

## FORM 51-102F3

### Material Change Report

**ITEM 1. NAME AND ADDRESS OF COMPANY**

Callinan Royalties Corporation (the "Company")  
508 Main Street  
Lewisporte, Newfoundland A0G 3A0

**ITEM 2. DATE OF MATERIAL CHANGE**

December 9, 2011

**ITEM 3. NEWS RELEASE**

Issued December 9, 2011 and distributed through the facilities of (Canada News Wire or CCN Mathews)

**ITEM 4. SUMMARY OF MATERIAL CHANGE**

See attached news release.

**ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE**

*December 9, 2011*

TSXV: CAA  
Release 11-30

#### **Callinan Reports On 2011 Annual General Meeting**

VANCOUVER, Canada -- All resolutions presented at the annual general meeting of Callinan Royalties Corporation held on December 09, 2011, were approved by shareholders, including the election of directors Brian Irwin, Anna Stylianides, Frank Dembinsky, David Korbin and Roland Butler, with Brian Irwin being appointed as Chairman. The final voting results on each item of business and respective resolutions have been filed on SEDAR.

Serving on the Callinan board of directors for the first time, is David Korbin. Mr. Korbin presently works as a management and financial consultant. He was appointed to the Board of Directors of Ivanhoe Mines in May, 2006 and is a former director of E-Comm Emergency Communications for Southwest British Columbia. He was Chairman of E-Comm's board of directors since 2004 and was Chairman of the audit committee from 2002 to 2003. From 1992 to 2000, he was a director of the Vancouver General Hospital and then the Vancouver Hospital and Health Sciences Centre, serving as Chairman of the Vancouver General Hospital audit committee from 1993 to 1994 and Chairman of the Vancouver Hospital and Health Sciences Centre from 1995 to 1998. Mr. Korbin qualified as a Chartered Accountant in 1966, and from 1990 to 1992 he was a managing partner of Deloitte Touche LLC. Mr. Korbin also was a director of Seaspan Corporation (NYSE - SSW), and Chairman of Seaspan's Audit Committee.

The board would like to extend notes of sincere appreciation to the three former directors, Mr. Mike Muzykowski, Mr. Gordon Slade and Dr. Mervyn Shnider for their years of dedication and valuable service to Callinan, which will continue through membership on Callinan's advisory board.

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 6⅓% net profits interest royalty and another \$0.25 per ton royalty on lands that include the 777 Mine owned by Hudbay Minerals Inc. located at Flin Flon, Manitoba, Canada as well as the adjacent 777 North Mine scheduled for production in 2012. Callinan also holds the 777 Deeps (War Baby) property and an associated royalty option located on that property, which is located adjacent 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 \$29 million in cash and approximately 49,000,000 shares outstanding.

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.*

#### **ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102**

*[If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of NI 51-102, state the reasons for such reliance.]*

*or*

Not applicable.

*[Refer to subsections 7.1(4), (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed pursuant to subsection 7.1(2) or (3) of NI 51-102. See Schedule C attached.]*

#### **ITEM 7. OMITTED INFORMATION**

No information has been omitted on the basis that it is confidential information.

*[Or, in a separate letter to the applicable regulatory or securities regulatory authority marked "Confidential" provide the reasons for your company's omission of confidential significant facts in the Report in sufficient detail to permit the applicable regulatory or securities regulatory authority to determine whether to exercise its discretion to allow the omission of significant facts.]*

*[In certain circumstances where a material change has occurred and a Report has been or is about to be filed but subsection 7.1(2), (3) or (5) of NI 51-102 is not or will no longer be relied upon, the Issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the Report should remain confidential and not be disclosed or not be disclosed in full detail in the Report.]*

#### **ITEM 8. EXECUTIVE OFFICER**

Contact: Roland Butler, Chief Executive Officer  
Telephone: (709) 535-3433

#### **ITEM 9. DATE OF REPORT**

DATED at Lewisporte, Newfoundland, this 9th day of December, 2011