

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the Resolutions to be voted on at an Extraordinary General Meeting of Talvivaara Mining Company Plc (the “Company”) to be held on 12 March 2012. If you are in any doubt about the contents of this document or the action you should take, you should consult an independent adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your ordinary shares (“Ordinary Shares”) in the Company, please send this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your Ordinary Shares in the Company, you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to the Official List of the London Stock Exchange and to trading on the London Stock Exchange’s market for listed securities. Application will be made to the Helsinki Stock Exchange for the Placing Shares to be admitted to trading on the Official List of the Helsinki Stock Exchange. It is expected that Admission will become effective and dealings on the London Stock Exchange and the Helsinki Stock Exchange in the Placing Shares will commence on 14 March 2012.

TALVIVAARA MINING COMPANY PLC

(Incorporated and registered in the Republic of Finland with business identity code 1847894-2)

Placing of 24,589,050 new Ordinary Shares at £2.80 (€3.38) per new Ordinary Share

Authorisation to the Board to resolve to issue up to 184,428 new Ordinary Shares to address an adjustment to the terms of the Convertible Bond due 2013

Notice of Extraordinary General Meeting

SHARES IMMEDIATELY FOLLOWING ADMISSION

*Issued and fully paid
Number*

270,479,553 ordinary shares

Your attention is drawn to the letter from the Chairman of the Company which is set out in this document and which recommends you to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.

The Notice of Extraordinary General Meeting to be held at 10:00 a.m. (GMT +2) on 12 March 2012 at Scandic Marina Congress Center, Katajanokanlaituri 6, FI-00160 Helsinki, Finland, is set out at the end of this document.

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefore.

The distribution of this document in jurisdictions other than Finland and the United Kingdom may be restricted by law and, therefore, persons into whose possession this document and/or the accompanying Form of Proxy and/or Registration Form comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document is not an offer of securities for sale in the United States or elsewhere. Securities may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended (the "Securities Act") or an exemption therefrom. The Company has not registered and does not intend to register any of its Ordinary Shares under the Securities Act. No Ordinary Shares will be offered or sold to the public in the United States.

This document has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Merrill Lynch International, Liberum Capital Limited, Pohjola Corporate Finance or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this document or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

Merrill Lynch International and Liberum Capital Limited, each of which is authorised and regulated in the United Kingdom by the FSA, and Pohjola Corporate Finance, which is authorised and regulated in Finland by the Finnish Financial Supervisory Authority, are acting for the Company and for no-one else in connection with the Placing, and will not be responsible to anyone other than the Company for providing the protections afforded to their respective customers or for providing advice to any other person in relation to the Placing or any other matter referred to herein.

CONTENTS

	<i>Page</i>
Directors and Advisers	4
Placing Statistics	5
Expected Timetable of Principal Events	5
Definitions	6
Letter from the Chairman of Talvivaara Mining Company Plc	8
Notice of Extraordinary General Meeting	11
Registration Form	14
Form of Proxy	16

DIRECTORS AND ADVISERS

Directors	Edward Haslam (<i>Non-Executive Chairman</i>) Pekka Perä (<i>Chief Executive Officer</i>) Saila Miettinen-Lähde (<i>Chief Financial Officer</i>) Eileen Carr (<i>Non-Executive Director</i>) Tapani Järvinen (<i>Non-Executive Director</i>) Eero Niiva (<i>Non-Executive Director</i>) Graham Titcombe (<i>Non-Executive Director</i>)								
Registered Office	Ahventie 4 B 47 FI-02170 Espoo, Finland								
Brokers	Liberum Capital Limited Ropemaker Place 25 Ropemaker Street London EC2Y 9LY United Kingdom Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom								
Legal Advisors to the Company	<table><tr><td></td><td>White & Case LLP</td></tr><tr><td>Eteläranta 14</td><td>5 Old Broad Street</td></tr><tr><td>FI-00130 Helsinki</td><td>London EC2N 1DV</td></tr><tr><td>Finland</td><td>United Kingdom</td></tr></table>		White & Case LLP	Eteläranta 14	5 Old Broad Street	FI-00130 Helsinki	London EC2N 1DV	Finland	United Kingdom
	White & Case LLP								
Eteläranta 14	5 Old Broad Street								
FI-00130 Helsinki	London EC2N 1DV								
Finland	United Kingdom								
Registrars	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St. Helier Jersey, JE1 1ES								
Financial PR	Merlin Financial & Business Communications 11 Ironmonger Lane London EC2V 8EY United Kingdom								

