



NEVSUN  
RESOURCES LTD.

# BISHA PROJECT

Eritrea, Africa

High Grade, Low Cost  
**Gold, Copper, & Zinc**  
Construction in Progress

TSX: NSU | NYSE AMEX: NSU  
April 2010

# Eritrea

**Independence**

1993

**Capital**

Asmara

**Main Port**

Massawa

**Population**

5.6 Million (2009 est.)

**Currency**

Pegged to \$ USD

**Nevsun's Presence**

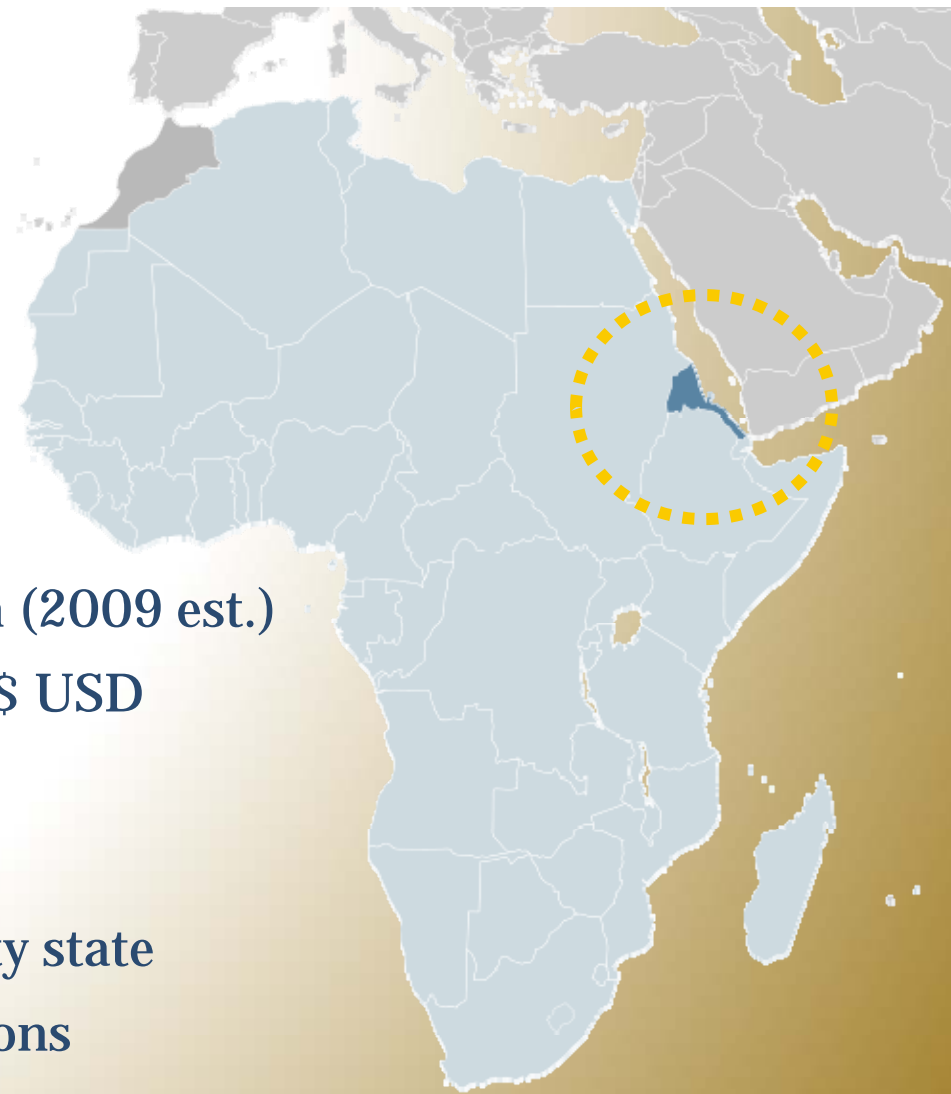
10 Years

**Politics**

Single party state

UN Sanctions

→ No impact on Bisha to date & none expected

