



NEWS RELEASE

December 7, 2016

Nevsun Reports Upper Zone Drill Results at Timok

Nevsun Resources Ltd. (TSX:NSU) (NYSE MKT:NSU) ("Nevsun" or the "Company") is pleased to announce new assay results from on-going drilling of the Upper Zone at the Company's Timok copper-gold project ("Timok Project").

HIGHLIGHTS

- **Drilling continues to confirm continuity and the high-grade nature of the Upper Zone**
- **New massive and semi-massive sulphide intersections include:**
 - TC160121: 182.3m @ 4.17% Cu, 4.80g/t Au, including 40.5m @ 11.61% Cu, 12.9g/t Au
 - TC160119: 86.2m @ 9.47% Cu, 8.83g/t Au, including 46.5m @ 15.61% Cu, 11.29g/t Au
 - TC160117: 98.8m @ 9.82% Cu, 8.86g/t Au, including 33.0m @ 20.04% Cu, 14.35g/t Au
 - TC160114: 171.0m @ 4.94% Cu, 5.21g/t Au, including 10.5m @ 11.09% Cu, 17.82g/t Au and 24.0m @ 10.27% Cu, 6.71g/t Au, and 7.5m @ 7.88% Cu, 3.78g/t Au
- **Additional 18,500m of drilling in progress to further improve confidence in the resource**

Nevsun CEO, Cliff Davis, commented, "The assays reported today represent about 25% of the planned in-fill drilling designed to confirm and upgrade the resource of the Timok Upper Zone mineralization. The work on our Pre-Feasibility Study is progressing well. Recent meetings with both the Prime Minister of Serbia and the Minister of Mines and Energy have demonstrated the State's very strong support for international investment and in particular, the development of the Timok Project."

Detailed drill results, sections and a plan map of drill hole locations are attached to this news release. Holes are designed to intersect the high sulphidation mineralization at 90 to 100% of true width.

Timok Copper-Gold Project

The Timok Project is located in eastern Serbia near the Bor mining and smelting complex. The Timok Project is focussed on the Cukaru Peki ("Timok") deposit which includes the high grade Upper Zone (characterized by massive and semi-massive sulphide mineralization) and the Lower Zone (characterized by porphyry-style mineralization). The Upper Zone has an extremely high copper and gold content consisting of 1.7 million tonnes of indicated resource grading 13.5% copper and 10.4 g/t gold and 35.0 million tonnes of inferred resource grading 2.9% copper and 1.7 g/t gold.

Timok Upper Zone

The high sulphidation epithermal ("HSE") mineralization in the Upper Zone comprises massive sulphide, semi-massive and also vein, stockwork, dissemination and hydrothermal breccia matrix sulphide hosted by strongly altered andesite. The HSE mineralization forms a single coherent zone at depths ranging from 400 to over 800m below surface. Pyrite is the dominant sulphide mineral and covellite the principal copper mineral with lesser enargite, bornite and chalcocite occurring in veins, hydrothermal breccias, disseminations and replacement. Gold is associated primarily with the copper sulphides.

Quality Assurance

Drill core samples were collected in accordance with protocols that are compatible with accepted industry procedures and best practice. The Company conducts its own analysis of QAQC generated by the systematic inclusion of certified reference materials, blank samples and duplicate samples. The analytical results from the quality control samples have been evaluated and have been demonstrated to conform to best practice standards.

Mr. Peter Manojlovic, P.Geo., Nevsun's VP Exploration, is a Qualified Person as defined by NI 43-101. Mr. Manojlovic has reviewed the technical content of this press release and approved its dissemination.

About Nevsun Resources Ltd.

Nevsun Resources Ltd. is the 60% owner of the high grade Bisha Mine in Eritrea. Bisha has nine years of reserve life, generating revenue from both copper and zinc concentrates containing gold and silver by-products. Nevsun has a strong balance sheet, no debt and pays a peer leading quarterly dividend. Nevsun is well positioned to grow shareholder value through exploration at Bisha and the newly acquired Serbian assets that include the high-grade copper-gold Timok Project.

Forward Looking Statements

The above 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. 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 made concerning: statements relating to the business, prospects and future activities of, and developments related to the Company, anticipated dividends, goals, strategies, future growth, planned future acquisitions and explorations activities, the adequacy of financial resources and other events or conditions that may occur in the future, and are inherently uncertain. The actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, the risks that are more fully described in the Company’s Management Information Circular dated May 18, 2016, and the Company’s Annual Information Form for the fiscal year ended December 31, 2015, which are incorporated herein by reference. 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 Annual Information Form for the year ended December 31, 2015, 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.

