

August 10, 2011

TSXV: CAA
Release 11-23**Callinan Announces First Dividend**

VANCOUVER, Canada -- The Board of Directors of Callinan Royalties Corporation declared on August 09, 2011 that the company will pay an inaugural quarterly dividend of two cents per common share on September 15, 2011, to the holders of the company's outstanding common shares as of the close of business on the record date of September 1, 2011.

The Board of Directors has approved this initial dividend in recognition of the strong financial condition of the Callinan Royalties.

Key dates with respect to the dividend

Common shares trade on the TSX Venture Exchange on an ex dividend basis: September 1, 2011

Record date for the dividend: September 1, 2011

Common share dividend payment date: September 15, 2011

The dates set out above are based on the directors' current expectations and may be subject to change. If any of the dates should change, the revised dates will be notified by press release and will be available on the company website.

On Behalf of the Board of Directors,

Roland Butler

Roland Butler, CEO

About Callinan

Callinan Royalties Corporation is a mineral royalty company based in Canada. Its principal business activities centre on acquiring and creating a portfolio of mineral royalties while diligently managing its royalty interests and investments.

The Corporation currently has two producing royalties. Callinan holds a 6 2/3 % net profits interest royalty and a \$0.25 per ton royalty on lands that include the 777 Mine owned by Hudbay Minerals Inc. located at Flin Flon, Manitoba as well as the adjacent 777 North Mine scheduled for production in 2012. Callinan also holds the War Baby property (777 Deeps) and an associated royalty option located in proximity to the 777 Mine.

Callinan is a Tier 1 company listed on the TSXV under the symbol CAA. The Corporation has a strong financial position with no debt, approximately \$26 million in cash and 49,009,000 shares outstanding.

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.