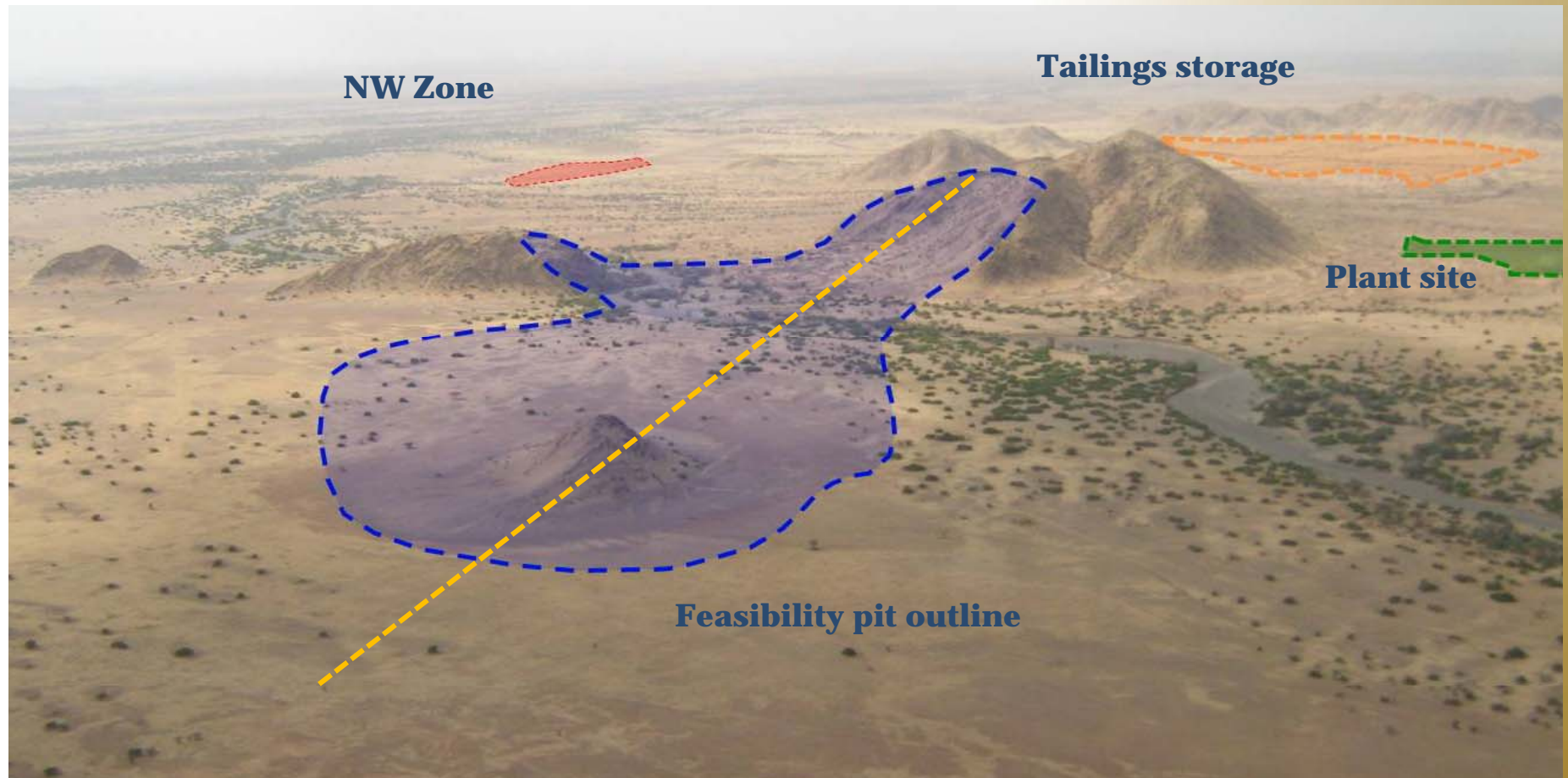


*Forward Looking Statements:* This presentation contains forward looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Factors that could cause such differences include: changes in world commodity markets, financial markets, costs and supply of materials relevant to the mining industry, change in government and changes to regulations affecting the mining industry. Although we believe the expectations reflected in our forward looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.





