



NEVSUN
RESOURCES LTD.

FRIENDLY ALL CASH AGREEMENT TO BE ACQUIRED BY ZIJIN MINING FOR C\$1.86 BILLION

Consideration of C\$6.00 / share is a significant premium

Board unanimously recommends shareholders tender their shares to ACCEPT the Zijin offer

FORWARD LOOKING STATEMENT

This Presentation contains forward-looking statements or forward-looking information within the meaning of the United States Private Securities Litigation Reform Act of 1995, and applicable Canadian securities laws. All statements, other than statements of historical facts, are forward looking statements including statements with respect to the Company's continuing and future operations in Eritrea, Serbia and elsewhere that the Company has operations or business interests.

Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "hopes", "intends", "estimated", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. Forward-looking statements are statements concerning the Company's current beliefs, plans and expectations about the future, including but not limited to statements and information about the Zijin Mining Group Co. Ltd. ("Zijin") Offer for all of the shares of Nevsun and the terms and conditions of an such offer, including regulatory approvals being obtained, and other transaction conditions being satisfied and, estimated timing for completion of a transaction with Zijin, the business, prospects and future activities of, and developments related to the Company, goals, strategies, future growth and other events or conditions that may occur in the future, and are inherently uncertain.

These forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties. In addition to the assumptions contained herein, these assumptions include the assumptions described in the Company's Annual Information Form ("AIF") and the Company's management's discussion and analysis for the year ended December 31, 2017 ("MD&A"). The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement.

These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of copper, gold, zinc, silver and other minerals; resource estimates and variations of mineral grade or recovery rates; metallurgical challenges; operating or technical difficulties in connection with exploration; land acquisition; mining method, production profile and mine plan; other development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in exploration, development and construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits and the ability to obtain other required licences and permits in a timely manner or at all; the ability to obtain financing on acceptable terms and in a timely manner or at all; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and other factors and risks discussed in the Company's AIF and MD&A.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and the Company assumes no obligation to update such forward-looking statements in the future, except as required by law. For the reasons set forth above, investors should not place undue reliance on the Company's forward-looking statements.

Further information concerning risks and uncertainties associated with these forward-looking statements and our business can be found in our AIF for the year ended December 31, 2017, which is available on the Company's website (www.nevsun.com), filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) under cover of Form 40-F.

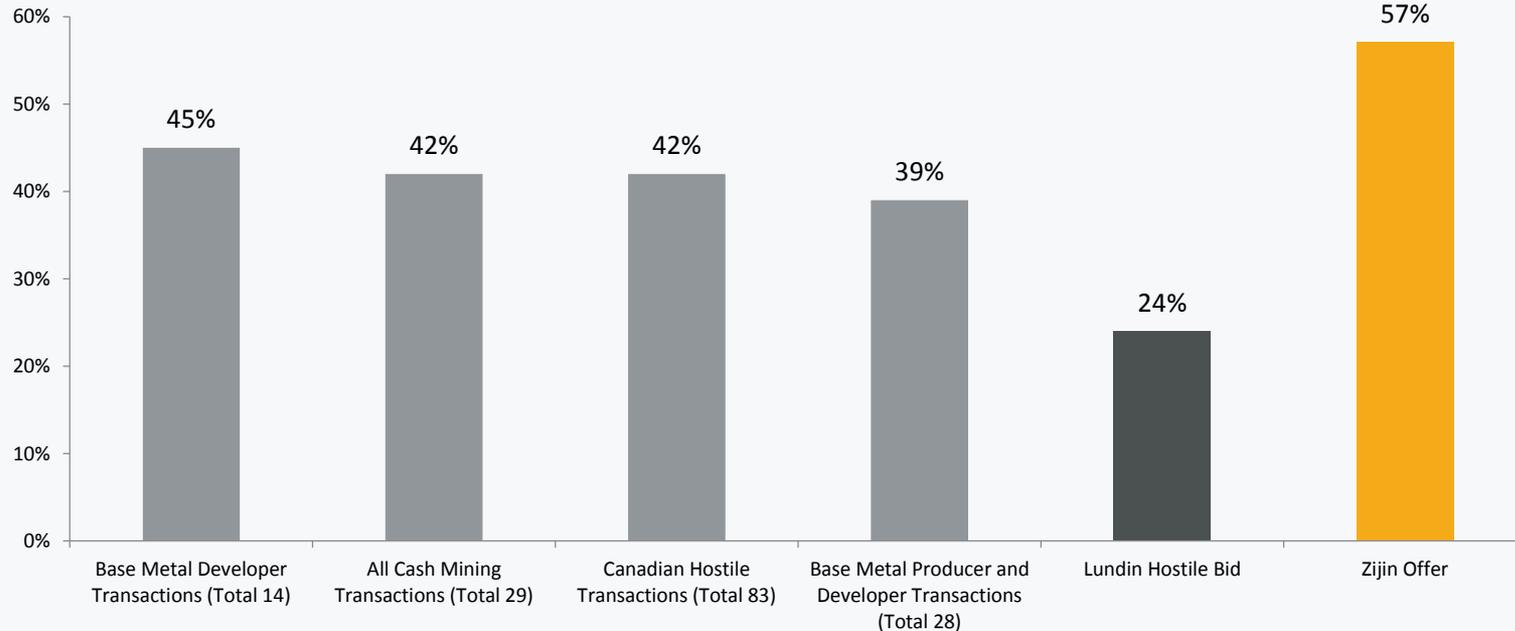
EXCELLENT OUTCOME FOR NEVSUN SHAREHOLDERS

