



Royal Gold Inc. (RGLD)

Updated May 21st, 2026 by Quinn Mohammed

Key Metrics

Current Price:	\$221	5 Year CAGR Estimate:	13.7%	Market Cap:	\$19 B
Fair Value Price:	\$334	5 Year Growth Estimate:	4.0%	Ex-Dividend Date¹:	07/03/2026
% Fair Value:	66%	5 Year Valuation Multiple Estimate:	8.6%	Dividend Payment Date¹:	07/17/2026
Dividend Yield:	0.9%	5 Year Price Target	\$406	Years Of Dividend Growth:	25
Dividend Risk Score:	B	Sector:	Materials	Rating:	Hold

Overview & Current Events

Royal Gold Inc. is a precious metals royalty and streaming company that owns interests in some of the world's most desirable mines. The corporation's main focus is acquiring and managing precious metal stream and royalty interests. This business model provides exposure to higher metal prices and future product expansion while limiting downside by having limited exposure to operating and capital cost risks. The \$19 billion market capitalization company has only about 40 employees. The majority of its revenue is generated in Canada, Mexico, Chile, and the USA. In 1981, Royal Resources Corporation was an oil and gas exploration and production company. After a series of stock market downturns, the company refocused in the late 1980s and established the high margin streaming business known today as Royal Gold. Royal Gold trades under the symbol RGLD on the NASDAQ and is headquartered in Denver, Colorado. For the past twenty-five years, RGLD has consistently increased its dividend.

On October 20th, 2025, Royal closed on its acquisition of Sandstorm Gold Ltd. and Horizon Copper Corp. To fund the acquisitions, Royal issued roughly 18.6 million common shares, raising its share count to 84.4 million, and drew \$450 million on its revolving credit facility.

On May 4th, 2026, a \$500 million share repurchase program was approved, good for 2.6% of its outstanding stock.

On May 6th, 2026, Royal Gold reported results for the first quarter of 2026. RGLD reported adjusted net income of \$2.72 per diluted share compared to \$1.51 in Q1 2025.

The company ended the period with a net debt / (cash) to trailing twelve months adjusted EBITDA ratio of 0.34X, with \$234 million of cash and equivalents and total available liquidity of roughly \$1.1 billion.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Adj. NIPS	\$1.00	\$1.55	\$1.76	\$1.51	\$2.47	\$4.00	\$3.43	\$3.53	\$5.26	\$7.33	\$11.60	\$14.11
DPS	\$0.92	\$0.96	\$1.00	\$1.06	\$1.12	\$1.20	\$1.40	\$1.50	\$1.60	\$1.80	\$1.90	\$2.79
Shares²	65.1	65.3	65.3	65.5	65.6	65.6	65.6	65.7	65.8	80.7	85.0	88.0

Royal Gold measures its performance using adjusted net income per share, which adjusts for fair value changes in equity securities, gain or losses on sales of project interests, and discrete tax benefits. Results have been somewhat choppy over the last decade, but over the long term, Royal Gold's adjusted net income trends upwards. In the last nine years, adjusted net income per share grew 24.8% on average and in the last five years it grew by 24.3% on average.

Revenue growth is expected to come from Royal's newer producers, Manh Choh, Côte Gold, Mara Rosa, Bellevue, and King of the Hills. New revenue should also come from development projects moving into production. An increase in precious metals prices would also naturally support organic growth within the company's streams and royalty portfolio, as was the case throughout 2025.

¹ Estimate

² In millions

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The company is active in making acquisitions, such as the Red Chris Mine royalty and NX Gold Mine (now Xavantina) gold stream acquisitions in August 2021. And in July and August 2022, Royal Gold acquired Great Bear Royalties Corporation and a sliding-scale gross royalty on the Cortez Complex in Nevada. In 2023, Royal Gold acquired gold, platinum, palladium, and copper and nickel royalty interests on the producing Serrote and Santa Rita mines in Brazil for \$250 million. In 2024, it purchased royalty interests in Back River Gold District and Cactus Project (\$55M). And it acquired Sandstorm and Horizon in 2025.

We anticipate that adjusted earnings per share will increase at a modest annual rate of 4% going forward, reflecting the elevated comparative base established this year. Investing cash flow into more royalty and streams, or new mine expansions which RGLD has an interest in, would likely cause growth to come in even higher.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/ANI	62.4	50.9	47.3	69.3	47.7	29.5	32.2	33.9	24.7	23.8	19.0	28.8
Avg. Yld.	1.6%	1.2%	1.2%	1.0%	1.0%	1.0%	1.2%	1.2%	1.2%	1.0%	0.9%	0.7%

Royal Gold has traded at a price-to-adjusted-net-income of 42.2 on average in the past ten years, and 28.8 in the past five years. Shares trade at 19.0 times estimated 2026 adjusted net income per share, which is below where we peg fair value. As a result, we expect a positive impact on total returns due to valuation expansion. The dividend yield is expected to remain below 1%, but it is well covered and poised to rise for years to come.