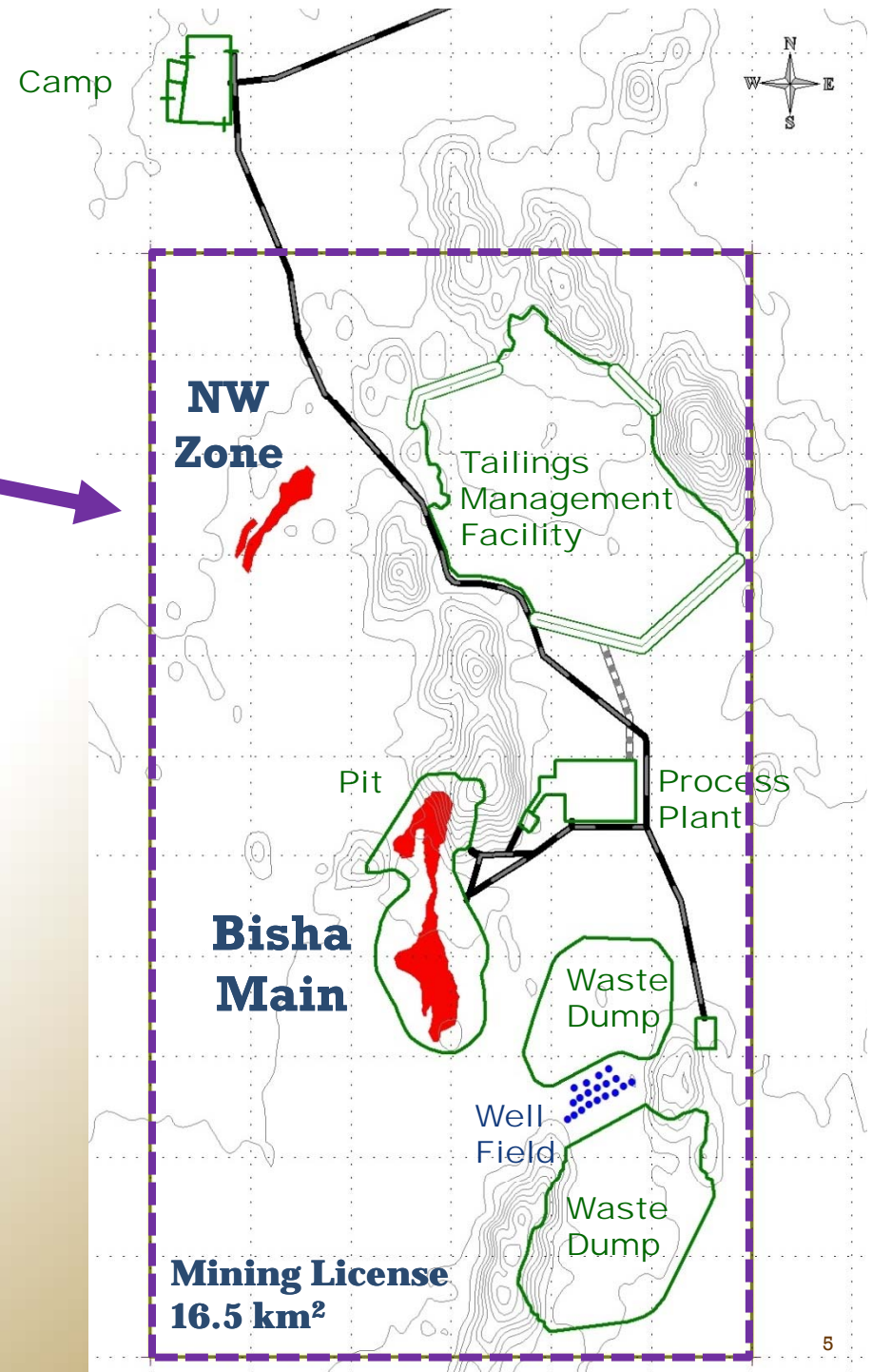
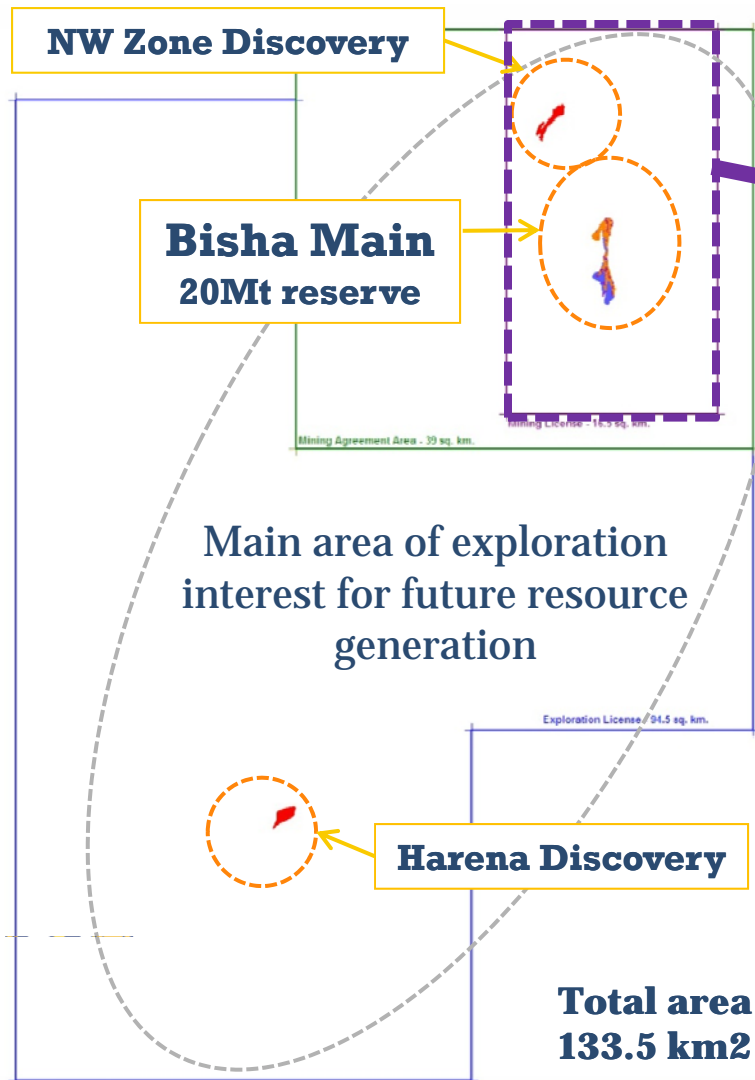
# Plant Site & Terrain





