

Battle Mountain Gold Exploration Corp.
 Form 4
 September 06, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 ROYAL GOLD INC

2. Issuer Name and Ticker or Trading Symbol
 Battle Mountain Gold Exploration Corp. [BMGX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1660 WYNKOOP STREET, SUITE 1000
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/04/2007

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

DENVER, CO 80202-1132

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 09/04/2007 | | X | | 12,102,940 | A | 12,103,040 |
| Common Stock | 09/05/2007 | | C | | 4,086,794 | A | \$ 0.5 16,189,834 |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title Underlying Instrument (Instr. 3, 4, and 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Stock Options (right to buy) | (2) | 09/04/2007 | | X | 16,189,734 (3) | 03/05/2007 09/05/2007(4) | Common Stock |
| Convertible Debenture | \$ 0.5 | 09/05/2007 | | C | \$ 2,000,000 | 09/05/2007 04/25/2008 | Common Stock |
| Convertible Bridge Loan | \$ 0.6 | 03/28/2007(7) | | J | 878,670 (8) | 03/28/2007 04/04/2008 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| ROYAL GOLD INC 1660 WYNKOOP STREET, SUITE 1000 DENVER, CO 80202-1132 | | | X | |

Signatures

Royal Gold, Inc. By: Bruce C. Kirchhoff, Vice President and General Counsel

09/06/2007

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options were exercised for 0.0179 shares of Royal Gold common stock par value \$0.01 per share. See remarks attached hereto as Exhibit 99.1.
- (2) The minimum exercise price is equal to 0.016925 shares of Royal Gold common stock par value \$0.01 per share. See remarks attached hereto as Exhibit 99.1.
- (3) Comprised of 12,102,940 shares of Battle Mountain common stock, par value \$0.001 ("common stock") reported on Table I hereof, and 4,086,794 shares of common stock underlying a 6% convertible debenture that is subject to the Stock Option. See remarks attached hereto as Exhibit 99.1.
- (4) The options may expire at an earlier date. See remarks attached hereto as Exhibit 99.1.
- (5) The options were acquired pursuant to an Option and Support Agreement entered into with IAMGOLD Corporation. See remarks attached hereto as Exhibit 99.1.
- (6)

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Based on outstanding principal and accrued interest under the convertible debenture as of 09/04/2007. See remarks attached hereto as Exhibit 99.1.

- On 03/28/2007, Royal Gold entered into a Bridge Finance Facility Agreement with Battle Mountain Gold Corporation ("Battle Mountain") and BMGX (Barbados) Corporation, as borrowers, whereby Royal Gold will make available to the borrowers a bridge facility of up to \$20 million. On 04/14/2007, pursuant to the terms of the bridge facility, the maximum availability of the bridge facility was
- (7) reduced to \$15 million. Interest on advances will accrue at LIBOR plus 3% per annum. Outstanding principal, interest and expenses under the bridge facility may be converted at Royal Gold's option into Battle Mountain common stock at a conversion price per share of \$0.60 any time during the term of the bridge facility, provided that Royal Gold gives notice of its intent to convert on or before 04/04/2008. Currently, Battle Mountain has borrowed \$14,514,552 under the facility. The bridge facility will mature on 06/06/2008.
 - (8) Represents the number of shares of common stock into which the accrued interest as of September 4, 2007 under the bridge facility may be converted.
 - (9) Represents the number of shares of common stock into which the outstanding principal and accrued interest as of September 4, 2007 under the bridge facility may be converted.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.