Safety, Quality, Competitive Advantage, & Recession Resiliency

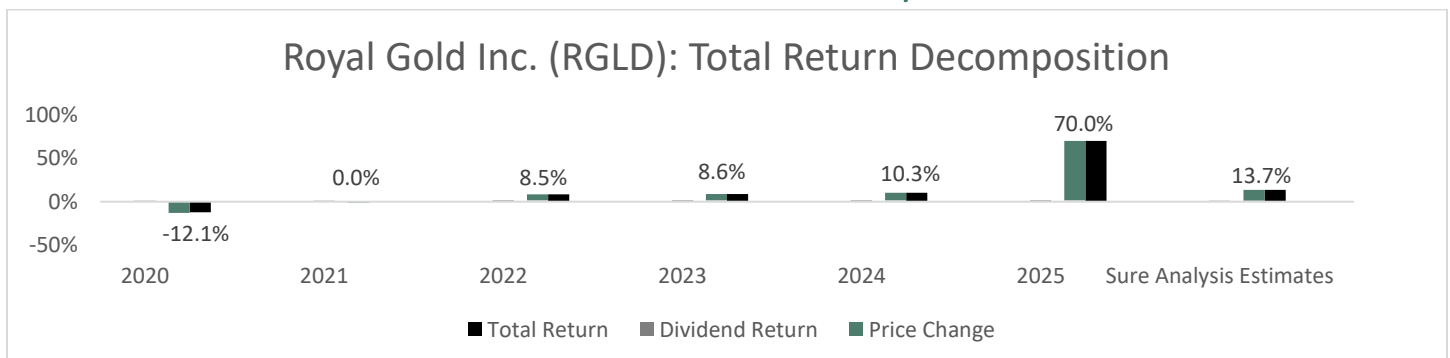
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	92%	62%	57%	70%	45%	30%	41%	42%	30%	25%	16%	20%

Royal Gold does not have any particular competitive advantage over other precious metals streaming companies, but the metals royalty and streams business model has an advantage over regular mining and basic materials companies. The business model provides upside exposure to commodity markets and the commodity cycle without many of the downsides. The corporation has a \$366 million net debt position, and a net debt / (cash) to trailing adjusted EBITDA ratio of 0.34X. Royal Gold appears to be quite recession resistant as adjusted net income barely budged during the great financial crisis until it dropped in 2010 and then surpassed prior levels in one year. In many past stock market declines, the price of gold has risen as stocks are crushed, which would be an advantage for RGLD if the trend reoccurs.

Final Thoughts & Recommendation

Shares of Royal Gold have increased by 23% in the trailing one year, and the company now trades at 66% of our fair value estimate. The stock sports a 0.9% yield which has grown for twenty-five years. We forecast 4.0% earnings per share growth and an 8.6% valuation tailwind, resulting in annualized total returns of 13.7%. RGLD remains a hold.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	278	441	459	423	499	343	603	606	719	1,030
Gross Profit	146	192	209	178	236	187	323	343	471	714
Gross Margin	52.4%	43.6%	45.6%	42.2%	47.2%	54.4%	53.5%	56.6%	65.4%	69.3%
SG&A Exp.	25	33	35	30	30	15	35	40	41	49
Operating Profit	119	146	165	141	200	171	288	303	430	665
Operating Margin	42.6%	33.1%	35.9%	33.3%	40.2%	50.0%	47.7%	50.0%	59.8%	
Net Profit	52	102	-113	94	199	138	239	239	332	472
Net Margin	18.7%	23.0%	-24.6%	22.2%	40.0%	40.3%	39.6%	39.4%	46.2%	45.8%
Free Cash Flow	132	63	317	252	185	-32	-505	413	427	-460
Income Tax	10	26	15	17	-4	30	33	42	94	102

Balance Sheet Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2917	3094	2682	2544	2766	2757	3535	3361	3392	9,538
Cash & Equivalents	743	86	89	119	319	144	119	104	196	234
Accounts Receivable	38	27	26	21	28	54	49	49	63	
Inventories	2	8	9	11	12	12	13	10	13	26
Total Liabilities	501	774	541	374	464	156	781	460	261	2,332
Accounts Payable	5	4	9	3	2	6	7	11	11	10
Long-Term Debt	314	586	351	215	300	0	572	246	0	928
Shareholder's Equity	2353	2275	2102	2137	2272	2589	2741	2888	3119	
D/E Ratio	0.13	0.26	0.17	0.10	0.13	0.00	0.21	0.09	0.00	

Profitability & Per Share Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.8%	3.3%	-3.9%	3.6%	7.5%	5.1%	7.6%	6.9%	9.8%	7.3%
Return on Equity	2.2%	4.5%	-5.2%	4.4%	9.0%	5.4%	9.0%	8.5%	11.0%	9.1%
ROIC	1.9%	3.5%	-4.2%	3.8%	8.0%	5.4%	8.1%	7.4%	10.6%	8.4%
Shares Out.	65.1	65.3	65.3	65.5	65.6	65.6	65.7	65.7	65.8	69.6
Revenue/Share	4.27	6.75	7.03	6.46	7.60	5.23	9.19	9.21	10.94	14.81
FCF/Share	2.02	0.97	4.86	3.85	2.81	-0.49	-7.69	6.28	6.49	-6.61

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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