PLACING STATISTICS

Placing Price ¹	£2.80 (€3.38)
Number of existing Ordinary Shares	245,890,503
Number of Placing Shares	24,589,050
Estimated proceeds receivable by the Company, net of expenses	£67.4m (€81.3m)
Number of Ordinary Shares in issue following the Placing	270,479,553
Number of Placing Shares as a percentage of the issued ordinary shares following the Placing	9.1 per cent.

¹£/€exchange rate of 0.8284

EXPECTED TIMETABLE OF PRINCIPAL EVENTS (GMT)

Latest time and date for receipt of Forms of Proxy	4:00 p.m. on 29 February 2012
Extraordinary General Meeting	8:00 a.m. on 12 March 2012
Adjustment to the conversion price of the Convertible Bonds due 2013 and of the Conversion Bonds due 2015 becomes effective	13 March 2012
Admission and dealings in the Placing Shares expected to commence	14 March 2012
Expected date for CREST stock accounts to be credited with CDIs representing Placing Shares to be settled in uncertificated form	14 March 2012

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

“Adjustment”		adjustment to the conversion price in accordance with the terms and conditions of the Convertible Bonds due 2013 as a result of the Placing
“Adjustment Resolution”	Authorisation	Authorization to the Board to resolve to issue up to 184,428 new Ordinary Shares through one or several share issues and/or by granting of special rights entitling to shares, as referred to in Chapter 10, Section 1, of the Finnish Companies Act in order to carry out the Adjustment, as set out in Section 7 of the Notice of EGM
“Admission”		admission of the Placing Shares to the Official List of the London Stock Exchange and to trading on the London Stock Exchange’s main market for listed securities as well as on the Official List of the Helsinki Stock Exchange becoming effective
“Articles of Association”		the articles of association of the Company, registered on 31 May 2010
“Board” or “Directors”		the board of directors of the Company
“CDI”		Crest depositary interest
“Company” or “Talvivaara”		Talvivaara Mining Company Plc
“Convertible Bonds due 2013”		convertible bonds issued by the Company on 20 May 2008 and due 2013 which can be converted into Ordinary Shares in the Company
“Convertible Bonds due 2015”		convertible bonds issued by the Company on 16 December 2011 and due 2015 which can be converted into Ordinary Shares in the Company
“Euroclear Finland”		Euroclear Finland Ltd
“Extraordinary General Meeting” or “EGM”		the extraordinary general meeting of the Company convened for 12 March 2012 by the notice set out at the end of this document (and any adjournment thereof)
“Form of Proxy”		the form of proxy set out at the end of this document pursuant to which a CDI holder may appoint Nordea, a Finnish Account Operator, as its attorney to participate in the EGM (or any adjournment thereof)
“Group”		the Company and its subsidiaries
“Helsinki Stock Exchange”		NASDAQ OMX Helsinki Ltd
“Joint Lead Managers”		Merrill Lynch International, Liberum Capital Limited and Pohjola Corporate Finance
“London Stock Exchange”		London Stock Exchange plc
“Nordea”		Nordea Bank Finland plc
“Notice of EGM”		the notice of Extraordinary General Meeting, set out at the end of this document
“Options”		options to subscribe for Ordinary Shares issued by the Company
“Official List of the London Stock Exchange”		the official list of the UK Listing Authority
“Official List of the Helsinki Stock		the official list of the Helsinki Stock Exchange

