

Terrafame receives final decisions from the Supreme Administrative Court on its main permit and KL1 waste rock area

The Supreme Administrative Court of Finland (SAC) has issued its final decisions concerning Terrafame's environmental and water management permit covering all its operations, i.e. the main permit, as well as the KL1 waste rock area.

In its ruling on the main permit, the SAC approved the company's application for an annual ore extraction volume of 18 million tonnes and an annual waste rock extraction volume of 45 million tonnes, with the volume of waste rock to remain below 35 million tonnes on average. The SAC approved the construction of sections 5 and 6 in the new secondary leaching area SEK5-8, allowing the use of black shale waste rock as a filling layer in section 5, in accordance with the permit granted by the Regional State Administrative Agency for Northern Finland (PSAVI).

In its ruling on the KL1 waste rock area, the SAC approved the construction of the area, with the exception of sections 1 and 4. The SAC revoked the order of the Vaasa Administrative Court (VAC) to construct double base structures under the waste rock area but requires reinforcing the current structures.

The SAC upheld the decision of the VAC related to discontinuing the discharge of purified water into the Vuoksi watercourse area.

"We are pleased that the lengthy permitting process has now been concluded. We are largely satisfied with the Supreme Administrative Court's rulings which allow us to develop our operations. The decisions enable the implementation of our new strategy as planned and reduce the financial risks associated with permitting, as we prepare to submit a new main permit application," says Antti Koulumies, CEO of Terrafame.

"We are preparing to submit a new main permit application to the Finnish Supervisory Agency in April 2026. The application will also include the Kolmisoppi project, which holds the status of an EU strategic project. In our view, the decisions now issued by the Supreme Administrative Court create favourable conditions for the new permitting process," says Veli-Matti Hilla, Chief Sustainability Officer at Terrafame.

Background of the permitting process

Terrafame submitted an environmental and water permit application covering all of its operations to the Regional State Administrative Agency for Northern Finland (PSAVI) in August 2017. The application sought to increase extraction volumes and construct new production and waste areas, among other things. A separate permit for the KL1 waste rock area was applied for later. PSAVI issued the main permit in 2022 and the permit for the KL1 area in 2023. These decisions permitted, for example, an increase in ore extraction from 15 million to 18 million tonnes per year, and in waste rock extraction from 30 million to 45 million tonnes per year. The permits also allowed for the construction and use of the new secondary leaching area SEK5-8 and the new waste rock area KL1, and included a permit to commence operations. These decisions were appealed to the Vaasa Administrative Court (VAC).

In its interim decision in January 2024, the VAC overturned the increase in ore and waste rock extraction volumes until the matter was settled in a final ruling. In its final decision in December 2024, the VAC confirmed the increase in ore extraction but restricted the waste rock extraction volume to 30 million tonnes per year. The VAC also placed partial restrictions on the construction and use of the new SEK5-8 and KL1 areas and amended permit conditions relating to their base structures.

Terrafame appealed the VAC's rulings to the Supreme Administrative Court (SAC) in January 2025. In June 2025, the SAC issued interim decisions that increased the waste rock extraction volume to 35 million tonnes per year during the proceedings. The SAC also permitted the construction of blocks 5-6 of the secondary leaching area SEK5-8 and block 2 of the waste rock area KL1, in line with the original PSAVI permit.

In December 2025, PSAVI issued its decision on the permit application for the Kolmisoppi land area, stating that the Kolmisoppi project must be handled as part of the permitting process covering all of the company's operations.

Secondary leaching areas are used for the second phase of the bioleaching process utilised by the company and also serve as the final disposal site for the leached ore. Waste rock is rock that must be removed to access the ore used in the production process.

The required extraction volumes depend not only on the ore's location but also on the quantity of waste rock that must be removed to extract ore. Waste rock is not suitable for the production process.

Further information:

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Terrafame enhances low-carbon mobility by delivering responsibly produced battery chemicals to the global battery industry. One of the world's largest production lines for chemicals used in electric vehicle batteries is located on Terrafame's industrial site. The plant is capable of producing nickel sulphate for around 1 million EVs per year. The carbon footprint of the nickel sulphate produced by Terrafame is among the smallest in the industry.

Terrafame's integrated, unique and energy-efficient production process from the mine to battery chemicals is located on a single industrial site. It provides customers with a transparent, traceable and truly European battery chemical supply chain.

Terrafame Ltd was founded in 2015. Its net sales in 2024 were EUR 544.5 million. Around 2,000 people work on its industrial site, approximately 1,200 of whom are employees of partner companies.