NEVSUN RESOURCES LTD.

“Cliff T. Davis”

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President & Chief Executive Officer
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Figure 1: Surface Plan Map Showing Location of Current Drill Holes and Results

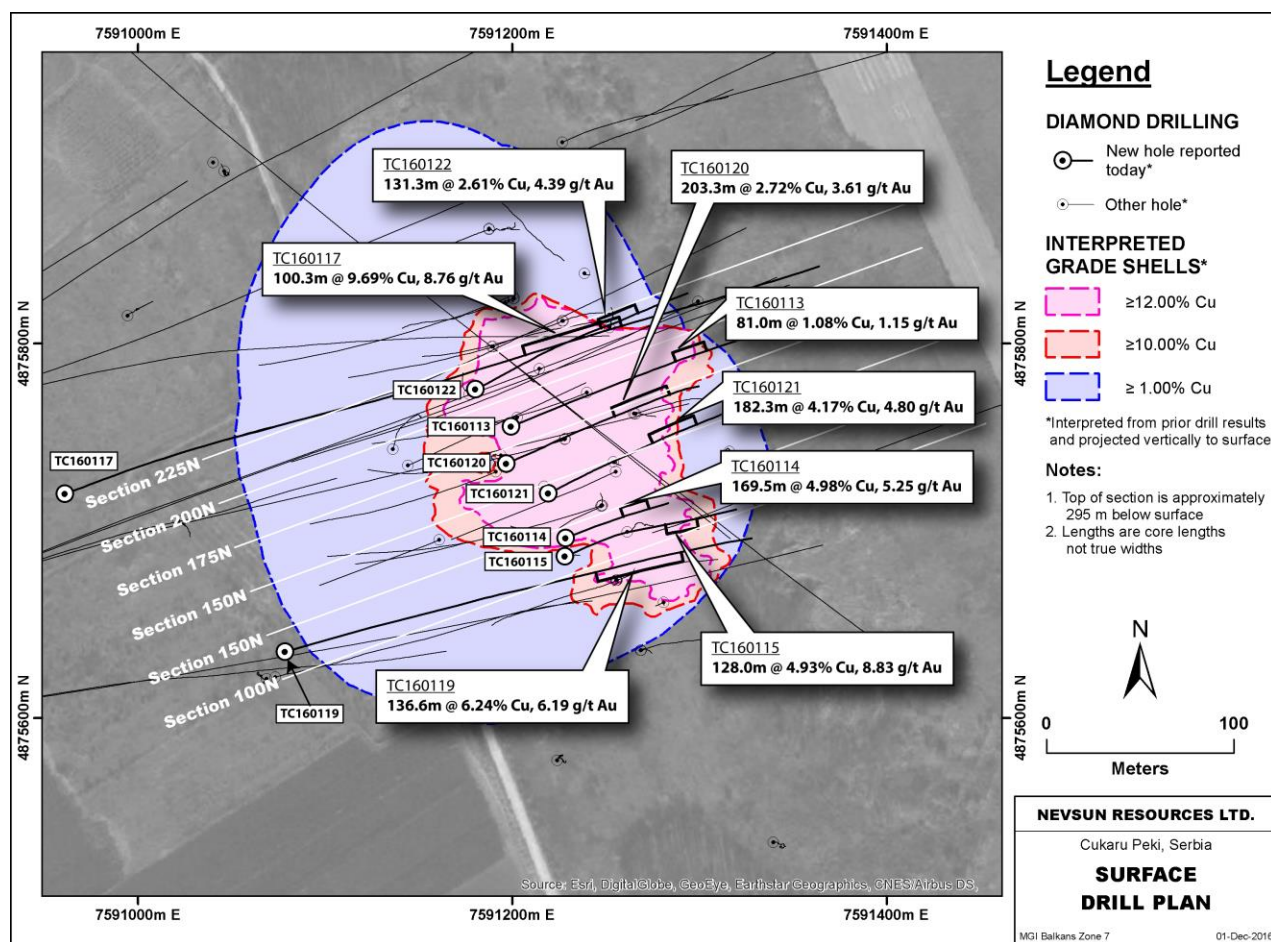


Table 1: 2016 Timok Upper Zone Drilling Results

Hole ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)
TC160113	490.2	571.2	81.0	1.08	1.15
including	515.7	521.7	6.0	7.64	6.49
TC160114	458.5	628.0	169.5	4.98	5.25
including	458.5	467.5	9.0	12.84	20.57
and	512.5	530.5	18.0	11.60	7.97
TC160115	461.2	589.2	128.0	4.93	8.83
including	500.2	525.7	25.5	15.52	16.61
TC160117	503.7	604.0	100.3	9.69	8.76
including	524.7	557.7	33.0	20.04	14.35
TC160119	501.4	638.0	136.6	6.24	6.19
including	548.8	595.3	46.5	15.61	11.29
TC160120	439.4	642.7	203.3	2.72	3.61
including	439.4	472.4	33.0	8.15	15.49
TC160121	449.0	631.3	182.3	4.17	4.80
Including	460.3	500.8	40.5	11.61	12.90
TC160122	466.5	597.8	131.3	2.61	4.39
Including	493.5	527.3	33.8	6.24	6.77

Holes are drilled near vertically and approximately perpendicular to the top of the HSE zone and are estimated to be between 90 and 100% of true thickness.

Table 2: Collar Details

Hole ID	Easting (m)*	Northing (m)*	Elevation (m)*	Depth (m)	Dip (°)	Azimuth (°)	Section
TC160113	7591199.165	4875755.699	395.383	735.00	-80.304	68.117	200N
TC160114	7591228.363	4875696.162	394.808	738.10	-86.991	68.022	125N
TC160115	7591228.026	4875686.293	394.851	758.90	-82.978	68.085	100N
TC160117	7590960.652	4875719.772	398.014	800.50	-60.788	69.787	225N
TC160119	7591078.276	4875635.334	397.939	746.50	-69.726	73.555	100N
TC160120	7591196.592	4875735.951	395.486	741.00	-81.867	67.132	175N
TC160121	7591219.028	4875719.925	395.110	743.60	-81.103	65.053	150N
TC160122	7591180.098	4875775.662	395.803	771.20	-81.796	65.213	225N

