

**Stock Exchange Release  
Talvivaara Mining Company Plc  
6 November 2014**

**No solution reached in short term financing negotiations  
Talvivaara Sotkamo Ltd to apply for bankruptcy**

As previously announced, Talvivaara Mining Company Plc (“Talvivaara” or the “Company”) has been seeking a solution to its short and long term financing requirements. In its H1 2014 interim report, the Company stated that implementation of the proposed restructuring programmes for Talvivaara and its operating subsidiary Talvivaara Sotkamo Ltd (“Talvivaara Sotkamo”) remains subject to sufficient creditor support and an adequate financing solution, and that the Company continues to explore all possible sources of finance. Further, the Company stated that whilst it considered an adequate financing solution to be achievable, it acknowledged that reaching a positive outcome is not certain and that the Company can give no assurance that the submitted restructuring programmes are approved or that the reorganisation process will ultimately be successful.

The financing discussions with the key stakeholders, potential new investors and the Republic of Finland have continued intensely throughout the past months, and as of the date of this announcement, negotiations for a long term solution are already far advanced. However, Talvivaara has today been informed that short term financing to meet the Company’s immediate working capital needs will not be available in the required timeframe, which makes concluding the long term solution unachievable.

The management of Talvivaara believes that, with appropriate additional financing, the recent operational progress and improvements in environmental risk management would have provided a good basis for future success of Talvivaara following implementation of the proposed corporate restructuring programme and the new corporate structure. However, in the absence of any additional financing, Talvivaara has been informed that the Board of Directors of Talvivaara Sotkamo have decided to apply Talvivaara Sotkamo into a bankruptcy, and that the Administrator of the corporate reorganisation proceedings has given his consent to this decision.

The listed parent company Talvivaara Mining Company Plc. will provide services for the bankruptcy estate of Talvivaara Sotkamo and continue its operations for the time being with the target of securing sufficient financing to acquire the mining operations and associated assets and rights from the bankruptcy estate of Talvivaara Sotkamo.

Talvivaara expects that the application for bankruptcy by Talvivaara Sotkamo will be filed with the district court of Espoo, Finland, during today.

**Enquiries**

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**Talvivaara Mining Company Plc**

Talvivaara Mining Company is an internationally significant base metals producer with its primary focus on nickel and zinc using a technology known as bioheap leaching to extract metals out of ore. Bioheap leaching makes extraction of metals from low grade ore economically viable. The Talvivaara deposits comprise one of the largest known sulphide nickel resources in Europe. The ore body is estimated to support anticipated production for several decades. Talvivaara has secured a 10-year off-take agreement for 100 per cent of its main output of nickel and cobalt to Norilsk Nickel and entered into a long-term zinc streaming agreement with Nyrstar NV. Talvivaara is listed on NASDAQ Helsinki. Further information can be found at [www.talvivaara.com](http://www.talvivaara.com).