

CALLINAN

ROYALTIES

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Callinan Receives Balance of 2010 Net Profits Interest Payments

VANCOUVER, Canada -- Callinan Mines has received a payment of \$5,090,939 from Hudbay Minerals Inc. This payment represents the remaining balance of payments due to Callinan for fiscal 2010 under the 777 / Callinan Mine Net Profits Interest and Royalty agreement.

Interim quarterly payments were made throughout 2010, estimated by Hudbay Minerals Inc. to represent 75% of 6 2/3% of the net profits from the 777 Mine in Flin Flon, Manitoba, plus \$0.25 per ton of ore mined. This payment represents the balance of the 25% withheld over the four financial quarters ended December 31, 2010, adjusted to reflect final calculation by Hudbay Minerals Inc. of the net profits interest.

On Behalf of the Board of Directors,

Roland Butler

Roland Butler, CEO

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

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