

Stock Exchange Release**Talvivaara Mining Company Plc****11 August 2016****Talvivaara's Extraordinary General Meeting approved the sale of mining related assets to Terrafame**

Talvivaara Mining Company Plc ("Talvivaara" or the "Company") is pleased to announce that, at the Extraordinary General Meeting of the Company held today on 11 August 2016 at 11:00 am (Finnish time), the resolution proposed by the Board of Directors set out in the notice of the meeting dated 8 July 2016 concerning the sale by Talvivaara of its assets related to the Sotkamo mining operations to Terrafame Ltd ("Terrafame") was duly passed.

On 30 June 2016 Talvivaara and Terrafame signed agreements, in which the parties agreed on the sale of Talvivaara's assets related to the Sotkamo mining operations and settlement of Talvivaara's guarantee liabilities under the Loan and Streaming Holiday Agreement ("Holiday Agreement"), with the principal amount of approximately EUR 14 million (including interest up until 30 June 2016), and the Zinc in Concentrate Purchase Agreement ("Streaming Agreement"), amounting to approximately EUR 203.4 million. The purchase price for the assets sold consists of two components: (i) a full and final settlement of the guarantee liabilities of the Company under the Holiday Agreement and the Streaming Agreement, and (ii) a cash component of EUR 1.4 million payable by Terrafame, which has been paid to the Company at closing. The assets sold include, among others, the lime plant needed for the Sotkamo operations, laboratory, as well as rights to the geological, laboratory and production related data associated with the Sotkamo mine. The agreements included a cancellation clause whereby the transactions contemplated by the agreements would have become null and void in the event the Extraordinary General Meeting of shareholders of Talvivaara would not have approved the transactions under the agreements.

Enquiries**Talvivaara Mining Company Plc** Tel +358 20 7129 800

Pekka Perä, CEO

Pekka Erkinheimo, Deputy CEO