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**FOR IMMEDIATE RELEASE**  
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## **CONSOLIDATED THOMPSON COMPLETES ENVIRONMENTAL ASSESSMENT PROCESS ON LABRADOR RAILWAY PROJECT**

**October 27, 2008:** ST. JOHN'S, NEWFOUNDLAND – Consolidated Thompson Iron Mines Limited (TSX:CLM) (“CLM” or the “Company”) is pleased to announce it has completed the environmental assessment process for its proposed railway project in Labrador. The Company has been officially advised of the decision of the Minister of Environment and Conservation with the Government of Newfoundland and Labrador.

On April 23, 2008, CLM submitted a Notice of Project to the Minister of Environment and Conservation, the Honourable Charlene Johnson. The Project is a new 31 kilometre (“km”) single track railway line extending from the Bloom Lake iron ore mine loading facilities to the existing railway line between the Wabush Mines installations and the Quebec North Shore & Labrador Railway (“QNS&L”). On July 3, 2008, Minister Johnson informed CLM that an Environmental Preview Report (“EPR”) was required to which CLM responded with a detailed EPR on August 28, 2008.

Brian Tobin, the Vice Chairman of the Board, stated, “We are very pleased with the Minister’s decision today as we have worked diligently in cooperation with the Government of Newfoundland and Labrador to ensure that the majority of benefits resulting from this project will accrue to Newfoundland and Labrador and in particular Labrador City and Wabush”.

Richard Quesnel, the President and Chief Executive Officer, stated, “In addition to providing new infrastructure that will contribute to the economic development of Labrador and the Province, there will also be substantial direct and indirect impacts resulting from the construction of the railway and subsequently, from its operation. With today’s announcement, CLM is on track to ship initial concentrate by September 2009.”

Preliminary sitework is underway with the line survey of the rail right-of-way. This will be followed by the clear cutting of the right-of-way, which is expected to get underway within a few weeks. CLM expects to commence construction of the rail bed and installation of the rail itself in early 2009. Construction is scheduled to be completed by September 2009 and coincide with the targeted date for initial production of iron ore concentrate at Bloom Lake.

CLM expects that the railway will be owned and operated by the Bloom Lake Railway, which will be an incorporated company within Newfoundland and Labrador. The construction phase will see an average of

160 persons working (300 at peak between June and September of 2009). The Bloom Lake Railway will be based in Wabush and will employ upwards of 16 personnel when in operation.

The Bloom Lake Iron Ore Property is located in Normanville Township, Duplessis County, Province of Quebec, on the south end of the Labrador Trough, approximately 400 km north of Sept-Iles. The Bloom Lake deposit is situated approximately 10 km north of the Mount-Wright iron ore mining operation of ArcelorMittal Mines Canada.

**Consolidated Thompson Iron Mines Limited is an exploration and development company. The Company believes that the 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 119.4 million shares outstanding and trades on the TSX under the symbol CLM. Further information can be accessed at the Company's website at [www.consolidatedthompson.com](http://www.consolidatedthompson.com)**

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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 timing, nature and costs of the construction of the spur line, the impact of construction on the local area and community, the development timetable of Bloom Lake project; capital and operating expenditures; iron ore prices; permitting time lines and permitting; government regulation of mining operations; and environmental risks. 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, nature and cost of construction of the spur line are based on purchase orders placed, price quotes received, advice from industry consultants and the knowledge and experience of the management of CLM. Capital and operating cost estimates are based on extensive research of the Company, purchase orders placed by the Company to date, recent estimates of construction and mining costs and other factors that are set out in the Feasibility Study of the Company. Production estimates are based on mine plans and production schedules, which have been developed by the Company'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.