

Stock Exchange Release**Talvivaara Mining Company Plc****5 November 2012****Leakage detected at the gypsum pond - metals production temporarily suspended**

A leakage in the gypsum pond of the mine site of Talvivaara Mining Company Plc ("Talvivaara" or the "Company") was detected at 7.30 am (Finnish time) on Sunday 4 November 2012. The levees of the pond are intact, but water is filtering through the lower part of the levee on the east side of the pond. The authorities have been informed.

The root cause and the extent of the leakage are being investigated, and the immediate safeguarding measures have been taken. The safety dams below the gypsum pond will be utilized to contain the leakage within the mining concession area. The water in the gypsum pond contains more metals and sulphates than Talvivaara's normal purified discharge water.

As a precautionary measure, the Company's metals recovery plant has been temporarily suspended in order to avoid further pumping of tailings into the gypsum pond while the leakage is being repaired. The Company anticipates restarting the metals recovery plant on Wednesday 7 November 2012. During the shutdown, the piping installations required for the commissioning of the reverse osmosis plants will also be completed. The piping installation work was originally scheduled for a later date in November. The reverse osmosis plants will be used to purify the sulphate-containing discharge waters, and they will reduce the raw water in-take and improve overall water balance management of the mine.

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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 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.