

CALLINAN

ROYALTIES

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Release 11-07

Callinan Receives Fourth Quarter Royalty Payment from Hudbay Minerals

VANCOUVER, Canada -- Callinan Mines (TSX.V — CAA) has received an interim payment of \$4,524,342 from HudBay minerals Inc. This payment represents 75% of an estimate of 6 2/3% of the net profits from the 777 Mine in Flin Flon, Manitoba for the quarter ended Dec. 31st, 2010.

Callinan Mines has a current cash position of approximately \$18 million, with no debt. The company is involved in an ongoing legal action against Hudbay Minerals designed to gain transparency in the calculation of both the quarterly net profits payments and past entitlements.

On Behalf of the Board of Directors,

Mike Muzylowski

Mike Muzylowski
President and CEO

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

Cautionary Statement on Forward-Looking Information

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