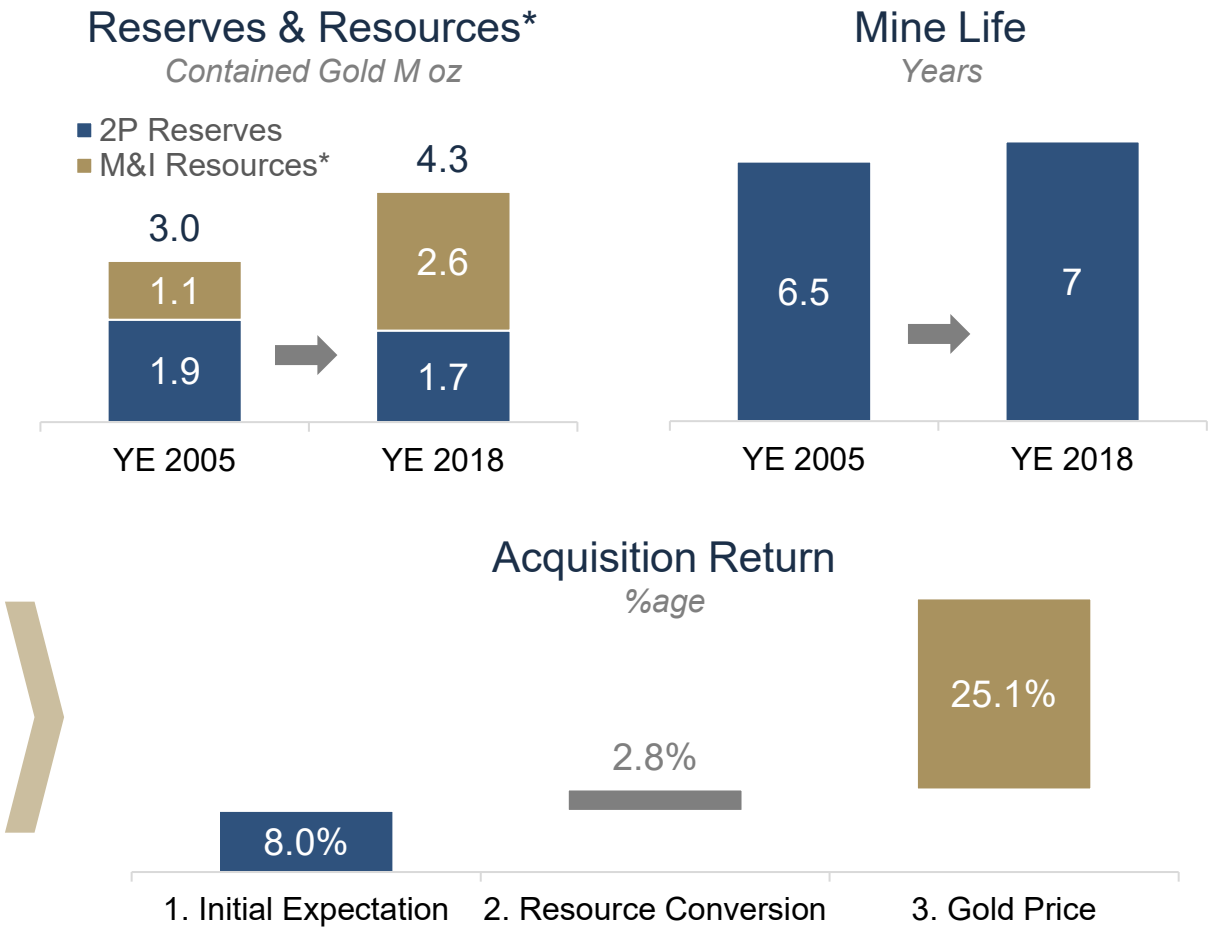
Case Study

Mulatos – Alamos Gold

- Royal Gold acquired 1.5% NSR from Kennecott Minerals in Dec. 2005, 2M oz cap reached in March 2019
- Pre-tax return ~36%. Excess return from mine life extension (2016 through 2025) and higher gold price
- Key to growth potential is exploration success and ability of operator to find and convert resources to reserves and then to production