- ✓ C\$1.86 billion all cash offer at C\$6.00 per share
- ↑ C\$2.18 per share, or 57%, more than the unaffected trading price prior to Lundin Mining first publicly announcing its desire to acquire Nevsun
- ↑ C\$1.25 per share, or 26%, more than the Lundin Mining hostile bid

TRANSACTION IS THE RESULT OF A RIGOROUS AND COMPETITIVE GLOBAL REVIEW TO ENSURE MAXIMUM VALUE FOR NEVSUN SHAREHOLDERS, AND IS NOT SUBJECT TO ANY FINANCING CONDITION

PREMIUM VALUE COMPARED WITH PRECEDENTS

Nevsun's assets have strategic value, and Zijin is paying an appropriate premium to acquire them.



Source: Factset, street equity research.

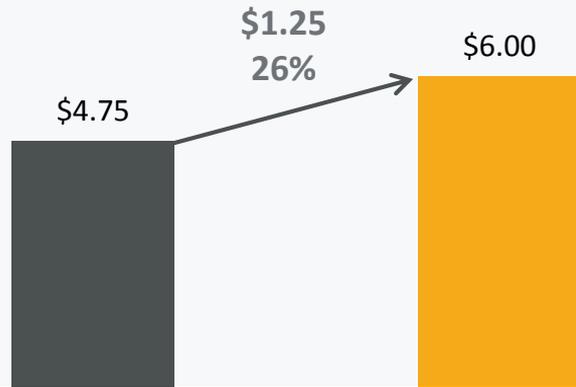
Note: Median premiums for acquisitions since 2011 with transaction value greater than US\$50 million.

Note: Unaffected Nevsun share price of C\$3.82 prior to Lundin's initial public proposal announced on 7-May-2018.

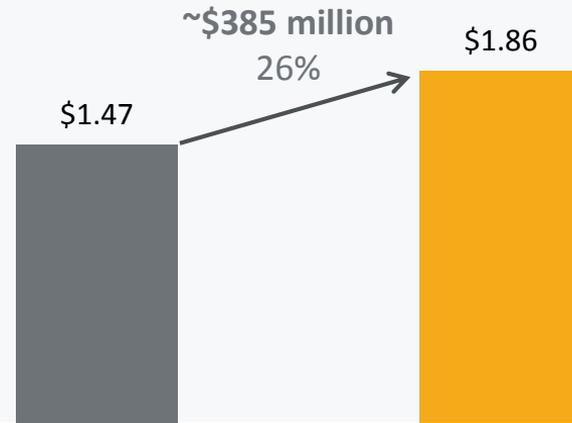
VASTLY SUPERIOR TO LUNDIN MINING HOSTILE BID

Transaction provides significantly more value than the inadequate hostile bid that was rejected by Nevsun's Board of Directors.

Per Share (C\$/share)



Aggregate Deal Value (C\$ bn)



■ Lundin Hostile Bid

■ Zijin Offer

Source: Public filings

Note: Aggregate deal value is based on approximately 310 mm FDITM shares.

OTHER COMPELLING REASONS TO ACCEPT THE ZIJIN OFFER

- ✓ Provides **certainty and immediate liquidity** to Nevsun shareholders
- ✓ Shows a **strong commitment by Zijin to successfully execute**, as demonstrated by willingness to agree to a reverse break fee held by the depositary in Canada
- ✓ The Offer is a result of a full strategic alternative review process. Nevsun's Board of Directors and the Special Committee concluded that the Offer currently represents the best alternative available to Nevsun and Nevsun shareholders, with the **highest value proposition**.

