

July 6, 2011

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## Callinan Announces Effective Date of Arrangement and Proposed Listing Date of Callinex

VANCOUVER, Canada -- Callinan Mines Limited ("Callinan" (CAA:TSX.V), is pleased to announce it has set July 13, 2011 as the effective and record date (the "Record Date") for its previously announced plan of arrangement (the "Arrangement") with Callinex Mines Inc. ("Callinex").

The Record Date allows for a three day standard settlement of accounts from a Friday, July 8, 2011 trade date. A shareholder who holds a share of Callinan acquired on or before the close of market on Friday, July 8, 2011 will be eligible to participate in the Plan of Arrangement. Pursuant to the Arrangement, Callinan's name will be changed to "Callinan Royalties Corporation" and its shares will continue to trade under the symbol "CAA". The Arrangement will involve, among other things, the distribution of common shares of Callinex (the Callinex Shares") to shareholders of Callinan as at the Record Date such that each Callinan shareholder will hold: (i) one common share of Callinan Royalties Corporation for each common share of Callinan held on the Record Date; and (ii) one Callinex Share for every 4.5 common shares of Callinan held on the Record Date.

The Callinex Shares are expected to begin trading at the opening of market on Thursday, July 14, 2011 under the symbol "CNX".

On Behalf of the Board of Directors,

*Mike Muzylowski*

Mike Muzylowski

President and CEO

For more information, please visit [www.callinan.com](http://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.*