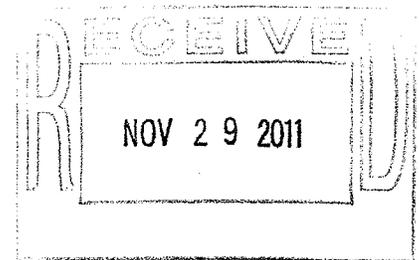


James W. Stuckert  
7308 Shadwell Lane  
Prospect, Kentucky 40059



November 23, 2011

Office of the Secretary  
PCAOB  
1666 K Street, N.W.  
Washington, D.C. 20006-2803

**RE: PCAOB Rulemaking Docket Matter No. 37: Concept Release on Auditor Independence and Audit Firm Rotation**

Dear Chairman Doty:

I am writing this letter as Chairman of the Audit Committee and on behalf of the Board of Directors and the executive management team of Royal Gold, Inc. ("Royal Gold"), a NASDAQ-listed Company. We appreciate the opportunity to provide feedback regarding The Public Company Accounting Oversight Board ("PCAOB") Rulemaking Docket Matter No. 37 – Concept Release on Auditor Independence and Audit Firm Rotation.

We support the continued efforts of the PCAOB to bolster auditor independence, objectivity and professional skepticism as part of the audit process. However, we believe that mandatory audit firm rotation would result in no substantial improvement in these areas and audit quality would suffer, both of which would come with significant cost and risk.

We strongly oppose mandatory audit firm rotation for the following reasons, each of which may also impact audit risk and quality:

1. **Independence** – The Securities and Exchange Commission currently requires our audit partner to rotate off our engagement after five years and avoid association with the company for another five years. We believe that mandatory audit partner rotation has strengthened auditor independence, objectivity and professional skepticism and that this requirement, coupled with periodic turnover within our audit committee, tends to keep the relationship between our auditors and the company dynamic and independent. We believe the mandatory audit firm rotation would not improve auditor independence;
2. **Industry Specialization** – We believe that mandatory audit firm rotation would make it more difficult for audit firms to build expertise in specialized areas of accounting, such as the mining industry. We seek third party service providers that are specialized in the mining industry in an effort to minimize risk and increase quality in the services provided. Training of audit firm personnel will become less industry specialized;

thus, a reduction in auditors who have specialized industry knowledge increases the risk that audit quality will decline;

3. **Timing** – We recently changed audit firms. The process that is required to select a new independent public accounting firm requires a significant amount of time from senior management and the Audit Committee. The time that would be spent to select new auditors every five years takes away the ability of our business. Further, the required changing of auditors can be challenging if the timing coincides with a significant transaction such as a merger or acquisition or with volatile market conditions. We believe the timing of a required rotation could result in increased risks and distractions that could affect both audit quality and Royal Gold's business activities at the time a mandatory audit rotation occurs;
4. **Cost** – As mentioned earlier, we recently changed audit firms in an effort to maintain quality service and control rising audit costs. Due to the learning curve that audit firms face with a new audit client, audits can be less efficient at the beginning of the engagement and can present a higher level of audit risk to the company. Audit risk also could be higher at the end of an audit rotation period as the company may be distracted with planning for the transition to the new audit firm and the audit firm being replaced is focused on the next rotation client. Further, and as Royal Gold recently experienced, audit transitions can result in added costs, disruption and risk. In our new auditor relationship, both the auditor and Royal Gold incurred significant transition costs and these costs were somewhat escalated due to Royal Gold having subsidiaries which operated in many foreign countries. We believe that mandatory audit firm rotation would result in higher costs for both Royal Gold and the audit firms that would far exceed any perceived benefits, and ultimately resulting in lower returns for our shareholders. Royal Gold has noted that many of the large public accounting firms have also commented that any mandatory audit firm rotation requirement would likely increase client costs; and
5. **Global Operations** – Royal Gold and its subsidiaries operate in many foreign countries. If one or more of the countries in which we operate in requires audit firm rotation, it could create significant practical problems as Royal Gold would either have to change audit firms globally every time rotation is required (to benefit from having a single audit firm) or use different audit firms in jurisdictions that require rotation. We believe changing auditors every time rotation is required in one jurisdiction or using different audit firms in numerous jurisdictions are costly and inefficient approaches, both of which can increase audit risk.

Finally, we believe that it is important that the Audit Committee continue to have the autonomy to choose the right firm, based on the firm's experience, service ability, and industry knowledge, instead of being forced to choose an auditor due to a mandated requirement. Any requirement to adopt mandatory rotation would take away any discretion from our Audit Committee (and senior management) to do what is in the best interest of Royal Gold and our shareholders. We believe our Audit Committee is in the

best position to evaluate whether our auditors are independent, objective and are exercising the appropriate levels of professional skepticism.

We appreciate the opportunity to comment on this proposal, and we appreciate your consideration. We would be pleased to discuss our comments with the PCAOB at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "James W. Stuckert". The signature is written in a cursive style with a large, looping initial "J".

James W. Stuckert

Chairman

Royal Gold, Inc. Audit Committee