Return Drivers

1. Return on initial acquisition based on mine feasibility study at date of acquisition[1]
2. Additional return resulting from resource conversion and mine life extension[2]
3. Additional return resulting from exposure to *higher gold price* received *over the extended mine life*[3]

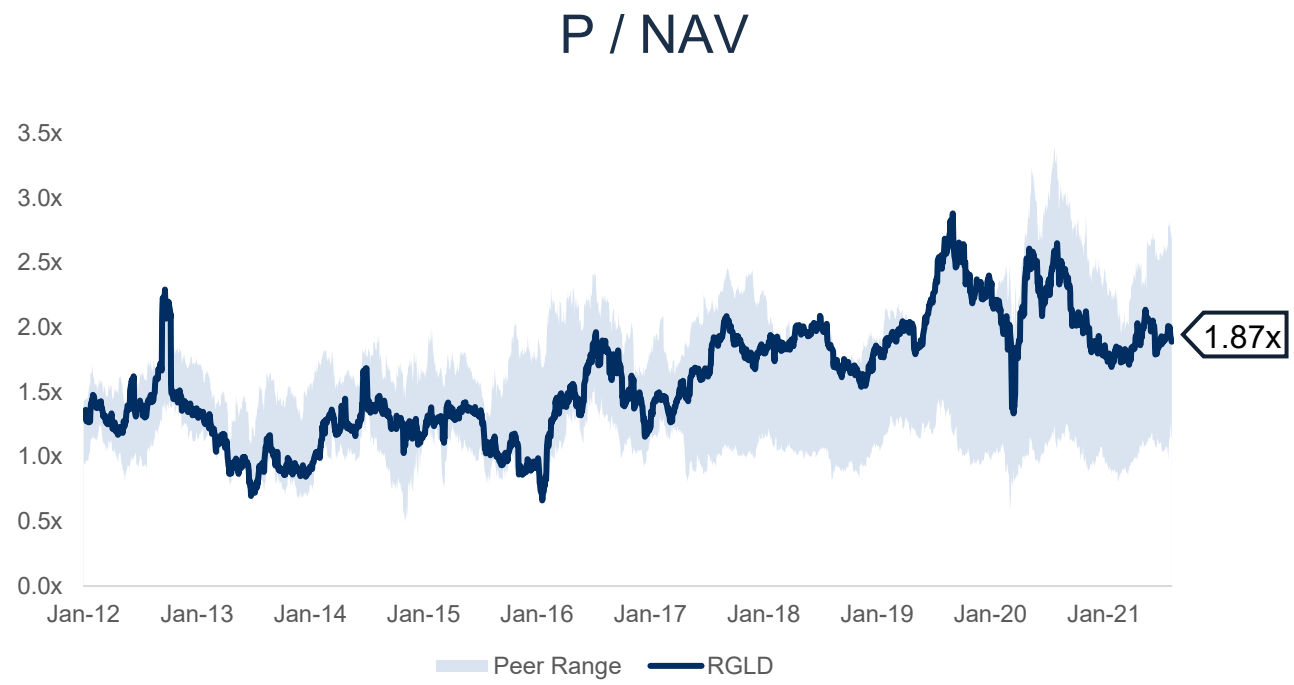


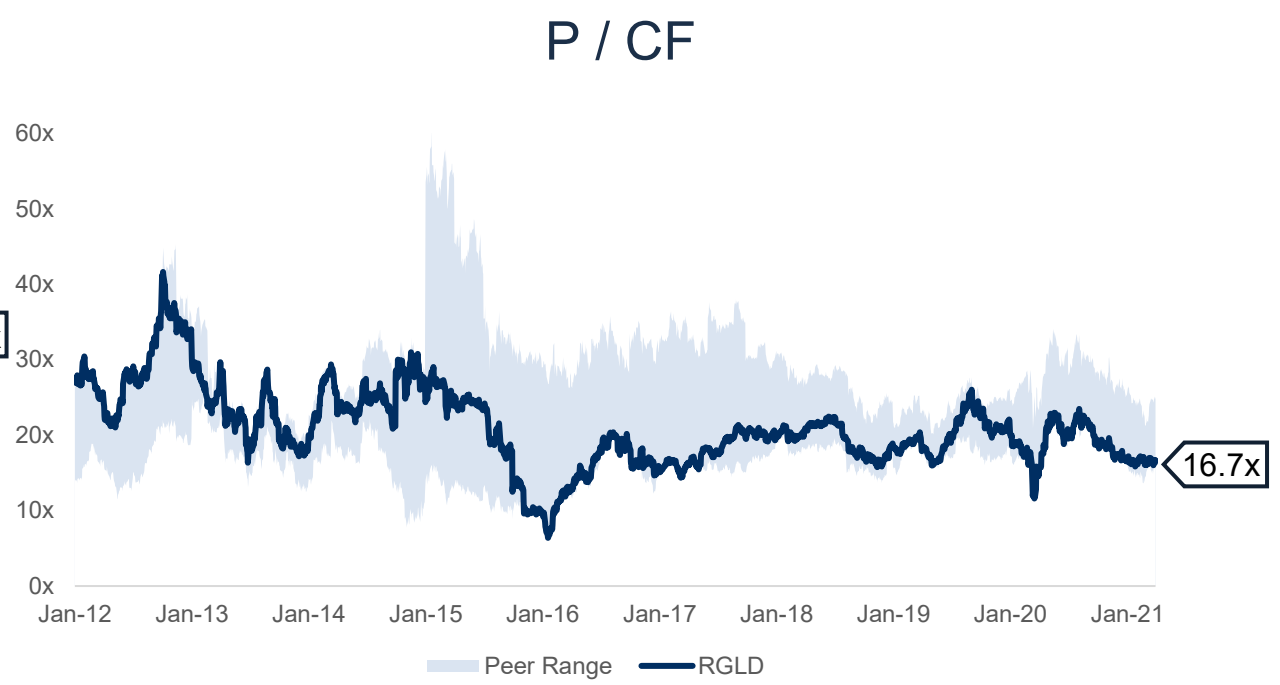
1 - Initial Expectation based on 2P reserve processed at 15,000 t/d, assumed $450/oz flat gold price
2 - Resource Conversion based on actual production at $450/oz flat gold price
3 - Actual royalty revenue received
** The terms "resources," "measured resources," and "indicated resources," are not terms recognized by the Securities and Exchange Commission. Investors are advised that these estimates have not been prepared in accordance with SEC rules.*



Historical Trading Multiples

Streaming Companies have historically traded at relatively high P/NAV and P/CF multiples**





*** Peers include Franco-Nevada, Wheaton Precious Metals, Osisko Gold Royalties, Sandstorm. Source: CapIQ*



Non-GAAP Financial Measures and Certain Other Measures

Overview of non-GAAP financial measures:

Non-GAAP financial measures are intended to provide additional information only and do not have any standard meaning prescribed by U.S. generally accepted accounting principles ("GAAP"). These measures should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. In addition, because the presentation of these non-GAAP financial measures varies among companies, these non-GAAP financial measures may not be comparable to similarly titled measures used by other companies.

