



Auditor's Report (Translation)

To the Annual General Meeting of Talvivaara Mining Company Plc

We were engaged to audit the accounting records, the financial statements, the report of the Board of Directors and the administration of Talvivaara Mining Company Plc for the period 1 January – 31 December 2014. The financial statements comprise the statement of financial position, the income statement, the statement of changes in equity, the cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of financial statements and report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements and on the report of the Board of Directors based on conducting the audit in accordance with good auditing practice in Finland. The Auditing Act requires that we comply with the requirements of professional ethics. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As described in note 2 "Basis of presentation and non-going concern " and note 5 "Critical accounting estimates and judgment" to the accompanying financial statements, Talvivaara Mining Company Plc has issued a guarantee amounting to 203,4 million euro. Talvivaara Mining Company Plc has prepared the financial statements applying non-going concern principle and provided the full amount of the guarantee liability as a provision on its balance sheet.

As described in note 2 and note 5, the Administrator of the corporate reorganization of Talvivaara Mining Company Plc states that the Company cannot make any payments to the lender based on the guarantee liability due to the other financial agreements and the subordinated nature of the guarantee.

We were not able to verify the existence or nonexistence of a liability originating from the guarantee.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements and the report of the Board of Directors.

Helsinki, 30 April 2015

PricewaterhouseCoopers Oy
Authorised Public Accountants

Juha Wahlroos
Authorised Public Accountant