# Licensed Areas

& Further Exploration Upside







Preparing for Mill Installation

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## Mill Installation





**Mill Building (Front View)**











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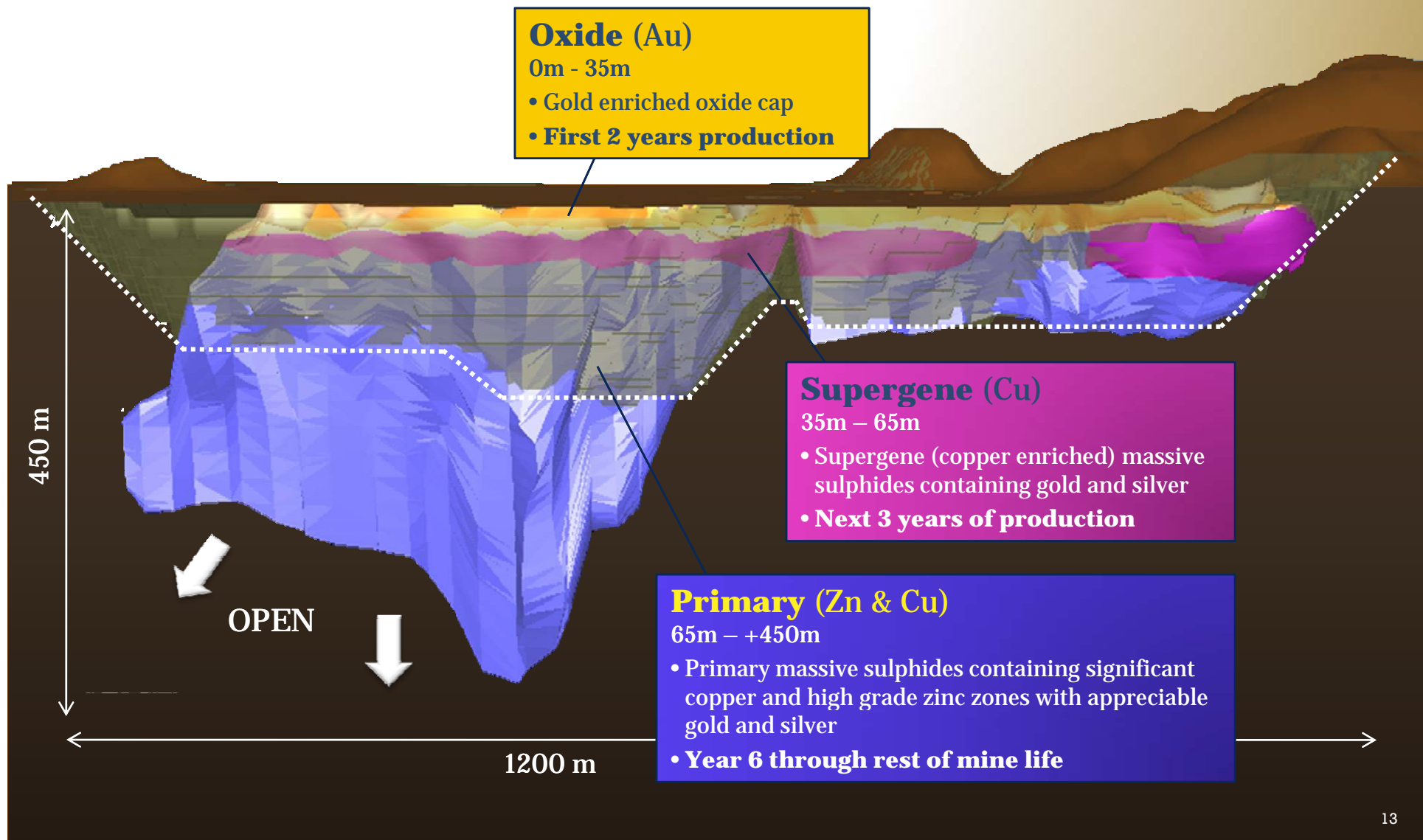


CIL Tank Top Bridges





# Mineralization & Zones



# Proven & Probable Reserves

| Ore Type                                    | Tonnage<br>(kt) | Au<br>(g/t) | Ag<br>(g/t) | Cu<br>(%) | Zn<br>(%) |
|---|-----------------|-------------|-------------|-----------|-----------|
| <i>Oxide</i>                                |                 |             |             |           |           |
| Proven                                      | 663             | 6.87        | 28.93       | -         | -         |
| Probable                                    | 3,353           | 8.21        | 33.62       | -         | -         |
| Combined Proven & Probable                  | 4,016           | 7.99        | 32.85       | -         | -         |
| <i>Supergene</i>                            |                 |             |             |           |           |
| Proven                                      | 808             | 0.81        | 44.74       | 5.10      | -         |
| Probable                                    | 5,542           | 0.83        | 34.71       | 4.30      | -         |
| Combined Proven & Probable                  | 6,350           | 0.83        | 35.98       | 4.40      | -         |
| <i>Primary</i>                              |                 |             |             |           |           |
| Proven                                      | 353             | 0.82        | 65.56       | 1.10      | 11.38     |
| Probable                                    | 9,360           | 0.76        | 53.57       | 1.15      | 7.05      |
| Combined Proven & Probable                  | 9,713           | 0.76        | 54.00       | 1.14      | 7.21      |
| <b>Total Combined Proven &amp; Probable</b> | <b>20,079</b>   |             |             |           |           |