Figure 2: Section 100N

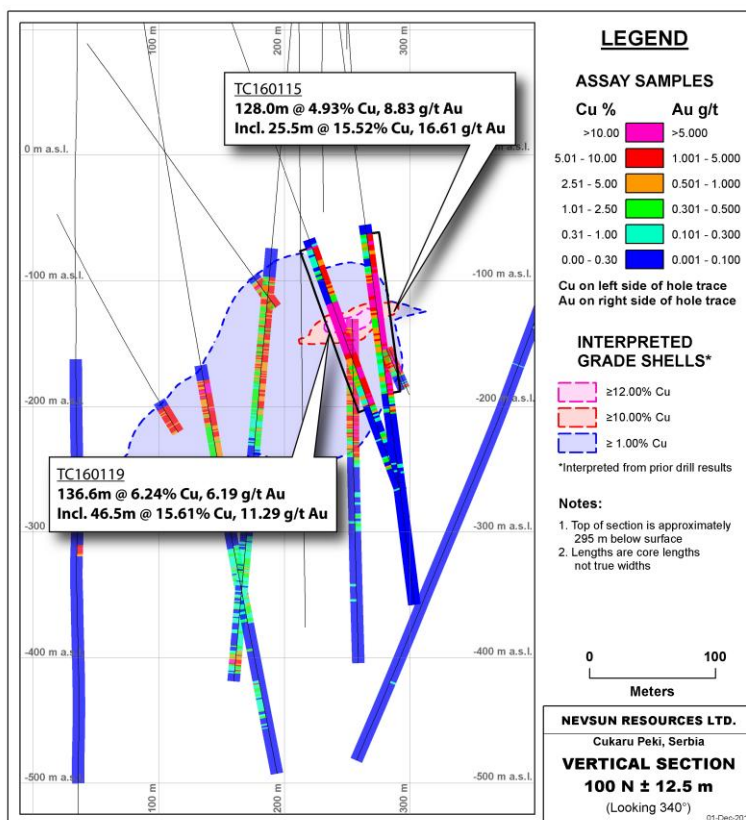


Figure 3: Section 125N

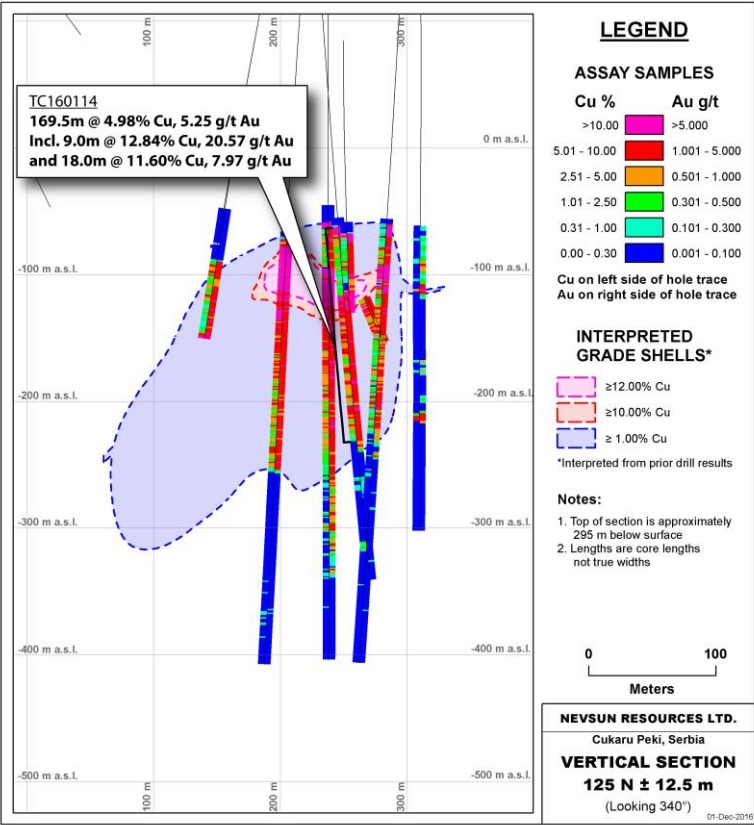


