Form **8937**(December 2011) Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

Part I	Reporting I	ssuer			
1 Issuer's name			2 Issuer's employer identification number (EIN)		
Poval Gold	Inc				84-0835164
Royal Gold, Inc. 3 Name of contact for additional information 4 Telephone No. of contact			5 Email address of contact		
, videphone not of contact					
Karli Anderson, VP Investor Relations 303-573-				303-573-4660	kanderson@royalgold.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact					7 City, town, or post office, state, and Zip code of contact
8 Date of action 9 Classification and description					Denver, CO 80202
o Date of	action		9 Class	sification and description	
September	29 2016		Poval C	old Inc 's 2 9759/ Convert	ible Senior Notes due 2019
10 CUSIP r		11 Serial number(12 Ticker symbol	13 Account number(s)
			3. 4 3		
7802	87 AA6	N/A		RGLD	N/A
Part II					See back of form for additional questions.
				date of the action or the d	ate against which shareholders' ownership is measured for
the ac	tion ► See atta	ched Form 8937 A	ppendix A.		
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15 Descri	be the quantitati	ve effect of the orga	inizational act	ion on the basis of the secu	urity in the hands of a U.S. taxpayer as an adjustment per
share	or as a percenta	ge of old basis ► Se	ee attached F	orm 8937 Appendix A.	
	-				
					The state of the s
					ulation, such as the market values of securities and the
valuati	on dates ► <u>See</u>	attached Form 893	7 Appendix A	١.	
			- CONTRACT		
			III.		
				51	
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Part		Organizational Action (contin	ued)					
		applicable Internal Revenue Code se	ction(s) and subsection(s) upon v	which the tax tre	eatment	is based	<u> </u>	
See att	ached	Form 8937 Appendix A.						
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10 0		vacultian loss he vacanimed?						-11
18 C	an an	y resulting loss be recognized? ► Se	e attached Form 8937 Append	IX A.				
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		any other information necessary to in	nplement the adjustment, such a	s the reportable	e tax yea	ar ▶		
See atta	ached	Form 8937 Appendix A.						
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			error and the second se					
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	Unde	r penalties of perjury, I declare that I have	examined this return, including acco	mpanying schedu	ules and s	statements,	and to the best of my	knowledge and
	belief	f, it is true, correct, and complete. Declarati	on of preparer (other than officer) is b	based on all inforn	nation of	which prepare	arer has any knowledge	.
Sign		XILLEN -				1-1	T.	
Here	Signa	ature			Date ▶	15	14 16	
	Print	your name > STFFW	WENKER		Title ▶	CEO	& TREASURE	R
Paid		Print/Type preparer's name	Preparer's signature		Date		Check if PTIN	
Prepa	rer						self-employed	
Use C		Firm's name ▶		-11			Firm's EIN ▶	
04-15		Firm's address	-t-) t D 1 - 1 - 1 - 1 - 1 - 1		3720025-1410-1		Phone no.	
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Royal Gold Inc.

Form 8937 Appendix A

On September 30, 2016 (the "Record Date"), each shareholder of common stock of Royal Gold, Inc. ("RGI") that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. The cash dividend was paid to each shareholder of common stock of RGI on October 14, 2016. The cash dividend resulted in an increase in the conversion rate of the Convertible Notes (as defined below) and a deemed distribution under section 301 of the Internal Revenue Code of 1986, as amended (the "Code") by reason of sections 305(b)(2) and 305(c) of the Code. Section 6045B of the Code and the underlying Treasury Regulations (the "Regulations") provided that effective January 1, 2016, if a corporation issues a cash dividend with respect to stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under sections 305(b)(2) and 305(c) of the Code, an information return (this Form 8937) must be filed with the Internal Revenue Service (the "IRS") describing the action and action's quantitative effect. As an alternative to filing this information with the IRS, an issuer may post the information return to its public website.

The information contained in the attached Form 8937 and this Appendix A is intended to satisfy the requirements of public reporting by RGI under section 6045B of the Code and sections 1.6045B-1(a)(3) and 1.6045B-1(b)(4) of the Regulations. The information contained in this notice is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences as a result of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign income, reporting or other tax consequences of the conversion rate adjustment to you.

Line 14 – Description of Organizational Action	On the Record Date, each shareholder of common stock of RGI that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. Pursuant to section 4.04(d) of the Supplemental Indenture, the conversion rate on the 2.875% Convertible Senior Notes due 2019 (the "Convertible Notes") was increased on the Ex-Dividend Date to take into account such cash dividend. Such adjustment to the conversion ratio on the Ex-Dividend Date is treated as a deemed distribution of property to the holders of the Convertible Notes to which section 301of the Code applies by reason of sections 305(b)(2) and 305(c).
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Line 15 – Quantitative Effect of Organizational Action	Because a cash dividend was declared and paid with respect to common stock and there was a corresponding increase in the conversion rate on the Convertible Notes, such increase in the conversion rate constitutes a deemed distribution of common stock to the holders of the Convertible Notes to which section 301 applies. RGI expects that it will have sufficient current and accumulated earnings and profits to treat the deemed distribution of property to the holders of the Convertible Notes as a dividend for U.S. federal income tax purposes. The holders of the Convertible Notes are required to include the dividend in gross income for U.S. federal income tax purposes and increase the basis of the Convertible Notes by the fair market value of the deemed distribution. Therefore, as a result of the increase in the conversion ratio of the Convertible Notes, each holder of a Convertible Note is required to include \$0.79 in gross income as a dividend per \$1,000 face amount of Convertible Notes and increase the basis in such Convertible Notes by the same
Line 16 – Calculation of Change in Basis	Sample Calculation: A holder of a Convertible Note has \$1,000 basis in a \$1,000 Convertible Note. A holder of a Convertible Note will increase its basis in such Convertible Note by \$0.79 as a result of the inclusion of the dividend in gross income for U.S. federal income tax purposes.
Line 17 – Code Sections Upon Which Tax Treatment is Based.	Sections 305(b)(2), 305(c), 301(c), 316, and 301(d) of the Code.
Line 18 – Recognition of any Resulting Loss	This is not a loss transaction.
Line 19 – Reportable Tax Year	The reportable tax year is 2016 for taxpayers reporting taxable income on a calendar year basis.