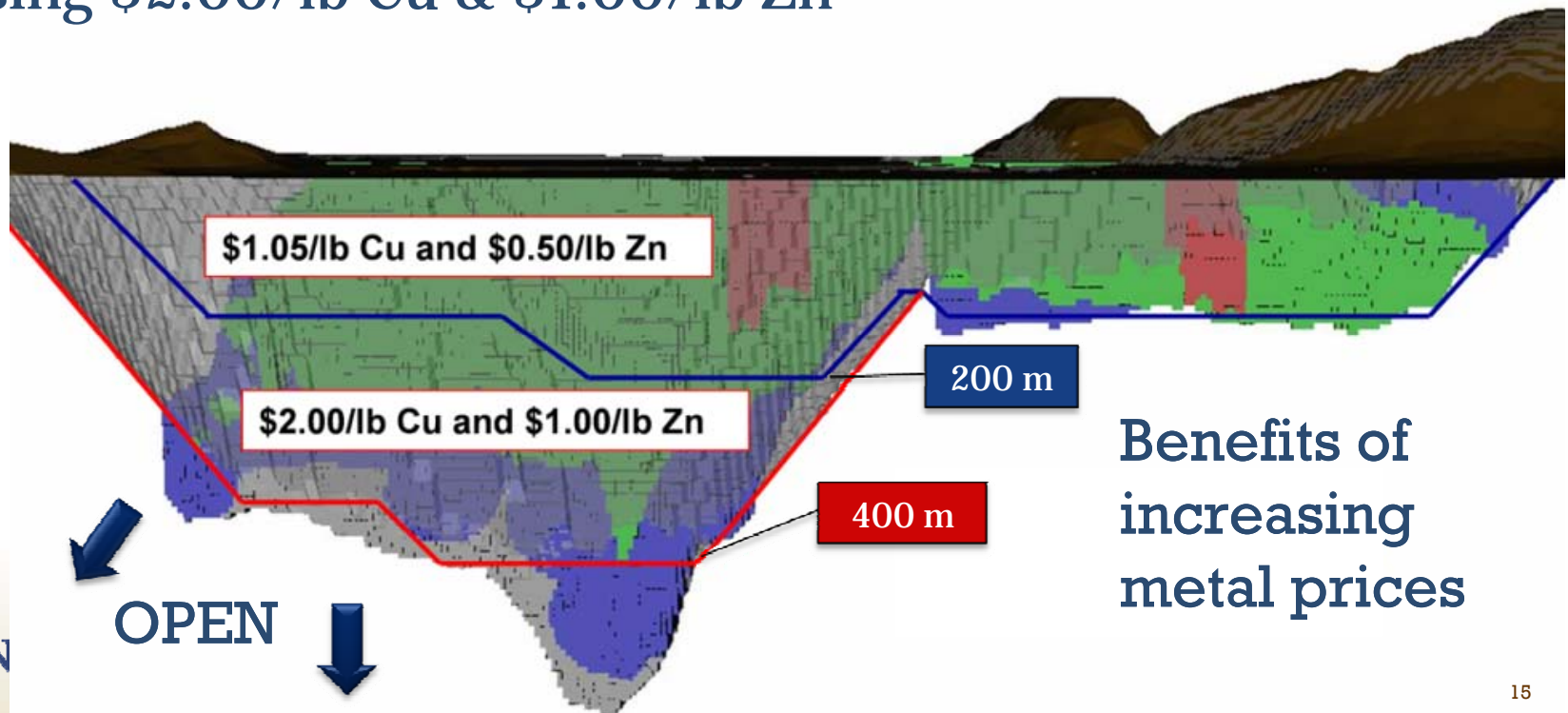
**20M tonnes based on**  
**US \$400 /oz Au | \$1.05 /lb Cu | \$0.50 /lb Zn**



# Opportunity

## Reserve expansion at depth

- **Blue Line:** Shallow pit—10 year mine life model using low metal prices of \$1.05/lb Cu & \$0.50/lb Zn
- **Red Line:** Potential additional reserves to depth when using \$2.00/lb Cu & \$1.00/lb Zn



# Production

| Years               | 1            | 2 | 3               | 4 | 5 | 6                 | 7 | 8 | 9 | 10 |
|---------------------|--------------|---|-----------------|---|---|-------------------|---|---|---|----|
|                     | OXIDE        |   | SUPERGENE       |   |   | PRIMARY           |   |   |   |    |
| Oxide Processing    |              |   |                 |   |   |                   |   |   |   |    |
| Gold                | 900,000 oz   |   | 80,000 oz       |   |   | 80,000 oz         |   |   |   |    |
| Silver              | 1,535,000 oz |   | 3,040,000 oz    |   |   | 4,690,000 oz      |   |   |   |    |
| Sulphide Processing |              |   |                 |   |   |                   |   |   |   |    |
| Copper              |              |   | 538,000,000 lbs |   |   | 196,000,000 lbs   |   |   |   |    |
| Zinc                |              |   |                 |   |   | 1,075,000,000 lbs |   |   |   |    |

