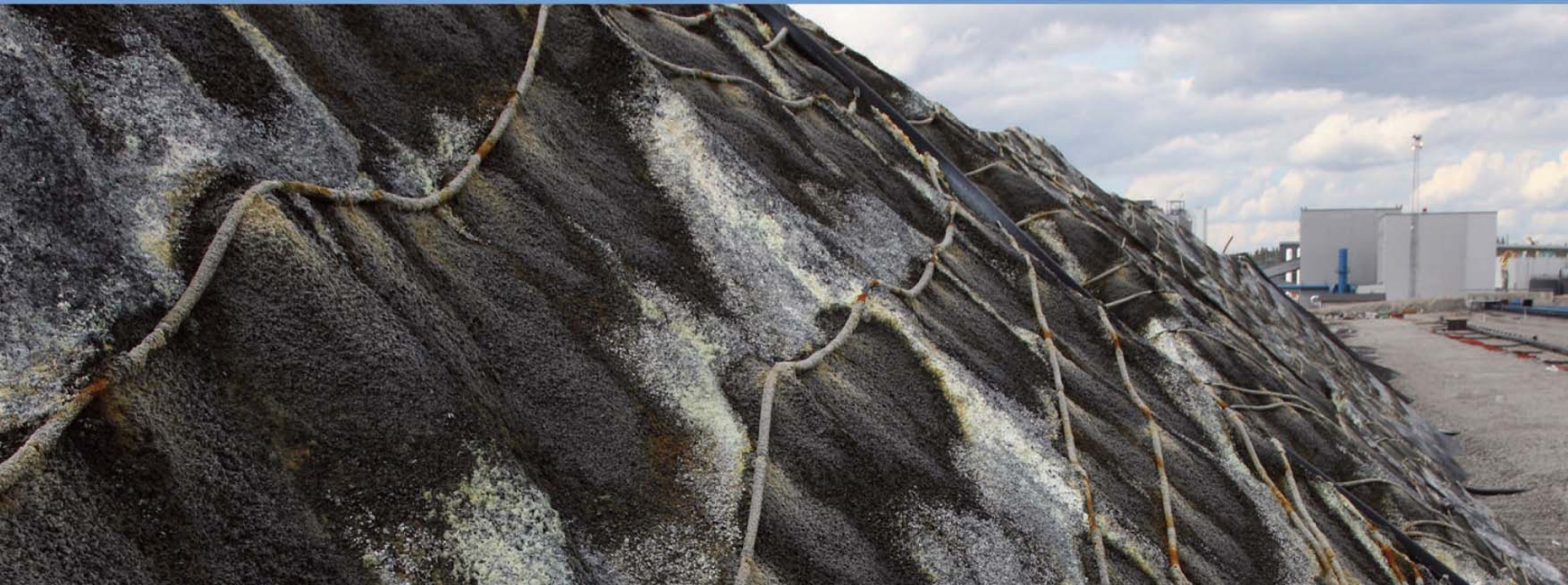


Talvivaara Mining Company Plc

**TALVIVAARA**

Capital Markets Day

19 November 2009





## DISCLAIMER

The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). These statements relate to future events that involve known and unknown risks and other uncertainties. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. All forward-looking statements made in this presentation based on information presently available and Talvivaara Mining Company Plc. assumes no obligation to update any forward-looking statements.

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## Introducing the Talvivaara team

- Pekka Perä, Chief Executive Officer
- Saila Miettinen-Lähde, Chief Financial Officer
- Lassi Lammassaari, Chief Operations Officer
- Pekka Erkinheimo, Chief Commercial Officer
- Tapio Ikonen, Chief Administration Officer
- Jukka Pitkälä, Chief Geologist
- Leif Rosenback, Chief Technology Officer
- Tapio Hyödynmaa, General Manager Projects
- Kari Vyhtinen, General Manager Business Development
- Timo Laatio, Investor Relations

## Agenda

- 9:30 Corporate and Strategic Update - Pekka Perä, CEO  
Financial Update - Saila Miettinen-Lähde, CFO  
Resource Update - Jukka Pitkämä, Chief Geologist  
Production Ramp-up and Operations – Lassi Lammassaari, COO
- 12:00 Conclusion – Pekka Perä, CEO  
Q&A
- Lunch buffet and further discussion

