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Drilling at Gossan Hill Encounters 4.70 Metres of 9.47 g/mT Gold, 16.53 g/mT Silver

Vancouver, Canada -- Callinan Mines announces today that the balance of the diamond drill holes completed to date at their Gossan Hill property have been proven by assay to contain gold and silver. Highlights include a 4.70 metre section of diamond drill hole GOS-11 containing 9.47 g/mT of gold, and 16.52 g/mT of silver, as well as a second zone of 8.77 metres of 3.24 g/mT of gold and 2.48 g/mT silver. To date, fourteen diamond drill holes have been completed. DDHs GOS-11, GOS-12 and GOS-13 are the deepest holes drilled at Gossan Hill to date. The zone of mineralization is exhibiting increased grade with depth, and the zone remains open on strike and down dip. Please see the table below:

DDH	from (m)	to (m)	width (m)	Au g/mT	Ag g/mT
GOS-08	103.66	109.90	6.24	2.03	39.83
incl	107.00	109.90	2.90	2.86	80.48
GOS-09	100.30	106.85	6.55	2.71	6.08
incl	102.30	105.68	3.38	3.61	8.46
GOS-10	137.64	144.50	6.86	1.54	7.77
incl	141.30	144.10	2.80	2.10	10.69
GOS-11	178.80	183.50	4.70	9.47	16.52
incl	179.75	182.46	2.71	13.64	22.73
GOS-11	190.45	199.22	8.77	3.24	2.48
incl	195.75	196.80	1.05	14.83	7.14
GOS-12	183.10	191.90	8.80	3.79	3.90
incl	184.54	187.55	3.01	7.22	4.60
GOS-13	200.25	200.77	0.52	14.53	513.35
GOS-13	211.95	215.00	3.05	7.22	12.87
GOS-14	148.25	162.00	13.75	3.36	15.45
incl	148.25	152.96	4.71	5.82	37.69

These assays represent the result of testing by Aqua Regia digestion ICP-ES analysis (24 elements) and assayed for gold and silver by fire assay method. Samples are currently being re-assayed by metallic method to better understand the nature of the gold-mineralization and determine if samples have been affected by the "nugget effect".

The gold mineralization occurs in a quartz vein adjacent to a sheared intrusive / volcanic contact zone. Interpretations of mapped geology indicate that the structure has a strike length of at least two kilometers. Diamond drill testing at Gossan Hill will resume immediately. The current ground conditions will allow for drilling to be conducted further along the mineralized shear zone and test the extent of mineralization along strike.

Callinan has acquired a 100% interest in 6,269 hectares of the Gossan Hill Property by staking. The company can earn 100% of an additional 4,345 hectares, subject to a 2% NSR, 50% of which is recoverable, under a three year option agreement.

Callinan Mines maintained a QA/QC program at all stages of exploration. Drill core recovery was calculated, measured and recorded at the Gossan Hill Property before being cut and sampled. Samples were split in half, one half of each sample being kept for storage and the other half placed in a pre-labeled plastic bag, tagged with the sample number and recorded in the log. Callinan QA/QC samples (blanks and standards) were inserted into the group of samples and shipped to Acme Analytical Laboratories in Vancouver, BC, where they were crushed, split, and pulverized to 250 g samples at 200 mesh. Pulp samples were then assayed by Aqua Regia digestion ICP-ES analysis (24 elements) and assayed for gold and silver by fire assay method. The lab employs internal quality control by assaying pulp duplicates and inserting quality control standards of predetermined values and a blank sample.

CALLINAN

ROYALTIES

On Behalf of the Board of Directors,

Mike Muzylowksi

Mike Muzylowski
President and CEO

All of Callinan's exploration programs are conducted under the direction of J.J. O'Donnell, P. Geo, a qualified person as defined by national instrument 43-101, who has reviewed and approved the contents of this release.

For more information, please visit www.callinan.com.

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