Exchange”	
“Ordinary Shares”	ordinary shares, without par value, in the Company
“Placing”	the placing of the Placing Shares
“Placing Agreement”	the conditional agreement dated 16 February 2012 relating to the Placing between the Company and the Joint Lead Managers
“Placing Price”	£2.80 (€3.38) per new Ordinary Share
“Placing Resolution”	the resolution to issue the Placing Shares as set out in Section 6 of the Notice of EGM
“Placing Shares”	the 24,589,050 new Ordinary Shares to be issued pursuant to the Placing
“Registration Form”	the registration form, set out at the end of this document, which must be completed and signed if a CDI holder wishes to participate in the EGM
“Resolutions”	the Placing Resolution and the Adjustment Authorisation Resolution
“Shareholders”	the persons who are registered as the holders of Ordinary Shares on the shareholders’ register of the Company maintained by Euroclear Finland at the end of business on 29 February 2012
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 of England and Wales, as amended

LETTER FROM THE CHAIRMAN OF TALVIVAARA MINING COMPANY PLC

TALVIVAARA MINING COMPANY PLC

(Incorporated and registered in the Republic of Finland with business identity code 1847894-2)

Directors:

Edward Haslam (*Non-Executive Chairman*)
Pekka Perä (*Chief Executive Officer*)
Saila Miettinen-Lähde (*Chief Financial Officer*)
Eileen Carr (*Non-Executive Director*)
Tapani Järvinen (*Non-Executive Director*)
Eero Niiva (*Non-Executive Director*)
Graham Titcombe (*Non-Executive Director*)

Registered Office:

Ahventie 4 B 47
FI-02170
Espoo, Finland

17 February 2012

To Shareholders and, for information only, to the holders of Options and Convertible Bonds

Dear Shareholder

Placing of 24,589,050 new Ordinary Shares at a price of £2.80 (€3.38) per new Ordinary Share

and

Authorisation to the Board to resolve to issue up to 184,428 new Ordinary Shares to effect the Adjustment

and

Notice of Extraordinary General Meeting

1. Introduction

Your Board announced yesterday that the Company has conditionally raised £68.8 million (€3.0 million) (before expenses) by way of a placing of 24,589,050 new Ordinary Shares at a price of £2.80 (€3.38) per new Ordinary Share. The net proceeds of the Placing will be used to provide additional financial and operational flexibility for the continuing ramp-up of the mining and processing operations, as well as additional capital for potential investment in energy generation. These steps will further improve the strategically advantageous positioning of the Talvivaara operation and help to reach, and further enhance, the low cash cost position of the project. The Placing is conditional, *inter alia*, upon the Extraordinary General Meeting of the Company approving the Placing in accordance with Article 14 of the Articles of Association in deviation from the pre-emption rights set out in the Finnish Companies Act (624/2006, as amended) which would otherwise apply to the allotment of the Placing Shares. The Placing, which has been arranged by Merrill Lynch International, Liberum Capital Limited and Pohjola Corporate Finance pursuant to the terms of the Placing Agreement, is also conditional upon Admission. Merrill Lynch International has the right to terminate the Placing Agreement in certain circumstances set out in the Placing Agreement. Further, as a result of the Placing, an adjustment to the conversion price in accordance with the terms and conditions of the Convertible Bonds due 2013 and Convertible Bonds due 2015 is required to be made.

This document explains the background to, and reasons for, the Placing and the Adjustment, why the Directors consider the Resolutions to be in the best interests of the Company and its Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting, notice of which is set out at the end of this document.

2. Background to and reasons for the Placing

The Company announced its preliminary results for the year ended 31 December 2011 on 16 February 2012 (the "Preliminary Results"). Shareholders can find a copy of the Preliminary Results announcement, which sets out both the Company's operational and financial activities, and an accompanying presentation on the Company's website www.talvivaara.com.

Talvivaara is pursuing this capital raising to provide operational and financial flexibility as part of its strategy to increase nickel production from 16,087 tonnes in 2011 to 50,000 tonnes. Talvivaara's total resource base of more than one billion tonnes of ore corresponds to several decades of mine-life at the expanded capacity, which contributes to the Company's shift to full scale production. Talvivaara also targets at being in a strong position to benefit from sustained worldwide demand driven particularly by China which continues to support its confidence in the long-term strength of commodity markets.