Talvivaara Mining Company Plc

**TALVIVAARA**

Corporate and Strategic Update

Pekka Perä, CEO



## Talvivaara

- Internationally significant base metals producer with primary focus on nickel and zinc
- Targeted full scale production from 2012
  - Nickel approx. 50,000 tonnes p.a.
  - Zinc approx. 90,000 tonnes p.a.
  - Copper approx. 15,000 p.a.
  - Cobalt approx. 1,800 tonnes p.a.
- Estimated mine life approx. 46 years



## Latest developments

### Production

- Biggest challenges have been overcome; target for 2010 remains at 30,000 tonnes of nickel
- All processes are working and ramp-up continues
  - Primary crusher modified in October and now operating at 60,000 tonnes per day levels
  - Upgraded fine crushing circuit installed in August and in operation since September
  - In bioheapleaching, metal grades in solution continue to rise despite larger than planned bleed rate to metals recovery
  - Metals recovery in continuous operation and ramping up to 900 m<sup>3</sup>/h solution flow by year end

### Finance

- Successful equity placing of EUR 82.7m in July to fund capacity expansion to 50,000 tpa nickel production
- Cash at end September EUR 68.6 m



*Intermediate storage of primary crushed ore*

## Latest developments continued

### Geology

- Over 18,000 meters drilled YTD
- Exploration not a priority at present
- Further increased in resources expected

### Permitting

- Permits for Talvivaara-Murtomäki railhead obtained in September, followed by commencement of regular traffic



*Rail yard at Talvivaara*

## Environment, Health and Safety – Absolute priority

### Environment

- Environmental processes being prepared for ISO 14001 certification
- Audit of the environmental system is targeted for Q4 2010

### Personnel

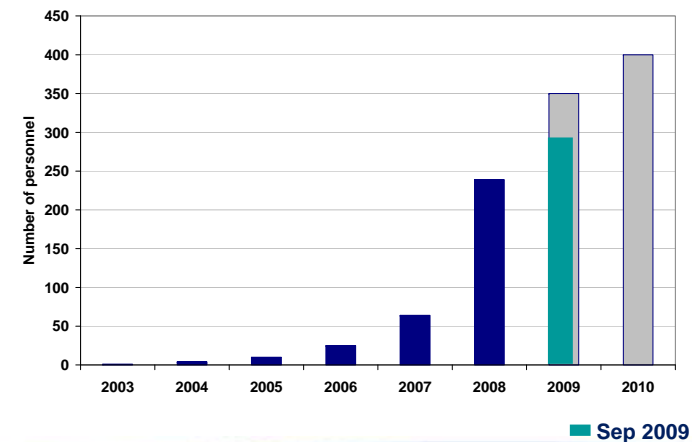
- Current number of personnel 283
- Recruitment and training continue with targeted number of personnel by the end of 2010 at around 400

### Safety

- 4 Lost Time Injuries (LTIs) to Talvivaara personnel in 2009, none serious
- 11 LTIs per a million working hours – substantially below industry average



Talvivaara personnel 2003-2010e



## 2010 targets

- **Production**
  - Continued ramp-up according to plan
  - Approx. 30,000 tonnes of nickel production
  - Approx. 55,000 tonnes of zinc production
- **Safety**
  - Zero LTI's
- **Business development**
  - Long term zinc agreement
  - Partnering agreement for manganese production and sales



## Strategy maintained

- **Complete development of the Talvivaara mine**
  - Achieve planned annual output
- **Achieve strong financial profile**
  - Maintain strong cash position
  - Maintain operating and capital cost discipline
- **Longer term expansion following ramp-up of operations**
  - Increase capacity and product selection at Talvivaara
  - Consider acquisitions
  - Seek opportunities to utilise bioheapleaching technology
- **Enhancement of metals processing facility**
  - To allow processing of challenging polymetallic concentrates from other sources
  - Manganese recovery technology



## Commercial Update

## Talvivaara nickel/cobalt and zinc concentrates

- **NiCo sulphide:**

*Offtake with Norilsk Nickel Harjavalta Oy:*

- Commercial deliveries started in February 2009
- Calcium extraction circuit at the Harjavalta refinery was commissioned in the summer 2009

