

ROYAL GOLD INC

FORM 8-K (Current report filing)

Filed 10/26/07 for the Period Ending 10/24/07

Address	1660 WYNKOOP STREET SUITE 1000 DENVER, CO 80202-1132
Telephone	3035731660
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SIC Code	6795 - Mineral Royalty Traders
Industry	Gold & Silver
Sector	Basic Materials
Fiscal Year	06/30

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) October 24, 2007

ROYAL GOLD, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-13357 (Commission File Number)	84-0835164 (IRS Employer Identification No.)
1660 Wynkoop Street, Suite 1000, Denver, CO (Address of principal executive offices)		80202-1132 (Zip Code)

Registrant's telephone number, including area code 303-573-1660

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.01 Completion of Acquisition or Disposition of Assets

On October 24, 2007, Royal Gold, Inc. (“Royal Gold”) completed its acquisition of Battle Mountain Gold Exploration Corp., a Nevada corporation (“Battle Mountain”) (the “Merger”). Royal Gold completed the acquisition pursuant to the Amended and Restated Agreement and Plan of Merger dated July 30, 2007 (the “Merger Agreement”). As a result of the Merger, Battle Mountain continues as a surviving corporation and is a wholly-owned subsidiary of Royal Gold. In connection with the Merger, Battle Mountain stockholders, other than Royal Gold, received an aggregate of approximately 1.14 million shares of Royal Gold common stock and \$3.4 million cash in exchange for all shares of Battle Mountain common stock. Each Battle Mountain stockholder could elect to receive either all stock or all cash in the exchange. Battle Mountain stockholders received cash in lieu of any fractional shares. There is a possibility that subject to the settlement of certain Battle Mountain litigation, the shareholders of Battle Mountain may receive additional shares of Royal Gold common stock or cash, in the same form as previously elected. Additionally, each option, warrant, convertible security or other right to purchase or subscribe for shares of Battle Mountain common stock outstanding at the effective time of the Merger was, unless exercised prior to the effective time of the Merger, cancelled and terminated.

Other than certain voting and option agreements in connection with the Merger, the only other material relationship between the parties was a convertible bridge finance facility agreement under which Royal Gold agreed to loan to Battle Mountain up to \$20 million, which was reduced to \$15 million on April 14, 2007. As of the closing of the Merger, \$15,207,298 of principal and accrued interest was outstanding on the bridge facility.

On October 25, 2007, Royal Gold issued a press release announcing the successful completion of the Merger. The press release is attached hereto as Exhibit 99.1 and the information contained in the press release is incorporated by reference into this Item 2.01.

The foregoing description of the Merger and Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is filed as Exhibit 2.1 hereto and incorporated by reference into this Item 2.01.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 2.1 Amended and Restated Agreement and Plan of Merger, dated July 30, 2007, among Battle Mountain Gold Exploration Corp., Royal Gold, Inc., and Royal Battle Mountain, Inc. (filed as Exhibit 2.1 to Royal Gold’s Form 8-K (Commission File No. 001-13357) dated August 2, 2007, and incorporated herein by reference).
- 99.1 Press Release dated October 25, 2007, titled Royal Gold Completes Acquisition of Battle Mountain.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Royal Gold, Inc.
(Registrant)

By: /s/ Karen Gross
Name: Karen Gross
Title: Vice President and Corporate Secretary

Dated: October 26, 2007

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press Release dated October 25, 2007, titled Royal Gold Completes Acquisition of Battle Mountain.

1660 Wynkoop Street, Suite 1000
Denver Colorado 80202-1132
Phone: (303) 573-1660
Fax: (303) 595-9385
Email: info@royalgold.com
www.royalgold.com

NEWS RELEASE



FOR IMMEDIATE RELEASE: FOR FURTHER INFORMATION CONTACT:

Karen Gross, Vice President and Corporate Secretary
Royal Gold, Inc.
(303) 573-1660

ROYAL GOLD COMPLETES ACQUISITION OF BATTLE MOUNTAIN

DENVER, COLORADO. OCTOBER 25, 2007: ROYAL GOLD, INC . (NASDAQ:RGLD; TSX:RGL), the world’s leading precious metals royalty company, today announced the completion of a merger agreement with Battle Mountain Gold Exploration Corp. (“Battle Mountain”), under which Royal Gold acquired 100% of the fully diluted shares of Battle Mountain. Royal Gold paid approximately \$3.4 million in cash and issued 1.14 million shares of its common stock to the Battle Mountain shareholders in order to acquire the shares of Battle Mountain that the Company did not already own. Subject to the settlement of certain Battle Mountain litigation, the former shareholders of Battle Mountain may receive additional shares of Royal Gold common stock or cash, in the same form as previously elected.

Battle Mountain is a precious metals royalty company with a portfolio consisting of royalties on 13 properties located mainly in the Americas. Its principal assets include a 1.25% and a 2.0% net smelter return (“NSR”) royalty on gold production and a 2.0% NSR royalty on silver production from the Dolores project in Mexico, which is under development by Minefinders Corporation Ltd. Battle Mountain’s royalty properties contain approximately 4.8 million ounces of gold reserves and 136 million ounces of silver reserves.

Royal Gold is the leading precious metals royalty company engaged in the acquisition and management of precious metals royalty interests. Royal Gold is publicly-traded on the NASDAQ Global Select Market under the symbol "RGLD," and on the Toronto Stock Exchange under the symbol "RGL." The company's web page is located at www.royalgold.com.

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 include 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 regarding reserve estimates for Battle Mountain's royalty properties. The principal assets of Battle Mountain include royalty interests on a project not yet in production. Like any royalty acquisition involving royalties on a non-producing project, the royalty interests acquired in the merger transaction are subject to certain risks, such as the ability of the operator to bring the project into production and operate in accordance with the feasibility study and the ability of Royal Gold to make accurate assumptions regarding valuation and timing and amount of royalty payments. In addition, the various royalty interests that have been acquired in the merger transaction are subject to risks associated with conducting business in a foreign country, including application of foreign laws to contract and other disputes, foreign environmental laws and enforcement and uncertain political and economic environments. Factors that could cause actual results to differ materially from forward-looking statements include, among others, actual results of the consummation of the merger transaction, precious metals prices, decisions and activities of the operator of the property, unanticipated grade, geological, metallurgical, processing or other problems the operator may encounter, changes in project parameters as plans continue to be refined, economic and market conditions, as well as other factors described in Royal Gold's Annual Report on Form 10-K, and other of the Company's filings with the Securities and Exchange Commission. Most of these factors are beyond Royal Gold's ability to predict or control. Royal Gold disclaims any obligation to update any forward-looking statement made herein. Readers are cautioned not to put undue reliance on forward-looking statements.