3. Use of Proceeds

It is intended that the proceeds of the Placing (£67.4 million (€81.3 million) net of expenses) will be used to provide additional financial and operational flexibility for the continuing ramp-up of the mining and processing operations, as well as additional capital for potential investment in energy generation. These steps will further improve the strategically advantageous positioning of the Talvivaara operation and help to reach, and further enhance, the low cash cost position of the project.

4. Details of the Proposed Placing

The Company is proposing to raise £68.8 million (€83.0 million), before expenses, by way of a conditional placing of 24,589,050 new Ordinary Shares at the Placing Price. The Placing Price is at a discount of 1.1 per cent. to the market price of the Ordinary Shares on the London Stock Exchange immediately before the announcement of the result of the Placing on 16 February 2012. The Placing Shares will represent 9.1 per cent. of the issued shares of the Company on Admission. The Placing Shares will, when issued, rank *pari passu* in all respects with the other Ordinary Shares then in issue, including all rights to all dividends and other distributions declared, made or paid following their registration with the Finnish Trade Register.

Pursuant to the terms of the Placing Agreement, the Joint Lead Managers conditionally agreed to use their reasonable endeavours, each as agent for the Company, to procure subscribers for the Placing Shares at the Placing Price. In addition, to the extent that any of the investors procured by the Joint Lead Managers do not pay the subscription price in respect of the Placing Shares, each Joint Lead Manager has agreed to subscribe for the Placing Shares in respect of the places procured by it. The Placing Agreement is conditional upon, *inter alia*, the passing of the Resolutions at the Extraordinary General Meeting and the closing of the transactions contemplated by the Placing Agreement occurring on or before 14 March 2012 (or such later date as the Company and the Joint Lead Managers may agree, not later than 21 March 2012).

The Placing Agreement contains warranties from the Company in favour of the Joint Lead Managers in relation to, *inter alia*, the accuracy of information contained in this document and certain other matters relating to the Company and its business. In addition, the Company has agreed to indemnify the Joint Lead Managers in relation to certain liabilities they may incur in the Placing. Merrill Lynch has the right to terminate the Placing Agreement in certain circumstances set out in the Placing Agreement, in particular, in the event of a material adverse change in the financial or trading position or prospects of the Company since 31 December 2011, for force majeure, or if any of the warranties cease to be true, accurate and complete.

Application will be made for the Placing Shares to be admitted to the Official List of the London Stock Exchange and to trading on the London Stock Exchange's market for listed securities. Application will be made to the Helsinki Stock Exchange for the Placing Shares to be admitted to trading on the Official List of the Helsinki Stock Exchange. It is expected that Admission will occur on 14 March 2012.

5. Share Issuance Authorities

In order for the Company to issue the Placing Shares on a non pre-emptive basis, the Company needs to obtain a resolution from its Shareholders with three-quarters majority in accordance with Article 14 of the

Articles of Association regarding the share issue in respect of 24,589,050 new Ordinary Shares (representing approximately 10 per cent. of the Company's current issued shares).

The Company has received irrevocable undertakings from its four largest shareholders, Pekka Perä, Varma Mutual Pension Insurance Company, Solidium Oy and Ilmarinen Mutual Pension Insurance Company, to vote in favour of the Placing Resolution in respect of approximately 111.1 million Ordinary Shares in aggregate, representing approximately 45.2 per cent of the existing issued Ordinary Shares.

In order for the Company to carry out the Adjustment, the Company needs to grant the authorisation to the Board to resolve to issue up to 184,428 new Ordinary Shares (representing approximately 0.08 per cent. of the Company's current issued shares) through one or several share issues and/or by granting of special rights entitling to shares, as referred to in Chapter 10, Section 1, of the Finnish Companies Act with three-quarters majority in accordance with Article 14 of the Articles of Association.

No separate share issuance authorities are required for the adjustment of the conversion price of the Convertible Bonds due 2015.

6. The Extraordinary General Meeting

In order to enable the proposed Placing to proceed, a resolution for a share issue for 24,589,050 new Ordinary Shares in connection with the Placing will be proposed at the Extraordinary General Meeting.