We have provided below reconciliations of our non-GAAP financial measures to the comparable GAAP measures. We believe these non-GAAP financial measures provide useful information to investors for analysis of our business. We use these non-GAAP financial measures to compare period-over-period performance on a consistent basis and when planning and forecasting for future periods. We believe these non-GAAP financial measures are used by professional research analysts and others in the valuation, comparison and investment recommendations of companies in our industry. Many investors use the published research reports of these professional research analysts and others in making investment decisions. The adjustments made to calculate our non-GAAP financial measures are subjective and involve significant management judgement. Non-GAAP financial measures used by management in this report or elsewhere include the following:

1. Adjusted earnings before interest, taxes, depreciation, depletion and amortization, or adjusted EBITDA, is a non-GAAP financial measure that is calculated by the Company as net income adjusted for certain items that impact the comparability of results from period to period, as set forth in the reconciliation below. We consider adjusted EBITDA to be useful because the measure reflects our operating performance before the effects of certain non-cash items and other items that we believe are not indicative of our core operations.
2. Net debt (or net cash) is a non-GAAP financial measure that is calculated by the Company as debt (excluding debt issuance costs) as of a date minus cash and equivalents for that same date. Net debt (or net cash) to trailing twelve months (TTM) adjusted EBITDA is a non-GAAP financial measure that is calculated by the Company as net debt (or net cash) as of a date divided by the TTM adjusted EBITDA (as defined above) ending on that date. We believe that these measures are important to monitor leverage and evaluate the balance sheet. Cash and equivalents are subtracted from the GAAP measure because they could be used to reduce our debt obligations. A limitation associated with using net debt (or net cash) is that it subtracts cash and equivalents and therefore may imply that there is less Company debt than the most comparable GAAP measure indicates. We believe that investors may find these measures useful to monitor leverage and evaluate the balance sheet.
3. Adjusted net income and adjusted net income per share are non-GAAP financial measures that are calculated by the Company as net income and net income per share adjusted for certain items that impact the comparability of results from period to period, as set forth in the reconciliations below. We consider these non-GAAP financial measures to be useful because they allow for period-to-period comparisons of our operating results excluding items that we believe are not indicative of our fundamental ongoing operations. The tax effect of adjustments is computed by applying the statutory tax rate in the applicable jurisdictions to the income or expense items that are adjusted in the period presented. If a valuation allowance exists, the rate applied is zero.



Non-GAAP Financial Measures and Certain Other Measures

Overview of non-GAAP financial measures:

4. Free cash flow is a non-GAAP financial measure that is calculated by the Company as net cash provided by operating activities for a period minus acquisition of stream and royalty interests for that same period. We believe that free cash flow represents an additional way of viewing liquidity as it is adjusted for contractual investments made during such period. Free cash flow does not represent the residual cash flow available for discretionary expenditures. We believe it is important to view free cash flow as a complement to our consolidated statements of cash flows.
5. Cash general and administrative expense, or cash G&A, is a non-GAAP financial measure that is calculated by the Company as general and administrative expenses for a period minus non-cash employee stock compensation expense for the same period. We believe that cash G&A is useful as an indicator of overhead efficiency without regard to non-cash expenses associated with employee stock compensation.



Non-GAAP Measures

Reconciliation of non-GAAP financial measures to U.S. GAAP measures

Adjusted EBITDA and Net cash to TTM adjusted EBITDA:

	Three Months Ended			
	June 30,	March 31,	December 31,	September 30,
(amounts in thousands)	2021	2021	2020	2020
Net income and comprehensive income	$ 81,919	$ 54,193	$ 59,988	$ 106,674
Depreciation, depletion and amortization	48,028	41,296	47,945	46,300
Non-cash employee stock compensation	1,494	1,344	1,398	1,493
Gain on sale of Peak Gold JV interest	—	—	—	(33,906)
Fair value changes in equity securities	(1,957)	(1,902)	382	(2,539)
Interest and other, net	469	1,087	965	1,454
Income tax expense (benefit)	5,536	17,679	16,031	(2,377)
Non-controlling interests in operating (income) loss of consolidated subsidiaries	(242)	(167)	(99)	265
Adjusted EBITDA	$ 135,247	$ 113,530	$ 126,610	$ 117,364

TTM adjusted EBITDA	$ 492,751
Debt	$ —
Debt issuance costs	3,443
Cash and equivalents	(225,916)
Net (cash)	$ (222,473)
Net cash to TTM adjusted EBITDA	(0.45)x



Non-GAAP Measures

Reconciliation of non-GAAP financial measures to U.S. GAAP measures (cont.)