## Capital Costs

- Pre-production CAPEX \$260 M

## Operating Costs

All in, including all royalties:

|             | <u>With Credits</u> | <u>W/O Credits</u> |
|-------------|---------------------|--------------------|
| Gold        | \$210 /oz           | \$230 /oz          |
| Copper (SG) | \$0.67 /lb          | \$0.90 /lb         |
| Copper (P)  | \$0.54 /lb          | \$1.19 /lb         |
| Zinc (P)    | \$0.50 /lb          | \$0.54 /lb         |

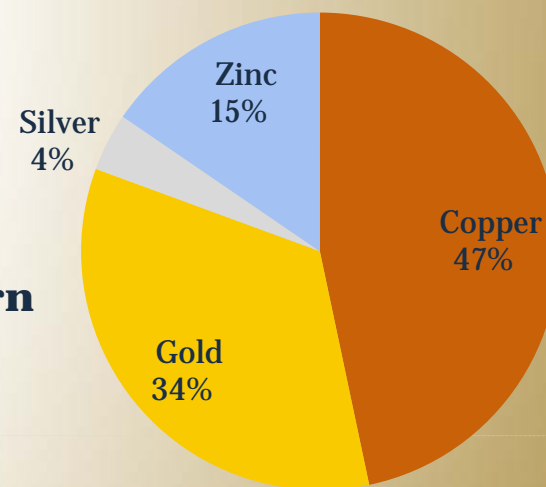


# Bisha Net Cash Flow

(after tax & CAPEX)

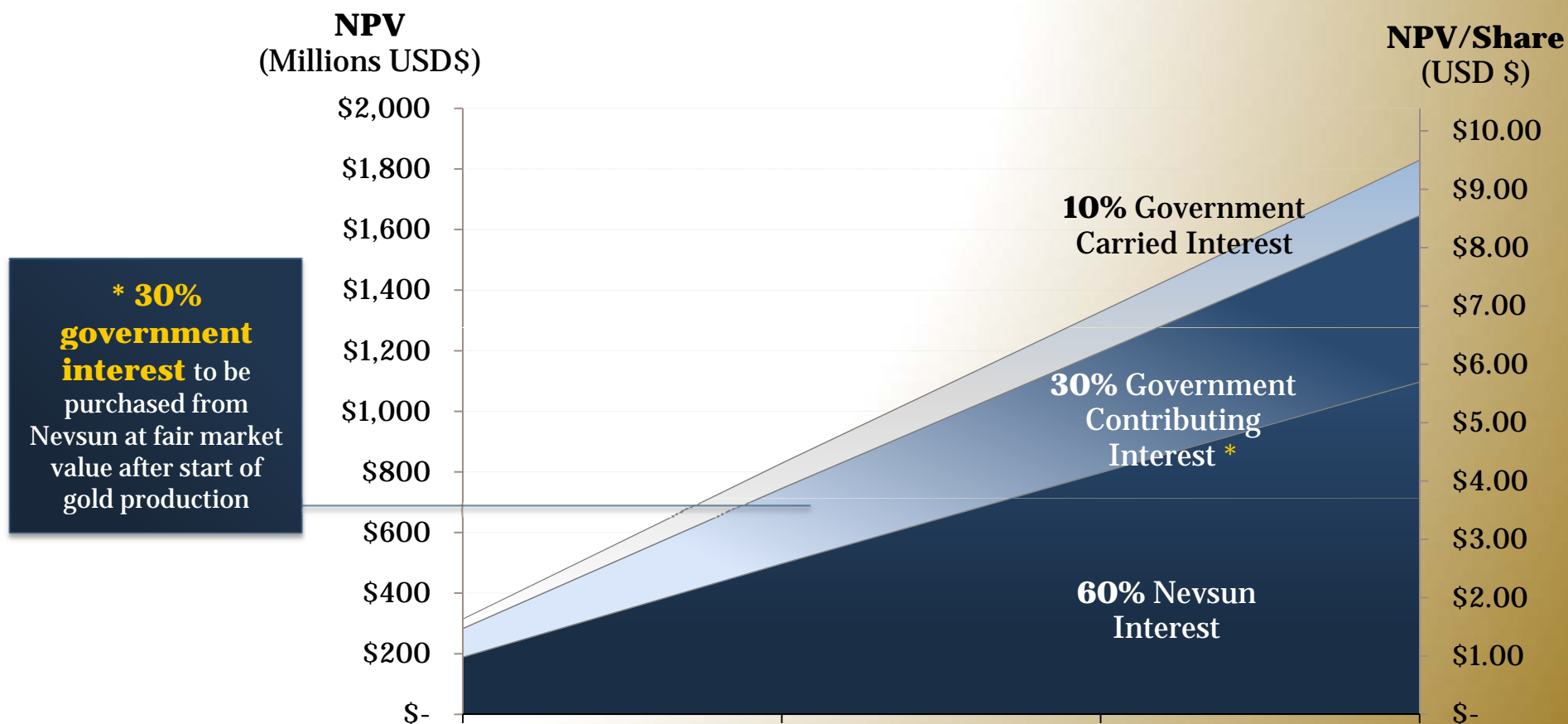
**Net Cash Flow**  
(USD \$ Million)