In order to enable the proposed Adjustment to be effected, a resolution for authorisation to the Board to resolve to issue up to 184,428 new Ordinary Shares (representing approximately 0.08 per cent. of the Company's current issued shares) through one or several share issues and/or by granting of special rights entitling to shares, as referred to in Chapter 10, Section 1, of the Finnish Companies Act will be proposed at the Extraordinary General Meeting. The Adjustment is conditional upon the completion of the Directed Issue.

You will find, set out at the end of this document, the Notice of EGM setting out the proposal for Resolutions in full. The EGM is to be held at Scandic Marina Congress Center, Katajanokanlaituri 6, FI-00160 Helsinki, Finland, at 10:00 a.m. (GMT+2) on 12 March 2012.

7. Consents

Merrill Lynch International, Liberum Capital and Pohjola Corporate Finance have given and have not withdrawn their written consents to the inclusion in this document of the reference to their names in the form and context in which they are included.

8. Participation of CDI Holders at the EGM

Whilst a CDI holder is entitled to receive dividends, and generally to exercise all other financial rights attaching to the shares held in its name, a CDI holder may not exercise any administrative rights attached to the underlying shares, such as the right to attend and vote at shareholder meetings without first registering as a holder of the underlying shares. CDI holders who wish to participate in the EGM (whether in person or by proxy) may seek a temporary registration (by completing a Registration Form) on the shareholders' register in order to enable them to attend and vote at the EGM.

In order for the votes of a CDI holder to be validly exercised, CDI holders must be registered on the CDI register as at **4:30 p.m. (GMT) on 29 February 2012**, and such CDI holders must submit their respective registration forms and potential proxies to Computershare Investor Services (Jersey) Limited by no later than **4:00 p.m. (GMT) on 29 February 2012** in accordance with the instructions given by Computershare Investor Services (Jersey) Limited.

Entitlement to attend and vote at the EGM (and the number of votes which may be cast thereat) will be determined by reference to the CDI register at 4:30 p.m. (GMT) on 29 February 2012. **Only CDI holders who are registered on the CDI register at 4:30 p.m. (GMT) on 29 February 2012 and who have submitted their registration forms and potential proxies to Computershare Investor Services**

(Jersey) Limited prior to 4:00 p.m. (GMT) on 29 February 2012 will be eligible to attend and vote at the EGM (in person or by proxy).

9. Action to be Taken by CDI Holders

A. If you wish to attend and vote at the EGM in person, you must:

complete and sign the enclosed Registration Form and return it to the Company's registrars, for the attention of Lucy Burns, Relationship Manager, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES so as to be received by no later than 4:00 p.m. (GMT) on 29 February 2012.

You do **not** need to complete and sign the Form of Proxy if you wish to attend and vote at the EGM **in person**.

B. If you wish to attend and vote at the EGM by proxy, you must:

- (i) **complete and sign the enclosed Registration Form and return it to the Company's registrars, for the attention of Lucy Burns, Relationship Manager, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES so as to be received by no later than 4:00 p.m. (GMT) on 29 February 2012; and**
- (ii) **complete and sign the enclosed Form of Proxy and return it (together with any power of attorney or other authority pursuant to which the Form of Proxy was signed (or an officially certified copy of such power of attorney or authority) together with an authorised signatures list) to the Company's registrars, for the attention of Lucy Burns, Relationship Manager, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES so as to be received by no later than 4:00 p.m. (GMT) on 29 February 2012. The completion and return of a Form of Proxy will preclude a CDI holder from voting at the EGM in person.**

Please note that under the Finnish Companies Act, only beneficial holders of shares in a Finnish company may participate and vote in its shareholders' meetings.

Any Forms of Registration and/or Forms of Proxy incorrectly completed, signed and/or submitted will be invalid and may be disregarded for the purposes of determining entitlement to attend and vote at the EGM (in person or by proxy). However, the Company reserves the right (acting in its absolute discretion and with no obligation to do so) to treat any such Form of Registration and/or Form of Proxy as valid.

If you do not wish to attend or vote at the EGM (in person or by proxy), you do not need to take any action.

10. Recommendation

The Directors consider that the Placing is in the best interests of the Company and its Shareholders as a whole and accordingly recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their own legal and/or beneficial shareholdings, amounting in aggregate to 58,872,306 Ordinary Shares (representing approximately 23.94 per cent. of the current issued shares of the Company).

