

CALLINAN

ROYALTIES

March 4, 2011

TSXV: CAA
Release 11-11

Callinan Closes Financing

VANCOUVER, Canada -- Callinan Mines Limited ("Callinan") (CAA-TSXV) announces that it has closed a private placement with Roland Butler comprising two million units of Callinan at the price of \$2.19 cents per unit to raise proceeds of \$4,380,000. Each unit is comprised of one common share of Callinan and one non-transferable common share purchase warrant, with each warrant exercisable until March 4, 2016 to purchase one additional common share of Callinan at a price of \$2.58 per share.

The proceeds from the private placement will be applied to Callinan's general working capital. The shares and warrants issued as part of the private placement, and any common shares issued on the exercise of the warrants, are subject to a hold period and may not be traded in Canada until July 5, 2011, except as permitted by applicable Canadian securities laws and the TSX Venture Exchange.

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

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. Certain of the information presented in this News Release may constitute "forward-looking statements" or "forward-looking information" within the meaning of Canadian securities legislation (together referred to as "forward-looking statements"). The forward-looking statements are subject to risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including any delays in the receipt of consents or approvals. Although Callinan Royalties has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this News Release and in any document referred to in this News Release. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and Callinan Royalties undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.