**Net Smelter Return**



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# Present Value of Bisha at Various Metal Prices



|               |        |         |         |         |
|---------------|--------|---------|---------|---------|
| <b>Gold</b>   | \$600  | \$900   | \$1,200 | \$1,500 |
| <b>Copper</b> | \$1.50 | \$2.25  | \$3.00  | \$3.75  |
| <b>Silver</b> | \$8.00 | \$12.00 | \$16.00 | \$20.00 |
| <b>Zinc</b>   | \$0.50 | \$0.75  | \$1.00  | \$1.25  |

As at December 31, 2009. NPV discounted at 5%





# Share Structure

**TSX: NSU | NYSE AMEX : NSU**

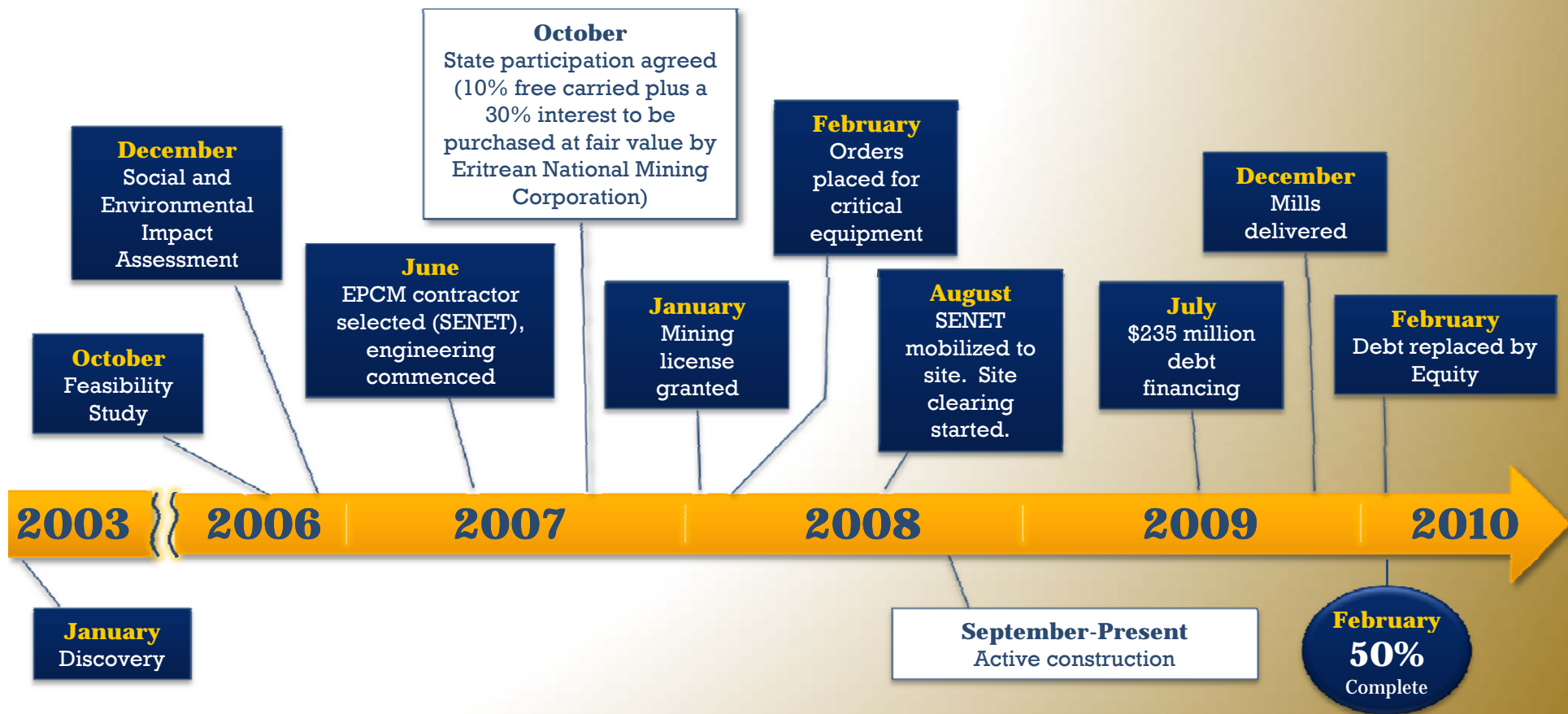
**As at March 31, 2010**

|                           |         |
|---------------------------|---------|
| <b>Shares Outstanding</b> | 192.6 M |
| <b>Options</b>            | 7.7 M   |
| <b>Fully Diluted</b>      | 200.3 M |
| <b>Cash</b>               | \$115 M |
| <b>Market Cap</b>         | \$584 M |