Yours sincerely

Edward Haslam
Chairman

TALVIVAARA MINING COMPANY PLC

(Incorporated and registered in the Republic of Finland with business identity code 1847894-2)

NOTICE OF EXTRAORDINARY GENERAL MEETING

The shareholders of TALVIVAARA MINING COMPANY PLC (the “Company”) are hereby invited to the extraordinary general meeting of the Company to be held on 12 March 2012 at 10:00 a.m. (GMT+2) at Scandic Marina Congress Center, Katajanokanlaituri 6, FI-00160 Helsinki, Finland. Registration of attendees will start at 9:00 a.m. (GMT+2).

THE MATTERS ON THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING

The meeting will consider the following matters:

- 1. Opening of the meeting**
- 2. Calling the extraordinary general meeting to order**
- 3. Election of persons to scrutinize the minutes and to supervise the counting of votes**
- 4. Recording the legality of the extraordinary general meeting**
- 5. Recording the attendance at the extraordinary general meeting and adoption of the list of votes**
- 6. A proposal by the Board of Directors regarding a resolution on the issue of new shares for consideration in deviation from the pre-emptive subscription rights of the shareholders**

The Board of Directors proposes that the extraordinary general meeting would, with the qualified majority of three-fourths set forth in Article 14 of the Articles of Association, approve the issue of up to 24,589,050 new ordinary shares for consideration, in deviation from the shareholders’ pre-emptive subscription rights, to investors procured by Merrill Lynch International, Liberum Capital Limited and Pohjola Corporate Finance Ltd (the “Directed Issue”).

In the Directed Issue, up to 24,589,050 new ordinary shares (the “Placing Shares”) are to be offered for subscription for a subscription price of £2.80 (€3.38) per share. The proposed number of the Placing Shares represents approximately 10 per cent. of all the ordinary shares in the Company. The subscription for the Placing Shares must be made by 12 March 2012 and in any event by 21 March 2012 at the latest.

The subscription price is based upon a placing agreement executed on 16 February 2012 between the Company, Merrill Lynch International, Liberum Capital Limited and Pohjola Corporate Finance Ltd (the “Placing Agreement”), and the subscription price has been determined on the basis of a book-building targeted at institutional investors. The subscription price must be paid in cash at the time of subscription. The subscription price paid for the Placing Shares subscribed for in the Directed Issue shall be recorded in the invested unrestricted equity fund of the Company.

The Placing Agreement includes an undertaking whereby each of Merrill Lynch International, Liberum Capital Limited and Pohjola Corporate Finance Ltd agrees, to the extent that any of the investors procured by it do not pay the subscription price in respect of the Placing Shares they have agreed to subscribe for, to subscribe for such Placing Shares in the Directed Issue at the subscription price of £2.80 (€3.38) per share. The Placing Agreement is subject to certain conditions, including the passing of the resolution concerning the Directed Issue by the extraordinary general meeting of the Company. Merrill Lynch International may terminate the Placing Agreement in certain circumstances set out in the Placing Agreement, which may cause the cancellation of the Directed Issue.

The proceeds from the Directed Issue are planned to be used to provide additional financial and operational flexibility for the continuing ramp-up of the mining and processing operations, as well as additional capital

for potential investment in energy generation. These steps will further improve the strategically advantageous positioning of the Talvivaara operation and help to reach, and further enhance, the low cash cost position of the project. The Directed Issue is a fast and cost-efficient manner to obtain equity. Therefore, there is a substantial financial reason for the Company to deviate from the pre-emptive subscription rights of the shareholders of the company.

7. A proposal by the Board of Directors regarding a resolution on the authorisation of the Board of Directors to issue of new shares and/or special rights entitling to shares in deviation from the pre-emptive subscription rights of the shareholders

The Board of Directors proposes that the extraordinary general meeting would, with the majority set forth in Article 14 of the Articles of Association, grant an authorisation to the Board of Directors to resolve to issue up to 184,428 new shares through one or several share issues and/or by granting of special rights entitling to shares, as referred to in Chapter 10, Section 1, of the Finnish Companies Act in order to carry out an adjustment of the conversion price in accordance with the terms and conditions of the convertible bonds of the Company due 2013 resulting from the Directed Issue. The authorisation is valid until 1 June 2013. The authorisation is conditional upon the completion of the Directed Issue.