Figure 4: Section 150N

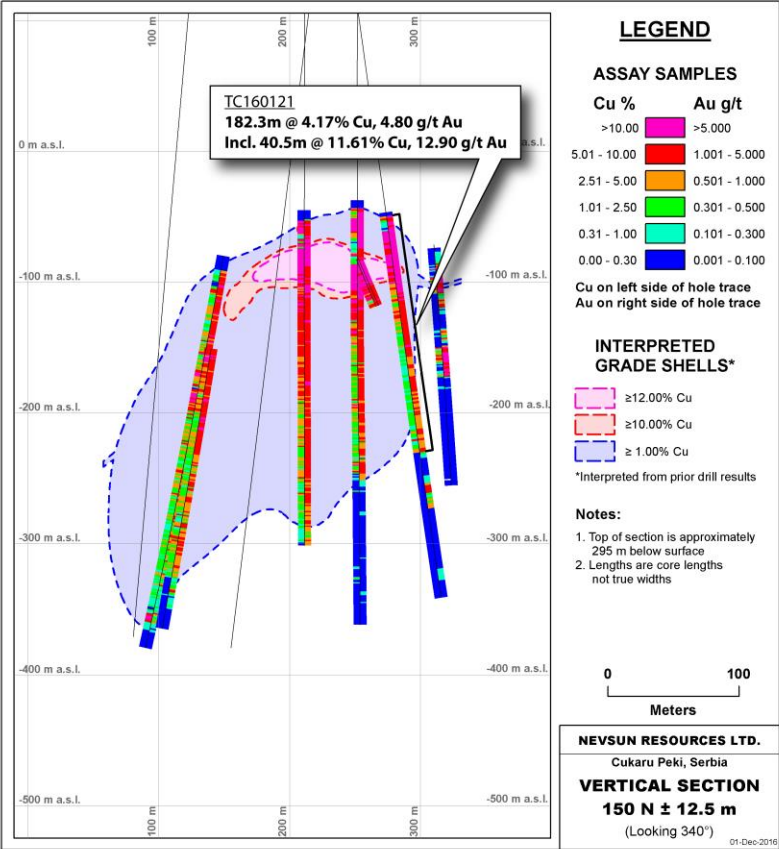


Figure 5: Section 175N

