



**TSX:CLM**

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**FOR IMMEDIATE RELEASE**

**CONSOLIDATED THOMPSON  
ESTABLISHES A STAND-BY FACILITY FOR UP TO US\$50 MILLION**

- **MINE PRODUCTION ON TRACK TO REACH FULL PRODUCTION OF 8 MTPY SCENARIO BY THE END OF THE YEAR**

**May 12, 2009:** Toronto, Canada – Consolidated Thompson Iron Mines Limited (TSX: CLM) (“Consolidated Thompson” or the “Company”) is pleased to announce that it has entered into a term sheet with Marret Asset Management Inc. providing for a US\$50 million secured note facility. The proposed facility would allow the Company to draw down up to US\$50 million at any time prior to December 31, 2009. Consolidated Thompson would issue secured notes that represent any amount drawn down under the facility, which notes would mature on the date that is three years from the date of issue, provide for annual interest payments, and be subject to redemption by the Company at any time. At the time of draw down under the facility, the Company would be entitled to elect the applicable interest rate of either (i) 15% per year, or (ii) 10% per year and the issue of share purchase warrants having a present value that would create a yield of 15% per year.

Richard Quesnel, the President and CEO of the Company, commented “Together with the strategic investment by WISCO and our recently completed equity offering, this facility provides Consolidated Thompson with additional financial flexibility to accelerate any desired capacity expansion at the Bloom Lake mine, pursue other strategic initiatives and to cover any contingencies relating to the development of the Bloom Lake mine.” As stated on May 4, 2009, both Consolidated Thompson and WISCO remain committed to completing WISCO’s strategic investment in Consolidated Thompson as soon as possible. Consolidated Thompson and WISCO have agreed to extend the deadline to complete the transaction to June 1, 2009.

Closing of this secured note facility is subject to regulatory approval, satisfactory completion of due diligence investigations, negotiation and execution of definitive agreements and the approval of the CLM board. The Company has agreed to issue 3,500,000 share purchase warrants to the lenders with an exercise price of CDN\$3.75 and an expiry date that is three years from the date of issue.

Macquarie Capital Markets Canada Ltd. acted as advisor to the Company in connection with this stand-by facility.

**Information on Consolidated Thompson**

Consolidated Thompson Iron Mines Limited is an exploration and development mining company. The Company believes that its updated positive Feasibility Study, based on the current understanding of the quality and size of the Bloom Lake deposit, reflects the potential to expand and advance the project and exploit other opportunities in the iron ore industry. The Company has approximately 155.0 million shares outstanding and trades on the TSX under the symbol CLM.

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Except for statements of historical fact relating to the Company, certain information contained herein constitutes “forward-looking information” under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the terms of the agreement; receipt of all necessary approvals; the negotiation and execution of the definitive agreements; benefits from the agreement; capital required to complete the development of the Bloom Lake mine and the timing of such requirements; the conclusions, parameters and assumptions underlying current mine plans, the development potential and timetable of Bloom Lake project; capital and operating expenditures; iron ore prices; permitting time lines and permitting; government regulation of mining operations; environmental risks and the impact of management appointments. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of mining at the Bloom Lake Project are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates as are set out in the CLM’s feasibility study. Capital and operating cost estimates are based on extensive research of the Corporation, purchase orders placed by the Corporation to date, recent estimates of construction and mining costs and other factors that are set out in CLM’s feasibility study. Production estimates are based on mine plans and production schedules, which have been developed by the Corporation’s personnel and independent consultants. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Consolidated Thompson to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks described in the annual information form of the Company posted under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com). Although management of Consolidated Thompson has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause 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 information. Consolidated Thompson does not undertake to update any forward-looking information, except in accordance with applicable securities laws.