Cash G&A:

	Three Months Ended			
	June 30,	March 31,	December 31,	September 30,
(amounts in thousands)	2021	2021	2020	2020
General and administrative expense	$ 7,212	$ 6,932	$ 6,789	$ 7,454
Non-cash employee stock compensation	(1,494)	(1,344)	(1,398)	(1,493)
Cash G&A	$ 5,718	$ 5,588	$ 5,391	$ 5,961
TTM cash G&A	$ 22,658			

Adjusted net income and adjusted net income per share:

	Three Months Ended June 30,		Year Ended June 30,	
(amounts in thousands, except per share data)	2021	2020	2021	2020
Net income and comprehensive income attributable to Royal Gold common stockholders	$ 81,677	$ 49,015	$ 302,532	$ 199,343
Fair value changes in equity securities	(1,957)	(6,390)	(6,017)	(1,418)
Impairment of royalty interests	—	1,341	—	1,341
Gain on sale of Peak Gold JV interest	—	—	(33,906)	—
Discrete tax benefits	(11,488)	(11,477)	(34,686)	(40,014)
Non-recurring non-cash employee stock compensation	—	—	—	3,338
Tax effect of adjustments	499	1,741	8,532	(180)
Adjusted net income and comprehensive income attributable to Royal Gold common stockholders	68,731	34,230	$ 236,455	$ 162,410
Net income attributable to Royal Gold common stockholders per diluted share	$ 1.24	$ 0.75	4.60	3.03
Fair value changes in equity securities	(0.03)	(0.10)	(0.09)	(0.02)
Impairment of royalty interests	—	0.02	—	0.02
Gain on sale of Peak Gold JV interest	—	—	(0.52)	—
Discrete tax benefits	(0.18)	(0.17)	(0.53)	(0.61)
Non-recurring non-cash employee stock compensation	—	—	—	0.05
Tax effect of adjustments	0.01	0.03	0.13	—
Adjusted net income attributable to Royal Gold common stockholders per diluted share	$ 1.04	$ 0.53	$ 3.59	$ 2.47



Reconciliation of non-GAAP financial measures to U.S. GAAP measures (cont.)

Free cash flow:

(amounts in thousands)	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Year Ended June 30, 2021	Year Ended June 30, 2020
Net cash provided by operating activities	$ 120,853	$ 91,557	$ 407,151	$ 340,752
Acquisition of stream and royalty interests	(85,659)	(48,130)	(168,147)	(155,985)
Free cash flow	$ 35,194	$ 43,427	$ 239,004	$ 184,767
Net cash used in investing activities	$ (95,098)	$ (47,770)	$ (116,737)	$ (152,859)
Net cash (used in) provided by financing activities	$ (170,099)	$ 181,626	$ (383,626)	$ 11,760

Other measures

We use certain other measures in managing and evaluating our business. We believe these measures may provide useful information to investors for analysis of our business. We use these measures to compare period-over-period performance and liquidity on a consistent basis and when planning and forecasting for future periods. We believe these measures are used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in our industry. Many investors use the published research reports of these professional research analysts and others in making investment decisions. Other measures used by management in this report and elsewhere include the following:

1. Gold equivalent ounces, or GEOs, is calculated by the Company as revenue (in total or by reportable segment) for a period divided by the average gold price for that same period.
2. Depreciation, depletion, and amortization, or DD&A, per GEO is calculated by the Company as depreciation, depletion, and amortization for a period divided by GEOs (as defined above) for that same period.
3. Working capital is calculated by the Company as current assets as of a date minus current liabilities as of that same date.
4. Dividend payout ratio is calculated by the Company as dividends paid during a period divided by net cash provided by operating activities for that same period.
5. Operating margin is calculated by the Company as operating income for a period divided by revenue for that same period.



Other Disclaimers

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