8. Closing of the meeting

THE MEETING MATERIALS

This notice, which includes the proposals of the Board of Directors on the agenda of the extraordinary general meeting, is available on the Company's website at www.talvivaara.com/egm-2012. The 2010 Annual Report, including the Company's latest annual accounts, the related review of the Board of Directors and the related auditor's report, the Interim Report for January – March 2011, the Interim Report for January – June 2011, the Interim Report for January – September 2011, the Annual Results Review 2011 and the statement by the Board of Directors on the events occurring after the Annual Results Review 2011 and having a material effect on the position of the Company are also available on the above-mentioned website. The proposals of the Board of Directors, the 2010 Annual Report, the Interim Report for January – March 2011, the Interim Report for January – June 2011, the Interim Report for January – September 2011 and the Annual Results Review 2011 will also be available at the meeting. Copies of these documents and of this notice will be sent to shareholders upon request.

INSTRUCTIONS FOR THE PARTICIPANTS IN THE GENERAL MEETING

The right to participate and registration

Each shareholder, who is registered on 29 February 2012 in the register of shareholders of the Company held by Euroclear Finland Ltd., has the right to participate in the extraordinary general meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the Company.

A shareholder wishing to participate in the extraordinary general meeting shall register for the meeting no later than 4:00 p.m. (GMT+2) on 7 March 2012 by giving a notice of attendance. Such notice can be given either by e-mail to the address egm@talvivaara.com, by facsimile to the number +358 20 712 9801 or by regular mail to the Company's address Ahventie 4 B, 5th floor, Espoo, FI-02170 Finland or via the Company's website www.talvivaara.com. The internet registration via Company's website is expected to commence on 17 February 2012.

In connection with the registration, a shareholder shall notify his/her name, personal identification number/business identity code, address, telephone number and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Talvivaara Mining Company Plc is used only in connection with the extraordinary general meeting and with the processing of related registrations.

Pursuant to chapter 5, section 25 of the Finnish Companies Act, a shareholder who is present at the extraordinary general meeting has the right to ask questions with respect to the matters to be considered at the meeting.

Proxy representative and powers of attorney

A shareholder may participate in the extraordinary general meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the extraordinary general meeting.

When a shareholder participates in the extraordinary general meeting by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the extraordinary general meeting.

Possible proxy documents should be delivered in originals to the Company at the Company's address given above before the last date for registration.

Holder of nominee registered shares

A holder of nominee registered shares is advised to request without delay necessary instructions regarding the registration in the register of shareholders of the Company, the issuing of proxy documents and the registration for the extraordinary general meeting from his/her custodian bank. The account management organization of the custodian bank will register a holder of nominee registered shares, who wants to participate in the extraordinary general meeting, to be temporarily entered into the register of shareholders of the Company at the latest on 7 March 2012 by 10.00 a.m. (GMT+2).

Other instructions and information

On the date of this notice to the extraordinary general meeting, 17 February 2012, the total number of shares and votes in Talvivaara Mining Company Plc was 245,890,503.

The extraordinary general meeting will be held in the Finnish language, but questions can also be presented in the English language.

Espoo, Finland, on 17 February 2012

TALVIVAARA MINING COMPANY PLC

THE BOARD OF DIRECTORS

TALVIVAARA MINING COMPANY PLC

(Incorporated and registered in the Republic of Finland with business identity code 1847894-2)

EXTRAORDINARY GENERAL MEETING – 12 MARCH 2012

REGISTRATION FORM

Country of Residence of Incorporation (see Note 1)	
Name of CDI Holder (see Note 2)	
Full Address (see Note 3)	
ID Code (see Note 4)	
ISIN Code	FI0009014716
Number of shares (see Note 5)	

We certify that the information in this form is true and accurate in all respects, and we hereby authorise Nordea Bank Finland Plc to enter us on the temporary shareholder register of Talvivaara Mining Company Plc in order to enable us to participate in the Extraordinary General Meeting of Talvivaara Mining Company Plc to be held on 12 March 2012. We understand that this temporary shareholder register will be made available until the Extraordinary General Meeting.