THE NEVSUN BOARD HAS PRESERVED THE ABILITY TO RESPOND TO UNSOLICITED SUPERIOR PROPOSALS

RESULT OF A ROBUST GLOBAL PROCESS

This transaction is the outcome of a comprehensive and competitive examination of strategic alternatives

- Beginning March 2017– Nevsun evaluates various financing alternatives to support the development of the Timok Upper Zone
 - During 2017 Nevsun received inbound inquiries from various strategic investors
 - December 2017 – Four specific potential investors were identified and considered, including Zijin
- Early 2018 – Nevsun’s financial advisor identifies and approaches additional parties regarding potential interest in a transaction
 - Ultimately, 26 parties were sent confidentiality agreements, with 18 parties commencing extensive due diligence
- May, June 2018– 8 parties, including Zijin, indicate interest in purchasing up to a 19.9% equity stake in Nevsun
 - Nevsun invites these parties to provide forms of definitive agreements by August 7, 2018; four proposals are received from major and mid-tier mining and smelting companies
- July 26, 2018 – Lundin Mining launches hostile bid; Nevsun initiates strategic review process to consider all alternatives above and beyond the proposals generated by strategic investment process – including a potential acquisition of Nevsun as a whole
- Nevsun process also included soliciting potential parties interested in buying the Bisha Mine, which might be paired with parties only interested in the Timok Project to generate additional proposals for the entire company

THE ZIJIN OFFER IS AN EXCELLENT OUTCOME: ATTRACTIVE PREMIUM, CERTAINTY, IMMEDIATE LIQUIDITY

ZIJIN: SUCCESSFUL GLOBAL MINING OPERATOR

Formed in 1993, Zijin is a leading global mining company through investments in China and overseas across nine countries

- Extensive portfolio, primarily consisting of gold, copper, zinc and other metals
- US\$10 billion market value, world's third largest publicly traded gold miner
- Listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange
- Strategic partnerships with Toronto-based Barrick Gold and Vancouver-based Ivanhoe Mines, among extensive portfolio of international assets
- Successfully completed Board-supported takeover of Australia-based Norton Gold Fields Ltd.
- Selected bidder for strategic partnership in RTB Bor – copper complex adjacent to Nevsun's Timok Project in Serbia
- Strong commitment to complete; US\$50M termination fee held by depositary in Canada



**EXPERIENCED, WELL-CAPITALIZED,
RECOGNIZED GLOBAL TRANSACTION
PARTNER**

TRANSACTION STRUCTURE

Structure	<ul style="list-style-type: none"> ➤ Take-over bid, with unanimous support from Nevsun's Board of Directors
Consideration	<ul style="list-style-type: none"> ➤ C\$6.00 per Nevsun share, in cash / Implied C\$1.86 billion equity value of Nevsun
Conditions	<ul style="list-style-type: none"> ➤ Minimum 66⅔% of Nevsun's outstanding shares tendered to the offer ➤ Canadian regulatory approval: <ul style="list-style-type: none"> • Investment Canada Act • Competition Act ➤ Approval by relevant Chinese authorities: <ul style="list-style-type: none"> • National Development and Reform Commission • Ministry of Commerce • State Administration of Foreign Exchange
Break fees	<ul style="list-style-type: none"> ➤ Zijin to pay US\$50 million to Nevsun in certain circumstances, including failure to obtain the necessary approvals from relevant authorities in China <ul style="list-style-type: none"> • The full amount of this termination fee is held by the depository in Canada ➤ Nevsun to pay US\$50 million to Zijin in certain circumstances, including: <ul style="list-style-type: none"> • If Nevsun enters into an agreement with respect to a superior proposal • If Nevsun's Board withdraws or modifies its recommendation with respect to the Offer
Expected timing	<ul style="list-style-type: none"> ➤ Filing/ mailing of Zijin's take-over bid circular and Nevsun Directors' Circular no later than September 18, 2018 ➤ 105-day initial deposit period for tendered shares, which Nevsun has agreed to shorten upon Zijin's receipt of all regulatory approvals

ZIJIN DELIVERS SUPERIOR VALUE TO LUNDIN MINING'S HOSTILE BID

ZIJIN OFFER IS C\$1.25 PER SHARE,
or 26%, per share above Lundin Mining's hostile bid

**NEVSUN'S BOARD CONTINUES TO RECOMMEND THAT SHAREHOLDERS
REJECT THE UNDERVALUED HOSTILE BID FROM LUNDIN**

REVIEW OFFER MATERIALS WHEN AVAILABLE, THEN
TENDER SHARES TO ACCEPT OFFER FROM ZIJIN

QUESTIONS MAY BE DIRECTED TO NEVSUN'S INFORMATION AGENT



North America Toll Free: 1-877-452-7184
Collect Calls Outside North America: 416-304-0211
Email: assistance@laurelhill.com



NEVSUN
RESOURCES LTD.

Investor Relations



David Jan



604-623-4700 / 1-888-600-2200



ir@nevsun.com

Follow us on:



www.nevsun.com



@NevsunNSU



nevsun-resources