

Stock Exchange Release**Talvivaara Mining Company Plc****7 November 2012****Talvivaara has located the gypsum pond leakage and the flow is being successfully stemmed
Preparations for re-start of metals recovery plant are underway**

Talvivaara Mining Company Plc ("Talvivaara" or the "Company") has located the gypsum pond leakage detected on Sunday morning 4 November 2012 near the center of the approximately 60-hectare pond. The process of plugging has been initiated and as a result, the flow has already substantially diminished.

As a result of the leakage, some elevated nickel concentrations have been detected in the northerly direction in the vicinity of the mining concession area. No leakage waters have been discharged from the mining concession area towards south as a consequence of the emergency dams and the measures taken.

Preparations for the re-start of the metals recovery plant are being carried out. Kainuu ELY Centre (Kainuu Centre for Economic Development, Transport and the Environment) has requested certain additional information from Talvivaara prior to re-start, which the Company will provide during the course of the next 24 hours. The Company anticipates starting the metals production by this weekend.

During the shutdown, Talvivaara has reconfigured the process flows enabling the isolation of the damaged gypsum pond from the solution circulation. In addition, the new reverse osmosis plant connections have been completed. The re-start of production at the plant will not cause additional strain on the damaged gypsum pond, or impact the measures or timing of repairing the pond.

Talvivaara believes that the re-start of the plant is an important step in the overall environmental risk management of the mine, as the bioheapleaching process is a continuous process that cannot be stopped over the short term. The recovery of metals leached into solution is important and justified as opposed to the accumulation metal-in-solution in the process ponds.

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

Harri Natunen, Chief Executive Officer

Saila Miettinen-Lähde, Deputy CEO and CFO

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 bioheapleaching to extract metals out of ore. Bioheapleaching 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 the London Stock Exchange Main Market and NASDAQ OMX Helsinki and is included in the FTSE 250 Index. Further information can be found at www.talvivaara.com.