Signature.....

Name in block capitals.....

Dated this.....2012 (insert date)

at(insert place of signature)

Notes

1. Please enter your country of incorporation or, in the case of an individual, country of residence.
2. **Please enter the full name of the beneficial holder of the CREST Depository Interests (“CDIs”). This name should match the name set out in the Proxy Form. Please note also that under Finnish Companies Act, only beneficial holders of shares in a Finnish company may participate and vote in the shareholders’ meetings.**
3. Please enter your full address (including post code).
4. In the case of a **company**, your registered number, and in the case of an **individual**, please enter a personal ID code, such as a social security number, national insurance number, passport number or similar.
5. Please enter the total number of ordinary shares in the capital of Talvivaara Mining Company Plc in respect of which you hold CDIs.
6. **In order to participate at the EGM, you must submit your registration form and potential proxies to Computershare Investor Services (Jersey) Limited by no later than 4:00 p.m. (GMT) on 29 February 2012.**
7. This form of registration and any power of attorney or other authority under which it is signed or an officially certified copy of such power of attorney must be deposited at or posted to the Registrars of the Company, for the attention of Lucy Burns, Relationship Manager, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES so as to be received by no later than 4:00 p.m. (GMT) on 29 February 2012.
8. If this form is given by an individual, it must be signed by the individual or signed on his behalf by his attorney. If this form is given by a corporation or other legal entity, it must be given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation (and a list of authorised signatures must be enclosed).

TALVIVAARA MINING COMPANY PLC

(Incorporated and registered in the Republic of Finland with business identity code 1847894-2)

EXTRAORDINARY GENERAL MEETING – 12 MARCH 2012

FORM OF PROXY

We,.....
(Full name in block capitals please)

of.....
(Please insert address)

being a holder of CREST Depository Interests representing.....
Ordinary Shares (please insert number of ordinary shares) in Talvivaara Mining Company Plc (the "Company") ("CDIs") hereby appoint Nordea Bank Finland Plc ("Nordea") as our true and lawful attorney with full powers of delegation and substitution to represent us and vote at the Extraordinary General Meeting of Talvivaara Mining Company Plc to be held at 10:00 a.m. (GMT+2) on 12 March 2012 at Scandic Marina Congress Center, Katajanokanlaituri 6, FI-00160 Helsinki, Finland and at any adjournment thereof.

We wish Nordea to vote on the resolutions as indicated below (see note 4).

Resolution	For	Against	Abstain
1. Board's proposal concerning the issue of up to 24,589,050 new shares			
2. Board's proposal concerning the authorisation to the Board to issue up to 184,428 new shares through one or several share issues and/or by granting of special rights entitling to shares			

Signature.....

Name in block capitals.....

Dated this.....2012 (insert date)

at(insert place of signature)

Notes

1. This Form of Proxy and any power of attorney or other authority under which it is signed or an officially certified copy of such power of attorney must be deposited at or posted to the Registrars of the Company, the Company's registrars, for the attention of Lucy Burns, Relationship Manager, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES so as to be received by no later than 4:00 p.m. (GMT) on 29 February 2012. The completion and return of a Form of Proxy **will** preclude you from voting at the EGM in person.
2. In the case of joint holders, the vote of the senior holder who tenders a vote in person or by proxy will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the register of CDIs in respect of the joint holding. Subject to this, the signature of any one of the joint holders will suffice, but if a holder other than the first named holder signs, it will be helpful if the name of the first named holder is also given.
3. Please indicate how you wish to vote by placing a tick in the appropriate box. If no indication is given, Nordea will abstain from voting on the relevant resolution.
4. If this form is given by an individual, it must be signed by the individual or signed on his behalf by his attorney. If this form is given by a corporation or other legal entity, it must be given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation (and a list of authorised signatures must be enclosed).
5. **Please note also that under Finnish Companies Act, only beneficial holders of shares in a Finnish company may participate and vote in the shareholders' meetings.**