- **Zn sulphide:**

*Product has been sold to very receptive spot market in Europe/China:*

- Detailed negotiations on long-term offtake ongoing with prospective buyers

## Update on chemicals supply – sulphur compounds

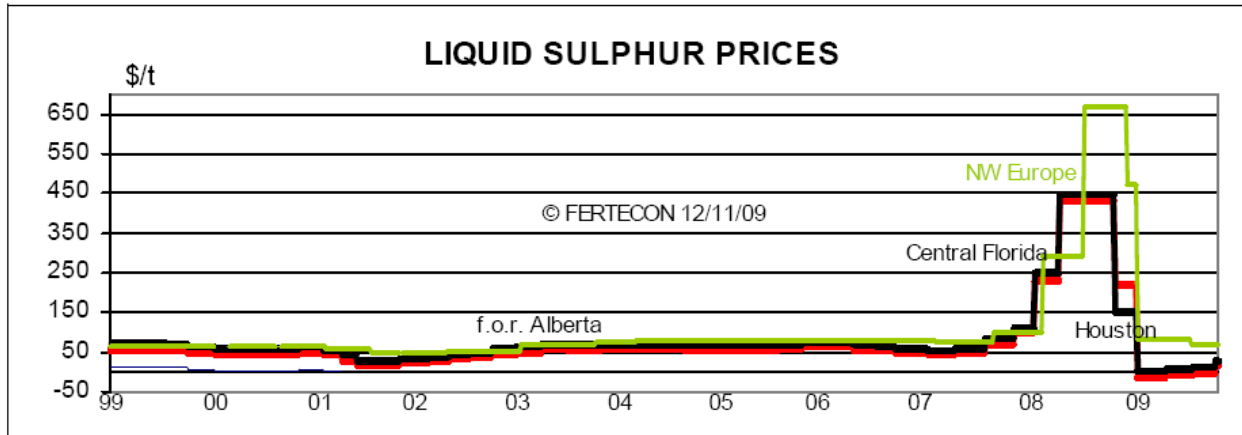
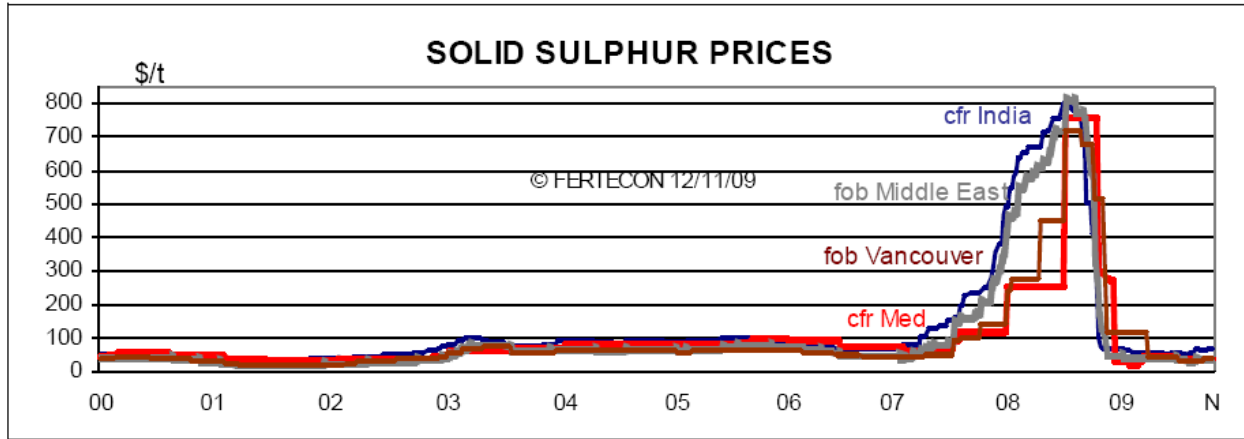
- Sulphuric acid

- Deliveries for 2010 and onwards are under negotiation with a number of suppliers
- Current market situation is opportune for long term supply arrangements

- Sulphur

- Granulated sulphur has been identified as the preferred form
- Medium term arrangement for a substantial part of the volume in place with CIECH Poland
- Discussions are ongoing with 1-2 global producers on long term arrangements
- Current market situation is opportune for long term supply arrangements

