

Consolidated Thompson Iron Mines Limited Announces the Delivery of Notice of Redemption of 5.0% Convertible Unsecured Subordinated Debentures Due 2017

MONTREAL, May 26, 2011 -- Consolidated Thompson Iron Mines Limited (TSX: CLM) ("CLM") today announced that, pursuant to the trust indenture (the "Indenture") dated as of November 29, 2010, as amended, between CLM and Equity Financial Trust Company (the "Trustee"), it has delivered notice to the Trustee that it is exercising its right to redeem, on June 13, 2011 (the "Redemption Date"), all of its then outstanding 5.0% convertible unsecured subordinated debentures due November 30, 2017 (the "Convertible Debentures") at a redemption price per US\$1,000 principal amount of Convertible Debentures of C\$1,131.60 plus all accrued but unpaid interest.

As previously announced, an offer by CLM to purchase the Convertible Debentures was mailed on May 12, 2011 in accordance with the requirements of the Indenture. The Convertible Debentures may be converted at any time before the close of business on the 30th day after such offer to purchase was mailed at a reduced conversion price of US\$11.9810, which would result in a cash payment per US\$1,000 principal amount of Convertible Debentures upon the conversion thereof equal to C\$1,439.78 plus all accrued but unpaid interest, as calculated in accordance with the Indenture. On and after June 13, 2011, the Convertible Debentures may not be converted and will no longer be deemed outstanding, interest will cease to accrue thereon, and all rights of the holders of the Convertible Debentures will cease, except for the right to receive the redemption price, without interest thereon.

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