## **Analyst Coverage**

- Canaccord Capital
- Haywood Securities Inc.
- TD Newcrest
- GMP Securities Europe LLP
- Resource Capital Research
- Edison Investment Research

# Bisha Milestones





# Investment Summary

- Very strong support from Government of Eritrea
- Low cost gold and base metal production
- Fast project payback
- Growth opportunities at depth on Bisha and within the Bisha land package
- Government to pay Nevsun for 30%
- After tax IRR >50%
- WORLD CLASS in profitability
- Near term production
- Fully Financed
- No Hedge



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# Risk Management

## ■ UN Sanctions

- Arms embargo, travel restrictions, asset freeze
- No impact to Bisha construction or operations

## ■ Finance

- Fully Financed
- Eritrean partner backing
- Major Shareholder backing

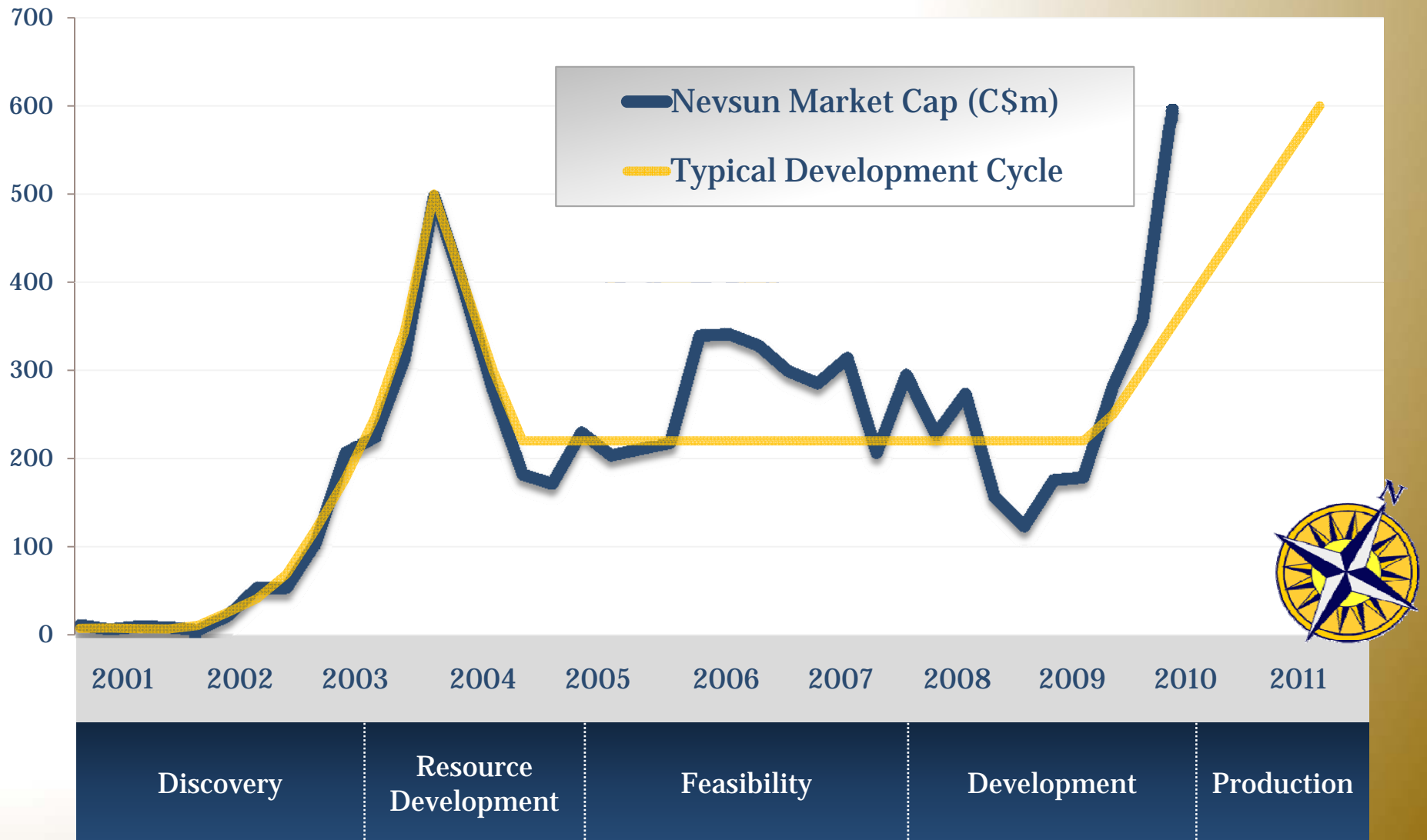
## ■ Construction / Commissioning Risks

- EPCM & local contractors performing well
- Over 50% Complete
- Experienced key personnel in place





# Development Cycle & Market Cap



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