# Update on chemicals supply – sulphur price development

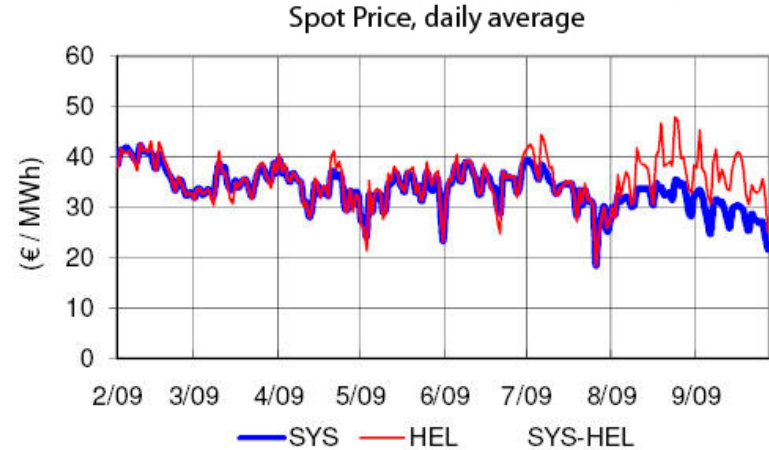


## Update on chemicals supply – caustic soda price development

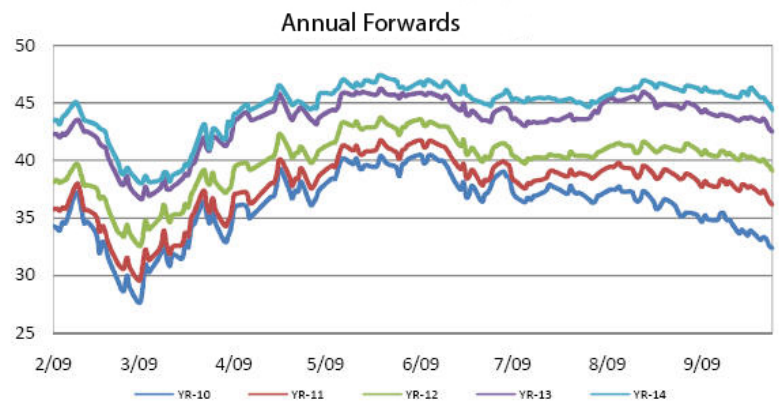


## Electricity supply

- Forward purchases executed as follows:
  - 2010 annual forward: 20MW at EUR33.5/MWh
  - 2011 annual forward: 20MW at EUR34.9/MWh
  - 2012 annual forward: 15MW at EUR41.9/MWh



Last week's average	26.27	32.55	6.28
Change	-2.58	-4.55	-1.97



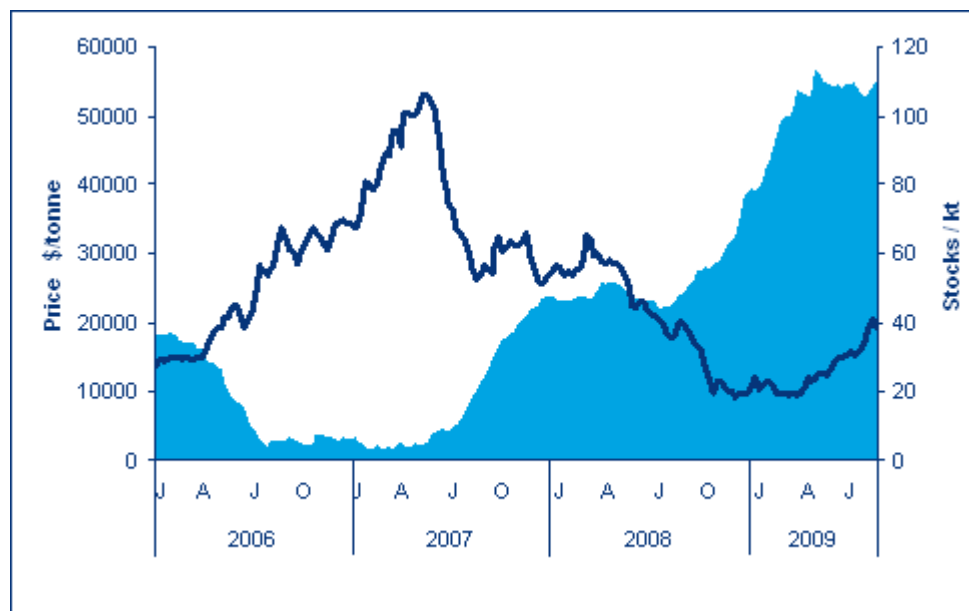
Last	32.35	36.15	39.10	42.50	44.40
Change	-1.50	-1.60	-1.20	-1.25	-1.90

Market outlook

## Market outlook

- **Short term market outlook still uncertain**
  - Underlying demand yet to grow
  - Temporary fall in commodity prices still possible, but weak USD may counter downward pressure in commodity prices
  - China possibly supporting the prices to secure and/or increase future supply

Monthly LME nickel stocks and prices 2006-2009



Source: Brook Hunt

## Market outlook continued

- Positive long term outlook in base metals intact with China driving the growth

**Indexed Nickel Consumption Growth 2000-2013**