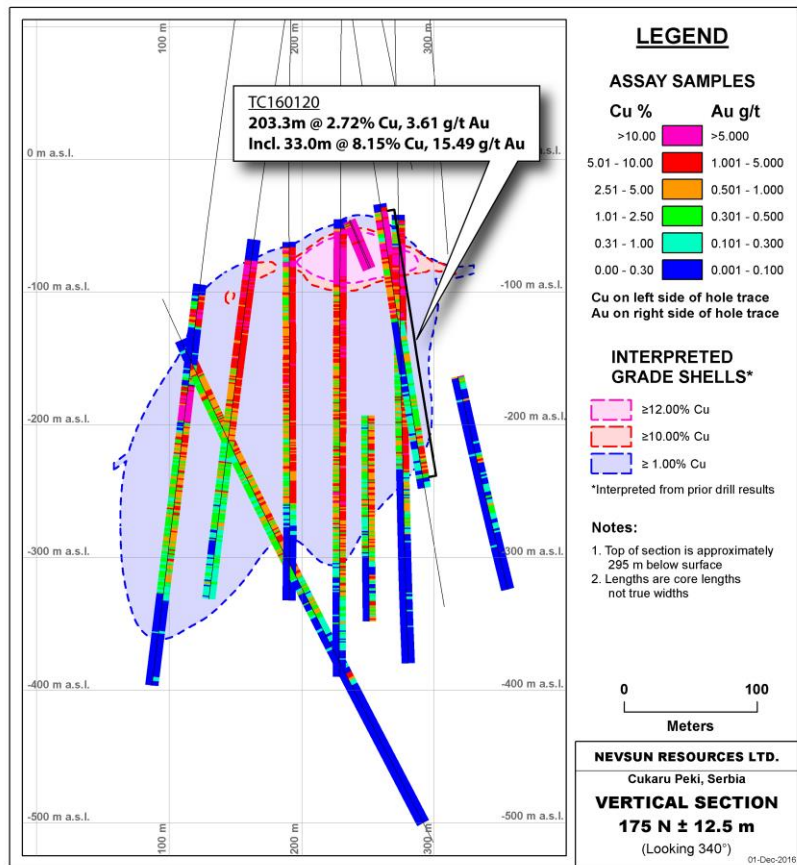


Figure 6: Section 200N

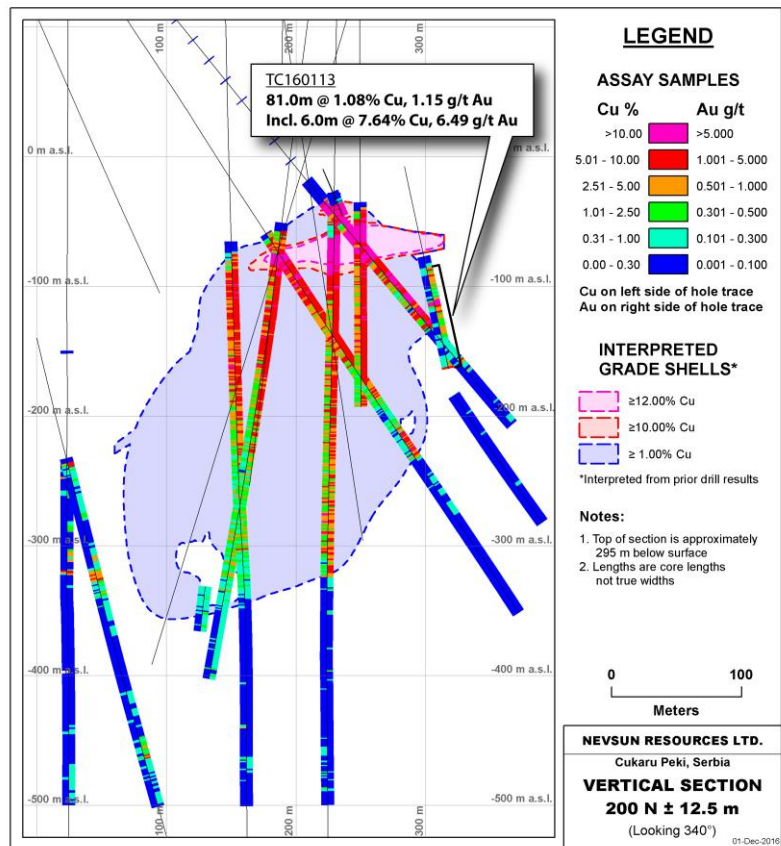


Figure 7: Section 225N

